

Ministry of Community, Sport and Cultural Development
BRIEFING NOTE FOR MINISTER

Ref #: 168568

FOR MEETING

Date: August 9, 2016

Title: Meeting with Mayor Richard Stewart of Coquitlam regarding Affordable Housing

Issue:

s.13,s.16

Background:

s.13,s.16

s.13,s.16

Currently, under REDMA, developers must file a disclosure statement to the Superintendent of Real Estate and provide a copy to potential purchasers. This disclosure statement must identify all material facts directly relating to the development.

In the 2016 Throne Speech, the Government announced that it would “work with municipalities to reduce the hidden costs in home purchases, and to make those hidden costs clear and transparent to the homebuyer.”

s.13,s.16

Mandate Considerations: N/A	First Nations Considerations: N/A
Liquefied Natural Gas Considerations: N/A	Communications: N/A
Fiscal Considerations: N/A	

Discussion:

s.13,s.16,s.17

s.13,s.16,s.17

Recommended Response:

- s.13,s.16,s.17

-

-

-

-

Contact: Sean Grant, Director, Local Government Finance
Telephone: (250) 387-4036

i:\dep_min\0280-executive services-general\0280-20 briefing notes\2016 briefing notes\2016-08-09_168568_min ibn_meeting with mayor richard stewart of coquitlam affordable housing_final.docx \Cliff #168568
Last update:12/09/2016 - Grant, Sean CSCD:EX

Ministry of Community, Sport and Cultural Development
BRIEFING NOTE FOR MINISTER/ INSPECTOR OF MUNICIPALITIES

Ref #:168679

FOR INFORMATION

Date: August 17, 2016

Title: Union Bay Improvement District (UBID) Trustee resignations and election

Issue: During a closed meeting on July 27, 2016, 3 UBID trustees provided written notification of resignation as of July 31, 2016. The 5-position improvement district board of trustees no longer has quorum and as such is unable call a by-election.

Background:

Water Treatment Agreement

With the aid of Ministry appointed facilitator Jim Mattison, UBID has been negotiating the renewal of a water agreement with Kensington Island Properties (KIP) over the past few months. Mr. Mattison was appointed to ease communication between UBID and KIP and to help the parties find a path forward to enhance the local water supply and distribution system to achieve mandated public health objectives.

Through the facilitator's efforts, a draft agreement had been prepared which was being reviewed by the parties for final changes and also was subject to confirmation from the regional district that it was consistent with their Master Development Agreement with KIP.

Media has reported that the trustees resigned because of "a lack of progress on behalf of KIP to sign a new agreement that was verbally agreed to two months ago with the government facilitator". Media has also reported that the remaining trustees are seeking "some direction because there's only the two of us".

By-elections

The *Local Government Act* (LGA) (s. 684) provides that an improvement district election may be held at the annual general meeting of the improvement district or otherwise, and the voting may be done by secret ballot or otherwise.

Ministry advice to improvement districts is to develop election policies to establish procedures for the election. According to the UBID elections policy:

- The UBID board appoints the Administrator as its Returning Officer to preside over elections;
- By-elections, if required, may occur at a special general meeting that has been duly called;
- If a trustee resigns their position before the end of their three year term, a by-election must be held and the person elected serves the remaining portion of the three year term;
- A by-election must be held at a special general meeting on a date and location determined by the Board – usually within 60 days of the vacancy;

- Notices of the special general meeting shall be posted at least 28 days in advance on the UBID website with additional notices in local newspapers, and/or given to the landowners in the form of a newsletter or notation on correspondence/invoicing if mailed;
- Candidates must declare their willingness to stand as trustee by completing a nomination form;
- Nominations close 21 days prior to the special general meeting.

UBID's letters patent provide that a special general meeting may be called by the Trustees at any time for the purpose of electing a Trustee or Trustees to fill any vacancy or vacancies among the Trustees

On July 30, the Inspector of Municipalities (Inspector) wrote to the UBID Administrator advising the Administrator to work with trustees to call a meeting while the board still had quorum. Obtaining a resolution from the board to appoint the Administrator as returning officer would have provided clear direction to conduct a by-election. This meeting did not occur.

On July 30, the two remaining trustees wrote to the Minister, suggesting that the Minister appoint one other member to address "problems" that may come up and wait until "regular elections" take place in April to fill the vacancies. There is no statutory authority for the Minister to make appointments to fill the vacancies outside of a by-election process.

Under the legislation, whenever the trustees in office do not constitute quorum, the Inspector may make provision at the expense of the improvement district for an election to fill the vacancy among the trustees (LGA s. 683 (5)). If after an election is held and the vacancy is not filled Lieutenant Governor in Council may, appoint to fill the vacancy. The Lieutenant Governor in Council also has authority by regulation to prescribe the procedure to be followed in conducting trustee elections. Beyond that, there is no statutory role for the Province.

On August 3rd in response to a media request on the lack of quorum, the following messaging was provided:

- Given the resignations of three improvement district trustees, Union Bay Improvement District no longer has quorum. Ministry staff has communicated with the administrator and the remaining trustees and indicated that during this time, no future-looking decisions should be made by the improvement district. This would include any decisions that create future financial consequences for the improvement district. "Caretaker" is the only type of business that will be conducted at this time.
- There will need to be an election to fill the vacant trustee positions (two of the terms expire April 2017; one of the terms expires April 2018).
- The Ministry is currently considering options and analyzing the legal framework in which to hold the election.

Mandate Considerations: Quorum is a key principle for collective decision making; accordingly it protects against unrepresentative action in the name of the body by an unduly small number of persons.
--

Liquefied Natural Gas Considerations: N/A
--

Fiscal Considerations: UBID is required to cover the costs of a by-election.

First Nations Considerations: N/A in relation to the by-election
Communications: Media reports indicate that the remaining UBID trustees are seeking a meeting with the Minister.

Discussion:

With the UBID board not at quorum, UBID will be unable to make any further “future looking” decisions until new trustees are elected. This includes, for example, making any further decisions respecting the negotiations on the water agreement and going ahead with the Request for Proposals for the treatment facility. During Ministry staff discussion with the Administrator, he indicated that there were no required statutory decisions until later in the fall (budget and tax rate bylaws due in November).

s.13,s.16

Under UBID’s election policy, by-elections are called by special meeting; as the board was unable to call a general meeting to pass a resolution to hold a by election while the board still had quorum , it will not be legally possible for it to call or hold a special meeting. Province needs to intervene in this local matter to ensure that a by-election is held.

s.13,s.14,s.16

The **attached** letter and election procedures are being sent to UBID’s Administrator.

s.13,s.16

Recommended response:

s.13,s.16

s.13,s.16

Contact: Michelle Dann/Marijke Edmondson
Telephone: 7-4059 / 7-4058

i:\dep_min\0280-executive services-general\0280-20 briefing notes\2016 briefing notes\2016-08-17_168679_min ibn_union bay improvement district trustee resignations and elections.docx \ Cliff #
Last update:12/09/2016 - Dann, Michelle CSCD:EX



August 17, 2016

Ref: 168679

Mr. Kevin Douville
Administrator
Union Bay Improvement District
5579B South Island Highway
PO Box 70
Union Bay, BC V0R 3B0

Dear Mr. Douville:

As a result of the recent resignations of three trustees on the Union Bay Improvement District (UBID) board of trustees, the board no longer has quorum and therefore UBID cannot call or hold an election under its Elections Policy without Provincial Government action.

However, under section 683 (5) of the *Local Government Act*, the Inspector of Municipalities may make provision at the expense of the improvement district for an election to fill the vacancy among the trustees when the trustees in office do not constitute a quorum. Pursuant to that authority, I am making provision for the election to fill the vacancies to be conducted as follows:

- The UBID administrator will conduct the election;
- A special general meeting need not be called for the purposes of holding this election;
- The election will be conducted in accordance with the Election Procedure (enclosure) and, to the extent possible, in accordance with UBID's Elections Policy;
- The costs of the election will be paid for by UBID.

Should you have any questions or concerns about the election procedures please contact Governance and Structure Branch by telephone at: 250 387-4020, or by email at: LGGovernance@gov.bc.ca.

Sincerely,

for
Tara Faganello
Inspector of Municipalities

Mr. Kevin Douville

Page 2

ADM:diary copy Branch:file copy Branch:diary copy

Date Typed: August 15, 2016 Prepared by: GSB:mdann:

Document Location:

[https://cscdeapprovals.gov.bc.ca/prod/documents/1637/ubid_inspector_letter\(2\).docx](https://cscdeapprovals.gov.bc.ca/prod/documents/1637/ubid_inspector_letter(2).docx)

ARCS/ORCS#: 0280-30