



Staff Report

Date: October 15, 2021
To: North Coast Regional District Board
From: D. Fish, Chief Administrative Officer
Subject: Bylaw No. 676, 2021 – Regional Broadband Contribution Service

RECOMMENDATION:

THAT the Staff Report entitled “Bylaw No. 676, 2021 – Regional Broadband Contribution Service” be received;

AND THAT the Board pass 3 readings to Bylaw No. 676, 2021.

PURPOSE:

The purpose of this report is to present two (2) proposed regional service establishing bylaws to facilitate the contribution of capital funds for broadband infrastructure in the North Coast Regional District (NCRD) for consideration. The variation between bylaws is the intended use of revenue earned under agreement with the recipient of capital financing. Attachment A contemplates that revenues will be used toward community projects into the future, whereas Attachment B contemplates that revenue will be used to provide grants and other forms of assistance to community groups.

POLICY ANALYSIS:

In order to operate a service, the *Local Government Act* requires the Board to adopt an establishing bylaw. Approval of the electors must be obtained and may be achieved, in this instance, through an Alternative Approval Process (AAP).

BACKGROUND:

In January 2018, it was announced that the [Connected Coast project](#) was successful in attracting \$45.5 million in federal and provincial funding. The Strathcona Regional District (SRD) and CityWest entered into a memorandum of understanding to facilitate a continued collaborative approach to the project.

In May 2021, CityWest was awarded approximately \$10.3 million from the [Connected British Columbia](#) funding program to enhance connectivity for more than 2,800 households throughout coastal B.C. through 6 distinct coastal projects.

The Board is considering a proposed partnership agreement with CityWest for the delivery of broadband service throughout the NCRD. In order to do so, a service must first be established.

DISCUSSION:

Bylaw 676A, 2021

Attachment A is the Regional Broadband Contribution Service Establishing Bylaw No. 676A, 2021 (Bylaw) that includes the entirety of the NCRD.

In summary:

- “Broadband infrastructure” is defined as infrastructure that supports or enables access to high-speed internet and other communication or telecommunication networks;
- “Community projects” is defined as projects that generate improved and broadly shared economic well-being and quality of life in the North Coast Regional District, and without limitation includes broadband services;
- The service established provides for capital financing toward broadband infrastructure and the use of future revenues earned under agreement to be used toward community projects;
- The service area has been defined as the entirety of the NCRD;
- Service participants have been defined as all municipalities and electoral areas within the NCRD; and
- Costs are recovered through property value taxes and revenues by way of agreement, gift, grant or otherwise, and are apportioned on the basis of converted value of land and improvements in the service area.

The Comox Valley Regional District (CVRD) has initiated an AAP for a similar bylaw. The difference being that the CVRD intends to use revenues to provide grants and other forms of assistance to residents and community organizations within the service area. The proposed CVRD bylaw has received approval from the Inspector of Municipalities.

Bylaw 676B, 2021

Attachment B is the Regional Broadband Contribution Service Establishing Bylaw No. 676B, 2021 (Bylaw) that includes the entirety of the NCRD.

In summary:

- “Broadband infrastructure” is defined as infrastructure that supports or enables access to high-speed internet and other communication or telecommunication networks;
- The service established provides for capital financing toward broadband infrastructure and the use of future revenues earned under agreement to be used toward providing grants and other forms of assistance that benefit residents and community organizations within the service area;
- The service area has been defined as the entirety of the NCRD;
- Service participants have been defined as all municipalities and electoral areas within the NCRD; and
- Costs are recovered through property value taxes and revenues by way of agreement, gift, grant or otherwise, and are apportioned on the basis of converted value of land and improvements in the service area.

The CVRD has initiated an AAP for a similar bylaw. The proposed CVRD bylaw has received approval from the Inspector of Municipalities.

Adoption of a service establishing Bylaw is the next step required to move forward with a proposed partnership agreement.

Following three readings, the Bylaw will be forwarded to the Inspector of Municipalities for statutory approval. Once statutory approval has been granted, the Board may initiate an AAP for the establishment of the service.

The following is an estimated timeline for the service establishment:

SCHEDULE	ACTION
October 15, 2021	Board passes 3 readings to Bylaw
October 18, 2021	Bylaw is provided to Inspector of Municipalities for statutory

	approval
November 19, 2021	Board establishes elector response form, elector response deadline, and determines total number of electors for AAP
December 2, 2021	First publication of AAP notice
December 9, 2021	Second publication of AAP
January 14, 2022	Deadline for AAP responses
January 21, 2022	If elector approval is received, Board adopts Bylaw

FINANCIAL IMPLICATIONS:

In a review of the proposed service, it is estimated that the costs to establish and develop this service will be approximately \$40,000 in the first years (this includes costs to establish the service through an Alternative Approval Process (AAP) as well as legal costs.

These costs are equivalent to \$0.0108615 per \$1,000 of assessment. After establishment, administration costs associated with this service are estimated to be \$0.00543075 per \$1,000 of assessment. For example, a \$500,000 property will pay approximately \$5.43 in year 1, and approximately \$2.72 in subsequent years.

LEGAL IMPLICATIONS:

Legal counsel has been engaged and continues to provide advice to the NCRD on how best to structure the project to minimize liability to the NCRD. Project risks will continue to be identified and managed and legal advice sought where required.

STRATEGIC PLAN IMPLICATIONS:

The NCRD Board identified working to diversify the regional economy, building awareness of the North Coast, and increasing local agency over resources as a strategic goal within its 2018-2022 strategic plan.

- 1. Environment & Climate Change
- 2. First Nations
- 3. Governance
- 4. North Coast Community
- 5. Economy**
- 6. NCRD Corporation

RECOMMENDATION:

Staff is recommending that the Board pass three readings of Bylaw No. 676, 2021. Subsequently, the Bylaw will be provided to the Inspector of Municipalities for approval prior to the Board establishing an Alternative Approval Process for the Bylaw.