

# Union Bay Phase 2 Incorporation Study

See us on the web at  
[www.BaynesSound.ca](http://www.BaynesSound.ca)

Newsletter #3 May 2006

Prepared by the Union Bay Phase 2 Restructure Committee

## An update for residents

Using a grant from the province, the incorporation study committee has been looking at the potential impacts of municipal status for Union Bay. We've been waiting for some crucial information from the province for quite some time, and now that it has arrived we can complete our findings. We're sending you this newsletter to present what we've found and to invite you to meetings on Saturday, June 10<sup>th</sup> to discuss the impacts and hear your questions and comments.

Some of the information shown here comes from Sussex Consultants Ltd., who we hired to prepare much of the technical work. Copies of the complete report can be seen at the Union Bay Improvement District and at the Union Bay Credit Union. You can also see it on the web ([www.BaynesSound.ca](http://www.BaynesSound.ca)).

## Goals of our work

Our job is to present and discuss information with the public and then make a decision about whether to request a referendum on municipal status. We want to make sure everyone has seen and discussed the findings when we consider whether or not to ask the province to hold a referendum. No commitment has been made to request a referendum.

### **No municipality without voter consent**

A formal referendum would have to be passed by the voters themselves before a municipality could be created.

## Do we have to change?

No. This is only a study to see the impacts of municipal status. We do not have to change.

## What is the study area?

The map on the last page shows the study area. It includes the whole improvement district plus some forest areas (including the Langley Lake watershed).

## Our committee

We're local individuals who responded to a public request for volunteers to oversee and manage the study. Our mandate is to assemble and present information to the public and then decide whether to request a referendum so residents could choose for themselves. *We don't have the power to change things; only the voters could do that.*

Jennifer Keenan, Chair	Ted Haraldson
Sharon McGarvey, Secretary	Gary Hargreaves
Bryan Fisher, Treasurer	Joe Lidster
Barry Bowen	Mike Nicell
Gracie Chapman	Jan Prowse
David Davidson	Non-voting members:
Doug Geidt	- Suzanne Murray (Electoral
Janette Glover-Geidt	Area A director)
Bob Grant	- Dave Godfrey (Union Bay
Edda Grant	Improvement Dist. Chair)

## **2 Public meetings on June 10<sup>th</sup>**

Both at the Union Bay Community Hall  
**10 AM – Noon ... and ... 2 PM – 4 PM**  
*Doors open 30 minutes before each meeting*

## Got questions?

Please come to a meeting on June 10<sup>th</sup> to learn more. If you can't make it, just write down your question and have someone bring it on June 10<sup>th</sup> or send it to the Committee at Box 13, Union Bay, BC V0R 3B0 and we'll read it for you at the meeting.

## A municipality? What are we now?

Union Bay is a rural status community. Community policies and local services are determined by a mix of agencies. The main ones are:

- The Union Bay Improvement District
- The Regional District of Comox-Strathcona
- The province.

Municipal status would mean more autonomy for our community but it would also mean more responsibilities. Would municipal status be a better way to manage our community? Individuals will no doubt have differing opinions about the advantages and disadvantages.

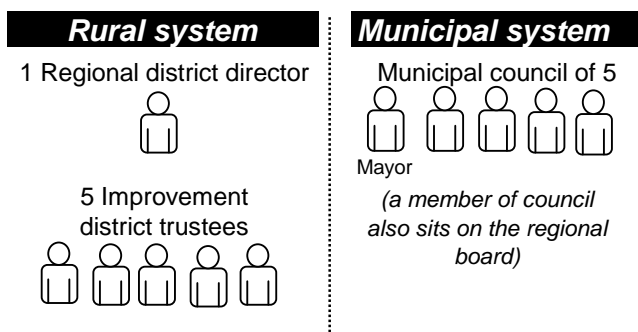
## Why consider this?

Municipal status would give us more control over services, taxes, and development in our community. Also, we would be eligible for infrastructure grants (like water) that we don't qualify for now. However, it would also mean more obligations.

## Who would be in charge?

We would have a locally elected council: a mayor and four other councilors, all elected to three-year terms. It would set policies, budgets and taxes for various local services without needing approval from the regional district.

Currently, we elect five improvement district trustees and one regional district director (shared with Royston, Fanny Bay and the rest of Area A).



## Service responsibilities

Municipalities have broader authority than regional districts and improvement districts. The table at top right shows some of the key differences.

	Current system ↓	Municipality ↓
1 Regional district director	1 for all of Area A	1 for municipality
2 Improvement district trustees	5 trustees	None
3 Municipal council	None	1 Mayor + 4 councillors
4 Fire department	Impr. District dep't	Municipal dep't
5 Property tax collection	Province	Municipality
6 Zoning bylaws	Regional district	Municipality*
7 Community plan	Regional district	Municipality*
8 Subdivision approval	Province (regional district input)	Municipality
9 Water system	Union Bay Imp. District	Imp. Dist. area of municipality
10 Building permits	Regional district	Municipality
11 New Island Highway	Province (via contractor)	Province (via contractor)
12 Old Island Highway	Province (via contractor)	Province (if munic. pop'n < 1500)
13 Local roads	Province (via contractor)	Municipality (after 5 years)
14 Watershed protection	Province + regional district^	Province + municipality^
15 Policing	Province (RCMP contract)	Province (RCMP contract)
16 Private water systems	Up to individuals	Up to individuals
17 Septic systems	Individual	Individual
18 Union Bay community hall	Non-profit society	Non-profit society
19 Comox Valley pool and arena	Regional district	Regional district
20 Community parks	Regional district	Municipality

\* Existing Area A bylaws would be inherited by the municipality

^ Regional district and municipality zoning can't prohibit forestry

## Water and sewer not affected

Water charges could continue as they are now. Conditional funding for a Royston-Union Bay sanitary sewer system has been approved by voters. Whether or not Union Bay is a municipality, only those properties in the sewer area would pay for the service.

## Non-profit groups not affected

The non-profit society that owns and operates the community hall would not be affected. Funding for the hall could continue just as it is.

## Would we need to have paid staff?

Yes, though it should be noted that the improvement district already has paid staff. Due to the extra administration and road responsibilities,

the municipality could need up to 3.0 new full time people (their wage costs are built into the tax impacts shown here).

### What about roads?

The province would remain responsible for the new Island Highway and the road linking it to the ferry terminal. The Old Island Highway would also remain a provincial responsibility as long as we're under 1500 people (we're 1300 now). Five years after we reach 1500, the old highway could become a municipal cost – but the growth needed to reach 1500 would also increase our ability to pay for it. All other roads would be a municipal responsibility, again after a 5-year free period. The tax estimates include the road costs.

### Would the council be paid?

Yes. Based on 2004 data, the mayor would get \$5,500-\$7,500 and each councillor would get \$3,500-\$4,000. This is built into the tax impacts. These costs are a very small part of the budget.

### Provincial grants

Several types of provincial grants would be available to the municipality.

- An ongoing grant of \$300,000 each year;
- Substantial short term transitional assistance
- Infrastructure grants (these are not assured).

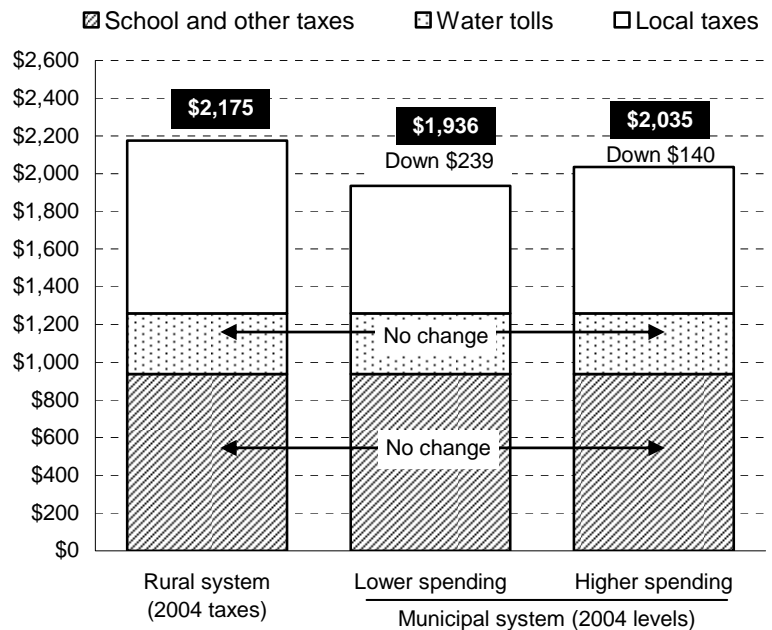
### The municipal budget

Setting budget levels and priorities would be up to the municipal council. We've used two levels of municipal spending – *lower and higher* – based on 2004 data (we'll update everything to 2006 data for public discussion if a referendum is to be held).

### What would happen to taxes?

Based on 2004 data, it is projected that taxes under municipal status would be less than under rural status. As shown at top right, a typical home could save \$140-\$239, depending on the budget priorities of the municipal council. (Note: Taxes vary with property assessment. Property values are higher for 2006 but this doesn't necessarily mean higher taxes, because tax rates could be lower.)

Tax impacts on a \$200,000 home (2004 asmnt)



Other points worth noting:

- The chart assumes no change in the rural taxes.
- Water charges need not be affected.
- If Union Bay passes the 1500 population mark, the tax savings could shrink by \$100 – but could still be less than rural status.

### How could taxes fall?

Mainly because (a) the Old Island Highway would remain a provincial responsibility, which lowers the municipal costs; and (b) the annual provincial grant to the municipality is large (\$300,000 per year).

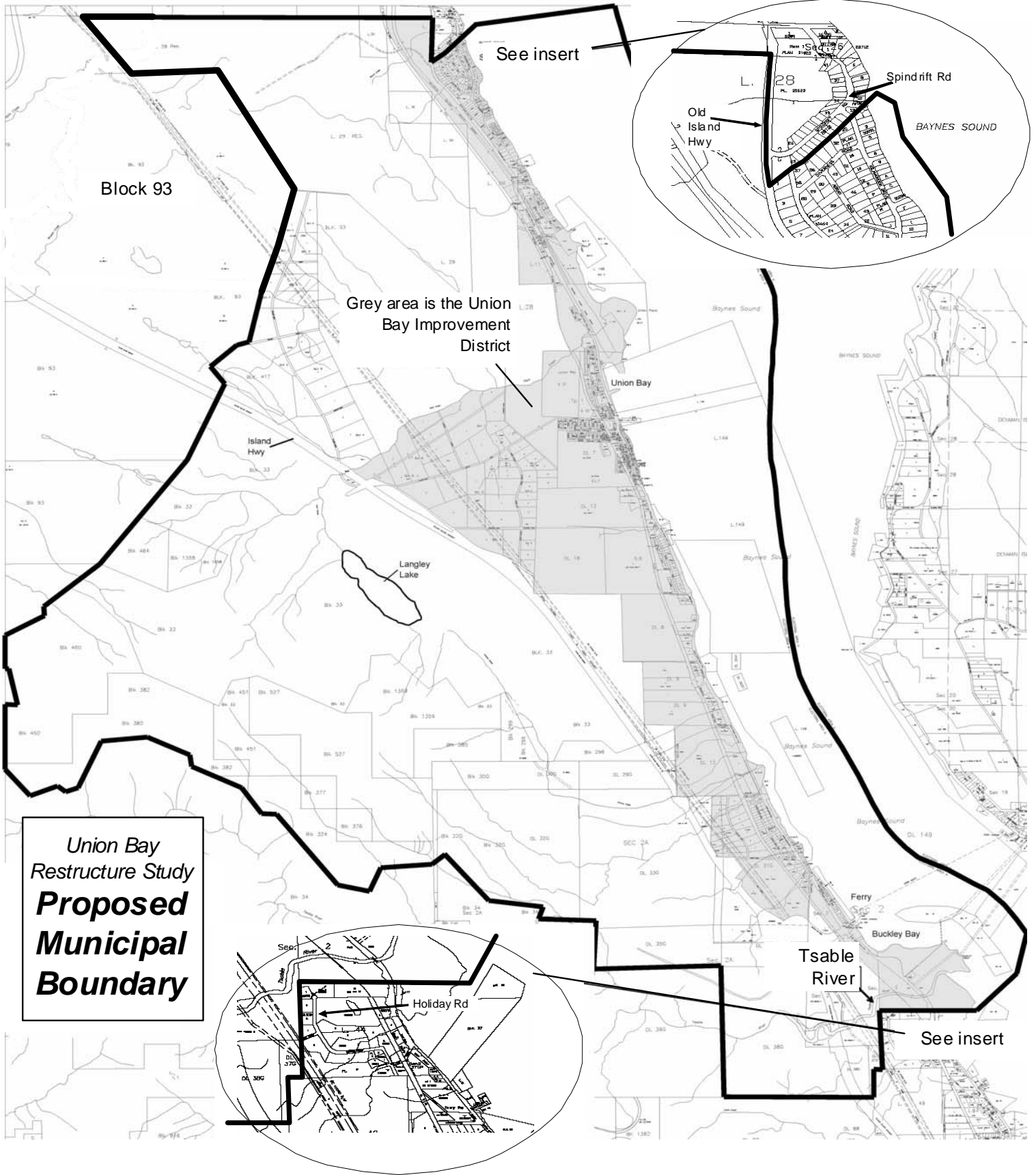
### Are there risks?

Yes. Municipal taxes could be higher than projected. For example, council could choose higher spending levels, or the annual grant could fall, or new costs could be downloaded. Of course, there are some risks under the current system, too.

### Community growth

The tax impacts are limited to a “before-and-after” comparison based on 2004 service levels where possible. Future service costs and taxes will change over time. Reaching 1500 would require almost 100 new homes. Kensington is the most obvious source of such growth. Growth that triggers the Old Island Highway cost would also add to the tax base.

Learn more at [www.BaynesSound.ca](http://www.BaynesSound.ca)



*Union Bay  
Restructure Study*  
**Proposed  
Municipal  
Boundary**

***Please come to one of the public meetings!***  
***Saturday, June 10 at the community hall***  
***10 AM - Noon ... and ... 2 - 4 PM***