

COUNCIL AGENDA/INFORMATION		
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DISTRICT OF WEST VANCOUVER
750 – 17TH STREET, WEST VANCOUVER, BC V7V 3T3

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COUNCIL REPORT

Date: November 12, 2009
 From: Grant McRadu, Chief Administrative Officer and Anne Mooi, Director, Parks and Community Services
 Subject: **Hollyburn Ridge Cabins – Long Term Strategy, Permit to Occupy Extension and Fee Increase**

Purpose

The purpose of this report is to advise that Council has directed that the following initiatives take place:

1. That staff develop a long term strategy for the future of the Hollyburn Ridge cabins and the area they occupy that considers District benefits and liabilities arising from cabin occupancy, operating and capital costs incurred by the District, insurance issues, building code issues, environmental impacts of cabin usage, the heritage of the cabin area and the opinions of the cabin permit holders (Hollyburn Ridge Association) and others and report back to Council no later than June 30th, 2010;
2. That the annual permit fee be set at \$1,720 per annum commencing January 1, 2010 for a 1 year period (January 1, 2010 – December 31, 2010); and
3. That the existing Permit to Occupy agreement, currently expiring on December 31, 2009, be extended for a one year period (January 1, 2010 – December 31, 2010) on acceptance of the new annual permit fee by the permit holder.

1.0 History

The use, tenure, maintenance and administration of the Hollyburn Ridge Cabins have been an ongoing matter for Council and the Hollyburn Ridge Association (HRA). The HRA is an association representing the collective interests of cabin occupants.

Over the past twenty years various reports to Council have dealt with issues relating to the administration of Hollyburn cabin occupancy tenures, cabin tenure transfers /assignments, fees for cabin occupancy and cabin demolitions.

In 1981, Council appointed the Hollyburn Ridge Committee to look at issues of governance, fees, transfer, cabin maintenance, standards, noise and public access. The Report of that Committee formed the basis of a 5-year renewable permit that exists today.

There is administrative practice and historical precedent for the issuing of permits to Cabin users. However, there have been issues for the District and the Permit Holders by the continued issuance of these Permits. The District and the HRA have worked to address issues as they have emerged over the years however several issues remain unresolved.

These issues include liability and safety issues for the District and Permit holders, environmental stewardship issues related to the old growth forest, costs for maintenance and administration of the Hollyburn Ridge cabin area, the Permit to Occupy fee and length of the Permit term.

In the past 12 years the permit fee has increased \$80 from \$257 in 1997 to \$367 in 2009. The basis for the increase was Vancouver area CPI. The current annual Permit fee is less than \$31.00 per month for a recreational property use less than 30 minutes from downtown Vancouver. The new fee has been raised to \$143.00 per month for what is essentially exclusive recreational use on District land.

2.0 Policy

The Permit to Occupy forms the basis of the legal agreement between the District and the permit holder. Policy pertaining to such specifics as cabin assignment, party responsibilities and other conditions are clearly outlined in the Permit to Occupy Agreement signed by the parties. All the Permits expire on December 31, 2009.

3.0 Analysis

3.1 Discussion

Council has directed that over the next six months, staff focus on addressing a long term strategy which takes into account liability, public safety, financial, social, heritage and environmental issues. A fundamental issue that needs to be resolved is the long term status of the cabins.

An internal review in 2009 showed that 71 of the 98 cabin occupiers are not West Vancouver residents. The review also showed that the operating costs directly attributable to the cabin occupancy exceed the revenues generated from the

Permit fee. Thus, direct operating costs are being subsidized by the West Vancouver taxpayer.

Considering the amenity value of the cabins, increasing market demands and dwindling opportunities for recreation sites, a rate has been established to determine the Permit to Occupy fee for the 2010 year that will move the permit fee towards what should reflect as market rates.

Council determined the one year fee is to be based on the District's Land and Property Agents recommendation utilizing for 2010, 5 % of the BC Assessment land value. For the period from Jan 1 – Dec 31, 2010, the current BC Assessment values have been used and the fee of \$1,720 is based on that calculation. We anticipate further assessment of District land to be conducted over the upcoming year.

Staff have met with representatives of the Hollyburn Ridge Association's executive who have advised that they do not object to an increase in the fees, but object to the short notice time they have been given for the fee increase and have asked that the increase be phased in or reduced or have the length of term increased. At this meeting, staff advised the HRA representatives that Council has directed that a long term strategy be developed by staff with input from the HRA and others, and that a report with recommendations be presented to Council by June 30th, 2010.

3.2 Environmental Implications

The cabin area is located in one of the oldest forests on the North Shore and portions of the area contain trees that are 500 – 1000 years old. Maintaining the long term sustainability of that forest must be considered in a long term strategy of the Hollyburn Ridge area.

3.3 Financial Implications

Establishing a fee structure based on BC Assessment's land valuation provides several advantages. This fee structure can be used as a basis to consider any further permit fee figures. Any disagreements with the land valuation itself would be resolved through the BC Assessment appeal process and not through the District.

The examination of an appropriate fee for the Permit to Occupy is consistent with Council direction to evaluate all District income producing assets.

3.4 Sustainability

Any future considerations must take into account the District's long term vision for environmental, financial and social sustainability.

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4.0 Conclusion

During the development of the Strategic Plan, there has been clear direction that the District must develop a sustainable financial framework for all of the Districts assets. The District must demonstrate value for money in all our service areas. To this end, staff have been directed to investigate costs and benefits of all District assets.

Author: _____

Concurrence: _____