

**AGENDA**  
**ENVIRONMENT AND NATURAL AREAS ADVISORY COMMITTEE**  
**Committee Room 2, Municipal Hall**  
**Tuesday March 28, 2017, 5:00 PM – 7:00 PM**

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1. **ADOPTION OF MINUTES** (attachment)
  - Adoption of January 12, 2017 minutes.
2. **TREE BYLAW** (attachment)
  - Update and group discussion with the Senior Manager Parks
3. **UPTOWN DOUGLAS CORRIDOR PLAN UPDATE**
  - Presentation from Planning
4. **ROLLO REPORT** (previously distributed)
  - Group discussion led by the Manager of Environmental Services
5. **CONSERVATION TAX INCENTIVE PROGRAM** (attachment)
  - Group discussion led by the Manager of Environmental Services
6. **UPDATES**
  - Suggested future topics by Committee Members-including The West Coast Environmental law Initiative
  - EDPA Public Participation Report and the EDPA Tracking report (previously distributed)
  - Plastic Bag motion from Council
  - ENA Awards

Adjournment \*\*  
Mark your calendars:  
**Next Regular Meeting is April 25, 2017**

**To ensure a quorum, please call Elizabeth van den Hengel  
at 475-1775 ext. 3430, if you are unable to attend**

**GO GREEN**  
**Members are encouraged to bring a mug to the meeting**

**MINUTES**  
**ENVIRONMENT AND NATURAL AREAS ADVISORY COMMITTEE**  
Held at Saanich Municipal Hall, Committee Room No. 2  
**January 24, 2017 at 5:15 p.m.**

**Present:** Councillor Leif Wergeland (Chair), Harry Drage, Hal Gibbard, Kevin Brown, Mary Haig-Brown, Roberta Hesselgrave, Al-Nashir Charania

**Staff:** Adriane Pollard, Manager of Environmental Services; Elizabeth van den Hengel, Committee Clerk

**Regrets:** George Klima, Jude Coates

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**MINUTES**

**MOVED by K. Brown and Seconded by A. Charania: "That the Minutes of the Environment and Natural Areas Advisory Committee meeting held November 22, 2016."**

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**CARRIED**

**INTRODUCTIONS**

The Chair welcomed Committee members for the 2017 ENA Advisory Committee term.

**2017 MEETING SCHEDULE**

The ENA Advisory Committee will meet from 5:00-7:00 pm the second Thursday of the month, with no regular meetings schedule for July, August and December 2017.

**CONSERVATION TAX CREDIT**

The Manager of Environmental Services led a continuing discussion on the topic of conservation tax credits. The following highlights are noted:

- Conservation tax credits are good incentive to help encourage private landowners to protect environmentally sensitive areas on their land.
- If a conservation tax credit program is initiated it may be a provincial program.
- Currently the provincial government has allowed municipalities to all conservation tax credits for riparian areas. Provincial legislation would be required to offer more comprehensive conservation tax credit opportunities for private landowners.
- Loss of development potential could be offset by the property tax break.
- Conservation tax credits are intended to support valuable environmental assets. Financial help to the individual to maintain environmental assets independent of land value.
- Financial implications to Saanich from a conservation tax credit program would potentially be minimal as Saanich has a municipal solicitor.
- BC Assessment Authority would determine the value of the covenanted land.
- If a conservation tax credit program was adopted would Saanich determine the land that would be appropriate to covenant or is it open to all land owners?
- Saanich has 300-500 properties with a natural state covenant attached. The majority of these properties were covenanted through the subdivision rezoning process.

- Ideally a Saanich conservation tax credit program would:
  - Enable Saanich to have flexibility to create the inclusion criteria
  - Enable Saanich to determine the funding mechanism
- Research the costs of EDPA implementation and associated costs to extrapolate what potential costs associated with a conservation tax credit program may be.
- Distinguish between the Conservation Tax Incentive Plan (CTIP) and the Natural Area Protection Tax Exemption Plan (NATEP) process. If the province goes forward with the CTIP, will the NATEP become obsolete?
- How many properties in Saanich that are not in the EDPA would be eligible for the CTIP?
- A list of the types of NATEPs and their associated financial implications should be compiled.
- Does local government have the capacity to undertake the work of a CTIP?

## UPDATES

### Gypsy Moth

The Manager of Environmental Services updated the Committee on the planned aerial spraying for the Gypsy moth. An application for Bear Hill Regional Park for an aerial spraying of BTK has been made. BTK is non-toxic to vertebrates and invertebrates. An open house is planned for assisting the public to understand the process and the benefits and risks of aerial BTK spraying. More information is available on the provincial web-site.

### Tree Protection Bylaw

The Manager of Environmental Services updated the Committee on the Tree Protection Bylaw. Council requested that the Tree Protection Bylaw be considered by the ENA Committee. The Senior Manager Parks and the Acting Manager of Urban Forestry and Horticulture will be invited to speak further on the Tree Protection Bylaw.

## ADJOURNMENT

The meeting adjourned at 6:45 p.m.

## NEXT MEETING

Next meeting is scheduled for February 28, 2017.

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Councillor Wergeland, Chair

I hereby certify these Minutes are accurate.

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Committee Secretary

## **TREE PROTECTION BYLAW**

The Chair introduced the Acting Manager of Urban Forestry, Horticulture and Natural Areas. The Acting Manager of Urban Forestry, Horticulture and Natural Areas together with the Senior Manager, Parks gave the Committee an overview of the Tree Protection Bylaw and the Urban Forestry Strategy. The following was noted:

- The new Tree Protection Bylaw places more accountability on the landowner for removal and replacement of a tree.
- "Tree Banks" surety clause to plant replacement trees on public lands if space to plant on property being developed not suitable for tree replacement.
- Developers routinely plant more than the required number of replacement trees.
- A detailed guide to assist the public in determining which tree goes where is being developed.
- Communication is central to looking at Saanich projects through a tree protection lens.
- Raising public awareness on the positive aspects of preserving and increasing our tree stock will help to further the Urban Forest Strategy.
- Enforcement of the Tree Protection Bylaw is largely complaint driven enforcement.
- Building a database of Saanich trees over the next 3-5 years will give Council current hard data to review. Current retrospective analysis of the data available does not adequately capture the tree loss in Saanich.
- Some canopy loss may occur from the removal of non-protected trees.
- Removal of ornamental trees may result in conflicting data.
- Programs are in development to encourage the public to plant trees.

The Committee thanked the speakers for their presentation.

### **SIGNIFICANT TREE GRANT APPLICATION- SIGNIFICANT TREE #144- 3830 Nancy Hanks Street (Garry Oak)**

The following quotes were considered for pruning further to Permit No. TRP12324:

- Bartlett Tree Experts (\$1,144.50.00)
- Davey Tree Experts (\$920.00)
- Capital Tree Service (\$1396.50.00)

**Motion:**        **MOVED by J. Coates and Seconded by K. Brown: "That a grant of 50% of the estimate of \$920.00 provided by Davey Tree Experts be paid to the applicant."**

**CARRIED**

### **SIGNIFICANT TREE GRANT APPLICATION- SIGNIFICANT TREE #20- 314 Harriet Road (Garry Oak)**

The following quotes were considered for pruning further to Permit No. TRP12324:

- Davey Tree (\$708.75)
- Blue Collar (\$708.75)
- RC Tree (\$787.50)

**Motion:**        **MOVED by J. Coates and Seconded by K. Brown: "That a grant of 50% of the estimate of \$708.00 provided by Davey Tree Experts be paid to the applicant."**

**CARRIED**



DISTRICT OF SAANICH  
MINUTES OF THE COUNCIL MEETING  
HELD IN THE COUNCIL CHAMBERS  
SAANICH MUNICIPAL HALL, 770 VERNON AVENUE  
**MONDAY, JULY 11, 2016 AT 7:00 P.M.**

Present: **Chair:** Acting Mayor Brice  
**Council:** Councillors Brownoff, Derman, Haynes, Murdock (7:06 p.m.), Plant, Sanders and Wergeland  
**Staff:** Carrie MacPhee, Acting Chief Administrative Officer; Sharon Hvozdzanski, Director of Planning; Harley Machielse, Director of Engineering; Donna Dupas, Legislative Manager; and Lynn Merry, Senior Committee Clerk

Minutes

**ADOPTION OF MINUTES**

**MOVED by Councillor Derman and Seconded by Councillor Brownoff:**  
**"That Council adopt the minutes of the July 4, 2016 Council and Committee of the Whole meetings."**

**CARRIED**

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Councillor Murdock entered the meeting at 7:06 p.m.  
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**BYLAWS FOR FINAL READING**

2870-30  
Mortimer Street

**1765 MORTIMER STREET (A PORTION OF) – REZONING TO RS-4**  
Final Reading of "Zoning Bylaw, 2003, Amendment Bylaw, 2016, No. 9360". To rezone a portion of the subject property from RS-6 (Single Family Dwelling) zone to RS-4 (Single Family Dwelling) zone for a proposed subdivision to create one additional lot for single family dwelling use.

**MOVED by Councillor Haynes and Seconded by Councillor Wergeland:**  
**"That Bylaw No. 9360 be adopted by Council and the Seal of the Corporation be attached thereto."**

**CARRIED**

**PUBLIC INPUT ON COUNCIL AGENDA ITEMS**

Public Input on  
Council Agenda  
Items

1410-04  
Report – Council  
(Tree Protection  
Bylaw)

C. Thomson, Prospect Lake Road:  
"Tree Protection Bylaw" Referral:

- Trees help to reduce noise and pollution and contribute to overall health; they are the past inheritance and future legacy.
- Trees yield a flow of services including water purification, opportunities for recreation and habitat for plants and animals; tree protection should be a priority and the natural capital recognized.
- Saanich should recognize the economic value of trees and wetlands; Gibsons, BC's Eco-Asset Strategy should be reviewed and considered.

K. Harper, Bonair Place,:

"Tree Protection Bylaw" Referral:

- The bylaw should be reviewed but should be part of the Environmental Development Permit Area (EDPA) bylaw review; a holistic picture of the environment in Saanich is needed.

C. Davidson, West Saanich Road:

"Tree Protection Bylaw" Referral:

- There may be a need to be more restrictive to protect trees but there are already several bylaws and processes that do so; currently, tree loss is occurring due to climate change and viruses.

A. Bickerton, Burnside Road West:

"Tree Protection Bylaw" Referral:

- It may be necessary to assess the types, amounts and economic value of the Garry oak trees in Saanich; all trees should be protected, not just Garry oaks.
- The municipality's liability insurance may not be sufficient.
- Because of climate change, drought-resistant plants should be planted.

R. Wyksyk, Beam Crescent:

"Tree Protection Bylaw" Referral:

- Restrictive bylaws affect property owners; currently, there are requirements for arborists and biologists to provide reports to allow an owner to work on their property.
- There is a need to control invasive species in Saanich parks.

M. Ford, Excelsior Road:

"Tree Protection Bylaw" Referral:

- The bylaw does need improvement but a review may result in more layers of restricted control; the current bylaw speaks mostly to permitting and punishment and makes it difficult and costly to remove dead or dying trees.
- An objective third-party review would be appropriate.

B. Morrison, Woodhall Drive:

"Tree Protection Bylaw" Referral:

- It would be appropriate to review the bylaw in conjunction with the independent review of the EDPA bylaw.

L. Adams, Mountain Road:

"Tree Protection Bylaw" Referral:

- Trees are dying as a result of climate change; the bylaw is a burden on property owners.

## RECOMMENDATIONS FROM COMMITTEES

3030-30

Canada's 150<sup>th</sup>  
Sesquicentennial  
Celebration

### CELEBRATING CANADA'S SESQUICENTENNIAL

Recommendation from the June 23, 2016, Arts, Culture and Heritage Advisory Committee meeting that Council request staff to create a plan to celebrate Canada's 150 birthday in July, 2017.

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**MOVED by Councillor Sanders and Seconded by Councillor Derman: "That Council request staff create a plan to celebrate Canada's 150<sup>th</sup> birthday in July, 2017."**

Councillor Sanders stated:

- The Arts, Culture & Heritage Advisory Committee requests that staff plan 150<sup>th</sup> birthday celebrations in 2017 and looks forward to a number of celebrations taking place.

Councillor Derman stated:

- There may be federal grants available for local celebrations; this is a significant anniversary.

In response to questions from Council, the Senior Manager of Recreation Services stated:

- Celebrations would not be limited to July 1<sup>st</sup>; they could take place throughout 2017.

**MOVED by Councillor Plant and Seconded by Councillor Sanders: "That the motion be amended to remove the word July."**

Councillor Plant stated:

- The amendment allows for celebrations on dates other than July 1<sup>st</sup>.

**The Amendment to the Motion was then Put and CARRIED**

Councillor Brownoff stated:

- Tourism Victoria will be holding Tourism Vignettes of tourist destinations within Canada and Greater Victoria will be highlighted.

Councillor Sanders stated:

- The Arts, Culture and Heritage Advisory Committee recommended a sub-committee be established; the sub-committee will work with staff to coordinate and plan celebrations.
- This motion allows staff to start planning.

In response to questions from Council, the Senior Manager of Recreation Services stated:

- Staff will be brainstorming ideas for celebrations; no formal plan has been created at this time.

Councillor Murdock stated:

- He thanks Councillor Sanders and the Advisory Committee for bringing the recommendation forward; he looks forward to reviewing the plans.

Councillor Brice stated:

- The motion speaks to the role that staff will play.

**The Motion, as Amended, was then Put and CARRIED**

Item #2

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**REPORTS FROM MEMBERS OF COUNCIL****1410-04**

Report - Council

xref: 3030-30Canada's 150<sup>th</sup>  
Sesquicentennial  
Celebration**CANADA SESQUICENTENNIAL SUB-COMMITTEE**

Further to the Notice of Motion from the July 4, 2016 Council meeting. Report from Councillor Sanders dated July 7, 2016 recommending that Council support the establishment of a sub-committee of the Arts, Culture and Heritage Advisory Committee to coordinate Canada 150 events with staff and the community.

**MOVED by Councillor Sanders and Seconded by Councillor Murdock:**  
**"That Council support the establishment of a sub-committee of the Arts, Culture and Heritage Advisory Committee to coordinate Canada 150 events with staff and the community."**

**MOVED by Councillor Sanders and Seconded by Councillor Derman:**  
**"That the motion be amended by adding the words, as follows: Council support, in principle, the establishment of a sub-committee of the Arts, Culture and Heritage Advisory Committee to coordinate Canada 150 events with staff and the community, and that the Arts, Culture and Heritage Advisory Committee prepare Terms of Reference and a budget for consideration."**

Councillor Sanders stated:

- Celebrations will be taking place across the country and there are opportunities for Saanich to participate; there will be grants available that tie into celebrations.
- Celebrations across Canada will start on January 1<sup>st</sup> and continue through to December 31<sup>st</sup>, 2017.
- A sub-committee would work with staff, Community Associations and businesses to be part of Canada 150 events.

Councillor Wergeland stated:

- A sub-committee should include a cross-section of community members.

Councillor Derman stated:

- Terms of Reference could include the composition of the sub-committee; it is appropriate to create a sub-committee where there is an event or issue that requires extra attention.

Councillor Plant stated:

- He believes there will be a lot of interest from members of the public to participate; the work to be done will be shared by staff and the sub-committee.

In response to a question from Council, the Acting Chief Administrative Officer stated supporting the motion "in principle" would allow Council to consider the Terms of Reference and budget before moving forward with the establishment of the sub-committee.

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Councillor Haynes stated:

- The Terms of Reference will clarify the role of the sub-committee.

**The Amendment to the Motion was then Put and CARRIED**

**The Motion, as Amended, was then Put and CARRIED**

1410-04

Report - Council

**"TREE PROTECTION BYLAW, 2014, NO. 9272" REFERRAL**

Further to the Notice of Motion from the July 4, 2016 Council meeting. Report from Councillor Brownoff dated July 6, 2016 recommending that Council refer the "Tree Protection Bylaw, 2014, No. 9272" to the Environment and Natural Areas Advisory Committee for review and possible enhancements that could be made to minimize protected tree loss.

**MOVED by Councillor Brownoff and Seconded by Councillor Derman: "That Council refer "Tree Protection Bylaw, 2014, No. 9272" to the Environment and Natural Areas Advisory Committee for review and possible enhancements that could be made to minimize protected tree loss."**

Councillor Brownoff stated:

- Referral would address concerns of residents that protected trees are being removed during development without permits.
- The EDPA bylaw review is not being re-visited; Council has adopted a process for the review of the EDPA bylaw and that process will continue.
- New property owners may be not aware of protected trees or the need to protect and maintain them.
- The Environment and Natural Areas Advisory Committee (ENA) would review the bylaw and may make recommendations on items that should be addressed; after review, a report or recommendation would come back to Council for further discussion; further public input would take place at that time.

Councillor Derman stated:

- The "Tree Protection Bylaw" applies to all properties for protection of specific trees; the EDPA bylaw applies to some properties for protection of sensitive ecosystems and possible restoration.
- The purpose of the bylaw was to stop the loss of urban forest in Saanich.
- It is not logical to review the two bylaws together.
- It is not uncommon for bylaws to be reviewed periodically; amendments to the bylaw would require opportunities for public input.

Councillor Sanders stated:

- Residents have expressed concern of the impacts of protected trees and root zones on neighbouring properties.

Councillor Wergeland stated:

- It may be appropriate to postpone the discussion until after the EDPA bylaw review has been completed; the current bylaw is sufficient but may need to be reviewed in the future.

Councillor Murdock stated:

- The bylaw appears to be working but there may be opportunities for improvements; the Tree Protection Bylaw was a result of the Urban Forest Strategy.
- It protects and improves the tree canopy.

Councillor Haynes stated:

- The public has expressed concerns with the current bylaw; the bylaw is integral to the environment and it would have been preferable to have it included as part of the EDPA bylaw review.
- Public education is needed to better explain the bylaw; there may be an opportunity through the review process to address the education piece.

Councillor Brice stated:

- Referral is a first look at opportunities for improvements; it may be recommended that aspects of the bylaw be referred to the EDPA review.

In response to questions from Council, the Acting Chief Administrative Officer stated:

- The concerns identified by members of the public and Council in relation to the Tree Protection Bylaw may not necessarily be addressed by aligning the two processes in the EDPA bylaw review.
- The scope of work outlined in the RFP for the EDPA review does not include review of the Tree Protection Bylaw; the bidder on the RFP may not have the expertise to make recommendations.

In response to questions from Council, the Director of Planning stated:

- The Request for Proposal for the EDPA review will be posted within the next 60 days; once the RFP is posted, it would be too late to change the scope of work.

Councillor Murdock stated:

- Advisory committee meetings are open to the public; it would be beyond the mandate of the committee to embark on an independent public review process related to the bylaw.
- ENA would work with staff to make recommendations for Council's review.

**The Motion was then Put and CARRIED  
with Councillor Wergeland OPPOSED**

Adjournment

On a motion from Councillor Plant, the meeting adjourned at 8:15 pm.

The meeting reconvened at 9:17 pm.

**RECOMMENDATIONS***From the Committee of the Whole Meeting held July 11, 2016*

2860-20  
West Saanich  
Road

**4349, 4351 AND 4383 WEST SAANICH ROAD – DEVELOPMENT PERMIT  
AMENDMENT APPLICATION**

**MOVED by Councillor Haynes and Seconded by Councillor Brownoff:**

**“That:**

- a. Council approve and issue Development Permit Amendment DPA00857 on Lot B, Section 8A, Lake District, Plan EPP10139 (4349 West Saanich Road), Lot A, Section 8A, Lake District, Plan EPP10139 (4351 West Saanich Road), and Block A, Section 8A, Lake District (4383 West Saanich Road), excluding the provisions related to the freestanding sign; and,**
- b. The applicant consult with Planning staff to address the concerns raised with the freestanding sign.”**

**CARRIED**

Adjournment

On a motion from Councillor Plant, the meeting adjourned at 9:18 pm.

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ACTING MAYOR

I hereby certify these Minutes are accurate.

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MUNICIPAL CLERK

DISTRICT OF SAANICH  
MINUTES OF THE COMMITTEE OF THE WHOLE MEETING  
HELD IN THE COUNCIL CHAMBERS  
SAANICH MUNICIPAL HALL, 770 VERNON AVENUE  
**MONDAY, JULY 11, 2016 AT 8:17 P.M.**

Present:

**Chair:** Councillor Brownoff  
**Council:** Councillors Brice, Derman, Haynes, Murdock, Plant, Sanders and Wergeland  
**Staff:** Carrie MacPhee, Acting Chief Administrative Officer; Sharon Hvozdzanski, Director of Planning; Harley Machielse, Director of Engineering; Donna Dupas, Legislative Manager; and Lynn Merry, Senior Committee Clerk

Item #2



1410-04  
Report -  
Planning

xref: 2860-20  
West Saanich  
Road

#### **4349, 4351 AND 4383 WEST SAANICH ROAD – DEVELOPMENT PERMIT AMENDMENT APPLICATION**

Report of the Director of Planning dated June 7, 2016 recommending that Council approve Development Permit Amendment DPA00857 (Rosalie's Village) to alter the on-site vehicle routes, provide additional pedestrian pathways, and alter the entryways to the attached housing units. A building setback variance is requested to allow decks and a variance to the Sign Bylaw is also requested.

In response to questions from Council, the Director of Engineering stated:

- Access to the property near the Glanford Avenue and Quadra Street intersection was not considered; there are no proposed turning restrictions at the existing driveways.
- The free-standing sign would not affect site lines.

#### **APPLICANT:**

M. Newell, Joe Newell Architect Inc.; and A. Hudson, Society of Saint Vincent De Paul of Vancouver Island, presented and highlighted:

- The proposed amendment to the on-site vehicle route would be such that the existing driveway to the north would be used to access the underground parking for Rosalie's Village and the additional parking area located at the south of 4383 West Saanich Road; this would divide the traffic and parking between the two driveways equally.
- The original application included patios with trellises which would have required a retaining wall to correct the finished grade; supported decks would eliminate the need for a retaining wall and allow for rain gardens to be constructed.
- There was a proposal in the past for access to the property at the intersection of Quadra Street and Glanford Avenue; the request was not approved because private property cannot be accessed at an intersection with a traffic signal.

In response to questions from Council, the applicant stated:

- The two driveways to the property would improve the flow of traffic.

#### **PUBLIC INPUT:**

M. Henderson, President, Royal Oak Community Association (ROCA), stated:

- ROCA is supportive of the proposal but there is concern about the height and size of the sign; it may be necessary to cut back the trees so the sign is visible.
- The amount of lettering on the sign may be a distraction to drivers.

G. Reid, Savoy Place, stated:

- This is a beautiful and worthwhile project; the sign is out of proportion for the site and it may be necessary to prune the trees so that it is visible.
- There is also concern that Handy Darts may be backed up on West Saanich Road which would compound traffic issues in the area.

P. Whitworth, Vice President, Royal Oak Community Association, stated:

- The sign is in the shape of a very large kiosk; there is concern that the light pollution from the sign may affect the Dominion Astrophysical Observatory and adjacent neighbours.

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In response to questions, the applicant stated:

- Because the site includes four properties, there could potentially be four signs along West Saanich Road; the intent was to combine all the addresses and identify the different buildings on one sign.
- The current sign is illuminated; the new sign will be reflective with only the top portion of the sign being illuminated.
- The trees surrounding the sign will not be cut; they are boulevard trees.
- The second driveway is mainly for residents and staff so it may not be appropriate to have a sign at that location.

In response to a question from Council, the Acting Chief Administrative Officer stated:

- If Council is concerned about the proposed sign, it could approve the amendments to the Development Permit in relation to the on-site vehicle routes and the entryways to the attached housing units which would allow that work to commence; the applicant would then have the opportunity to address the concerns in relation to the sign.

#### **COUNCIL DELIBERATIONS:**

Councillor Haynes stated:

- Way-finding signs throughout the property may alleviate the need for a large sign.

Councillor Derman stated:

- The public has identified concerns with the size and height of the sign; one sign which is not so over-powering would be appropriate.

Councillor Wergeland stated:

- It may be possible to reduce the size of the sign and still list all the information on it.

In response to questions from Council, the Acting Chief Administrative Officer stated:

- There are four properties; three of which are owned by the Society and one owned by Saanich; Saanich leases one property to the Society in a long-term lease.

In response to questions from Council, the Director of Planning stated:

- Of the three lots that Saint Vincent De Paul owns, three could have signs which would have to adhere to the Sign Bylaw.

#### **Motion:**

**MOVED by Councillor Plant and Seconded by Councillor Wergeland: "That it be recommended that:**

- c. Council approve and issue Development Permit Amendment DPA00857 on Lot B, Section 8A, Lake District, Plan EPP10139 (4349 West Saanich Road), Lot A, Section 8A, Lake District, Plan EPP10139 (4351 West Saanich Road), and Block A, Section 8A, Lake District (4383 West Saanich Road), excluding the provisions related to the freestanding sign; and,**
- d. The applicant consult with Planning staff to address the concerns raised with the freestanding sign."**

Councillor Derman stated:

- The applicant should work with staff to address the concerns in relation to the size of the sign; one sign is preferable.

Councillor Brice stated:

- The size and amount of lettering on the sign should be re-visited.

Councillor Murdock stated:

- The desire to announce the individual facilities is understandable; there are ways to do that in a thoughtful and sensitive way.

Councillor Haynes stated:

- There is a need to balance pride of place with the concerns of the community.

Councillor Plant stated:

- The applicant should reconsider the size and permitted copy area of the sign; this is a wonderful initiative for the community.

Councillor Wergeland stated:

- A smaller sign that still meets the intent of the applicant should be considered.

Councillor Sanders stated:

- This is a great development and asset to the community; the size of the sign needs to be reconsidered.

Councillor Brownoff stated:

- The applicant should work with staff to come up with a sign that is sympathetic to neighbours' concerns.

**The Motion was then Put and CARRIED**

1410-04  
Report –  
Planning

xref: 2860-25  
Roy Road

### **1136 ROY ROAD – DEVELOPMENT PERMIT APPLICATION**

Report of the Director of Planning dated June 29, 2016 recommending that Council approve Development Permit DPR00628 and that ratification of the Development Permit be withheld pending registration of a covenant to secure the items outlined in the report.

In response to questions from Council, the Director of Planning stated:

- Council should only consider the Development Permit requirements as they relate to the floodplain; consideration of the form and character is not required.
- The proposed building will not be habitable.

#### **APPLICANT:**

The applicant was not in attendance.

#### **PUBLIC INPUT:**

Z. Fisher, Cherry Road, stated:

- He wonders why a building would be permitted on a floodplain; it is unclear what the height of the proposed building would be.
- The applicant did not provide an opportunity to discuss the application.

G. Maurer, Roy Road, stated:

- The proposed building is too tall and will be an eyesore; he wonders about the ramifications of building on a floodplain.

P. Whitworth, Viewmount Avenue, stated:

- The integrity of the soil in the floodplain is a concern.

In response to questions, the Director of Planning stated:

- The height of the proposed building is 19.25 feet.
- Building on a floodplain is permitted as long as Floodplain Development Permit Guidelines are adhered to.
- Any soil stability issues in regards to the barn would be addressed as part of the Building Permit review process.

**Motion:**

**MOVED by Councillor Plant and Seconded by Councillor Murdock: "That consideration of Development Permit Application DPR00628 for 1136 Roy Road be postponed to a future meeting to provide the applicant the opportunity to address Council."**

Councillor Plant stated:

- The applicant should consult with neighbours.

Councillor Derman stated:

- Climate change implications should be considered for floodplains.

Councillor Wergeland stated:

- Staff have answered any questions that have come forward.

Councillor Murdock stated:

- The applicant should be proactive and consult with neighbours in advance of the next meeting; it is appropriate to allow the applicant a chance to address Council.

**The Motion was then Put and CARRIED**

The Acting Chief Administrative Officer stated:

- In order to prohibit building on a floodplain, the application would have to go through the Zoning Bylaw; permission would be required from the Ministry of the Environment to prohibit building on a floodplain.
- In the past, the Ministry would not allow Saanich to restrict building on a floodplain.

**Adjournment**

On a motion from Councillor Plant, the meeting adjourned at 9:16 p.m.

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CHAIR

I hereby certify these Minutes are accurate

Item #2  
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MUNICIPAL CLERK

Item #2

# Proposal for a Voluntary Conservation Tax Incentive Program (CTIP): Background Paper

January 2016

## 1. Natural Areas Protection Tax Exemption Program

### 1.1 History

In the early 1990's property values and assessments rose dramatically in B.C.'s Gulf Islands, triggering an increase in subdivisions and logging. Due to concerns about the impact of development on important ecological areas, locally elected trustees advocated for provincial legislation which would allow local governments to provide an incentive for landowners to voluntarily leave their properties in a natural state rather than developing or logging them to pay property taxes.

At the time the policy of the Islands Trust (a federation of local Gulf Islands governments) supported the use of property tax incentives to promote natural area conservation. As the concept of a conservation tax incentive program progressed it was felt that legislative changes allowing such incentives in the Islands Trust area only would be simpler than province-wide adoption.

The Natural Areas Protection Tax Exemption Program (NAPTEP) was instituted through amendments to the Islands Trust Act in 2000 and the Act's regulations in 2002. Launched initially in the Islands Trust areas overlapping with the Capital and Sunshine Coast Regional Districts, NAPTEP expanded between 2008 and 2015 to include the Islands Trust areas of the Nanaimo, Cowichan Valley, Comox Valley and Powell River regional districts and the Municipality of Bowen Island.

### 1.2 Features of NAPTEP

NAPTEP is a fully voluntary program offered by the Island Trust and Island Trust Fund (ITF – a conservation land trust for the Gulf Islands) – voluntary in terms of both regional district and municipal participation and in terms of landowner enrolment. All NAPTEP covenants are held by the ITF Board.

NAPTEP offers 65% tax exemption on land which is protected by a conservation covenant. Qualifying land must have special features such as undisturbed natural areas that are good examples of important ecosystems, habitat for rare native plants or plant communities, critical habitat for native animal species or special geological features.

NAPTEP covenants apply to natural areas and generally are not placed on developed portions of a parcel, such as homes, other buildings and roads. NAPTEP reduces only the land portion of property taxes, not parcel taxes or tax on improvements. Since NAPTEP covenants apply only to non-developed land and apply only to land taxes, the actual reduction in total property taxes is usually lower than 65%. The average reduction in total taxes payable per property for all NAPTEP covenants in 2015 was only 36% and for some properties it was as low as 10%.

Land with a NAPTEP covenant receives a Natural Area Exemption Certificate which is forwarded to BC Assessment and reduces annual taxes payable. NAPTEP covenants do not entail a requirement for public access to the protected land. There is no minimum or maximum size for conservation covenants. However it is unlikely that owners of small parcels or land with low assessed value will apply to NAPTEP since the potential tax reduction benefits may not outweigh the costs of entering the program. Typically, landowners would be seeking to recover application costs within a few years.

Land approved under the NAPTEP program is classed as residential (BC Assessment class 1). However placement of a covenant on a parcel may lower the assessed value of land which could otherwise be developed since those development opportunities are foregone. Lands subject to other tax exemptions, such as Private Managed Forest Land (BC Assessment class 7) and agricultural land (class 9), are not eligible for NAPTEP. Land enrolled under NAPTEP may qualify for the federal Ecological Gifts (EcoGift) program and charitable gift receipt. The EcoGift program gives private land owners a non-refundable income tax credit and an exemption from capital gains tax.

Landowners applying for NAPTEP tax reduction are responsible for payment of covenant initiation costs, which include a \$450 ITF application fee and the cost of registration of the covenant with BC Land Titles and may include a legal land survey, baseline ecological survey and legal and tax advice. Total initiation costs are estimated to range from \$2500 to \$12,000, a significant cost for any landowner considering a covenant as permanent protection for their property. In some cases supplementary funding can be arranged to assist landowners with these initiation costs. The ITF is responsible for ongoing costs of monitoring and enforcement of the covenant.

Conservation covenants are permanent, remaining with the land title even if the land is sold. NAPTEP benefits are also permanent and will therefore help to balance the lowered development potential of the land for the initial and future owners of the land. However, if a landowner breaches the conditions of the covenant, the NAPTEP certificate may be revoked and past tax reduction benefits may be fully recovered. It should be noted that other, more equitable exit provisions could be adopted. For example, the Private Managed Forest Land program uses a full benefit recovery approach (similar to NAPTEP) for land which has been enrolled for up to five years. After five years the exit fee is reduced and after fifteen years the land is no longer subject to an exit fee.



## NAPTEP Stories

A landowner family in the southern Gulf Islands was motivated by a strong desire to protect 1.2 acres of Garry Oak meadow on their 4.2 acre property. The covenant, established in 2011, is held by the Islands Trust Fund and the local island conservancy. The cost of developing the covenant included the ITF fee, land survey, ecological assessment and registration with Land Titles, with a total cost of about \$3400. In this case, a local endowment fund was available to offset approximately 75% of the covenant initiation costs, leaving them with only a little over \$800 in out of pocket expense. The NAPTEP tax exemption saving is close to \$350 per year or a little more than a 10% reduction in taxes payable. This small tax saving would not, by itself, be sufficient to justify the full cost of the covenant on a strictly financial basis. However with the offsetting endowment funds the payback period was shortened to just over 2 years. The landowners' motivation for establishing a conservation covenant was their love of the natural character of their property and the availability of the local endowment fund.

Another landowner, further north in the Gulf Islands, felt motivated to protect his property which provides an important natural corridor between a provincial park and an area of coastal bluffs and Garry Oak habitat. After learning about NAPTEP he decided to proceed with negotiation of a covenant on approximately 85% of his 13.5 acre property. During the ecological assessment and communication with ITF he learned more about the restoration of a mature, healthy forest. Although he was able to take advantage of some favourable prices for the ecological survey and legal advice, his direct costs still amounted to approximately \$5000 for the initiation of the covenant. His property taxes have been reduced by over \$1300 per year (close to 35% of taxes payable) leaving him with a payback period of a little less than 4 years. The landowner says that he is happy to have the covenant in place and happy that he is dealing with a land trust which takes the covenant seriously and supports his conservation goals. He reports that he has had very positive feedback from neighbours, although none have yet followed his lead. He agrees that a larger tax exemption might be critical for some landowners for whom a shorter payback period is more important.

Conservation covenants require annual monitoring, communication between the covenant holder and landowner, and possible enforcement and even occasional resolution of legal issues. The degree of monitoring and other management required is usually related to the amount of detail and complexity in the covenant. Covenant management may also involve assistance to the landowner to maintain the identified ecological values (eg. invasive species removal).

Monitoring and management of covenants is the responsibility of the covenant holder, usually a conservation organization. In some cases endowment funds are set aside to offset the annual monitoring and management costs. In other cases landowners are required to pay an annual amount to cover, at least partially, these annual costs.

While these considerations apply regardless of whether or not a tax exemption program is in place, they have a considerable impact on the readiness of land owners and land trusts or others to put conservation covenants in place and, thus, the level of demand for a tax exemption program.

### 1.3 NAPTEP Enrolment

The following table shows the level of participation in the NAPTEP by year and regional districts. After ten years of implementation in the Capital RD (Saltspring, North Pender and Galiano islands) there are 20 participating properties with a total covenant area of just over 62 ha. The RD of Nanaimo (Gabriola Island) and the Comox Valley RD (Hornby Island) have had shorter periods of participation and, so far, lower levels of usage. There have been no NAPTEP covenants approved yet in the ITF area covered by the Cowichan Valley, Sunshine Coast, Powell River RDs or the recently participating Municipality of Bowen Island.

#### Land Enrolled in the ITF Natural Area Protection Tax Exemption Program No. of parcels and (ha.)

Year	Capital RD		RD of Nanaimo		Comox Valley RD	
	NAPTEP	Non-NAPTEP	NAPTEP	Non-NAPTEP	NAPTEP	Non-NAPTEP
2005-06*	4 (31.2)	2				
2006-07	2 (10)	0				
2007-08	4 (8.3)	0				
2008-09**	5 (7.2)	0				
2009-10	2 (2.9)	0	1 (7.4)	0		
2010-11***	0	0	1 (2.1)	1		
2011-12	1 (0.8)	2	0	0		
2012-13	1 (0.9)	0	0	0	1 (4.7)	0
2013-14	0	1	0	0	0	0
2014-15	1 (0.8)	1	0	0	0	0
Total	20 (62.1)	6	2 (9.5)	1	1 (4.7)	0

\* 2005 – NAPTEP launched in Capital RD

\*\* 2008 – NAPTEP launched in RD of Nanaimo

\*\*\* 2010 – NAPTEP launched in Comox Valley RD

Older ITF covenants can also transition into the NAPTEP if they meet all eligibility criteria. To date only one such transition of an older covenant into the program has taken place although there have been a few other indications of interest.

The level of enrolment in the NAPTEP is holding relatively constant in the ITF area at 2 – 3 covenants per year. It appears that for large properties which can potentially realize a greater benefit from a NAPTEP tax saving, there may often be offsetting subdivision or other development potential which reduces landowners interest in participation. For small properties the tax saving potential is also small and may not be enough to outweigh the covenant initiation costs, some of which are fixed regardless of parcel size. Covenants are most likely where landowners have a clear conservation orientation or where there are supplementary sources of funding.

Expansion of a conservation tax incentive program to other areas of the province will be determined by the willingness of regional districts and municipalities to participate in the program. However, the voluntary NAPTEP participation of essentially all local governments in the IT area would suggest that local government participation in a province-wide program could also be strong.

The capacity of land trusts or local governments to initiate and manage conservation covenants is also likely to be an important factor for land enrolment in a province-wide tax exemption program. Many land trusts operate with limited human and financial resources and are therefore likely, at least initially, to be able to handle only a small number of covenants each year. These land trusts should be supported and their capacity increased since they are helping to achieve public conservation goals for valuable species and ecosystems.

It can therefore be expected that a NAPTEP-like, province wide conservation tax exemption program will have a positive, although initially modest, impact on the rate of natural area protection through conservation covenants. Landowners who are positively inclined to place their land under permanent protection will be more likely to proceed if the costs and benefits can be shifted somewhat in their favour. However the NAPTEP experience has shown that a conservation tax incentive program is not going to result in a large influx of properties nor in issues regarding tax revenue nor fairness in tax burden between landowners.

#### ***1.4 NAPTEP Financing***

Two facts stand out with respect to the financing of NAPTEP tax exemptions. First, there is no loss of provincial or local tax income and no requirement for the province to compensate local governments for reduced tax. Instead, the NAPTEP program involves a tax shift from a small number of participating landowners to a large number of non-participating properties. And, second, the amount of tax shifting is very small.

In simple terms, property taxes are based on assessed values (the tax base) and tax (or mill) rates. Actual taxes payable are subject to year-to-year changes in the tax base and changes in revenue requirements for such things as schools, hospitals and local services. From a

government revenue perspective, the 65% NAPTEP tax exemption is offset by both land development and other changes in assessments elsewhere and by shifting a small amount of tax to others in the same tax pool. This is the same as the effect of the agricultural, heritage property and other tax exemptions. It should also be noted that the cost of administering the NAPTEP program is minimal. BC Assessment enters the tax exemption certificate into its records and shows the exemption on the landowner's annual assessment notice.

Calculation of actual tax shifting is rather complex and has only been done on a hypothetical basis for regional districts and areas considering participation with ITF in NAPTEP. Within these areas different tax categories are pooled differently. For example, the effect of a tax exemption on school, police and provincial rural taxes affects the provincial tax pool for these taxes and would be imperceptible. The effect of a tax exemption on regional hospital, parks and recreation, fire protection and other regional and local services would be slightly larger but would not affect taxpayers in other parts of the province. Also, mill rates vary by taxing authority and property classification.

The level of participation in NAPTEP was discussed above. The ITF calculated tax shifts for landowners in one island local trust.<sup>1</sup> Based on a 1% participation rate in NAPTEP, the resulting tax shift, or additional tax payable by non-NAPTEP properties, was estimated to be \$0.03 per year per landowner in the Cowichan Valley Regional district and \$0.04 per non-NAPTEP landowner in the local island trust areas. If the participation rate was 5%, these tax shift values would rise to \$0.14 and \$0.22 per landowner respectively. Another calculation of the tax shift impacts on provincial, regional district and IT area landowners ranged from \$0.01 to \$0.45 per year per non-NAPTEP taxpayer, based on a 1% participation rate in the NAPTEP program and \$0.07 to \$2.25 with a 5% participation rate.<sup>2</sup> The total tax exemption for the 23 NAPTEP properties in 2015 was a little more than \$34,000, a very small figure in comparison to total property taxes paid.

It appears that, in comparison to land acquisition costs, a voluntary tax exemption program such as NAPTEP offers a highly cost-effective means of protecting some of the most valuable, privately-owned natural areas in areas where such protection is often critical. Tax shifting to non-participating landowners is very small, likely to be offset by many other changes affecting tax rates, and very reasonable in comparison to the increased amenity values and positive impact on other property values which will result from conservation of natural areas. From a local government and provincial perspective, such a tax exemption program has no direct cost and minimal administrative requirements.

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<sup>1</sup> Islands Trust Fund, "Hypothetical Tax Shift Due to Implementation of the Natural Area Protection Tax Exemption Program (NAPTEP) in the Thetis Island Local Trust Area (Cowichan Valley Regional District)," August 2008, unpublished.

<sup>2</sup> Islands Trust Fund, "Technical Report: Hypothetical Tax Shift Due to the Implementation of the Natural Area Protection Tax Exemption Program (NAPTEP)," May 2005, unpublished.

## **2. Conservation Incentive Programs in Other Jurisdictions**

### **2.1 Nova Scotia**

Nova Scotia promotes the conservation of natural areas on private land through a Conservation Property Tax Exemption Program (CPTEP) which began in 2009. The province has made a commitment to protect 12% of its land by 2015. However 75% of Nova Scotia land and 95% of its coast is privately owned, so protection of privately owned land is very important.

The CPTEP exempts landowners from 100% of property tax on qualifying conservation properties and it provides a grant from the province to municipalities in lieu of taxes on those properties. The program also eliminates "change of use" taxes which can be levied as a result of property becoming protected.

Qualifying conservation properties are those which are subject to a conservation easement (covenant) that is primarily dedicated to the protection of native biodiversity and natural processes. Industrial and commercial use is prohibited on conservation properties, including forestry, agriculture and quarrying. Qualifying conservation properties also include land held for the protection of native biodiversity and natural processes by an eligible body such as a land trust, municipality or provincial or federal government agency.

No application process is required for the CPTEP; government agencies and land trusts identify qualifying land. Once identified the tax exemption is provided year after year unless a change of use occurs. However if a change of use takes place a change of use tax of 20% of the fair market value of the property is charged.

### **2.2 Ontario**

The Province of Ontario recognizes that many of its most significant natural areas are privately owned and that it is important to encourage responsible stewardship of these lands and the protection of their outstanding natural heritage features. The Ontario Conservation Land Tax Incentive Program (CLTIP) replaced an earlier tax reduction (rebate) program in 1998. CLTIP is a voluntary program which provides an incentive for landowners to protect conservation lands by offering 100% property tax exemption.

Eligible conservation land include provincially significant wetlands, provincially significant areas of natural and scientific interest, habitat of a regulated species, or designated parts of the Niagara Escarpment. In 2004 the Ontario government added a Community Conservation Land category, consisting of land owned by charitable conservation organizations and conservation authorities, where these meet eligibility criteria and are maintained to preserve natural heritage and biodiversity objectives. Eligible land parcels must be ½ acre or larger.

Eligibility for CLTIP is not dependent on land being covered by a conservation covenant / easement. Continued participation in the CLTIP requires annual applications. The Ontario Ministry of Natural Resources is responsible for decisions on qualification for CLTIP and for ongoing land use monitoring. Land use activities which are detrimental to the values for which CLTIP eligibility was granted can result in loss of tax exemption.

Like B.C., Ontario has a Managed Forest Tax Incentive Program and a Farm Property Class Tax Rate Program which promote preservation and sound management of forest and agricultural land. In contrast, the CLTIP is for land which is preserved in a natural state and forest and agricultural products are not produced.

Although the provincial government does not directly compensate municipalities for revenue losses resulting from tax-exempt conservation lands, when calculating transfer payments to municipalities to assist with social costs, it takes into account that CLTIP properties do not directly generate municipal revenues.

### **2.3 United States**

U.S. federal legislation allows donors of conservation easements to deduct a portion of the value of the easement from their income tax. In 2006 the income tax deduction limit was raised from 30% to 50% of the easement's appraised value, with a limit of 100% for qualifying farmers and ranchers. That program was not extended in 2014 but work is continuing to seek extension of the enhanced program in 2015. A number of states also have programs allowing personal and corporate income tax deduction for conservation easement donation.

In addition some states have property tax reduction programs. For example, in 2008 Florida, which does not have state income tax, exempted land under permanent conservation easement from state property tax. Minimum parcel limits and qualifying land feature criteria apply and there is a re-capture mechanism for back taxes when the land is taken out of conservation. Maryland has a program under which a landowner pays no property tax for 15 years on land that is subject to a donated environmental trust easement. The tax credit does not apply to any residential improvements, or to a minimum of one acre around these improvements. At the end of the 15-year period unimproved land under donated easement will be assessed at the highest agricultural rate.

An "open space" tax program in San Juan County in Washington State was taken into account in developing B.C.'s NAPTEP in the late 1990's. The Open Space Taxation Act, enacted in 1970, allows property owners to have their open space, farm and agricultural, and timberlands valued at their current use rather than their "highest and best use" value. The program does not distinguish between preserved natural areas and those producing forest and agricultural products.



### 3. Complementary Activities and Support

BC has protected over 14 million ha., or 14% of the provincial land base, in a network of parks, conservancies, ecological reserves, recreational and other protected areas. In March 2015 an additional 1500 ha. was added to provincial parks, increasing recreational opportunities and protection natural areas. More than half this land was added through acquisition of private land.

While private land makes up only about five percent of the land base in the province, much of this private land is concentrated in scarce, ecologically important and heavily developed zones. Non-government organizations play an important part in the conservation of privately owned natural areas. As of 2013, BC non-government organizations held a total of close to 300,000 ha. in various forms of ownership and land interest, including close to 20,000 ha. in conservation covenants and other registered interests. These non-government land conservation efforts are a valuable and cost effective complement to the provincial government's protected areas program.

Regional districts and municipalities support the protection of ecologically important natural areas and corridors and the watershed, habitat, climate change mitigation and other benefits which they provide. Official documents such as regional growth strategies and official community plans invariably recognize the vital importance of natural area protection and often refer to the need for innovative tools and incentives in order to meet their objectives.

While many private land owners are conservation-minded and want to practice good land stewardship, financial pressures from rising land values and assessments create incentives toward development, disturbance, fragmentation and exploitation of local resources. Many of the benefits of natural area conservation are "public" in nature and do not result in direct financial pay-back for landowners. Property tax reduction may be an important tool to correct this "conservation disincentive."

#### B.C. Government

The B.C. Government's "Protecting Vulnerable Species: Five-Year Plan for Species at Risk in British Columbia" states that:

"A high proportion of B.C.'s species at risk occur in naturally productive areas that are also attractive for human settlement and consist primarily of private lands. Individuals and conservation groups whose efforts are primarily focused on private lands make a big contribution to voluntary protection and recovery of species at risk. Tools such as incentives and funding inspire, encourage and reward voluntary efforts to protect and manage species at risk. If local



governments, conservation partners, First Nations, private landowners and industry have these tools, they will be able to contribute more fully to species-at-risk conservation."

The report also makes the recommendation to "Explore and recommend new ways (including incentives and possible project funding) to promote voluntary protection of species at risk (by 2015)."<sup>3</sup>

Discussions are underway among several B.C. ministries concerning how a conservation tax incentive program can be developed.

### **Union of B.C. Municipalities (UBCM) and Local Governments**

In 2011 the Sunshine Coast Regional District brought to the UBCM meeting a resolution, also endorsed by the Association of Vancouver Island and Coastal Communities, calling on the Ministry of Community, Sport and Cultural Development to grant local governments the authority to implement natural area protection tax exemption programs. That resolution was passed unanimously. The Provincial Government responded that this was the first time that such a request had been made but that the province would be willing to work with regional districts to consider the matter.

In 2015 the Comox Valley Regional District forwarded a similar resolution to the UBCM convention:

*WHEREAS the Islands Trust has successfully implemented a Natural Area Protection Tax Exemption Program (NAPTEP) which provides 65% property tax relief for landowners who enter into a conservation covenant to protect important natural features on their property;*

*AND WHEREAS the NAPTEP complements provincial and local programs and policies and does not result in any loss of tax revenue nor any significant additional costs;*

*AND WHEREAS regional districts and municipalities may wish to support and encourage landowners to preserve natural areas for current and future environmental benefits:*

*THEREFORE BE IT RESOLVED that the Ministry of Community, Sport and Cultural Development be requested to grant local governments the authority to implement a conservation tax incentive program modeled on the NAPTEP.*

Once again, this resolution was passed unanimously by the UBCM convention.

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<sup>3</sup> Government of British Columbia, "Protecting Vulnerable Species: Five-Year Plan for Species at Risk in British Columbia," 2014, p. 30-31

In addition to local government support for this resolution through UBCM, a number of regional districts have, over the past 10 years, agreed to participate in the NAPTEP. As noted above, the Capital RD and Sunshine Coast RD joined the program in 2005, RD of Nanaimo and Cowichan Valley RD joined in 2008, Comox Valley RD in 2010, Powell River RD in 2011 and the Municipality of Bowen Island in 2015.

#### **Federation of B.C. Naturalists (BC Nature)**

Also in 2011 BC Nature passed the following resolution:

*BE IT RESOLVED that BC Nature urge the Union of BC Municipalities, municipalities and the Provincial Government to enact legislation to provide property tax incentives to those private land owners who wish to protect their land and its features by covenant from future development.*

#### **4. Recommendations**

##### **Provincial Tax Incentive Program**

Based on the 10-year experience which ITF has had in implementation of NAPTEP, it is recommended that a BC-wide property tax exemption program should be enabled through amendment of the necessary provincial legislation. The main features of the program would be:

- the program should be titled a "Conservation Tax Incentive Program" (CTIP) to distinguish it from the existing NAPTEP
- fully voluntary participation by local governments, landowners and land trusts in the same manner as NAPTEP

Also, based on the model of Nova Scotia and Ontario and considering the low tax shift impacts of NAPTEP and the need to create active participation in the program, the CTIP should include:

- 100% annual property tax exemption for land with a qualifying conservation covenant

Further:

- Exit fees for land withdrawn from a CTIP should be defined on a basis similar to the Private Managed Forest Land Program: full recovery of tax exemption benefits up to 5 years, then a declining recovery rate and no recovery after 15 years.

It is also proposed that if a CTIP program is adopted on a province-wide basis it should fully replace the NAPTEP in the ITF area.

### **Implementation Considerations**

There will be a number of important implementation considerations for a provincial CTIP, such as:

- Will all land trusts be able to participate in the CTIP? Will the provincial or local governments provide some oversight of the program to ensure that covenants are being well managed and ongoing tax reductions justified?
- Should there be some kind of provincial support to build the capacity of land trusts to implement and manage conservation covenants since these are helping to achieve provincial conservation goals?
- How will eligible natural areas be defined and will these be based on regional conservation priorities? Will a standard covenant template be required or will some flexibility in covenant details be allowed?
- Which provincial ministry / agency will be responsible for the CTIP? Will there be a defined program review point to ensure that the CTIP is effective and that lessons are being incorporated?

These and other implementation considerations will need to be defined through a provincial policy development process. Local governments and land trusts should be consulted during this process.

### **Process Leading to Adoption and Beyond**

The Land Trust Alliance of BC and partner organizations recognize the efforts of BC ministries to promote the development of a conservation tax incentive program as an outcome of the five-year species at risk plan. As a complement to those efforts, the land trust community is seeking to build awareness and support for the necessary amendment of provincial legislation.

The following steps have been taken or are planned, leading to provincial adoption of a CTIP:

- Cooperation with the Comox Valley Regional District leading to the adoption of a UBCM resolution supporting CTIP. **September 2015**
- Awareness building and solicitation of support for provincial action. LTABC will work with interested land trusts and other organizations to seek support from local governments for CTIP. **Planned 2016**
- Meetings with government officials and organizations to promote the necessary legislative amendments and policy development. **Planned 2016**
- It is hoped that the necessary provincial legislative amendments can take place in **2017**.

Further steps will be needed to continue to build awareness, carry out training for land trusts and, likely, step-by-step implementation in regional districts and municipalities which have taken the necessary actions to adopt the program in their areas.

**From:** Elizabeth VanDenHengel  
**To:** Leif Wergeland  
**BC** Adriane Pollard  
**Date:** 2/20/2017 9:09 AM  
**Subject:** Fwd: for the ENA  
**Attachments:** NAPTEP Briefing to BIM May 2015.docx; MNC report on CTIP.docx

>>> Adriane Pollard 2/17/2017 4:04 PM >>>

E,  
Can you please forward this to the ENAC Members?  
Thank you,  
Adriane

Dear ENAC members,  
At this last meeting, I was asked to find answers to your questions about the Conservation Tax Incentive Program. The following information is mostly from Alf Birch (**in bold**), and I have added a few bits in too (in blue). Adriane

What is the difference between NAPTEP and CTIP? Are they both worth looking at for Saanich?

**At this point the CTIP proposal is fully based on the NAPTEP model. The only difference we've proposed at this point is a higher level of tax exemption than NAPTEP's 65% in order to incentivize greater participation.**

Would Saanich be involved in determining if an area is worthy of a covenant and subsequent tax reduction?  
**The NAPTEP program is fully voluntary and local governments must make a decision to opt-in in order to activate the program in their area. All local governments in the Islands Trust area have done so. As far as I know, no local governments have chosen to be involved in the screening and approval of specific covenant applications. All covenants are held by the Island Trust Fund Board. I suppose Saanich could, at the time of opting-in, request the power to approve specific covenants or to be a co-covenant holder along with a land trust if it wished to do so, although that would require staff time. Adriane notes that Saanich is already involved in such covenants so the likelihood is that we would continue to do so.**

One approach would be for Saanich to pre-identify the properties that would be most worthy. Could that work under the CTIP proposal? Should there be a minimum sized property?  
**Again, I expect Saanich could specify those kinds of conditions to its participation. NAPTEP does not have a minimum size requirement but it has been observed owners of small parcels do not find it attractive to bear the costs of establishing a covenant on their land in return for the small amount that they are going to save in tax exemption.**

How many worthy properties are in the EDPA? How many worthy properties are there outside the EDPA?  
**This is an interesting question. One could rule out public land and parks, ALR, privately managed forest land and parcels that are small or have a low value and therefore would not benefit much from a tax exemption. All covenant properties must also meet environmental value criteria that make them important for preservation. The Island Trust Act specifies criteria that must be met for NAPTEP.**

**The District of Metchosin is currently carrying out a study to determine the potential impact of a CTIP in their area. For your information, I'm attaching a study that was done for Bowen Island Municipality which shows the approach which was taken to determining potentially eligible land and tax shift implications.**

**Adriane notes that between existing covenant properties and EDPA (not buffers), there are approximately 1400 properties. However, there are about 3000 properties affected by the SDPA and only one has a riparian tax reduction.**

**The Community Charter, section 225 (2) (c), allows municipalities to exempt properties from tax when eligible. In order to be eligible for a Riparian Tax Exemption three conditions must be met:**

**1. The property owner must register a covenant in favour of Saanich under section 219 of the Land Title Act that**

Item #5

protects the riparian property, and

2. Saanich Council must approve by bylaw the tax exemption for the area of property protected by covenant for riparian protection.

3. The property owner will be required to enter into an agreement with Saanich respecting the extent of the tax exemption and the conditions on which it is made.

How much uptake would be required before the cost became noticeable?

**The Bowen Island study is the best information that I've seen. Expected impacts are in the range of a few dollars per non-participating property per year.**

What would be recommended for Saanich--a program that results in a tax shift or one that uses a separate fund such as Provincial funds.

**There are a number of "tools in the toolbox", CTIP / NAPTEP being only one. A number of municipalities, particularly in the interior, are pursuing "conservation funds" which are locally funded and can be used for a variety of land conservation purposes. Saanich is obviously already using a number of tools (park acquisition, zoning, etc). We believe CTIP could be a useful addition. I don't believe there are any current proposals for a program which would use provincial funds, although that would certainly make things more attractive.**

What is the capacity of Saanich (staffing, etc) to take this on?

**In the NAPTEP experience the local governments opt-in to allow the program to operate but they do not administer the program. Therefore the demand on staff input is very small after the program is up and running.**

**Adriane notes that staff time could be more depending on the model. The Riparian tax exemption requires staff time.**

Is the Province leaning towards a CTIP? Is it on their radar at this time?

**No, I think its fair to say the province has not given much indication of interest in a CTIP. Staff in the Ministry of Environment and some other ministries are doing some low level work in connection with the Species and Ecosystems at Risk plan. The current initiative by the Land Trust Allianc of BC is intended to build awareness and support in principle, recognizing that the details of a CTIP are not known at this point.**

Could Saanich request a legislative change just for Saanich?

**No I don't think that would be feasible since I don't think the province would consider separate legislation for each municipality that is interested.**

**In conclusion, I'm attaching a short staff report which was done in the Municipality of North Cowichan. The Council there has recently approved a letter of support for CTIP, although I haven't seen a copy of the letter yet.**

**We do not know the specific details of a future CTIP. The purpose of the present initiative is to build local government awareness and support to request the provincial government to work on developing the details of a program. Having said that, we are basing our current thinking on the Island Trust NAPTEP program. The following comments are based on our best guess as to how the province might proceed and what a CTIP might look like.**

**Let me know if you have further questions or if you'd like to see some of the letters of support which we have received. I hope this can move ahead quickly in Saanich since we are hoping to collect letters of support and forward them to the province before the upcoming election.**

**To the committee members: I saw Alf's presentation last week at a symposium for the Species & Ecosystems at Risk Local Government Working Group. He has 6 letters of support from local governments plus another 6 on the way. He stated that NAPTEP is a good model but not necessarily what is proposed. The idea is to ask the Province to explore the idea and hopefully design something to allow local governments to offer a voluntary incentive but not to commit Saanich to implementing it or agreeing with the outcome.**

**I hope this information helps. Adriane**

Item #5