

Duncan – North Cowichan Amalgamation Study Review

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Overview of Amalgamation Study Process

The municipalities of Duncan and North Cowichan on Vancouver Island are considering amalgamating. Their study into amalgamation began in 2014 when the two municipalities agreed to include a non-binding opinion question on the municipal election ballot asking residents whether the cities should investigate the benefits and costs of amalgamation. The electorate approved of the initiative, with 68% of voters in the larger North Cowichan and 52% in smaller Duncan voting in favour.

The municipalities then contacted the provincial government to inform the ministry of their intention to study the issue; the province agreed to provide one-third of the funding for a study (up to \$47,000). The cities contracted a consultant (MASS LBP) to assist with the formation a Citizens' Assembly, which was formed in late 2016 and met throughout the Spring of 2017. Concurrently, the municipalities hired another consultant, Urban Systems, to provide a technical analysis of the issue.

The Citizens' Assembly was created by selecting members at random from a pool of residents who volunteered to participate; participation was open to all residents over the age of 18 in both municipalities. Its mandate was "to learn about the needs and interests of local residents, examine the implications of creating a new, amalgamated municipal government, and advise local councillors and their administrations on the conditions under which the municipalities should proceed."

By April 2017 the Citizens' Assembly had fulfilled its mandate, having met six times and hosted two public roundtables. At this time Urban Systems also concluded its technical study and presented it to the Assembly and two municipalities. Duncan and North Cowichan debated scheduling a referendum on the question of amalgamation either as a standalone question in Spring 2018 or included on the municipal election ballot in Fall 2018; ultimately the councils decided on a standalone question to be held in Spring 2018. Currently, the Provincial government has paused the referendum approval process, asking for more information from the two cities; the ultimate date of the referendum is now unclear.

Technical Analysis Summary

Overview

Urban Systems' completed a technical analysis from January to April 2017. The report is 112 pages and provides background on the issue, attempts to determine the impact of amalgamation on a range of municipal services, and estimates financial impacts.

The consultant used interviews and field visits to gather information, as well as reviews of documents, policies, etc. The report also drew from a local Advisory Panel, consisting of former Duncan and North Cowichan senior staff and councillors, which lent its expertise to the initiative.

Findings

The report assesses potential changes to service areas in the two communities (general government, planning and development, public works and engineering/transportation, protective services, environmental health, and parks and recreation), as well as financial impacts and other considerations. The report neither draws definitive conclusions nor makes recommendations, but rather details how amalgamation may impact each area. According to the analysis, amalgamation may result in relatively minor tax changes as well as several million dollars in one-time restructuring costs. The report also details other notable impacts, particularly to police funding and water services in the communities.

Analysis

Duncan and North Cowichan are contiguous communities which share many services, with municipal distinctions that have little impact on residents – in short, ideal candidate municipalities for amalgamation. Though there are several instances of contiguous communities in the province, municipal amalgamations are rare in British Columbia: the Matsqui-Abbotsford amalgamation in 1995 was the last to occur in the province. Partly this is because voluntarily amalgamating two municipalities represents a daunting political task. Nonetheless the Duncan-North Cowichan process has so far passed many of the major hurdles towards amalgamation: the two councils have agreed to cooperate on studying the issue; citizens approved investigating the possibility of amalgamating; the citizens' committee was successfully struck and fulfilled its mandate; and the municipalities agreed to a formal referendum.

Applicability to DNV

The applicability of Duncan-North Cowichan's technical study to North Vancouver is limited, primarily because the value of an amalgamation is heavily dependent on the immediate situation of the municipalities. Duncan and North Cowichan are both much smaller than the North Vancouver municipalities, at roughly 5,000 and 30,000 residents respectively. Relevant factors to the debate for these municipalities are quite different than those on the north shore: for instance, water provision would see a big change under an amalgamation, whereas in North Vancouver this is not an issue. By the same token, the study's findings that would be relevant to other municipalities are mostly well-known and generally broad: benefits in planning and transportation, potentially high one-time costs, low potential for cost savings, and so on. These insights are summarized in DNV's report *Merging Municipalities* from January 2016. As such the Duncan-North Cowichan study has little new to offer the debate on amalgamation in North Vancouver.

Nonetheless the process that Duncan and North Cowichan have followed in pursuit of amalgamation is a useful case study. Their process began when both councils agreed to put the question of studying the issue to their residents in a ballot question – since this question was successful the cities were able to match their political will with popular support and proceed with a mandate.

The Citizens' Assembly was formed with sensitivity to the two communities and aided by a consultant with expertise in public dialogue. The assembly was given the freedom to explore the issue, and benefitted from effective research in the form of the technical analysis. Throughout the technical analysis, the municipalities shared their information and demonstrated a willingness to collaborate through the Advisory Panel. The result was a robust process that involved and empowered both the residents of the communities and municipal staff and councils. The date of the final referendum was carefully debated and separated from the municipal election so as to not distract from its value.

In sum, this experience illustrates that in the event two municipalities are willing to cooperate, the provincial government can be a willing third partner, citizens can become actively and positively engaged in the issue, and high-quality technical analyses can inform the debate. The two municipalities have ultimately empowered their residents to have the final word, supported by a thoughtful process carried out in good faith, thereby giving a difficult issue its best opportunity to be assessed fairly. Their process also illustrates the high quality of information required to seriously advance a restructuring, as the Provincial government asked for additional information beyond the substantial work done by consultants and the Citizens Assembly. For

North Vancouver, Duncan and North Cowichan illustrate the scope and breadth of the task ahead for reunification.

Links

[Citizens' Assembly Final Report](#)

[Technical Analysis](#)

Appendices

Appendix 1: Excerpts from Citizens' Assembly Report

Appendix 2: Excerpts from Technical Analysis

Final Report and Recommendation of the Duncan-North Cowichan Citizens' Assembly

"Some of us have lived our whole lives here; others have recently arrived...We volunteered because we each saw this as an opportunity to give something back. We were curious to learn more about local government and become more informed about the way the two municipalities are managed. While we come from different backgrounds, we shared a desire to make a meaningful contribution to our communities."

**DUNCAN-
NORTH
COWICHAN
CITIZENS'
ASSEMBLY**

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May 2017



MUNICIPALITY OF
NORTH
Cowichan

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Duncan-North Cowichan Citizens' Assembly Members' Report

We are volunteers who were randomly selected using a civic lottery to serve our communities as members of the Duncan-North Cowichan Citizens' Assembly. Last November, invitations were randomly distributed to 10,000 area households. 144 people responded and 36 of those respondents were randomly selected to represent the two communities and roughly match their demographic profile. Half of our members are men, and half are women. We represent a range of age groups and come from many different backgrounds. Some of us have lived our whole lives here; others have recently arrived. Twelve of our members are from Duncan, and twenty-four are from North Cowichan.

We volunteered because we each saw this as an opportunity to give something back. We were curious to learn more about local government and become more informed about the way the two municipalities are managed. While we come from different backgrounds, we shared a desire to make a meaningful contribution to our communities.

We met for six full Saturdays over four months and listened to presentations from a range of residents, business owners, public servants, first responders, academics, Indigenous leaders, and community stakeholders in order to understand the needs and perspectives of different people in our communities.

We also convened two public roundtable meetings, where we shared what we learned with residents and listened carefully to their feedback. Our members sought out their neighbours, friends, and colleagues for their perspectives as well.

We examined technical and financial analyses and came to understand them well.

We posed many questions to our guests and to the technical consultants, and appreciated their care in answering our questions.

We considered the area's history and learned from both successful and unsuccessful amalgamations in other BC communities.

We believe this process was thorough and collaborative. We strove to be impartial in our conduct and discussions.

Throughout our time on the Assembly, we listened carefully to each other and tried to set aside any pre-conceived ideas. On balance, we were open-minded and tried to be considerate of different points of view.

Our Values

During our first two meetings, we identified seven values that helped us to find common ground. We used these values to help guide our discussions and weigh different scenarios.

Efficiency and cost-effectiveness We value local government that exercises good fiscal responsibility and works efficiently and consistently to respect residents' time and money.

Quality services and infrastructure We value local government that provides quality services and infrastructure that have a measurable impact on the well being of residents. Our services and infrastructure should be cost-effective, mindful of current needs and future growth, highly satisfactory and appreciated by residents, and based on best practices.

Public engagement We value local government that proactively and regularly engages residents in local governance and decision-making. Good local government fosters public learning, consultation, collaboration, and transparency.

Environmental stewardship We value local government that ensures the protection of our air, water, wildlife, and green spaces. It works to enrich our urban, rural, and agricultural communities and ensure continued economic and ecological vitality for all.

Collaboration We value local government that exemplifies an inclusive, non-partisan and collaborative approach to meeting the distinct needs and interests of our many communities.

Accessibility, Approachability and Accountability We value local government that is: easy to access, whether online, by post, in person, or by phone; willing to listen and seriously consider different perspectives in genuine dialogue with constituents; responsive to residents; and committed to providing clear explanations for its decisions.

Respect for local differences We value local government that takes care to ensure that local voices, sensibilities, character, and communities are preserved, recognized, and enhanced.

We also drew up a list of issues and questions we wanted to address in our deliberations. It is by answering these questions and examining amalgamation through the lens of each of these issues that we ultimately reached a strong consensus.

Our issues

1. Consistency of services
2. Governance and leadership
3. Economic development
4. Environment
5. Culture and identity
6. Land use and planning
7. Taxes
8. Efficiencies and savings

Specifically, we wanted to know:

- Whether amalgamation would be more financially viable than the status quo?
- How amalgamation would impact residential and business taxes?
- How amalgamation would affect zoning and bylaws?
- How amalgamation would change the public and protective services that residents receive?
- Whether amalgamation would change or dilute the identity of local communities, and how might a shared identity strengthen perceptions of the area?
- What might the consequences be of not amalgamating?
- How amalgamation stacks up against other options, including closer service integration and boundary changes?
- How amalgamation could affect environmental policies and change the focus of both municipalities' Official Community Plans?
- Whether amalgamation would affect the local economy and lead to more and better jobs?
- Whether amalgamation would affect relations with local First Nations?
- What might the process, costs, and potential savings of amalgamation look like?

What we learned

Perhaps, like many people, we assumed that Duncan was larger than it is. In fact, it occupies just two square kilometres and has a population of just under 5,000 – one-sixth of the population of North Cowichan, which is home to almost 30,000 people. This makes Duncan Canada’s smallest city by area. Until 1912, Duncan was part of North Cowichan and served as the Cowichan Valley’s downtown, much as it does today.

This historical context is important, and our two communities have been considering amalgamation almost ever since they separated in 1912. Each generation seems to ask this same question, believing that the two communities would be more successful together.

Many of us assumed that amalgamation would save money and hoped it would lead to lower taxes. Others feared that amalgamation would only drive up costs. As we learned from the technical study, amalgamation is likely to have only a modest impact on residential and business taxes.

On its own, amalgamation will not save much money. Both municipalities already co-operate closely, and there appear to be few obvious efficiencies. Amalgamation will not change the population of the Cowichan Valley—there will be as many citizens requiring services following amalgamation as before. Even the neighbouring fire halls provide complementary services; merging them would likely cost more, not less.

We learned that important factors like policing costs and infrastructure should also be considered when evaluating the case for amalgamation. The formulas, provincial programs, and drivers of costs are complicated, but we could all agree that both Duncan and North Cowichan would benefit from having more police services and infrastructure investment, and so both communities would likely benefit from drawing on a shared tax base.

We also learned that businesses are often frustrated with what they perceive as an unequal playing field; two different sets of bylaws and zoning regulations create confusion and can become costly.

We all know that the Cowichan Valley is a special place: it has long been a community of communities. We believe the strength of local identity matters and should be preserved and enhanced.

Some of us came to this process thinking we already knew how local government works, but we now know a good deal more. Based on our work together and what we’ve learned, we’ve reached a strong consensus.

Our recommendation

We have carefully considered the technical information and different scenarios for the future of our two municipalities, including closer service integration.

We believe that Duncan and North Cowichan will be stronger together, and so our consensus as an Assembly is to recommend amalgamation.

We believe that amalgamating Duncan and North Cowichan into a single municipality will make possible lasting co-operation. Amalgamation will enhance the sustainability of our communities by strengthening our fiscal foundation and allow local government to pursue a more coordinated approach to encouraging economic growth, delivering efficient and effective public services, and ensuring that residents benefit from good local planning and strengthened environmental stewardship.

We believe amalgamation will ensure that local government in the Cowichan Valley pursues a common vision and that residents benefit from a harmonized approach to services, policies, and governance.

These benefits include:

- One Council
- Streamlined regulations and bylaws
- A level and consistent playing field for businesses
- One Official Community Plan with consistent and coordinated land use policies

Additionally, we recommend that:

1. Should both Councils endorse amalgamation, that they establish a joint amalgamation working group to develop a clear proposal for amalgamation prior to a referendum.

This working group would develop:

- A framework to ensure equitable representation for each of the Cowichan Valley's distinct communities. The framework could include an expanded role for neighbourhood and business improvement associations and ad hoc and issue-specific advisory committees, and also consider whether an amalgamated municipality should adopt an at-large or mixed-ward system;
- A multi-year transition plan to ensure equitable residential and commercial tax rates; and
- A universal standard of service that would apply across the proposed amalgamated municipality.

This working group would also:

- Propose a clear and concise referendum question that is identical in both municipalities;

- Determine whether a simple majority or a higher threshold should be met, and ensure that the same threshold applies in both municipalities;
 - Ensure that the referendum occurs in conjunction with the next municipal election; and
 - Allocate sufficient funds to develop a referendum communications plan to ensure that residents are well-informed. This plan should use all available media, including a dedicated website, community information sessions, and a direct mail package including a summary of the Citizens' Assembly and Technical Reports, as well as a clear accounting of any anticipated financial impacts, to all area households.
2. An amalgamated Council harmonize zoning regulations and develop a new official community plan and local area plans to designate and invest in the municipality's unique features, strengthen environmental stewardship, and promote a more coordinated approach to economic and social development;
 3. An amalgamated Council harmonize bylaws to ensure consistency for local businesses and industry;
 4. An amalgamated Council retain independent consultants to identify staffing redundancies and inefficiencies;
 5. Current and future Councils continue to build and strengthen a respectful and cooperative relationship with local Indigenous communities; and
 6. Current and future Councils work to foster a strong sense of civic responsibility and community through information campaigns that include mechanisms for on-going feedback and dialogue.

Meet the Members

Tanya Ablonczy: I have lived in Cowichan Valley for twenty-three years – or my entire adult life – and have lived in the heart of the city of Duncan for the past fourteen years. I first came to the valley as a young child from Alberta visiting relatives, and even at that young age, was awestruck by the wonder of this unique and incredible place. I settled here when I became a mother, because I believed it to be the cleanest, safest, and most beautiful place for children to grow up. I volunteered to be a member of the Assembly because I am passionately concerned about the strength, safety and economic viability of my community, and I believe strongly in civic duty and the power that comes to the average citizen through being accurately informed.

Andy Anand: I am from India and have lived in the Cowichan Valley since 1957. I worked at the Crofton Pulp Mill and have been retired since 1995. I am 85 years young. It was my passion to do volunteer work in the community. I have been on the school board, a chief ranger in the IOF, and a member of the Centennial Committee. I was vice chairman when the Queen visited and laid the cornerstone in the senior centre building. I have been vice chairman of the library building, the old swimming pool, and the hockey rink. I have studied at the night school on topics such as power squadron, paper-making, business management, accounting, upholstery making, lumber grading, and PLIB. I've played tennis and cricket and was a past member of the junior chamber of Commerce. I go fishing and camping with my family, and wanted to volunteer for the Citizens' Assembly because I want to see Duncan and North Cowichan use their resources better.

James Atkinson: Born on Vancouver Island, I left when I was twelve years old, and returned to live in North Cowichan nine years ago. I am a supervisor for the British Columbia Ambulance Service, based in Chemainus. I currently live in Crofton. I am also an active member of the Crofton Fire Department, and I was a member of the advisory working group, that assisted in the formation of the Crofton Local Area Plan for Revitalization in the Crofton Area. Since moving to the area, I have been interested in how the communities of Duncan and North Cowichan might better manage their resources.

Martin Barker: I am a chiropractor in the city of Duncan and have lived in the valley since 1993. Originally employed at the Crofton Pulp Mill, I took advantage of an extended strike and the Forest Renewal program to train out of the forest industry – first with a degree in Kinesiology and then one in chiropractic. I am also one term short of a microbiology degree. I am an avid exercise enthusiast and backpacker and can often be found in the gym, running the local trails, or in a tent on some remote beach. This year, I plan to run my first marathon (Victoria) at the age of fifty. I slowly developed an interest in local politics, which culminated in serving on a past Duncan City Council. Now, as a citizen at large, I am very interested in the future of the valley and feel very fortunate to be involved in the Citizens' Assembly.

Jaye Bryan: After thirty years working and raising a family in Williams Lake, BC, my husband and I retired to our sunny plot of land in North Cowichan nearly five years ago. A former teacher/administrator, I currently volunteer at the local BC SPCA shelter (Cowichan and District) as a dog walker and as the Community Council chair. Along with our family pack of three dogs, I enjoy exploring the many hidden trails and infinite number of back roadways that the Cowichan Valley offers. This ongoing discovery of our district's historical background, and my perceived view of the area's unique mix of rural and urban neighbour-

hoods, made it important for me to join this Citizens' Assembly and have a voice in our community's future.

David Clark: My wife, Anna, and I relocated to the Cowichan Valley in 1988 and have lived in both the Municipality of North Cowichan and the City of Duncan. With over forty years of experience in real estate appraisal, I have had the opportunity to interact with local businesses and municipal governments, which gave me insight into the development process and planning, zoning, and building. We have seen Duncan and the Cowichan Valley grow and prosper. In retirement, there is personal reward in giving back to my community. I participated in the Citizens' Assembly because I believe I have something to contribute to the future prosperity and continuing diversity of Duncan, North Cowichan, and the Cowichan Valley.

Dee Dohm: I was born in this area seventy-six years ago to a wonderful, supportive family. My paternal ancestors were pioneers in the area who, through many hardships, worked to build and support the community. My maternal grandparents moved to the area in the 1920s from French Canada. After completing my education, I had many opportunities to travel and work around the world. When I retired at sixty-eight, I developed an interest in comparing the livability of the places I had visited to my home community, wondering whether it is time for a serious change. My interest in the governance and growth of my community also led me to serve on the Duncan-North Cowichan Citizens' Assembly.

Nora Dowsett: I was born and raised in the Cowichan Valley but moved to Ontario for fifteen years after getting married. We were fortunate enough to be able to move back to Duncan in 2001 and are loving it! I am a recently retired financial planner, and throughout my career, I helped people achieve their retirement goals and offered advice on investments, tax, and estate planning. I am very involved with the Rotary Club and am currently serving as president of our club. I joined this Citizens' Assembly because I believe it is important to give back to your community when you are able to. In my free time, my passion and main de-stressing activity is gardening.

Beverly Hampson: I've lived on Vancouver Island on and off for over ten years and contributed to multiple community initiatives. My extensive background in statistical data retrieval and analysis led me to become increasingly interested in participating in community organizations. I currently work in post-secondary education and value higher learning, which has contributed to my community interests.

Hendrik Hiensch: I have lived in North Cowichan with my family since my wife and I emigrated from the Netherlands twenty years ago. Currently, I am self-employed as a real estate investor, and prior to entering the real estate business, I worked as a natural stone mason. One of the many reasons I love the valley is because it runs on island time, which fosters a more relaxed culture than mainland Vancouver. Sailing around the Gulf Islands in my spare time is my main hobby, which I enjoy all year round. I volunteered for the Assembly because I want to give back to the community that has been good to me and my family, and I hope the Assembly will have real and positive impact on the future.

Shiyana Hunter: I am the daughter of Sandra Patricia Hunter and Jerry Lee Miller from Ontario. I've lived in BC for most of my life. My fourteen years in the "Warm-land" have seen me in various areas - from the top of the Malahat to my current residence in Duncan. I am a student, mother, and community member. I am working towards a Bachelor of Arts with a major in sociology and a minor in liberal studies, and I volunteer my time to various clubs and student positions. I care deeply about all people and places, and embrace collaborative problem solving, which motivated me to take part in the Citizens' Assembly.

Tyler Jackson: I was born and raised in the Cowichan Valley. For the past fifteen years I have been employed in the construction industry. Currently I am construction superintendent for a family-owned Island Construction Company. I joined the Citizens' Assembly due to deep concern for the future viability of the Cowichan Valley and its citizens. I truly want to see the Cowichan Valley succeed in two ways: as a hub for smaller locally owned businesses and as a vibrant organic agriculture industry.

Kathryn Jacobsen: We moved to Chemainus in 2014 after working in both Toronto and

Calgary. I am thrilled to be back “home” in BC, where I was born. I am the first vice-president for the Chemainus Health Care Auxiliary, a non-profit organization which was established in 1899 and whose mission is to raise money for patient and health care in the province. I take every opportunity to be an active participant in my community, socially, politically and environmentally, because I believe we all have an obligation to nurture and protect how and where we live, now and for the future.

Mona Kaiser: I grew up on Thetis Island, attended school in Chemainus and Duncan, and completed a degree at the University of Victoria (BA Hons. Eng.). Studies took me to the mainland for graduate work in history at Simon Fraser University (MA) and for doctoral work at the University of British Columbia. I have had the opportunity to travel widely throughout Europe, North America, Australia and New Zealand – and with my husband, Tom Rimmer, have lived and worked in many small BC communities and Nova Scotia. We returned to the Cowichan Valley in 1999, bringing these experiences with us. As a full-time parent of two with an interest in community planning and engagement, I have enjoyed serving both municipalities through advisory work on North Cowichan’s Community Planning Advisory Committee, and Parks and Recreation Advisory Committee; Duncan’s Totem Committee. Volunteer work includes “Reel Alternatives” (CV Hospice), Parent Advisory Committees, Canadian Parents for French, and most recently, vice-presidency for the Cowichan 2018 BC Summer Games. Some of my most rewarding community projects include establishing SD79’s first outdoor classroom and spearheading funding and construction of the valley’s first intergenerational community playground.

Richard Matthews: My wife Sandi and I have lived in Chemainus for twenty-four years, where we happily raised our two children. I am proud and blessed to work with the youth of our beautiful Cowichan Valley, mostly in Duncan, as a school counsellor with District 79. I love to travel, hike, and take photographs in Cowichan and beyond. I have volunteered in various capacities of community service. I chose to volunteer for the Citizens’ Assembly to engage my valley neighbours in a worthwhile discussion and to celebrate democracy.

Justin McNutt: I am a Canadian-born technology and e-commerce entrepreneur and philanthropist, currently completing a Bachelor of Engineering in civil Engineering at the University of Victoria. I am currently working on the development of a local mining company and a tech sector in Cowichan Valley. Some of my interests include sports, business, economics, real estate, computer programming, web development, mathematics, geology, and outdoor activities. I also spend some of my time volunteering with the Victoria Innovation, Advanced Technology, and Entrepreneurship Council. I volunteered for the Citizens’ Assembly because I consider community engagement to be a key strategy for achieving lasting change.

Anne Murray: I moved to the Cowichan Valley in 1959 after immigrating from the UK to Prince George in 1958. In 1942, I left Singapore as a refugee. I have five children, and have held several positions in the community. I worked as a hospital nurse, served as a school trustee for twelve years, and served as a Councillor for nine years. I have also volunteered as a community worker in child and senior care and emergency services, in addition to volunteering with museums in the area. I decided to participate in the Assembly because I love being involved with my vibrant community and working to make a positive difference for our future.

Susan Newsns: I was born in England, grew up in South Africa, and immigrated to Canada in the early 1980s, finally landing in the beautiful Cowichan Valley area where I currently live. I am a recently retired English and social studies secondary school teacher, and I appreciate the hands-on opportunity offered by the Citizens’ Assembly to experience the policy development involved in local governance and to brainstorm with my fellow citizens about the best vision for our community. Now that I have some spare time, I enjoy pursuing my artistic interests – painting, , drawing, and writing – and there is certainly no shortage of inspiration all around me in our Cowichan “Warm Land.”

Fred Oud: My parents emigrated from The Netherlands in 1951 along with six children. I am the youngest and have lived in both Duncan and North Cowichan all my life. I have been a union leader, a human resources manager, and most recently the president of the Cowichan Exhibition. Although retired from full-time work, I still run a small consulting

firm, which helps keep my mind active. I have over the years taken a keener interest in the workings of my community and am an active volunteer. Those who know me can attest to my strong passion for things that are important to me. The Citizens' Assembly is a way to volunteer for my community and hopefully make it more successful and livable.

Marilyn Palmer: I live on a lovely little heritage farm, overlooking Quamichan Lake, which we've named "La Ferme des Rêves" (the Farm of Dreams). I've been a big-city architect for many years and am now a flower farmer and volunteer president of the neighbourhood association. I volunteered to be part of the Citizens' Assembly because I'm deeply interested in the process and its outcomes, and I see my participation as a way to contribute to my community.

Lance Reese: I have lived in the Cowichan Valley area for thirty years and moved from Crofton to Duncan four years ago. Before my retirement, I worked at the pulp mill as a pipefitter and was an active member of the PPWC union executive for over twenty years. I live with my wife of twenty-one years, and I am serving as president of our condo Council and an unpaid handyman. I participated in the Citizens' Assembly because I like to learn, and I believe those of us who can give back to their communities should.

Don Reynieer: I've lived in Crofton since June 2016, having journeyed from Prince Rupert, Prince George, Vancouver, and originally Calgary. I have lived many different lives, starting work as a rural and regional land use planner, moving into real estate development and property management, federal land management, and acquisitions. Then I moved into the delivery of education and training opportunities, managing social development programming and finally, First Nations community and treaty administration. My education background covers statistics and regional and welfare economics, through to municipal and transport engineering. I am interested in auto mechanics, hunting, traveling, Spanish and Dutch. I volunteer on numerous committees and non-profit social service societies and boards. I have an interest in municipal governance, having started on this journey in the early 1970s by volunteering for Calgary City Council, and later worked on initiatives to improve and enrich the community of Grandview-Woodlands, in East Vancouver. Now I have the pleasure of being part of Cowichan, I wanted to know more about the valley and offer my impression of where I live, to this initiative on amalgamation.

Kelly Ringer-Soikie: Originally from Ottawa, Ontario, my husband and I moved to beautiful Cowichan Valley nine years ago to pursue a relaxing and nourishing life for our family in a small town full of heritage and character. In the past I've worked as a registered RCA in both Ottawa and the valley. Currently, I'm a stay-at-home parent who advocates for our special-needs family, so that we can thrive as a family with my husband's full support. I am autistic so my interests are fairly restricted and enriching. They include volunteering with my church and local public schools, and personal pursuits such as online gaming, hiking, camping, and sewing. I volunteered for the Citizen's Assembly because I am passionate about participating in community gatherings that have a lasting impact locally. Being a member of the Assembly has been a rewarding and exhausting endeavour above and beyond my daily routine, and I am thankful for the experience.

Ross Shilton: I moved to Duncan seven years ago, after living in Nanaimo for thirty years. I'm currently retired and spend most of my time helping others in the community with small acts of kindness, like taking them to the hospital, painting their house, or helping out at the church. I was motivated to volunteer with the Assembly because, having lived in seventeen different countries, I have seen what happens when cities take care of big issues but forget about the small problems. I wanted to make sure we discussed the problems of water management and Duncan's relationship with the RCMP within the context of amalgamation. I think this Assembly has done a great job of looking forward to the future, and I was eager to be a part of that change.

Barbara Swanson: I have lived in the Cowichan Valley for over forty years. I volunteer as treasurer for our local Chemainus food bank in addition to doing some relief work at our local antique store. I spent twenty-four years working in finance for the CVRD, so I have great interest in municipal procedures and the outcome of amalgamation of the City of Duncan and the Municipality of North Cowichan.

Sarah Thibault: Being part of a community is important – it creates a sense of belonging and unites us. Voicing our ideas and perspectives is a start in defining how we move forward and shape our community. I think we helped in a small way to accomplish this through the Citizens' Assembly.

Jackie Thompson: I have lived in the Cowichan Valley for twenty-two years. Before then, I was on the lower mainland for seventeen years. I love that in the Valley, you can go swimming anywhere you want for free - and it's clean. I work in pharmacy, and when I have spare time, I walk my dog, who likes to play in water. As I'm on the borderline of the City of Duncan and Municipality of North Cowichan I experience the border first-hand, and is something interesting to be a part of.

Rick Waddell: My wife and I moved to North Cowichan from Victoria twenty-two years ago. We live on a small farm near Mt. Prevost and raise mixed livestock. After twenty-eight years with a crown corporation, I am presently semi-retired and work part-time with a mechanical engineering firm. I volunteered for the Citizens' Assembly to get a better understanding of both municipal politics and the issue of amalgamation.

Alec Wheeler: Born in Vancouver and raised in the small fishing village of Sointula, I have been a resident of the Cowichan Valley since 2013. My background in arts and culture development (both in the non-profit and local government sectors) have led me on adventures in Portugal, New York, Barbados, New Zealand, Australia, Vanuatu, and Jamaica. I am currently employed with MNP LLP, one of Canada's leading accounting, tax, and business advisory firms, and am a volunteer board member with the Duncan-Cowichan Festival Society. As a member of the Citizens' Assembly, I have gained a deeper understanding of the function of local government, and I am thankful for the opportunity to actively participate in the growth and development of our community.

Gus Williams: I was born in Victoria and raised in Nanaimo, but I have lived most of my life in Duncan. My mother was a member of the Cowichan Tribe in Duncan, and my father was from the Songhees Nation in Victoria. Before retiring, I worked as a cook all over the country and as part of the Canadian and American navies. I have held educational workshops on colonialism in many different countries, and I have been a very active member of my community. I have volunteered as president of the Intercultural Society, with the Canada Royal Youth Program, and Social Planning Cowichan. I volunteer currently on the hospital foundation and with the Cowichan food basket. I volunteered for the Citizens' Assembly because, since they began talking about amalgamation ten years ago, I always thought it was an important discussion. I also wanted to bring a voice for the many tribes in the area that often aren't represented in municipal governance discussions.

Andrew Wilson: I am a Cascadian, flag-flying Vancouver Islander from the Cowichan Valley, living in my beautiful family in my hometown of Duncan. I volunteered for the Assembly because I was aware of the complexities and importance of local government: the Municipality of North Cowichan collects our property taxes, the CVRD gets a cut, and the City of Duncan sends a water bill to our Duncan, BC mailing address. This Assembly was a once-in-a-lifetime opportunity and a great complement to my current studies in urban and social sustainability at Vancouver Island University in Nanaimo.

Anthony Wingham: I lived in Mesachie Lake my whole childhood and went to elementary, middle, and high school in Lake Cowichan. I played baseball and basketball in the community and have coached the high-school teams. I was in leadership programs as well as student Council president. I moved away after graduating in 2005 and have been back and forth from Vancouver to Duncan over the last ten years. I work in construction and design with my wife. I mostly work in tiling, and my wife in design and drafting. I have worked as a gas jockey in Lake Cowichan and at the local grocery store. I spend my free time with my beautiful wife and son. We explore the outdoors all over this beautiful island for hikes and camping. I am hoping to have a better impact on my community as I grow older. I volunteered for the Assembly because I wanted to have my voice heard on an issue that affected an area I grew up in.

Jackie Wood: I grew up in Edmonton and lived in small communities before moving to the Cowichan Valley with my family sixteen years ago. I worked in the printing industry in

Edmonton for fifteen years and ran my own web development business in Duncan for several years before pursuing a career in real estate. I have been selling properties in the valley for almost ten years. My hobbies include hiking, cycling, kayaking, and living a healthy lifestyle. I enjoy being an active member of the community and appreciate the opportunity to participate in the Citizens' Assembly. I am eager to be involved in shaping the future of the area I live in.

Three additional Assembly members were selected but were not able to complete the process due to illness or changing employment. These members are Michael Mulholland, Fiona Barr, and Vicki Easingwood. We thank them for their contributions.

prepared for



Amalgamation Study Technical Analysis

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7. KEY CONSIDERATIONS

In addition to the technical impact analysis, there are numerous other key considerations associated with a potential amalgamation. This report chapter discusses the key considerations, organized around the following six themes: 1) community; 2) governance; 3) transition process; 4) community vision, planning and development; 5) social and environmental goals; and 6) the impacts of not amalgamating.

Community

Municipality Name

The name of a municipality carries significant weight for both residents and visitors and it can be a signifier of community identity. Should Duncan and North Cowichan amalgamate, a transparent and thoughtful process for determining the name should be initiated. This issue is likely to be of particular concern to Duncan residents with their smaller population and geographic size. Businesses already cope with confusion related to whether they are part of Duncan or North Cowichan. Amalgamation would provide more clarity for marketing purposes, though there would be a transition period until a new name “sticks.”

Three relevant case studies exist for the naming process:

1. **Lake Country:** The municipality’s name was chosen with no reference to existing neighbourhood names. This approach allowed a new identity to be created and avoided the perception that one community was more important than another.
2. **West Kelowna:** In this case study, the municipality’s name was chosen through an opinion poll, rather than a binding referendum, leaving a number of residents unsatisfied. A key lesson is that the naming process should be transparent and intentional.
3. **Abbotsford:** In the amalgamation of Matsqui and Abbotsford, Abbotsford was the smaller community. It therefore came as a surprise when most residents chose Abbotsford as the name of the new amalgamated municipality. However, as Abbotsford had been the downtown for the area, residents in Matsqui had also come to identify with the name.

Community Identity

Duncan and North Cowichan are described as a community of communities: Chemainus, Crofton, Maple Bay, Sahtlam, Quamichan Lake, Duncan, and Genoa Bay. Residents are understandably concerned about how a municipal restructure may impact their community’s identity. Ward systems are often cited as a way to protect unique neighbourhood identities

However, municipalities of all sizes boast strong and unique neighbourhoods and active residents. Support for vibrant neighbourhoods can be buttressed through Council decisions that respect and promote neighbourhood identity, as well as citizen engagement and activism. The integrity of a community will also be strongly impacted by planning and development decisions. When Abbotsford amalgamated, the new Council chose to continue using historical neighbourhood names as a way of preserving and strengthening neighbourhood identity.

Strong neighbourhoods benefit from local initiatives. A few examples of these initiatives are identified below:

1. **Business Improvement Associations:** Local businesses can organize and collectively invest in their streets, storefronts, and signage, among other neighbourhood aspects.
2. **Neighbourhood Associations:** Made up of local residents, neighbourhood association across Canada are working to build connections between neighbours and strengthen their communities. They may organize local events (such as fundraisers or concerts), arrange fundraisers, start community gardens or art projects, among many other initiatives.
3. **Small Council Grants:** In some municipalities, small grants can be provided to local groups for initiatives that strengthen community connections or help beautify public spaces, among many other goals. Both Duncan and North Cowichan already provide 'grants-in-aid' to a number of community organizations.

Governance

Council Size

Section 118 of *Community Charter* outlines council sizes for municipalities. For a city or district with a population less than 50,000, the council size is set at one mayor and six councillors. However, the number of councillors can vary from this size through either the letters patent by which the municipality is created or through a bylaw passed by council. If council size is deemed to be an issue, a question about this issue could potentially be included on a referendum on amalgamation.

Amalgamation would result in changes to local political representation. Duncan and North Cowichan currently have the same Council size for dramatically different populations. The ratio between Councillors and residents would increase dramatically following amalgamation. However, this change does not necessarily translate into a reduction in how well local interests are represented, particularly if a shared vision benefits the greater community.

In the case of Abbotsford, the Province required the first Council of the newly amalgamated municipality to be larger than what was normal at the time. This was to ensure that elections did not push out representation from the smaller community of Abbotsford. However, the first post-amalgamation election resulted in fairly balanced representation of Councillors from different neighbourhoods. After several years, the Council size decreased. Based on past experiences, the Province will likely look for local input in setting Council size.

Election Process

Concern over neighbourhood identity raised the issue of local representation in an amalgamated community. One suggestion favoured introducing a ward system to local government elections, as opposed to the present at-large election system.

At-large Councillors: In this system, elected Councillors represent the entire municipality. During elections, voters select their preferred candidate for mayor and their preferred candidates for Council (as many votes as Councillor seats can be placed). Because voters can vote for multiple Councillors, they may be able to choose Councillors who represent a range of their interests. The Council itself is more likely to represent the entire community as opposed to specific geographic areas. However, this system does not provide neighbourhood residents with a specific Councillor who acts as their point of contact. Residents can approach any/all Councillors to discuss issues of interest or concern.

Ward Councillors: In this system, elected Councillors represent specific wards. During elections, voters select their preferred candidate for mayor and their preferred candidate for their ward. In some municipalities, there may be several Councillors who are elected to represent the community at-large. This system allows for representation for specific geographic areas (wards) and offers residents a direct contact in Council for their neighbourhood. However, this system encourages Councillors to focus on localized issues at the expense of the general community and may create competition between wards for resource allocation and development projects.

Members of the Citizens' Assembly asked for information on the ward system as a way to protect Duncan and North Cowichan's five distinct community identities: Duncan, South End, Maple Bay, Crofton, and Chemainus. Each of these areas could be made into a ward and would have direct representation on Council.

The ward system is extremely unusual in British Columbia, though common in other provinces. Lake Country, which incorporated in 1995, is currently the only municipality in BC with a ward system (it is actually a combination of ward and at-large councillors). This system was chosen at the time of incorporation to protect the interests of each of the distinct neighbourhoods of Winfield, Okanagan Centre, Carr's Landing, and Oyama. However, the

ward system has created a number of challenges for the municipality that are relevant to Duncan and North Cowichan:⁹

- Ward boundaries were based on geographic size, not population, and the ratio of residents for each Councillor is uneven.
- Councillors are generally well-known in their neighbourhood and are frequently elected by acclamation. Candidate participation is low.
- Voter turnout is low (although this may not be directly related to the ward system).
- Neighbourhood distinction has become less important over time as the community has grown and changed.

While a ward system offers a direct political representative for each neighbourhood, it does not automatically result in the preservation of community identity or a better voice at Council. It can also be costly and difficult to implement in a way that provides meaningful impacts over the at-large system. The approach to these issues is dependent on the elected officials and the local political culture. The ward system may in some cases encourage greater competition between neighbourhoods for capital projects and resources. In the at-large system, each Councillor represents the entire community. This may create greater incentives for Council to consider balancing the interests of each neighbourhood and the community as a whole.

Provincial-Local Government Relations

The question was raised as to whether or not an amalgamated community would have greater standing with the provincial government, including in terms of receiving funding, advocating for the area, or influencing regulations. The community as a whole (Duncan and North Cowichan) may find it easier to coordinate with the Province as an amalgamated community (one process instead of two). However, it is unlikely that amalgamation would result in a significant increase in standing as the increase in community size is relatively small.

An amalgamated community could benefit from a unified voice at important forums such as the Union of BC Municipalities (UBCM). Conversely, in a UBCM context, a unified municipality would have only one opportunity to meet with a Minister on a topic of concern. Currently, if Duncan and North Cowichan both share an interest in a topic of concern, it is possible that they can engage with the Province either individually (i.e. twice) or jointly (i.e. as a unified voice).

⁹ District of Lake Country. *Neighbourhood Constituency Wards: Information and Comments*. Lake Country, BC. N.D. <https://lakecountry.civicweb.net/document/797/Ward%20Information%20Sheet.pdf?handle=1C7AE3936A964F8EBA9F1BF38D541B05> (March, 2017).

Presently, Duncan and North Cowichan apply for conditional provincial grants separately. As an amalgamated community, they may have fewer opportunities to apply for funding (i.e. one application instead of two) and Duncan would no longer receive the Small Communities Grant. However, for any conditional grants, total funding should be similar to current levels.

Size of Municipality

The merits or challenges related to the size of an amalgamated community are not the same in every case. Economies of scale are often cited as a reason to amalgamate; however, this is not necessarily the case in all communities, particularly if service levels vary between neighbourhoods (e.g. rural versus urban) or if amalgamation results in increased salary or contract costs. A larger municipality may increase the taxpayer's *expected* level of service across the community, thereby potentially increasing costs.

There are a number of areas where a unified, larger municipality may serve the residents of Duncan and North Cowichan better. Together, a single municipality could offer a unified economic voice for the area and avoid competing with their next-door neighbour's interests. A unified municipality may also be seen as playing a larger, more cohesive role on regional issues within the CVRD (e.g. regional planning, transportation, emergency management).

Transition Process

Provincial Transition Assistance

The Local Government Grants Act (S.4) allows the provincial government to offer conditional grants to municipalities for

“reviewing, studying, planning, organizing, or implementing the establishment or other reorganization of local government, including any change in the functions, structures, boundaries, or classifications of one or more municipalities and regional districts.”

Two types of grants may apply if a referendum occurs and Duncan and North Cowichan electors both vote in favour of amalgamation:

- **Municipal Restructure Assistance Grant:** This grant provides transitional assistance for communities in favour of a municipal restructure, including help with police costs. The grant amount is generally calculated on a per capita basis.
- **Restructure Implementation Grant:** This grant is provided to support the implementation of a restructure, such as interim administration and transition support.

While there have been a number of municipal incorporations and boundary restructures in BC in recent years, amalgamations are rare and examples of comparable transition

assistance funding are unavailable. Nevertheless, it is expected that a per capita municipal restructure assistance grant could be available along with a restructure implementation grant.

Staffing of an Amalgamated Municipality

Amalgamation raises concerns related to staffing efficiencies. Some communities undergoing amalgamation have indeed experienced large changes to staffing structure. One of the findings of this study is that there are few opportunities for significant efficiencies based on current staffing levels. Both Duncan and North Cowichan operate fairly lean staff complements throughout their departments. It is possible that staffing complements would be combined with additional levels of management in some departments. Chapter 4 provides a review of potential amalgamation scenarios.

Labour Relations

One of the potential costly aspects of a municipal restructure is the renegotiation of union and other employment contracts. When wages differ for similar positions, the higher wage will often be used to set the benchmark in the new municipality. This was found to be the case in amalgamations forced by provincial governments.¹⁰

Communications

As with all major institutional changes, municipal restructure can be complicated and confusing, particularly during the transition period. Residents and visitors may be unsure of what to call the new municipality, who to ask about services, and what rules and regulations apply. Recognizing the potential for the transition period to be challenging, previous experience shows that a strong and consistent communications strategy is vital to smoothing out the process.

A clear communications approach is needed regardless of whether the Citizens' Assembly and Council choose to recommend a referendum on amalgamation. Even in the case that there is no referendum on amalgamation, documentation and messaging on *why* the decision was made will support community understanding of the issues, and ensure that future conversations on amalgamation are fruitful and learn from lessons of the past.

¹⁰ Bish, Robert and Filipowicz, Josef. *Governing Greater Victoria: The Role of Elected Officials and Shared Services*. Fraser Institute. 2016.

Community Vision, Planning, and Development

Council Decisions

While we can speculate on the vision, direction, and priorities of a new amalgamated community, ultimately, these are decisions to be made by a future Council, influenced by the concerns of the day, economic climate, trends, and competing priorities. This study is about assessing the impacts of the act of amalgamation. Service levels would be decided by Council.

Land Use Planning and Development

With amalgamation, the two sets of Official Community Plans, Zoning Bylaws, and other regulatory and policy documents would be combined over a transition period. The goal would be to align documents to be consistent in the application of guidelines and regulations. The direction of future development will be provided by Council with input from staff.

Through amalgamation, future land use planning would consider the area as a whole and there would be strengthened coordination between what is now Duncan and North Cowichan. However, it is possible for two separate municipalities to embark on land use planning together, particularly when they work closely already and there are numerous mutual benefits for guiding planning and development as a region rather than as separate municipalities. For example, the City of Langford and the City of Colwood developed an Official Community Plan jointly. This allowed the communities to approach planning and sustainability in an integrated fashion.

We identified three main benefits of amalgamating that relate to land use planning and development:

1. **Coordinated planning effort:** Long-term planning and zoning would be integrated and an amalgamated municipality could direct development in a way that benefits the whole area. Separate communities face many barriers to such an approach, including competing interests and accountability to a different set of residents.
2. **Harmonized rates and incentives:** Differences in rates such as business licences and Development Cost Charges (DCCs), as well as incentives such as DCC reductions, can create competition for development with neighbouring communities. Together, the area could share in the benefits of new businesses and growth.
3. **Harmonized OCP, Zoning Bylaw, and other development bylaws (e.g. subdivision, building, signage):** Harmonized policies and regulations would provide clarity for property owners and businesses. Due to the highly-connected nature of the two communities, this harmonization may benefit both over time. During the study process, members of the business community expressed frustration at conflicting regulations in Duncan and North Cowichan.

Economic Development

Though Duncan and North Cowichan cooperate on a great number of community goals and issues, amalgamation would offer a greater opportunity for a community-wide approach to economic development. One example of this is the downtown. Presently, Duncan and South End, though neighbours, do not necessarily have a common vision as a cohesive community core. As a single community, there may be incentives to consider these two areas as two neighbourhoods in a broader community centre, and invest in them as the core of the community. This is, as with other community goals, dependent on vision and direction provided by Council. A unified community may find it easier to invest in its downtown. However, it may also feel pressure to direct economic opportunities to peripheral areas.

An amalgamated municipality would have the benefit of a single tax base. The result would be less competition for investment and development. A more coordinated approach may be easier to implement than through two separate municipalities.

Harmonization of Bylaws and Regulations

Uncoordinated bylaws and regulations between Duncan and North Cowichan are a common complaint by the business community, although it is noted that there are existing areas of cooperation, such as joint business licencing. It is possible for the municipalities to pursue greater alignment of bylaws and regulations as separate municipalities if the political will is there, as well as the time and funding to carry out changes.

One of the greatest challenges of implementing amalgamation will be harmonizing the two communities' bylaws and regulations. The Zoning Bylaw of the City of Abbotsford was recently finally overhauled to deal with 'post-amalgamation' issues two decades after amalgamation. Harmonization of bylaws is a process that will take time but, once completed, will offer the greater community a streamlined approach to bylaws and regulations. Homeowners and businesses, particularly those who work or own property in both communities, will benefit from a consolidated approach to regulation and planning.

Social and Environmental Goals

Environment and Climate Change

The Citizens' Assembly raised questions about the capacity of an amalgamated community to offer benefits related to environmental protection, climate change mitigation and adaptation, and local alternative energy sources. Many environmental regulations are set by the Province of British Columbia. Municipalities are required to follow these regulations regardless of size.

Municipalities can take on any number of additional environmental initiatives. For example, a municipality at risk of sea level rise may invest in programs that protect against coastal erosion, or pilot a clean energy project to attract energy investment. As separate communities, Duncan and North Cowichan are able to pursue such projects independently or in collaboration. In 2013, North Cowichan Council adopted the Climate Action and Energy Plan which seeks to reduce energy consumption and emissions in the community. Both municipalities are currently aiming to be carbon neutral.

Municipalities can also enact various types of bylaws (e.g. floodplain bylaws) and development permit bylaws for environmental protection purposes. For example, North Cowichan has development permit requirements for marine waterfront development, protection of environmentally sensitive areas, hazard lands, and farmland protection. As well, Duncan has development permit requirements for protection of the natural environment and hazard lands.

Amalgamation offers a number of potential benefits to environmental goals, *should Council prioritize these goals*. Note, that it is also possible for a new Council to take a different direction. The benefits offered are based on the ability of the communities to plan and invest as one:

1. **Larger combined budget:** Combining the present budget may offer opportunities to invest in new initiatives or pilot projects.
2. **Improved coordination, particularly for land-based projects:** Projects that benefit from wide application may be easier to implement in a combined community. There would be less chance that an initiative in one area conflicts with another area.
3. **Shared benefits and risks:** North Cowichan has significantly more land than Duncan, including municipally-owned land. While North Cowichan could use this land for initiatives such as alternative energy, as a separate community, it would bear all the risks and capture all the benefits. Together, there may be a greater appetite for taking investment risks and benefits could be shared among a larger pool of residents. There may also be differences in opportunity depending on the area that are easier to take advantage of through a coordinated approach.
4. **Reduced competition:** As separate communities, there is greater potential for competition. For example, one municipality may introduce an environmental initiative that adds costs to business owners; the neighbouring municipality could potentially use this as a competitive advantage in attracting business.

Social Planning

Duncan and North Cowichan face social and economic challenges together, as a part of a region, and separately, as unique communities. Homelessness, addiction, and crime may be more concentrated in some areas than others, but the issues driving these are much broader than municipal borders. In 2014, the CVRD completed a regional affordable housing needs

assessment, which identified a need for permanent affordable housing in the Duncan/North Cowichan area. The Municipality of North Cowichan has since partnered with the Community Land Trust Foundation of BC to develop plans for non-market affordable housing units on two municipally-owned properties.

Though direction on social planning issues will be based on Council direction and resource allocation, an amalgamated community may offer a strengthened opportunity to respond and serve community needs better. Similar to other considerations, a larger municipality may have the budget and staff to support initiatives above and beyond basic service provision. Currently, staff involved in social and housing issues have multiple other roles (e.g. land use planning). In the City of Duncan in particular, it would be difficult to provide the staff resources for social/housing issues, simply due to the size of the municipality and the budget limitations associated with the more limited municipal size and assessment base.

While amalgamation itself may not have a direct impact on social and economic challenges in the area, there are some important considerations for how a change in governance may be perceived:

- **Property taxes:** Residents may be understandably concerned about the potential for their property taxes to increase with an amalgamation. Based on our analysis, amalgamation would likely lead to a small decrease in municipal taxes for Duncan residents and a minor increase in taxes for North Cowichan residents.
- **User fees:** Analysis of user fees is beyond the scope of this study. However, based on the current provision of services such as water, sewer, and recreation, it is unlikely that most user fees would change as a direct result of amalgamation, with the exception of Duncan water (since rates vary inside and outside the current City boundary) and waste collection/recycling.
- **Social programs and affordable housing:** In this study, the financial analysis is based on a continuation of existing service levels. Many social programs and affordable housing related issues are senior government responsibilities. However, in the past number of decades, many local governments have become increasingly active in this arena. Generally, larger municipalities have greater resources to employ social planners and address affordable housing issues through a variety of tools, such as support for non-market or below-market housing through an affordable housing reserve fund and/or development incentives.

Impacts of Not Amalgamating

Amalgamation has long been discussed in Duncan and North Cowichan. Some residents may ask, “what might happen if we *don’t* amalgamate?” While understandable, the answer to this question can only be speculative in nature, and it could depend on factors such as Duncan’s population size (which affects policing costs), pressures on various existing

services, and the level of collaboration between neighbouring jurisdictions. Whether the municipalities remain separate or amalgamate, Council decisions will play a critical role in determining the future vision and direction of a community. If the municipalities choose not to amalgamate, there are two main paths:

- 1) **Status quo:** Duncan and North Cowichan continue to remain separate and local services remain as they are (with the current level of cooperation and service integration).
- 2) **Remain separate but increase collaboration:** Duncan and North Cowichan can pursue additional opportunities of alignment and cooperation. Just a few examples of such opportunities are
 - a. developing a joint Official Community Plan;
 - b. shared planning of fire protection and infrastructure services; or
 - c. harmonizing bylaws, including regulatory requirements of development.