



BRIEFING NOTE FOR INFORMATION

Date: December 13, 2018

Prepared For: Honourable Selina Robinson, Minister of Municipal Affairs and Housing

Title: Silver Star Mountain Resort Association Status – Meeting Advice

Issue: Meeting advice for a Silver Star property owner opposed to the establishment of a resort association.

SUMMARY:

- **As there is no proposal currently before the ministry, staff advise that the Minister not accept any meeting requests at this time. In the interim, a draft reply email is appended to this note to respond to requests.**
- **A proposal to establish a resort association is still in the petition stage, which is nearing completion. It is anticipated a decision could come to the ministry early in the new year.**
- **When the proposal arrives for review, staff will assess all the information available to determine if additional information or meetings would help the decision process.**
- s.13
- **Ministry staff continue to monitor the process and encourage concerned residents (supporters and critics) to direct comments to the Silver Star Resort Association Task Force.**

BACKGROUND:

For the past two years, the Silver Star Resort Association Task Force (Task Force) has been leading a proposal to establish a resort association for the Silver Star Resort. The task force is a group of interested stakeholders, including individual property owners, businesses, hotels and the resort operator. Currently, the resort has a recreation management fee system to raise revenue for resort promotion that the task force says is not working and excludes many of the properties that benefit from being part of a resort. There is support and opposition in the community and the ministry has received communications from both sides.

Silver Star Mountain Resort is located within Electoral Area C of the Regional District of North Okanagan (RDNO), northeast of the City of Vernon. Silver Star Mountain Resort is an important part of the north Okanagan regional economy, with over 1,500 employees and 500,000 visitors annually. The population at the Silver Star Mountain Resort is less than 300 full-time residents.

As an unincorporated community, rather than a self-governing resort municipality, Silver Star indirectly shares in the benefits of the annual regional district grant from Ministry of Municipal Affairs and Housing (MAH) to the RDNO but receives no other provincial funding. It is not among the 14 BC resort municipalities that share \$10.5 million annually under the Province's Resort Municipality Initiative (through Tourism, Arts and Culture).

While rarely used, the Province has a legislative framework for creating "resort associations," which are incorporated societies established to promote a resort. The last resort association established in the Province was Red Resort in 2007. Other resort associations exist in Whistler (1979) and Sun Peaks (1996).



The legislation requires support from the local government and a successful petition process before a proposal can come to the Minister for a final decision to establish a resort association.

In this instance, the RDNO board approved the proposal in February 2018. Following that, the Task Force started the petition process in September 2018 and is nearing the end of the petition gathering stage.

The proposal to establish a resort association coincides with a review underway to update Silver Star's Master Plan between the Province and the resort that permits the resort to operate on Crown land. Managed by the Ministry of Forests, Lands, Natural Resource Operations and Rural Development (FLNRORD), if approved, the new Master Plan would enable new development to expand the resort operations and the base area, including new accommodation. There is no conflict between the Master Plan process and the resort association proposal. s.13

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DISCUSSION:

Creating a resort association can improve marketing and build better brand awareness for a resort to increase visitation, in overall support of BC's tourism economy. Resort associations do this through their authority to levy charges or fees on commercial and residential property owners for promotional activities including marketing, signage, booking and events planning.

The Task Force and supporters for creating a resort association at Silver Star want to enhance the competitiveness of the resort to draw in more tourists. They argue that the current voluntary resort promotion scheme is not effective and fair. Critics of the proposal assert that creating a resort association changes the pretext under which they originally purchased their homes and that they should be exempted. The Task Force has affirmed that an owner of a resort property not offered for rent or otherwise used for commercial purposes will not have to pay the resort association dues.

The ministry has been contacted by both critics and supporters of the proposed resort association. s.13

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The gathering of petitions is expected to close December 14, 2018 at which time a former Chief Administrative Officer hired by the Task Force will start the validation process to see if the petition met the legislative threshold of 50 percent of local property owners, representing 50 percent of the assessed property value.

If the petition is successful, ministry staff anticipate that a request for a decision from the Minister would come forward early in January 2019. At that time, staff will review all available material in preparing a recommendation for the Minister and can also advise if meetings with representatives could aid the decision process by potentially bringing forward new information.

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Ministry of
Municipal Affairs
and Housing

FINANCIAL IMPLICATIONS:

- None

Attachments: (1)

1. Suggested Content for Email Response

PREPARED BY:

Brent Mueller, Director
Governance and Structure Branch
(250) 778-698-3220

APPROVED BY:

Tara Faganello, Assistant Deputy Minister
Local Government Division

Jacqueline Dawes, Deputy Minister

DATE APPROVED:

December 13, 2018

December 13, 2018



Attachment 1: Suggested Content for Email Response

Suggested content for the Minister (or staff) to reply back:

Thank you for your email sent on November 21, 2018 regarding your concerns about a proposal to establish a resort association at Silver Star, and your request for a meeting.

As you may know, under provincial legislation, before I can receive a request to create a resort association, local government approval and a successful petition process is required.

With respect to the proposal to establish a resort association at Silver Star, local government approval was provided by the Regional District of North Okanagan earlier this year in February.

The petition process is now underway and is being conducted by the Silver Star Resort Association Task Force. If it is successful, it will be up to the Task Force to make a request to the Ministry to consider approving a proposal to establish a resort association. If it is not successful it cannot come before me for decision and cannot be established as proposed.

I appreciate your offer to meet with me, but at this time there is no decision before me to make. Again, the legislative process for the creation of a resort association lays out the process which includes approval of the local government and a successful petition, so community concerns can be heard.

If I do receive a proposal to establish a Resort Association at Silver Star, and as part of my deliberations and review of all of the information available, I will then consider the need for meetings with representatives from both sides.

From: s.22
To: [Mueller, Brent MAH:EX](#); [dannie.carsen@gov.ca](#); [david.sewell@rdno.ca](#); [Minister, MAH MAH:EX](#)
Subject: Concerns about Silver Star Resort Association
Date: November 22, 2018 11:43:08 AM

Dear All,

I hope my email finds you well. First of all I would like to thank you for taking the time to go through my email.

I'm one of the many home owners who live in Silver Star that have been harassed with what I believe is the Resort Association money grabbing scam of the year. I believe you have already heard of this issue.

I really don't want to be a victim of this program. I do not agree to it and I don't know how to make my voice count.

I don't believe I should be paying marketing fees to an association to market the mountain when Silver Star Mountain is already doing a good job marketing the resort. I don't understand how more marketing will benefit me and my family.

There are so many unclear points in their program and I believe that the Task Force is using the uncertainties to leverage their position by providing misleading information to the home owners.

First of all they had put a deadline to the petition for October 31st, then when they realised they didn't have enough votes to their favour they set a new deadline on November 18th but nobody knew a part from few. In the meantime they started calling home owners to set up one to one meetings in order to push their program. During these meetings they have provided unclear information and I have to say some false information too. For example one of the their points was benefiting from "central bookings". With regards to this my husband asked if it meant we would have a separate central booking service and the answer was that the central booking in question is the same that it is managed by the Mountain. This is proof that they are sending across misleading information. This person lied to my husband to try and gain his consent. We have spoken to many other home owners that have been brainwashed and do not know these details.

Some people think that the Association will be the voice of the home owners and will be useful to facilitate the construction of leisure structures like new playgrounds, swimming pools and other public spaces. But it was initially presented solely as a marketing company. They are making people believe that with the new Resort Association, home owners will benefit of more rental business. Well too difficult when this ski hill only thrives of seasonal business and Silver Star Mountain so far hasn't invested in structures that could bring more people on the mountain during the off season. Actually Silver Star Mountain didn't even provide a playground for the raising kids community this past summer.

I don't agree to pay top dollar salaries to the Task Force to do extra marketing that is

not needed.

On top of it I think this matter is dividing the community. This is so unfair since we are already a small community and it would be better if we could all get along. You should see the comments about this matter expressed on social media. I invite you to read the attached link found on Silver Star Community page on Facebook:

<https://www.facebook.com/groups/1500851453542500/permalink/1924827907811517/>

It is such a shame to see the residents calling each other names...when you will read this comments you will be able to see that many of the people who advocate for this Association are actually the spouses and friends of the Task Force members.

Another issue for many of us is that some of the members of the Task Force are part of the management of Silver Star Mountain. I see this as conflict of interest and completely inappropriate. We all doubt that the members of the Task Force want to raise the money that Silver Star has never collected by enforcing their ram fees to whom was supposed to pay but never did, such as all the residences on The Ridge and The Meadows areas. So why do I have to be forced to pay for them.

Why is the title of my home freehold and they are trying to change it against my will? If one day I will decide to rent my home I will have to pay a fee to the Association that will raise every year of an unknown percentage.

The Association hasn't presented a clear business plan. When a member of the task force was asked for clarification during one of their one to one meetings, he couldn't answer some questions because "he hadn't thought about it and nobody is perfect". For the amount of money they are asking I would expect they would have an extensive knowledge about their proposed business.

Another shady point is the unfairness of the tax itself. They want to charge a yearly flat fee to business and are not taking in consideration the revenue of each business. So it doesn't matter if I earn more or less money from my business. Who earns more pays the same as who earns less.

Consequently, as you may understand, I do not trust this Association and I don't want to be forced to be part of it. What would you suggest we do? I am seeking for your professional help not to become a victim of this program. I please ask that the minister to not approve this proposal.

Thank you again for your time. Most of us are looking forward to receiving your thoughts and to put an end to this.

Best regards

s.22

Silver Star Home Owner

P.S.: I would appreciate if you could not disclose my name with members of the Resort Association Task Force

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Sent from Gmail Mobile

From: s.22
To: Minister, MAH MAH:EX
Subject: In the words of Mr Mueller, Director MAH, "An overextended timeline....could be viewed as unfair"
Date: November 23, 2018 3:59:16 PM

Hello Madam Minister,

I am in opposition to the Silver Star Resort Association. While I am concerned about most aspects of the way this process is being forced on Non Ram property owners, today I will address a single one of those: the over extension of the timeline of the Petition process.

The Task Force indicated on the Petition, and on their web site, that Petition signatures were to be in by October 31, 2018 and that the process would be completed by November 18, 2018. These dates magically disappeared from their website around the first of November. Instead of stopping at the deadline and counting the signatures, the Task Force became increasingly aggressive in its solicitation of signatures. Task force members have now verbally indicated that the dates were inconsequential, and moreover that they have both the required signatures and the required level of investment signatures.

I would like to share an email, obtained through FOI, from Brent Mueller, Director, Governance Relations, MAH. The document is worth reading in its entirety but I have taken the liberty of highlighting several points, for emphasis of important words:

Email from Brent Mueller dated April 26, 2018

re: Quick Meeting Recap: Resort Association Petition
Process Update

Hi everyone.

Thanks for the call today. I thought it would be useful to provide a quick summary of our discussion.

The purpose of the call was to discuss roles and the conduct of the petition process regarding the proposed Silver Star resort.

All agreed that guiding principles for the conduct of the process include fairness and transparency.

In general terms proposed roles are as follows: Task Force conducts the petition; Regional District undertakes certification; Ministry provides guidance on the process.

Additional points about the conduct of the petition process:
Cost recovery for the regional district in carrying out the certification step;
Drafting of the petition/question needs to be clear and unambiguous and follow Section 212 of the Community Charter as is reasonably possible.

In keeping with the principle of fairness, the timeline for the conduct of the petition has to be reasonable. While one month is likely not enough time 3 months may be reasonable. An overextended timeframe that, for example, would achieve a slim majority could be viewed as unfair.

Timing for the conduct of the petition is tricky given consideration of the local government election cycle and considerations around what time of year has the greatest likelihood that property owners are present.

As the regional district and the Ministry had already had an opportunity to discuss these matters informally, the Task Force representative asked for an opportunity to report back to his group and seek direction.

A meeting will be scheduled for the week of May 7th (not on the Monday) to reconvene and try to confirm a collaborative way forward to conduct a technically fair and transparent process.

If you have any concerns about how I have characterized our conversation, and if you have suggested changes, please let me know.

Cheers ~ Brent
Brent Mueller, MA
Director, Governance Relations, Governance and Structure Branch
Ministry of Municipal Affairs and Housing
Province of British Columbia
(778) 698-3220

From above "An overextended timeline that would achieve a slim majority could be viewed as unfair." This is from a Director of Governance, from MAH, that is giving "Guidance on the process."

We too believe that it is unfair.

We would ask that the Ministry give us formal Notice that the signed petition period ended October 31, 2018 and that the numbers were not great enough to further this initiative.

We would ask that the Ministry give us formal Notice that the Certification process was not complete by the November 18, 2018 deadline and because of that the process has failed.

This is a significant and timely matter in our Community, and would ask for your immediate attention to the above requests.

Thank you

s.22

From: s.22
To: Minister, MAH MAH:EX; Mueller, Brent MAH:EX; Carsen, Dannie MAH:EX
Subject: Opposition to Silver Star Resort Association
Date: November 20, 2018 10:38:15 PM

Hello

I am opposed to the Silver Star Resort Association.

This opposition is based on the knowledge of how this is a Corporate endeavour, not a Community initiative. A few examples of problems with the Association follow;

The use of the Resort Association Act, after a Resort is already established, without excluding existing Fee Simple properties is unconscionable.

The Task Force has failed to actively engage the Community. When faced with significant and legitimate community issues, and well thought out solutions to these issues, the typical response was “the Task Force feels strongly” in opposition. This failure to engage with those in opposition, and even those with tough questions, has produced extreme distrust for Community members of the Corporations in our Community, those that run these Corporations.

The ability of a Corporation (Silver Star Mountain, the acknowledged leader of this group) to expropriate our Lands is unprecedented.

The Task Force has failed to follow the Community Charter Act and establish the Corporate Officer to certify the petition. This has lead to several significant irregularities with the Petition process, all of which will be challenged.

The Task Force and the Province has continued to indicate that this is a Democratic process. It is not. In a democratic process Corporations do not control “the vote.” In this Petition process, Corporations have signed large numbers of Petitions. This Corporate endeavour includes Silver Star Mountain Resort, Carrington Properties, and Judd Buchanan (former Silver Star Resort owner) blocks of properties. It also includes almost all of the Task Force who are business owners/operators/managers in the Village. If the Petition process is successful, the “majority” will not have spoken, the Corporations will have flexed their muscle.....the exact opposite of democracy.

I would ask that you in Government not entertain this flawed process.

Thank you

s.22

From: s.22
To: [Mueller, Brent MAH:EX](#)
Cc: cathy.watson@gov.bc.ca; [Minister, MAH MAH:EX](#)
Subject: Silver Star Resort Association debacle
Date: November 21, 2018 11:44:42 AM
Importance: High

Hello Mr. Mueller,

I am writing as a very concerned citizen of Silver Star community.

As you are aware a small group of commercial interest have been attempting to create a Resort Association for assisting their individual financial obligations to the Resort operator.

The process has been a sham from the start and I personally am extremely fed up with the blatant arrogance and complete disrespect for the framework and guidelines as described within the Provincial Act over seeing such proposals. The Task Force spearheading this proposal is comprised of absolutely biased individuals with extreme conflict of interests towards to due and fair process required by law. It is my duty as a citizen of British Columbia to bring this to your attention and to respectfully demand a response from you personally as to what you are doing to ensure our rights and that the guidelines of the Act are being followed in a transparent and open, fair manner.

Although the Act requires the Task Force for the proposal to use RDNO to Certify, the Task Force is hiring a contractor to certify the petition, disregarding regulations and disregarding RDNO's willingness to perform this important legislative requirement.

The Task Force is choosing a contractor, and then paying that contractor to say what the Task Force wants.! This is OUTRAGEOUS!

There are a large number of home owners within the community that have discussed serious legal action encompassing not only the Resort Management appointed Task Force members, including the Resort management, as well as any provincial, regional and municipal representatives that are not paying attention to the incredulous, belligerent contempt and attempting to transparently correct the matters brought up numerous times throughout the course of this proposal.

I look forward to your attention to this matter and your response in due course.

Sincerely

s.22

Silver Star home owner.



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From: s.22
To: Minister, MAH MAH:EX; Mueller, Brent MAH:EX; Dannie.Carsen@gov.bc; Paget, Gary MAH:EX
Cc: david.sewell@rdno.ca
Subject: Silver Star Resort Association Proposal Petition
Date: November 21, 2018 8:00:00 AM

Good morning,

Proponents for a Silver Star Resort Association have conducted a petition and gave a November 18th completion deadline to the community. This November 18th date was posted on the proponent's website and the date of October 31st to have petitions sent in was included on the petition I received by email. Recently, the November 18th date has been removed from the proponent's website (with no proper retraction) and has been replaced with a statement that there is no timeframe for petition submissions. One can surmise that the proponent has not obtained enough signatures for the petition to move forward and that it intends to push the deadline indefinitely. As this is a petition where no signature submitted counts as a "no vote", how can the task force just decide to change the deadline and wait indefinitely until they have enough signatures to move the proposal forward?

This "changing of the goal posts" has been widely noted by the community and is typical of the task force conduct to date. Many of my neighbours report being harassed by multiple calls and emails from task force members even after the petition deadline. This is even more alarming as the task force is comprised of business and commercial owners/employers that would have substantial conflicts of interest if coercing property owners into signing petitions.

It seems to me the community has decided. Not enough petitions were gathered by the deadline the proponent put forward, despite strongarm tactics being reported by our neighbours. This is a petition, not a vote. No response to the petition by the deadline given is a "no vote". The community has said no.

To turn around a phrase used by Ken Derpak in a letter he distributed in August, we have given the task force a response, they just don't like the answer.

Can you please provide the following details:

- what day was the first petition sent out?
- how many petitions were received by the November 18 deadline?
- the task force published that the provincial government supplied a list of potential validators for the petition. Who was on that list?
- Why was our RDNO corporate officer or the "municipal officer" not required to certify as per the community charter?
- who is overseeing the task force and this petition?

Thank you.
s.22

From: s.22
Subject: Silver Star Resort Association
Date: November 24, 2018 3:36:01 PM

Dear Sir,

I am writing as I am concerned that the Task Force for Silver Star Resort Association is actively pushing forward with plans despite seemingly not having obtained enough signatures by the published deadline of November 18. To that end it has been disclosed that the Task Force is meeting on Wednesday November 21 with the MAH Ministry.

This concerns me as the task force is not honouring the petition deadline and due to the number of emails I believe individual's received asking for thier vote I believe there to be flaws in the petition process.

Your

A concerned property owner

From: s.22
To: Mueller, Brent MAH:EX
Cc: OfficeofthePremier, Office PREM:EX; Minister, MAH MAH:EX; Weaver.MLA, Andrew LASS:EX; Marotz, Nicola MAH:EX
Subject: Silver Star Resort Association
Date: November 19, 2018 5:50:57 AM

Your Ref: 233857

The Silver Star Resort Association Petition and web site indicated, in several places that the Signatures were to be in by Oct 31, 2018 and that the process would be completed by November 18, 2018. As it s now November 19, would you please indicate to me what the results of the completed process were?

Thank you

s.22

From: s.22
To: [Silverstar Taskforce](#)
Cc: [Mueller, Brent MAH:EX](#); [Robinson, MLA, Selina LASS:EX](#); [Minister, MAH MAH:EX](#); [Carsen, Dannie MAH:EX](#); [Marotz, Nicola MAH:EX](#); [Paget, Gary MAH:EX](#); [Bickford, Cathy](#); [Minister, MAH MAH:EX](#); [Grace.VandenBrink@gov.bc.ca](#)
Subject: Silver Star Resort Association Petition
Date: Monday, December 3, 2018 11:55:01 PM

To Whom It May Concern

I note that the closing date of the petition has now been changed from 31 October 2018, to 18 November 2018 and now to 14 December 2018.

I understand that the RDNO had initially offered their services to certify the petition however this offer was declined and this service is now going to be provided by an outsourced company paid for by Silver Star Mountain Resort I am guessing??

Can you please provide the contact details as to who will actually be certifying the petition and the proposed dates surrounding that process.

Many thanks

Kind regards

s.22

Flatman, John MAH:EX

From: Grant, Lisa MAH:EX
Sent: Thursday, November 29, 2018 10:37 AM
To: Gedney, Vanessa R MAH:EX
Subject: RE: Proposed Silver Star Resort Association

Probably as soon as reasonably possible but she did not say it was a rush so it does not need to be flagged as one

Lisa Grant
Administrative Assistant to the
Honourable Selina Robinson
Minister of Municipal Affairs and Housing Room 310, Parliament Buildings
Office: 250-387-2283

From: Gedney, Vanessa R MAH:EX
Sent: November 29, 2018 9:40 AM
To: Grant, Lisa MAH:EX <Lisa.Grant@gov.bc.ca>
Subject: RE: Proposed Silver Star Resort Association

When does Daniela want the note?

From: Grant, Lisa MAH:EX
Sent: Thursday, November 29, 2018 9:18 AM
To: Hitchen, Daniel MAH:EX; Patrucco, Ian MAH:EX; Johnson, Tracey MAH:EX; Gedney, Vanessa R MAH:EX
Subject: FW: Proposed Silver Star Resort Association

Good morning,

Daniela has requested a briefing note on the below before deciding on whether to proceed with a meeting or not.

Let me know if you have any questions.

Thanks!

Lisa Grant
Administrative Assistant to the
Honourable Selina Robinson
Minister of Municipal Affairs and Housing Room 310, Parliament Buildings
Office: 250-387-2283

From: s.22
Sent: November 21, 2018 9:30 PM
To: Minister, MAH MAH:EX <MAH.Minister@gov.bc.ca>
Subject: Proposed Silver Star Resort Association

Hi Selina

I was hoping for a meeting with you at your earliest convenience

I am the owner of s.22 properties at Silver Star and am extremely disappointed regarding the process and procedures with the formation of the proposed Resort Association.

There are a lot of unhappy owners up here right now and I am guessing it will be coming to the Province soon for rubber stamping and I would like to make sure that both sides get heard before any decision is made

I notice one of the ministry commitments to the Attorney General is " is to build a strong, sustainable, innovative economy that works for everyone, not just the wealthy and the well-connected ". We hope that this really is the case and that the private citizens will be heard and that common sense may prevail in the end.

If you like I would be able to arrange a group if you would appreciate a few different voices on this topic

Please let me know your earliest gap in your schedule

Thank you in advance

Kind regards

s.22



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