



REGIONAL SERVICES COMMITTEE

WEDNESDAY, JANUARY 25, 2012
6:00 PM – CVRD BOARD ROOM – 175 INGRAM STREET

	AGENDA	PAGES
1.	<u>APPROVAL OF AGENDA:</u>	1
2.	<u>ADOPTION OF MINUTES:</u>	
	M1 Adoption of Minutes of Regular Meeting – November 23, 2011	2
3.	<u>BUSINESS ARISING FROM THE MINUTES:</u>	
4.	<u>CORRESPONDENCE:</u>	
5.	<u>REPORTS:</u>	
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6.	<u>QUESTION PERIOD:</u>	
7.	<u>CLOSED SESSION:</u>	
	Motion that the meeting be closed to the public in accordance with the Community Charter Part 4, Division 3, Section 90, subsections as noted in accordance with each agenda item.	
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8.	<u>ADJOURNMENT:</u>	

M1

Minutes of the Regular meeting of the Regional Services Committee held in the Board Room, 175 Ingram Street, Duncan, BC, on Wednesday, November 23, 2011 at 6:00 pm.

PRESENT: Chair P. Kent
Directors K. Cossey, M. Dorey, L. Duncan G. Giles, B. Harrison, D. Haywood, R. Hutchins L. Iannidinaro, K. Kuhn, T. McGonigle, M. Marcotte, I. Morrison, G. Seymour, and T. Walker

ALSO

PRESENT: Warren Jones, Chief Administrative Officer
Joe Barry, Corporate Secretary
Tara Daly, Recording Secretary

**APPROVAL OF
AGENDA**

It was moved and seconded that the agenda be approved.

MOTION CARRIED

**ADOPTION OF
MINUTES**

M1

It was moved and seconded that the minutes of the Regular meeting of the Regional Services Committee, held Wednesday, October 26, 2011, be adopted.

MOTION CARRIED

DELEGATIONS:

D1

Tom Boughner, Deputy Coordinator, Arbutus Ridge Emergency Preparedness presented a PowerPoint overview of his involvement with the Slave Lake fire and recovery for information.

D2

Judy Brayden, President of the Board of Directors, Cowichan Valley Arts Council presented a PowerPoint overview outlining their use of the Regional Grant-in-Aid received for 2011 and thanked the Committee for the funding.

**ADJOURNMENT
7:01 pm**

It was moved and seconded that the meeting adjourn.

MOTION CARRIED

The meeting adjourned at 7:01pm.

Chairperson

Recording Secretary

Dated: _____



STAFF REPORT

REGIONAL SERVICES COMMITTEE MEETING
OF JANUARY 25, 2012

DATE: December 23, 2011 FILE NO:

FROM: Sharon Moss, Manager, Finance Division BYLAW NO: 3575

SUBJECT: Interim Borrowing for the Regional District

Recommendation/Action:

That it be recommended to the Board that the Finance Division be authorized to proceed with Interim Borrowing through the Municipal Finance Authority in an amount not to exceed \$11,000,000. for operational purposes only and that CVRD Bylaw No. 3575 Cowichan Valley Regional District 2012 Revenue Anticipation Borrowing Bylaw be considered for 3 readings and adoption.

Relation to the Corporate Strategic Plan:

Not applicable.

Financial Impact: (Reviewed by Finance Division: SEM)

If approved the Regional District would then be able to meet its financial obligations once the surplus that was carried over from 2011 was expended. Interest expense will occur and has been budgeted in the 2012 General Government Budget.

Background:

Regional Districts receive their requisition money from the Surveyor of Taxes and Member Municipalities annually on the first business day of August. During the period from January 1st to August the Regional District uses surplus funds from the previous year, these funds will be extinguished in the first quarter at which time the Regional District will be required to interim borrow for operational needs until the first business day of August. The attached Regional District Bylaw provides Finance with the authority it needs to undertake interim borrowing.

Submitted by,

Sharon Moss, C.G.A.
Manager, Finance Division

SM:tk

Attach.

General Manager Approval:

Signature



COWICHAN VALLEY REGIONAL DISTRICT

BYLAW NO. 3575

A Bylaw to Provide for the Borrowing of Money in Anticipation of Revenue

WHEREAS the Regional District does not have sufficient money on hand to meet the current lawful expenditures of the Regional District;

AND WHEREAS it is provided by Section 821 of the *Local Government Act* that the Regional Board may, without the assent of the electors or the approval of the Inspector of Municipalities, provide for the borrowing of such sums of money as may be necessary to meet the current lawful expenditures of the Regional District;

AND WHEREAS there are no liabilities outstanding under Section 821;

NOW THEREFORE the Board of Directors of the Cowichan Valley Regional District, in open meeting assembled, enacts as follows:

1. **CITATION:**

This bylaw may be cited as “**CVRD Bylaw No. 3575 – Cowichan Valley Regional District Revenue Anticipation Borrowing Bylaw, 2012.**”

- 2. The Regional Board shall be and is hereby empowered and authorized to borrow upon the credit of the Regional District an amount or amounts not exceeding the sum of Eleven Million Dollars (\$11,000,000.).
- 3. The form of obligation to be given as acknowledgement of the liability shall be a Promissory Note or Notes bearing the Corporate Seal and signed by the Chair and the Treasurer.
- 4. All anticipated revenue of the current year or so much thereof as may be necessary shall, when collected, be used to repay the money so borrowed.

READ A FIRST TIME this _____ day of _____, 2012.

READ A SECOND TIME this _____ day of _____, 2012.

READ A THIRD TIME this _____ day of _____, 2012.

ADOPTED this _____ day of _____, 2012.

Chairperson

Corporate Secretary



SR2

STAFF REPORT

REGIONAL SERVICES COMMITTEE MEETING OF JANUARY 25, 2012

DATE: January 10, 2012 FILE NO:
FROM: Sharon Moss, Manager, Finance Division BYLAW NO: 3571
3577
3578
SUBJECT: Spring Security Issuing Bylaws

Recommendation/Action:

1. That Bylaw No. 3571 – Security Issuing (Loan Authorization Bylaw No. 3449 & Loan Authorization Bylaw No. 3458) Bylaw, 2012 be forwarded to the Board for consideration of three readings and adoption.
2. That Bylaw No. 3577 – Security Issuing (Loan Authorization Bylaw No. 1763) Bylaw, 2012 be forwarded to the Board for consideration of three readings and adoption.
3. That Bylaw No. 3578 – Security Issuing (Loan Authorization Bylaw No. 3475) Bylaw, 2012 be forwarded to the Board for consideration of three readings and adoption.

Relation to the Corporate Strategic Plan:

N/A

Financial Impact: (Reviewed by Finance Division: SEM)

The principle and interest costs on this borrowing are paid by the taxpayers of the District of North Cowichan and the Town of Ladysmith. The Vancouver Island Library Board will be responsible for debt payments for their debt.

Background:

All long term borrowing by the Regional District and its member Municipalities must be from MFA and must flow through the Regional District. MFA goes out on the open market and obtains financing twice per year, spring and fall. These security issuing bylaws will allow for borrowing for the spring 2012 issue.

1. The District of North Cowichan has received the appropriate public approval and has adopted the Loan Authorization Bylaw. The Cowichan Valley Regional District has been requested to borrow \$3,745,475. by the District of North Cowichan; \$3,000,000. for expansion to the Municipal Hall and \$745,475. for Diking works.
2. The Town of Ladysmith has received the appropriate public approval and has adopted the Loan Authorization Bylaw. The Cowichan Valley Regional District has been requested to borrow \$1,000,000. by the Town of Ladysmith for Water System construction.

.../2

3. Early 2011 the Vancouver Island Regional Library (VIRL) requested that the Cowichan Valley Regional District approve the concept of borrowing \$1,000,000. on behalf of the VIRL for the construction of a new Library within the Town of Lake Cowichan. The Board approved the concept and an AAP was undertaken. After obtaining voter approval Service Establishing and Loan Authorization Bylaws were adopted. An agreement has been created formalizing the VIRL responsibilities for all debt and costs associated with this borrowing.

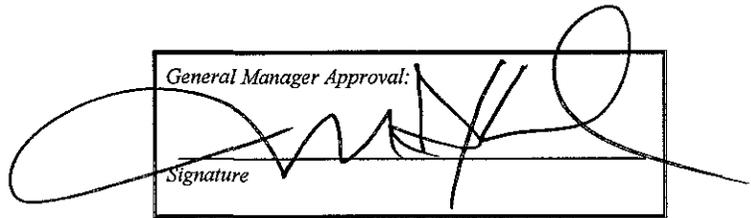
Submitted by,



Sharon Moss, C.G.A.
Manager, Finance Division

SM:tk

Attach.

General Manager Approval: 

Signature



COWICHAN VALLEY REGIONAL DISTRICT

BYLAW NO. 3571

**A Bylaw to Authorize the Entering into an Agreement Respecting Financing Between the
Cowichan Valley Regional District and the
Municipal Finance Authority of British Columbia**

WHEREAS the Municipal Finance Authority of British Columbia (the "Authority") may provide financing of capital requirements for regional districts or for their member municipalities by the issue of debentures or other evidence of indebtedness of the Authority and lending the proceeds therefrom to the Regional District on whose request the financing is undertaken;

AND WHEREAS under the District of North Cowichan is a member municipality of the Cowichan Valley Regional District:

AND WHEREAS the Regional District is to finance from time to time on behalf of and at the sole cost of the member municipalities, under the provisions of Section 824 of the *Local Government Act*, the works to be financed pursuant to the following loan authorization bylaw(s):

L/A Bylaw Number	Purpose	Amount of Borrowing Authorized	Amount Already Borrowed	Borrowing Authority Remaining	Term of Issue	Amount of Issue
3449	Municipal Hall Expansion	\$3,000,000	Nil	\$3,000,000	20 Years	\$3,000,000
3458	Diking	\$745,475	Nil	\$745,475	20 Years	\$745,475
TOTAL		\$3,745,475	Nil	\$3,745,475		\$3,745,475

TOTAL Financing under Section 824

\$3,745,475

AND WHEREAS the Regional Board, by this bylaw, hereby requests such financing shall be undertaken through the Authority;

NOW THEREFORE the Regional Board of the Cowichan Valley Regional District enacts as follows:

CITATION

1. This Bylaw may be cited for all purposes as “**Cowichan Valley Regional District Bylaw No. 3571 - Security Issuing (Loan Authorization Bylaw No. 3449 & Loan Authorization Bylaw No. 3458) Bylaw, 2012**”.
2. The Regional Board hereby consents to financing the debt of the District of North Cowichan in the amount of Three Million, Seven Hundred & Forty-Five Thousand, Four Hundred & Seventy-Five Dollars (\$3,745,475.), in accordance with the following terms.
3. The Authority is hereby requested and authorized to finance from time to time the aforesaid undertakings at the sole cost and on behalf of the Regional District and its member municipalities up to, but not exceeding Three Million Seven Hundred & Forty-Five Thousand, Four Hundred & Seventy-Five Dollars (\$3,745,475.) in lawful money of Canada (provided that the Regional District may borrow all or part of such amount in such currency as the Trustees of the Authority shall determine but the aggregate amount in lawful money of Canada and in Canadian Dollar equivalents so borrowed shall not exceed \$3,745,475. in Canadian dollars) at such interest and with such discounts or premiums and expenses as the Authority may deem appropriate in consideration of the market and economic conditions pertaining.
4. Upon completion by the Authority of financing undertaken pursuant hereto, the Chair and Treasurer of the Regional District, on behalf of the Regional District and under its seal shall, at such time or times as the Trustees of the Authority may request, enter into and deliver to the Authority one or more agreements which said agreement or agreements shall be substantially in the form annexed hereto as Schedule A and made part of the bylaw (such agreement or agreements as may be entered into, delivered or substituted hereinafter referred to as the "Agreement") providing for payment by the Regional District to the Authority of the amounts required to meet the obligations of the Authority with respect to its borrowings undertaken pursuant hereto, which Agreement shall rank as debenture debt of the Regional District.
5. The Agreement in the form of Schedule "A" shall be dated and payable in the principal amount or amounts of monies and in Canadian dollars or as the Authority shall determine and subject to the *Local Government Act*, in such currency or currencies as shall be borrowed by the Authority under Section 2 of this bylaw and shall set out the schedule of repayment of the principal amount together with interest on unpaid amounts as shall be determined by the Treasurer of the Authority.
6. The obligation incurred under the said Agreement shall bear interest from a date specified therein, which date shall be determined by the Treasurer of the Authority, and shall bear interest at a rate to be determined by the Treasurer of the Authority.
7. The Agreement shall be sealed with the seal of the Regional District and shall bear the signatures of the Chair and Treasurer.
8. The obligations incurred under the said Agreement as to both principal and interest shall be payable at the Head Office of the Authority in Victoria and at such time or times as shall be determined by the Treasurer of the Authority.
9. If during the currency of the obligations incurred under the said Agreement to secure borrowings in respect of the District of North Cowichan Bylaw No. 3449 – Municipal Hall Expansion Loan Authorization Bylaw, 2011 and District of North Cowichan Bylaw No. 3458 – Diking Loan Authorization Bylaw, 2011, there shall be requisitioned annually an amount sufficient to meet the annual payment of interest and the repayment of principal.

10. The Regional District shall provide and pay over to the Authority such sums as are required to discharge its obligations in accordance with the terms of the Agreement, provided however, that if the sum provided for in the Agreement is not sufficient to meet the obligations of the Authority, any deficiency in meeting such obligations shall be a liability of the Regional District to the Authority and the Regional District shall make provision to discharge such liability.

11. At the request of the Treasurer of the Authority and pursuant to Section 15 of the "Municipal Finance Authority of British Columbia Act", the Regional District shall pay over to the Authority such sums and execute and deliver such promissory notes as are required pursuant to said Section 15 of the "Municipal Finance Authority of British Columbia Act", to form part of the Debt Reserve Fund established by the Authority in connection with the financing undertaken by the Authority on behalf of the Regional District pursuant to the Agreement.

READ A FIRST TIME this _____ day of _____, 2012

READ A SECOND TIME this _____ day of _____, 2012

READ A THIRD TIME this _____ day of _____, 2012

ADOPTED this _____ day of _____, 2012

Chairperson

Corporate Secretary



C·V·R·D

SCHEDULE "A"

to CVRD Bylaw No. 3571

C A N A D A

PROVINCE OF BRITISH COLUMBIA

A G R E E M E N T

COWICHAN VALLEY REGIONAL DISTRICT

The Cowichan Valley Regional District hereby promises to pay to the Municipal Finance Authority of British Columbia (the "Authority") at its Head Office in Victoria, British Columbia, the sum of _____ (\$ _____) in lawful money of Canada, together with interest thereon from the _____ day of _____ at varying rates of interest calculated semi-annually in each and every year during the currency of this Agreement; and payments shall be as specified in the table appearing on the reverse hereof commencing on the _____ day of _____ provided that in the event of payments of principal and interest hereunder are insufficient to satisfy the obligations of the Authority undertaken on behalf of the Regional District, the Regional District shall pay over to the Authority such further sums as are sufficient to discharge the obligations of the Regional District to the Authority.

DATED at _____, British Columbia, this _____ day of _____.

IN TESTIMONY WHEREOF and under the authority of Bylaw No. 3571 cited as "Cowichan Valley Regional District Bylaw No. 3571 - Security Issuing (Loan Authorization Bylaw 3449 & Loan Authorization Bylaw 3458) Bylaw, 2012." This Agreement is sealed with the Corporate Seal of the Cowichan Valley Regional District and signed by the Chairperson and Treasurer thereof.

Chairperson

Treasurer



COWICHAN VALLEY REGIONAL DISTRICT

BYLAW No. 3577

**A Bylaw to Authorize the Entering into an Agreement Respecting Financing Between the
Cowichan Valley Regional District and the
Municipal Finance Authority of British Columbia**

WHEREAS the Municipal Finance Authority of British Columbia (the "Authority") may provide financing of capital requirements for regional districts or for their member municipalities by the issue of debentures or other evidence of indebtedness of the Authority and lending the proceeds therefrom to the Regional District on whose request the financing is undertaken;

AND WHEREAS under the Town of Ladysmith is a member municipality of the Cowichan Valley Regional District:

AND WHEREAS the Regional District is to finance from time to time on behalf of and at the sole cost of the member municipalities, under the provisions of Section 824 of the *Local Government Act*, the works to be financed pursuant to the following loan authorization bylaw(s):

L/A Bylaw Number	Purpose	Amount of Borrowing Authorized	Amount Already Borrowed	Borrowing Authority Remaining	Term of Issue	Amount of Issue
1763	Water Works	\$1,000,000	Nil	\$1,000,000	25 Years	\$1,000,000
TOTAL		\$1,000,000	Nil	\$1,000,000		\$1,000,000

TOTAL Financing under Section 824 \$1,000,000

AND WHEREAS the Regional Board, by this bylaw, hereby requests such financing shall be undertaken through the Authority;

NOW THEREFORE the Regional Board of the Cowichan Valley Regional District enacts as follows:

CITATION

1. This Bylaw may be cited for all purposes as "Cowichan Valley Regional District Bylaw No. 3577 - Security Issuing (Loan Authorization Bylaw No. 1763) Bylaw, 2012".

2. The Regional Board hereby consents to financing the debt of the Town of Ladysmith in the amount of One Million Dollars (\$1,000,000.), in accordance with the following terms.
3. The Authority is hereby requested and authorized to finance from time to time the aforesaid undertakings at the sole cost and on behalf of the Regional District and its member municipalities up to, but not exceeding One Million Dollars (\$1,000,000.) in lawful money of Canada (provided that the Regional District may borrow all or part of such amount in such currency as the Trustees of the Authority shall determine but the aggregate amount in lawful money of Canada and in Canadian Dollar equivalents so borrowed shall not exceed \$1,000,000. in Canadian dollars) at such interest and with such discounts or premiums and expenses as the Authority may deem appropriate in consideration of the market and economic conditions pertaining.
4. Upon completion by the Authority of financing undertaken pursuant hereto, the Chair and Treasurer of the Regional District, on behalf of the Regional District and under its seal shall, at such time or times as the Trustees of the Authority may request, enter into and deliver to the Authority one or more agreements which said agreement or agreements shall be substantially in the form annexed hereto as Schedule A and made part of the bylaw (such agreement or agreements as may be entered into, delivered or substituted hereinafter referred to as the "Agreement") providing for payment by the Regional District to the Authority of the amounts required to meet the obligations of the Authority with respect to its borrowings undertaken pursuant hereto, which Agreement shall rank as debenture debt of the Regional District.
5. The Agreement in the form of Schedule "A" shall be dated and payable in the principal amount or amounts of monies and in Canadian dollars or as the Authority shall determine and subject to the *Local Government Act*, in such currency or currencies as shall be borrowed by the Authority under Section 2 of this bylaw and shall set out the schedule of repayment of the principal amount together with interest on unpaid amounts as shall be determined by the Treasurer of the Authority.
6. The obligation incurred under the said Agreement shall bear interest from a date specified therein, which date shall be determined by the Treasurer of the Authority, and shall bear interest at a rate to be determined by the Treasurer of the Authority.
7. The Agreement shall be sealed with the seal of the Regional District and shall bear the signatures of the Chair and Treasurer.
8. The obligations incurred under the said Agreement as to both principal and interest shall be payable at the Head Office of the Authority in Victoria and at such time or times as shall be determined by the Treasurer of the Authority.
9. If during the currency of the obligations incurred under the said Agreement to secure borrowings in respect of the Town of Ladysmith Water System Construction Loan Authorization Bylaw 2011, No. 1763 there shall be requisitioned annually an amount sufficient to meet the annual payment of interest and the repayment of principal.
10. The Regional District shall provide and pay over to the Authority such sums as are required to discharge its obligations in accordance with the terms of the Agreement, provided however, that if the sum provided for in the Agreement is not sufficient to meet the obligations of the Authority, any deficiency in meeting such obligations shall be a liability of the Regional District to the Authority and the Regional District shall make provision to discharge such liability.

11. At the request of the Treasurer of the Authority and pursuant to Section 15 of the "Municipal Finance Authority of British Columbia Act", the Regional District shall pay over to the Authority such sums and execute and deliver such promissory notes as are required pursuant to said Section 15 of the "Municipal Finance Authority of British Columbia Act", to form part of the Debt Reserve Fund established by the Authority in connection with the financing undertaken by the Authority on behalf of the Regional District pursuant to the Agreement.

READ A FIRST TIME this _____ day of _____, 2012

READ A SECOND TIME this _____ day of _____, 2012

READ A THIRD TIME this _____ day of _____, 2012

ADOPTED this _____ day of _____, 2012

Chairperson

Corporate Secretary



C·V·R·D

SCHEDULE "A"

to CVRD Bylaw No. 3577

CANADA

PROVINCE OF BRITISH COLUMBIA

AGREEMENT

COWICHAN VALLEY REGIONAL DISTRICT

The Cowichan Valley Regional District hereby promises to pay to the Municipal Finance Authority of British Columbia (the "Authority") at its Head Office in Victoria, British Columbia, the sum of _____ (\$ _____) in lawful money of Canada, together with interest thereon from the _____ day of _____ at varying rates of interest calculated semi-annually in each and every year during the currency of this Agreement; and payments shall be as specified in the table appearing on the reverse hereof commencing on the _____ day of _____ provided that in the event of payments of principal and interest hereunder are insufficient to satisfy the obligations of the Authority undertaken on behalf of the Regional District, the Regional District shall pay over to the Authority such further sums as are sufficient to discharge the obligations of the Regional District to the Authority.

DATED at _____, British Columbia, this _____ day of _____.

IN TESTIMONY WHEREOF and under the authority of Bylaw No. 3577 cited as "Cowichan Valley Regional District Bylaw No. 3577 - Security Issuing (Loan Authorization Bylaw 1763) Bylaw, 2012." This Agreement is sealed with the Corporate Seal of the Cowichan Valley Regional District and signed by the Chairperson and Treasurer thereof.

Chairperson

Treasurer



COWICHAN VALLEY REGIONAL DISTRICT

BYLAW NO. 3578

**A Bylaw to Authorize the Entering into an Agreement Respecting Financing
Between the Cowichan Valley Regional District and the
Municipal Finance Authority of British Columbia**

WHEREAS the Municipal Finance Authority of British Columbia (the "Authority") may provide financing of capital requirements for Regional Districts or for their member municipalities by the issue of debentures or other evidence of indebtedness of the Authority and lending the proceeds therefrom to the Regional District on whose request the financing is undertaken;

AND WHEREAS under the provisions of Section 825 of the *Local Government Act*, the amount of borrowing authorized by the following Loan Authorization Bylaw, the amount already borrowed under the authority thereof, the amount of authorization to borrow remaining thereunder and the amount being issued under the authority thereof by this bylaw is as follows:

L/A Bylaw Number	Purpose	Amount of Borrowing Authorized	Amount Already Borrowed	Borrowing Authority Remaining	Term of Issue	Amount of Issue
3475	Construction of new Library	\$1,000,000	Nil	\$1,000,000	30 Years	\$1,000,000
TOTAL		\$1,000,000	Nil	\$1,000,000		\$1,000,000

TOTAL Financing under Section 825 \$1,000,000

AND WHEREAS the Regional Board, by this bylaw, hereby requests such financing shall be undertaken through the Authority;

NOW THEREFORE the Regional Board of the Cowichan Valley Regional District enacts as follows:

1. CITATION

This bylaw may be cited for all purposes as "Cowichan Valley Regional District Bylaw No. 3578 - Security Issuing (Loan Authorization Bylaw No. 3475) Bylaw, 2012".

2. The Authority is hereby requested and authorized to finance from time to time the aforesaid undertakings at the sole cost and on behalf of the Cowichan Valley Regional District and its member municipalities up to, but not exceeding One Million Dollars, (\$1,000,000.) in lawful money of Canada (provided that the Regional District may borrow all or part of such amount in such currency as the Trustees of the Authority shall determine but the aggregate amount in lawful money of Canada and in Canadian Dollar equivalents so borrowed shall not exceed \$1,000,000. in Canadian dollars) at such interest and with such discounts or premiums and expenses as the Authority may deem appropriate in consideration of the market and economic conditions pertaining.
3. Upon completion by the Authority of financing undertaken pursuant hereto, the Chairperson and Treasurer of the Regional District, on behalf of the Regional District and under its seal shall, at such time or times as the Trustees of the Authority may request, enter into and deliver to the Authority one or more agreements which said agreement or agreements shall be substantially in the form annexed hereto as Schedule A and made part of the bylaw (such Agreement or Agreements as may be entered into, delivered or substituted hereinafter referred to as the "Agreement") providing for payment by the Regional District to the Authority of the amounts required to meet the obligations of the Authority with respect to its borrowings undertaken pursuant hereto, which Agreement shall rank as debenture debt of the Regional District.
4. The Agreement in the form of Schedule A shall be dated and payable in the principal amount or amounts of monies and in Canadian dollars or as the Authority shall determine and subject to the *Local Government Act*, in such currency or currencies as shall be borrowed by the Authority under Section 2 of this bylaw and shall set out the schedule of repayment of the principal amount together with interest on unpaid amounts as shall be determined by the Treasurer of the Authority.
5. The obligation incurred under the said Agreement shall bear interest from a date specified therein, which date shall be determined by the Treasurer of the Authority, and shall bear interest at a rate to be determined by the Treasurer of the Authority.
6. The Agreement shall be sealed with the seal of the Regional District and shall bear the signatures of the Chairperson and Treasurer.
7. The obligations incurred under the said Agreement as to both principal and interest shall be payable at the Head Office of the Authority in Victoria and at such time or times as shall be determined by the Treasurer of the Authority.
8. During the currency of the obligations incurred under the said Agreement to secure borrowings in respect of "CVRD Bylaw No. 3475 – Vancouver Island Regional Library Borrowing Service Loan Authorization Bylaw, 2011", the anticipated revenues accruing to the Regional District from the operation of the Vancouver Island Regional Library Borrowing are at any time insufficient to meet the annual payment of interest and the repayment of principal in any year, there shall be requisitioned an amount sufficient to meet such insufficiency.

9. The Regional District shall provide and pay over to the Authority such sums as are required to discharge its obligations in accordance with the terms of the Agreement, provided however, that if the sum provided for in the Agreement is not sufficient to meet the obligations of the Authority, any deficiency in meeting such obligations shall be a liability of the Regional District to the Authority and the Regional Board of the Regional District shall make provision to discharge such liability.

10. The Regional District shall pay over to the Authority at such time or times as the Treasurer of the Authority so directs such sums as are required pursuant to section 15 of the *Municipal Finance Authority Act* to be paid into the Debt Reserve Fund established by the Authority in connection with the financing undertaken by the Authority on behalf of the Regional District pursuant to the Agreement.

READ A FIRST TIME this _____ day of _____, 2012.

READ A SECOND TIME this _____ day of _____, 2012.

READ A THIRD TIME this _____ day of _____, 2012.

ADOPTED this _____ day of _____, 2012.

Chairperson

Corporate Secretary



C·V·R·D

SCHEDULE "A"

to CVRD Bylaw No. 3578

CANADA

PROVINCE OF BRITISH COLUMBIA

AGREEMENT

COWICHAN VALLEY REGIONAL DISTRICT

The Cowichan Valley Regional District hereby promises to pay to the Municipal Finance Authority of British Columbia (the "Authority") at its Head Office in Victoria, British Columbia, the sum of _____ (\$ _____) in lawful money of Canada, together with interest thereon from the _____ day of _____ at varying rates of interest calculated semi-annually in each and every year during the currency of this Agreement; and payments shall be as specified in the table appearing on the reverse hereof commencing on the _____ day of _____ provided that in the event of payments of principal and interest hereunder are insufficient to satisfy the obligations of the Authority undertaken on behalf of the Regional District, the Regional District shall pay over to the Authority such further sums as are sufficient to discharge the obligations of the Regional District to the Authority.

DATED at _____, British Columbia, this _____ day of _____, 20____.

IN TESTIMONY WHEREOF and under the authority of Bylaw No. 3578 cited as "Cowichan Valley Regional District Bylaw No. 3578 - Security Issuing (Loan Authorization Bylaw 3475) Bylaw, 2012." This Agreement is sealed with the Corporate Seal of the Cowichan Valley Regional District and signed by the Chairperson and Treasurer thereof.

Chairperson

Treasurer



SR3

STAFF REPORT

REGIONAL SERVICES COMMITTEE MEETING OF JANUARY 25, 2012

DATE: January 16, 2012 **FILE NO:**
FROM: Mark Kueber, General Manager **BYLAW NO:**
Corporate Services Department
SUBJECT: Regional Visitor Information Centre

Recommendation/Action:

Board direction is requested.

Relation to the Corporate Strategic Plan:

The promotion of tourism is an objective of the CVRD's Corporate Strategic Plan and the overall regional tourism goals are supported by two recent tourism strategies – Cowichan Region Visitor Services Strategy (2007); and the Cowichan Region Tourism Plan (2010).

Financial Impact: (Reviewed by Finance Division:)

The financial impact will depend on which option is selected;

- Providing a Regional Grant in Aid of \$609,000 in 2012 cost \$3.99/100,000 of assessed value.
- Borrowing \$609,000 over 5 years costs \$0.83/100,000 of assessed value.
- The tax impact will depend on which jurisdictions participate.

Background:

The Regional Board was approached by the Duncan/Cowichan Chamber of Commerce to help fund a Regional Visitor Information Centre that would benefit the entire Cowichan Valley Regional District. The Regional Board at its November 9, 2011 meeting passed the following motion:

“That the Board requested the Duncan – Cowichan Chamber of Commerce to prepare an agreement between the Cowichan Valley Regional District and the Duncan – Cowichan Chamber of Commerce that would, if approved by the Board, facilitate the CVRD’s borrowing of funds to assist in the construction of a new Regional Information Centre at the BC Forest Discovery Centre; and that the agreement outline the services that would be provided to the Cowichan Region; and further, that the agreement and funding request be referred to the December 14, 2011 Board Meeting for consideration.”

.../2

The Regional Board reviewed this issue at its December 14, 2011 meeting and passed the following motion:

“That the issue of funding for the Regional Visitor Information Centre be referred to the January 25, 2012 Regional Services Committee meeting; and that the 2007 White Oak Report be distributed to the CVRD Board of Directors; and further, that each Director be polled to determine if there are any concerns that can be addressed by the Chamber of Commerce.”

Please find attached two Directors enquiries and the responses from the Chamber of Commerce as well as a response from Economic Development for one of the enquiries.

The Board can choose to support this project Regionally through General Government by way of a grant in aid, or through the Economic Development function, both of which are regional, or it can establish a separate function with reduced participants. The creation of a new function in 2012 with reduced participants will require a public approval process which will delay the taxation of the required funds to 2013.

I have included the previously distributed support from the five Chambers of Commerce and Community Futures, their three year draft budget, as well as a summary of the project. Chamber of Commerce members will be on hand at the meeting to answer any questions.

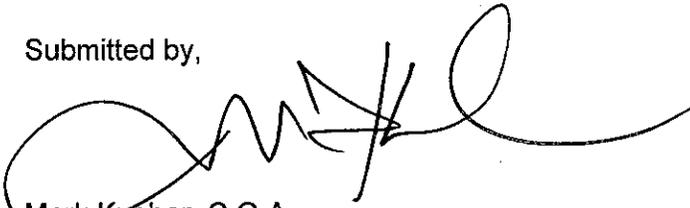
The following options and motions are available to the Board,

- 1) The Regional District may chose to give a onetime Grant in Aid for the entire \$609,000.
“That the CVRD provide a Regional Grant-in-Aid in the amount of \$609,000 to the Duncan – Cowichan Chamber of Commerce to assist in the construction of a new Regional Visitor Information Centre at the BC Forest Discovery Centre; and that the funds be provided from the 2012 Regional Grant-in-Aid budget.”
- 2) The Regional District may chose to short term borrow the entire request of \$609,000 to be paid off over a five year period, this option is funded regionally.
“That the CVRD provide a Regional Grant-in-Aid in the amount of \$609,000 to the Duncan – Cowichan Chamber of Commerce to assist in the construction of a new Regional Visitor Information Centre at the BC Forest Discovery Centre; and that the funds be borrowed and paid off over a five year period.”
- 3) If there is interest to go forward with a reduced number of participants then the Regional District would go to the public and seek approval to establish a new debt function to be used to pay the short term debt.
“That a debt repayment service be established over a portion of the Regional District for the purpose of borrowing \$609,000 to assist the Duncan – Cowichan Chamber of Commerce in the construction of a new Regional Visitor Information Centre at the BC Forest Discovery Centre; and that the participating areas be the electoral areas of _____ and the municipalities of _____.”

.../3

-
- 4) The Board may chose to not support this project which will result in no cost to the CVRD.

Submitted by,

A handwritten signature in black ink, appearing to read 'MK', with a large, stylized flourish extending to the left.

Mark Kueber, C.G.A.
General Manager, Corporate Services Department

MK:tk

Attach.

Z:\Mark\Staff Reports - 2012\Staff Report -Regional Visitor Information Centre.doc

- How does this proposal include visitor services to the gateway areas?
- Is this the end of the financial ask for visitor information services?
- This visitor center is internal to tourism once a tourist reaches the valley however external attraction usually comes first and it is done through the tourism budget. This budget has been held at the same level for over 8 years... so over that timeframe has seen an actual reduction in funding by about 25%. What is the vision for attracting tourists to the valley and is a tourism council envisioned anywhere in the plan?
- In an earlier rendition, there was a \$70,000 annual deficit in the operating budget however this has now been eliminated by adjusting some of the operating revenues/expenses. If there is an operating deficit who would be responsible for picking this up

Gerry

I understand that Campbell River has a new Visitor Information Center.
I would like to know who were the funders for the Capital project.
Who are the ongoing operation funders?
What role does the ComoxVRD have in it all...regional? Sub-regional?
Are there other examples of recent note out there..perhaps on the
Sun Shine Coast.

Loren ..

Mark Kueber

From: Dhami, Ranjit [RANJIT.DHAMI@CIBC.com]
Sent: Tuesday, January 17, 2012 2:41 PM
To: Mark Kueber
Subject: Answers

To answer your questions:

We would like to know who were the funders for the Capital project.

This info is online at <http://vicdiscoverycentre.com/2010/01/vancouver-island-and-coast-discovery-centre-coming-to-comox-valley>,

Who are the ongoing operation funders?

the contract to operate the centre has just been awarded. I have not yet been able to confirm to whom, but I understand that it is not a local organization (we know it is not the Chamber. It does not appear that the Comox Valley EDC will be operating the centre themselves). I can confirm that the funding formerly received by the Comox Valley Chamber from the Economic Development office, to operate the VC, (\$120,000) will be going to the new VC. Tourism BC contributed \$20,000.

1. How does this proposal include visitor services to the gateway areas? All communities could participate in the benefits of interpretive displays, visual aids (including the proposed tv screens), increased brochure racking, and verbal information about activities and events. The job of a Visitor Centre is to encourage larger spends, longer stays and repeat visits. Most of the tourism traffic occurs on the Trans Canada Hwy (especially the "day tripper" rubber tire trade). Typically, those visitors seek out a major, centrally located VC located within a city. By showcasing, collectively, the entire region's offerings in such a location, we can better demonstrate *all* that the region has to offer.
2. Is this the end of the financial ask for visitor information services? This being a capital cost for the building it is a one time ask.
3. You have Geoff's reply here.
4. In an earlier rendition, there was a \$70,000 annual deficit in the operating budget however this has now been eliminated by adjusting some of the operating revenues/expenses. If there is an operating deficit who would be responsible for picking this up. . At that point the concept of "job sharing" with the staff from other Visitor Centres had not been examined closely to determine if it is feasible. And other important revenue source had not been discussed yet.

Let me know if this works for you?

Ranj.

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Mark Kueber

From: Geoff Millar
Sent: Monday, January 09, 2012 10:14 AM
To: Mark Kueber; Dhami, Ranjit
Subject: Response to question

CVRD Board Question:

This visitor center is internal to tourism once a tourist reaches the valley however external attraction usually comes first and it is done through the tourism budget. This budget has been held at the same level for over 8 years... so over that timeframe has seen an actual reduction in funding by about 25%. What is the vision for attracting tourists to the valley and is a tourism council envisioned anywhere in the plan?

In answer to that TWO PART Tourism Cowichan question.

FIRST

Tourism Cowichan is a regionally funded Destination Tourism Marketing organization focused on external marketing of the Cowichan Region – a eight part process.

1. **Tourism fulfillment advertising** is delivered when someone calls or otherwise connects with Tourism Cowichan and the information they request gets delivered into the hands of those that are using the information to plan their Island or Cowichan experience. They can connect with Tourism Cowichan in several ways:
 - i. Phone in to our Tourism Cowichan toll free information line,
 - ii. Order a Cowichan Travel Planner (Visitor Guide) on-line,
 - iii. Download their own version of the Travel Planer from the tourism website,
 - iv. Visit our trade show booths (both Tourism and Economic Development attend a combined total of at least 10 shows annually), or
 - v. Pick up our information from the Tourism Vancouver Island booth at one of the many travel trade shows attended throughout the year (mainly international)
 - vi. Physical distribution system – through Visitor Centres in the CVRD region; and provincially to all Visitor Centres plus five Tourism BC operated Gateway Centres.
2. **Yearly updates and improvements to print publications** – updating the Annual Travel Planner as well as the popular Cowichan Free Map, BC Ferries rack card and materials for the Cowichan Wine & Culinary Festival . Note – 2012 Travel Planner format is changed to allow for year-round racking on the major BC Ferry routes to Vancouver island. Travel Planner is also racked on the Coho Ferry to Port Angeles, Washington State .
3. **Advertising in key Vancouver Island markets** of Victoria and Nanaimo – weekly Cowichan Calendar from May to October in Times Colonist and Nanaimo Daily News. Enhanced distribution at Victoria Airport, Comox Airport and Nanaimo (Cassidy) Airport.
4. **Our PR strategy** offers the opportunity to highlight the attractions, festivals and events that will engage consumers more than can be done in a single ad. For that reason Tourism Cowichan continues to enlist Tourism Vancouver Island’s Public Relations department to assist our Region through the inclusion of Cowichan in their monthly “Here’s What’s Happening Newsletters” distributed world-wide to travel media and writers.
5. **Trade and Consumer Shows** events in 2011 included the Edmonton Home & Garden Show, the Calgary Home & Garden Show and six Vancouver and area events. Focused external marketing is targeted at Alberta and BC. The Trade and consumer shows offer a good opportunity to present the information on the Cowichan Region to interest-specific consumers in the Cowichan key target markets. Where

appropriate and available, costs for these activities are offset by partnering with one of the larger DMO's such as Tourism Vancouver Island or through stakeholder participation.

6. **Tourism Cowichan digital media** – we continue to offer digital tools for consumers to plan their travel experiences. Continual improvements to our website includes new and improved content, a slide show, plus photos and forms for stakeholders and visitors. Tourism Cowichan has an active Facebook page, an interactive events calendar and a special section on You Tube featuring many Cowichan videos.
7. **Tourism Cowichan Communications** – Tourism Cowichan recognizes the need for ongoing communications between tourism sector stakeholders. Our Tourism eNews newsletter is sent to all stakeholders and interested parties outside the region to remind them of the various events, initiatives and opportunities related to tourism in our region. Copies are distributed electronically to all five Chambers and their members, plus all Municipal Councils and CVRD Board members.
8. **Familiarization Tours (fam tours)** - Tourism Cowichan hosts qualified travel writers, tour operators and others who can assist us in promoting our region. Tourism Vancouver Island and Tourism BC (BC Ministry) pre-qualify most industry visitors and assist with many island-wide fam tours.

Main objectives of Tourism Cowichan programs

- Create an awareness of the Cowichan Region with the fully independent traveler (FIT) target audience,
- Increase overnight stays in the Cowichan using the unique attractions, activities, festivals and events as draws to visit the region
- Position the Cowichan with various target audiences as a unique, eclectic and full-service area that offers many days worth of activities and interesting accommodations
- Leverage all media investments into additional value through stakeholder partnerships
- Work with tourism stakeholders, business organizations and local governments to bring the community together to create better tourism products and services through educational and promotional support
- Partnerships with many regional festivals and events to support their marketing efforts

SECOND

Creation of a Regional Tourism Council is recommended, endorsed and supported in the 2007 White Oak Report, 2010 Cowichan Region Tourism Plan and the 2011 Sustainable Economic "Development Strategy. Independently, A Sustainable Tourism Plan for the Cowichan Region – written as a paper by Don Barrie, Masters Program, Royal Roads University in August 2011 recommends regional appointments – A Regional Destination Stewardship Council.

Direct excerpts from the following reports –

White Oaks Report – page 22

As a result of the interviews conducted and the feedback from community meetings, the majority of the results indicate that Tourism Cowichan should continue to function under the Economic Development Commission. In fact there was resistance to the creation of any new entity requiring additional volunteer efforts. It will be critical to establish an appropriate implementation group for the recommendations included in this report and to establish a base for overall destination development.

Tourism Cowichan, operating as an Advisory Committee under the Economic Development Commission, is strategically positioned to provide business and infrastructure development supports. It is critical that the logical linkages between business development and industry be in place to ensure that there is less duplication of work and more likelihood for success as initiatives develop. The recommendations of this report, when enacted, will formalize the current Tourism Cowichan structure while developing new terms of reference, new roles and responsibilities, and create formal relationships with (*the CVRD Board*) and the visitor centres.

Cowichan Region Tourism Plan – 2010 – page 7

The Plan recommends that the tourism industry stakeholders and funding partners commit to a stronger regional tourism function to be delivered through Tourism Cowichan and Economic Development Cowichan, and that the focus of attention at the outset is on securing new core funding. Through an increase in funding, the role of Tourism Cowichan

can be expanded to enable it to take a more effective lead in developing and promoting tourism within the region and to play a key role in the implementation of this Plan

Cowichan Region Tourism Plan – 2010 – page 10

There is a high level of support for strengthening Tourism Cowichan as the lead regional tourism organization. While the options for restructuring were considered carefully, there was a general understanding that without new core funding there was little to be gained from developing an elaborate Council structure at this initial stage. Rather, the first step should be to establish a new Regional Tourism Advisory Committee for Tourism Cowichan that becomes a strong 'champion' for regionalization and has the capacity to act as a catalyst in the implementation of regional initiatives, particularly those that have been at proposal stage for some time.

Strategy for a Sustainable Economy – 2011 – page 45

Adopt and implement actions from the Cowichan Region Tourism Plan.

The Cowichan Region Tourism Plan was completed in 2010. There was overwhelming support for the plan and its recommendations from the public and stakeholder consultation. As well, the CVRD Corporate Strategic Plan includes the objective to promote tourism and to implement the Cowichan Tourism Marketing Plan. The EDC should review the tourism strategy document (Appendix D) and develop a list of priorities from the recommendations in order to begin to move forward with the plan and incorporate into the EDC's annual work plan.

NOTE – Recommendations have been brought forward to in the 2012 CVRD – EDC Work Plan to adopt and support the implementation of the Cowichan Region Tourism Plan. Staff recommendations for 2012 are to (1) Recruit and appoint an initial Regional Tourism Cowichan Council (Advisory Committee) and (2) Explore additional methods of funding for the regional tourism program including enhanced staffing.

Please contact me for further detail or clarification.

Geoff

Geoff Millar

Manager, Economic Development Division,
Cowichan Valley Regional District
135 Third Street, Duncan, BC V9L 1R9

E-mail: gmillar@cvrld.bc.ca

Tel: 250-746-7880 ext 246 Toll Free: 1-866-746-2508 Fax: 250-746-7801



Cowichan Valley Chambers of Commerce,

Dec 6, 2011

Duncan-Cowichan, South Cowichan, Cowichan Lake, Chemainus, and Ladysmith Chambers of Commerce.

Visitor Centre

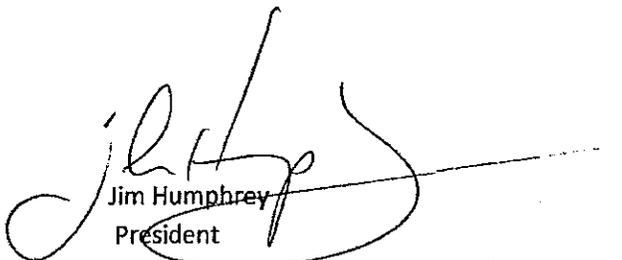
Consistent with best practices of external marketing supporting the concept of Destination Marketing, we strongly believe the best strategy for increasing the length of visitor stays and spending, are to promote attractions and activities within the entire region as one entity.

The Cowichan Chambers and Visitors Centres are prepared to continue to work collaboratively to market the Cowichan Region as a whole.

An effective Visitors Centre Network will provide opportunities to promote the regions tourism, cultural and other economic sectors to an audience many times larger than we can reach individually. The new interpretive facility will be a focal point of the region, showcasing the scope of the Cowichan Region's tourism and other economic sectors.

Synergies and economies of scale can be capitalized on by creating a network of Visitors Centres for internal marketing for the region. We recognize that as part of a comprehensive strategy this would also include a centre in the South Cowichan region.

We the undersigned fully support the building of a centrally located Visitors Centre at the Forest Discovery Centre.



Jim Humphrey
President
Cowichan Lake District Chamber of Commerce

Cowichan Valley Chambers of Commerce,

Dec 6, 2011

Duncan-Cowichan, South Cowichan, Lake Cowichan, Chemainus, Ladysmith Chambers of Commerce.

Regional Visitor Centre

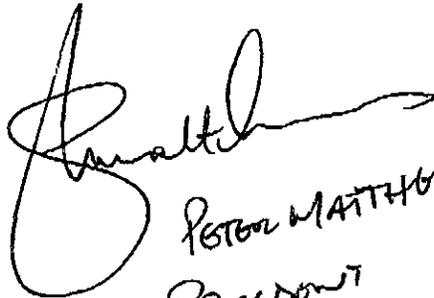
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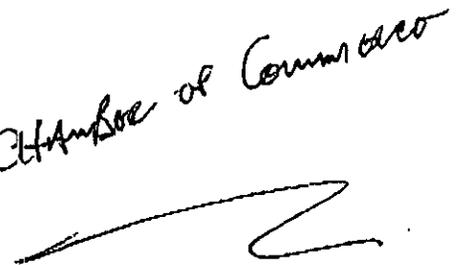
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PETER MATTHEWS
PRESIDENT
CHEMAINUS CHAMBERS OF COMMERCE



Cowichan Valley Chambers of Commerce,

Dec 6, 2011

Duncan-Cowichan, South Cowichan, Lake Cowichan, Chemainus, Ladysmith Chambers of Commerce.

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MIKE BLAWSON

SOUTH COWICHAN
CHAMBER OF COMMERCE

Cowichan Valley Chambers of Commerce,

Dec 6, 2011

Duncan-Cowichan, South Cowichan, Lake Cowichan, Chemainus, Ladysmith Chambers of Commerce.

Regional Visitor Centre

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Rob Waters
President,
LADYSMITH chambers of Commerce
Dec. 06/11

Cowichan Valley Chambers of Commerce,

Dec 6, 2011

Duncan-Cowichan, South Cowichan, Lake Cowichan, Chemainus, Ladysmith Chambers of Commerce.

Regional Visitor Centre

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We the undersigned fully support the building of a centrally located Regional Visitors Centre at the Forest Discovery Centre.



Dec 6, 2011

Duncan-Cowichan

Ranjit Dhani

December 7, 2011

Mark Kueber
Corporate Services Department, CVRD
175 Ingram Street, Duncan,
British Columbia, V9L 1N8

Mark,

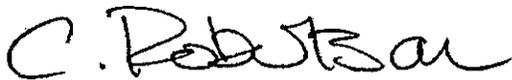
Community Futures Cowichan is pleased to provide this letter of support for the agreement between the five Regional Chamber of Commerce.

In the Cowichan Region we face challenges of diversifying our economy but at the same time we want to maintain our quality of life and our ability to seize opportunities as they arise. We know this work can be difficult for our stand-alone organizations with shrinking resources. This agreement recognizes the need for the Chambers to be more collaborative, positioning them to play a vital role in business and community development in the entire Region.

Most significant is the commitment to fully support the new Duncan-Cowichan Chamber of Commerce Visitor Info Centre, and recognize it as a regional centre. We see this as having major benefits to the Chambers directly in cost savings, joint applications in future funding needs and shared resources. For the region and for the tourism sector, it strengthens regional marketing strategies, makes the region more competitive in attracting visitors and sends a strong message to tourism funders that the Cowichan is a major player. All this brings direct benefits to our locally owned and operated tourism businesses.

We applaud the five Chambers for their forward thinking. This commitment now prepares their organizations and memberships for inevitable change. We look forward to working with this cohesive group, as together our organizations can bring further benefits to our region

Yours truly,



Cathy Robertson
General Manager
250-746-1004

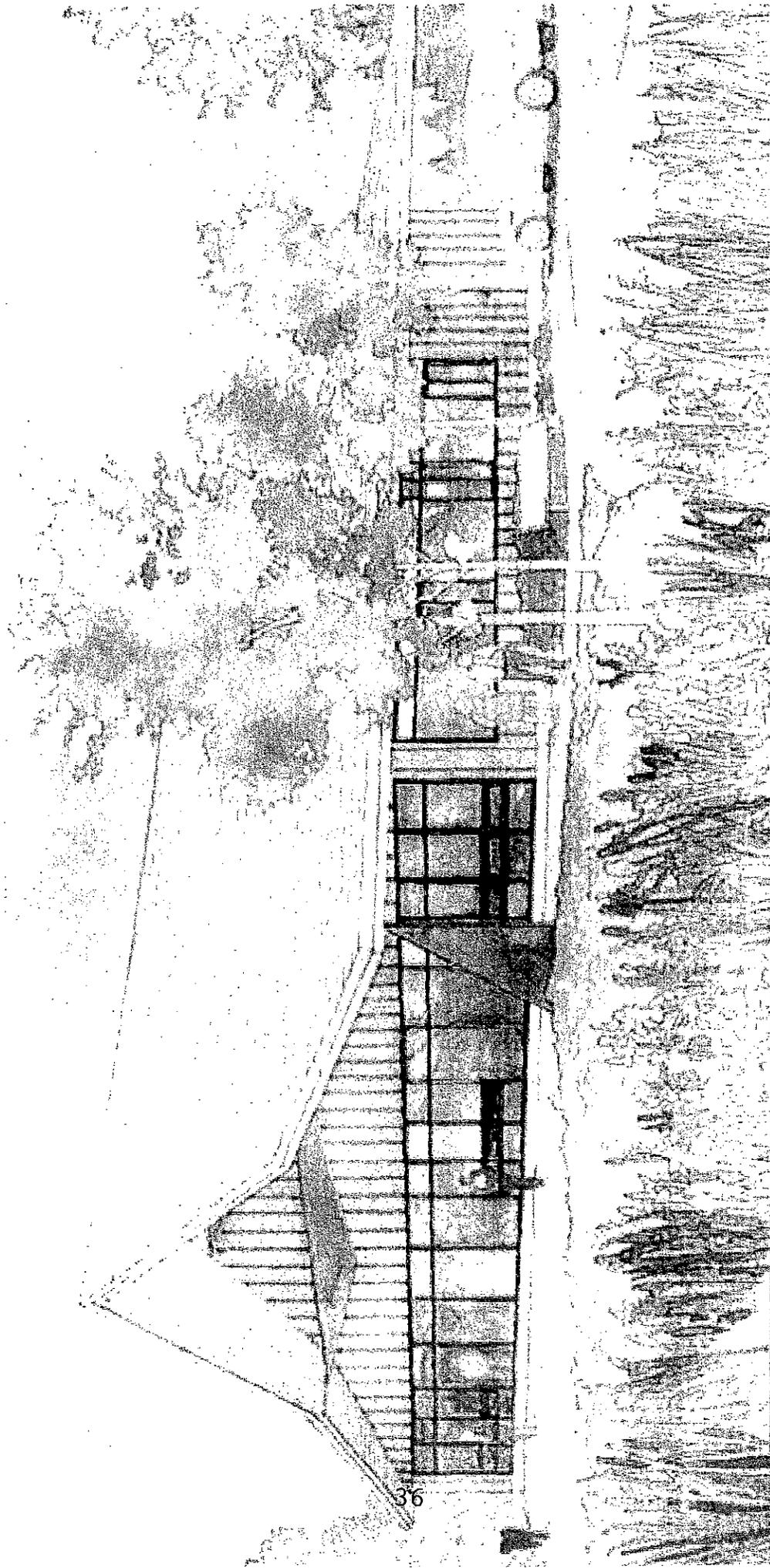
DUNCAN-COWICHAN REGIONAL VISITOR CENTRE
Revised ONE YEAR OPERATING FORECAST

	ORIGINAL 2010-11 Budget	Projections Year One	Projections Year Two	Projections Year Three
REVENUES				
Members' dues	65,000.00	\$80,000.00	80,000.00	84,000.00
Group insurance commissions	20,000.00	\$25,000.00	25,000.00	25,000.00
Government grants				
City of Duncan	37,500.00	\$27,000.00	27,000.00	27,000.00
Municipality of North Cowichan	18,000.00	\$29,000.00	29,000.00	29,000.00
Tourism BC Visitor Centre Fee for Service	10,000.00	\$10,000.00	25,000.00	30,000.00
Miscellaneous fee for service	2,000.00	\$3,000.00	3,000.00	3,100.00
Culinary Gala net revenue	15,000.00	\$20,000.00	20,000.00	21,000.00
Black Tie net revenue	5,000.00	\$5,000.00	5,500.00	6,000.00
Chamber lunches net revenue	-500.00	\$500.00	2,000.00	2,100.00
Retail Sales Gross	3,000.00	\$8,000.00	5,000.00	6,000.00
Racking fees	0.00	\$500.00	1,000.00	1,100.00
Advertising Revenues		\$6,500.00	8,000.00	10,000.00
<u>NEW REVENUES</u>				
Office rental	0.00	\$0.00	12,000.00	12,600.00
Multipurpose Room Rentals	0.00	\$2,500.00	3,000.00	3,500.00
Corporate sponsorships of Visitor Centre	0.00	\$6,500.00	8,000.00	10,000.00
ATM revenues		\$0.00		
Booking/Reservation revenues		\$1,000.00		
After Hours Rental		\$3,000.00		
Exhibits & Displays		\$2,000.00		
Total Revenues	175,000.00	\$229,500.00	253,500.00	270,400.00

DUNCAN-COWICHAN REGIONAL VISITOR CENTRE
Revised ONE YEAR OPERATING FORECAST

EXPENSES

Commissions on new memberships				
Salaries and benefits	91,128.00	\$143,600.00	150,000.00	155,000.00
Training: Regional Fams, Guest speakers etc	0.00	\$2,000.00	2,000.00	2,100.00
Advertising	4,000.00	\$5,000.00	5,000.00	5,250.00
Accounting and legal	8,500.00	\$8,000.00	11,000.00	11,550.00
Membership commissions	4,400.00	\$5,200.00	6,000.00	6,300.00
Telephone and fax	2,000.00	\$2,500.00	2,750.00	2,888.00
Website and database	4,000.00	\$4,000.00	2,500.00	2,625.00
Insurance contents	2,000.00	\$2,000.00	4,000.00	4,200.00
Insurance officers and directors liability	0.00	\$1,000.00	1,200.00	1,260.00
Other office (incl copier rental)	12,384.00	\$9,000.00	9,000.00	9,000.00
Professional development and training	3,500.00	\$5,000.00	5,000.00	5,250.00
IT support	1,800.00	\$2,500.00	2,500.00	2,625.00
Board and Managers businesses meetings	200.00	\$700.00	1,000.00	1,050.00
Rent	22,500.00	\$0.00		
Cost of retail VC goods	1,500.00	\$4,000.00		
<u>NEW EXPENSES</u>				
Building maintenance	0.00	\$5,000.00	5,000.00	5,250.00
Grounds maintenance, including shared w/fdc	0.00	\$3,000.00	3,000.00	3,000.00
Janitorial	0.00	\$2,000.00	1,200.00	1,260.00
Displays	0.00	\$1,000.00	2,000.00	2,100.00
Security	0.00	\$1,500.00	1,500.00	1,575.00
Loan repayment		\$22,500.00	35,000.00	35,000.00
Total Expenses	157,912.00	\$229,500.00	249,650.00	257,283.00



The Regional Visitor Info Centre

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EXECUTIVE SUMMARY

The Cowichan Regional Visitor Centre (CRVC) will be a collaborative project led and funded by the Duncan-Cowichan Chamber of Commerce and their funding partners, with support from the four other Chambers of Commerce in the region. The centre will also house the Duncan-Cowichan local Visitor Centre and Chamber offices. To maximize the full benefits of a central visitor centre it is best launched in conjunction with a regional marketing plan, supported by all sub-regions.

Two separate regional tourism strategies have been developed over the past four years: **“Tourism Cowichan Tourism Development Strategy” (2007)** and the **“Cowichan Region Tourism Plan 2010 – 2015”** have identified Key Issues related to:

- The need to upgrade Visitor Centres In the region and enhance their visibility.
- The need to streamline the provision of visitor services that are currently being offered by the region’s five community Visitor Centres under the Chambers of Commerce.
- The potential for regionalizing a range of tourism support functions, including visitor services, marketing, planning and development, while ensuring that communities have the capacity to maintain their own identities.
- Creating consistency in the messaging and raising the profile of the *region* as the destination, with communities acting as a hub for a regional experience.
- Increasing the ease with which the visitor can enjoy a regional experience and spreading the benefits of tourism throughout a wider area.
- Reducing promotion costs for tourism operators.

A new regional Visitor Centre and marketing plan are estimated to:

- Improve conversion rates by getting visitors to partake in more than one activity per visit
- Increase overnight stays
- Increase area spending
- Leverage other funding to directly support sub-region centres
- Reduce duplicated costs, resulting in lowering individual VC operating budgets
- Compete with other major destinations on the national and international stage
- Improve overall “Cowichan” experience to earn repeat users and stronger word-of-mouth promotion
- Attract new investments into the tourism sector

THE PROJECT:

The Cowichan Regional Visitor Centre (CRVC) is a central regional facility that will generate significant economic and community benefit due to its quality design, excellent highway location, information and visitor services, regional partnerships and central location in the Cowichan Region.

The new Cowichan Regional Visitor Centre project can be divided into two main components: a new park that will act as an entry for both the BC Forest Discovery Centre (FDC) and RVC, and the new RVC building, which sits on a triangular portion of land near the highway. The project will also be launched in conjunction with a regional marketing plan, supported in full by all five Chamber VC's.

The CRVC building will serve as a tourism information centre, a district cultural centre, Chamber of Commerce offices, and provide restroom facilities for travellers. The building features a kitchen space where local food can be showcased for cultural activities, and can be used by groups renting the building for private functions. A traditional British Columbia barn roof found throughout the Cowichan area inspired the building design. But, unlike a barn, the building will provide natural light and views to the outdoors through large sections of glazing.

The park is designed to draw people closer to the FDC building, providing an opportunity to retail more food and beverage and consumer items to visitors. It also creates a gateway to welcome people to the site and creates a link between the two buildings. From the park visitors will have partial views of the BCFDC grounds, which will help to lure guests that may not have normally stopped to see the centre.

Cohlmeier Architecture was engaged to review the FDC and Cowichan Regional Visitor Centre project with fresh eyes after an earlier project had failed to move ahead. Consultation and planning sessions were held with the user groups to determine core needs, resulting in a site and building design that has been approved by the committee.

The building and site will be built using green principles and inventive energy saving techniques. Some key initiatives for the site include bicycle storage, natural habitat restoration, natural storm water control, and a reduction in pavement area without sacrificing the number of parking stalls. The building will be built using locally sourced and FSC certified materials and low VOC products will be used wherever possible. Heating will be provided by a solar-assisted in-floor heat system with a trombe wall to collect solar energy.

THE NUMBERS:

Total Project Cost: \$2,548,000 (Appendix A)

Funding Sources:

	<u>Total</u>	<u>BCFDC</u>	<u>Chamber</u>
ICET	\$744,000	\$224,000	\$520,000
Misc Grants - BCFDC Rotary (75,000 in kind 23,000 cash)	102,000	98,000	4,000
BCFDC Home Hardware (trees in kind)	3,000	3,000	
Chamber Financing	450,000		450,000
District of North Cowichan (DNC)	325,000	325,000	
DNC - Tourism Grant	115,000		115,000
RSP Gas Tax - CVRD Grant	150,000		150,000
City of Duncan	50,000		50,000
⁴ Total Funding Sources	<u>\$1,939,000</u>	<u>\$650,000</u>	<u>\$1,289,000</u>
CVRD new Request	<u>609,000</u>		
	<u>\$2,548,000</u>		

Funding letters of intent have been received for the contributions from the various agencies, with the one exception as noted, and the loan financing from Island Savings Credit Union is secured, with an agreement in principle from the District of North Cowichan to guarantee the loan for \$400,000.

THE NEEDS ANALYSIS:

The current Duncan-Cowichan Visitor Centre requires a better location to provide improved service to visitors to the area. The Chamber has been searching for a suitable new location for more than six years. Several years of negotiation with the BC Forest Discovery Centre and local government representatives from the City of Duncan and the District of North Cowichan have now led to an agreement being reached to site the new Regional Visitor Centre at the Forest Discovery Centre with the support of Duncan and North Cowichan plus the Cowichan Valley Regional District. To facilitate the relocation and variance in land use, the Agricultural Land Commission has approved the transfer of land between the Municipality of North Cowichan and the BC Forest Discovery Centre.

With land agreements in place, the Duncan-Cowichan Chamber of Commerce Board of Directors approved a plan to proceed with design work, planning and implementation of a process to build a Regional Visitor Centre on the agreed site.

The circumstances recommending a centrally located RVC in Duncan are complicated by geography of the region and the needs of the partner Chambers in Ladysmith, Chemainus, Cowichan Lake and South Cowichan. The principles of individual Chamber identity and autonomy are key to the success of the Regional Visitor Centre initiative.

The Business Case Analysis for a RVC hinges on the establishment of successful two way partnerships between all parties, local governments, Chambers and funding agencies. The importance of the partnership is outlined in two separate regional tourism strategies that have been developed over the past four years.

The first is the **"Tourism Cowichan Tourism Development Strategy (2007)"** which focused primarily on visitor service delivery and organizational structure. Interviews and community meetings across the region showed support for the development of a regional visitor service function which creates a network of visitor centres, provides planning and development, and includes the marketing function. The report drew a number of situational conclusions related to servicing visitors to the region:

- Being located along two highway routes, the Cowichan region is well placed to capture larger numbers of visitors by using its location on the highways to its advantage.
- The proximity to both Nanaimo and Victoria, key entry points to the Island, provide more opportunities to attract an increased number of visitors with targeted campaigns.
- Visitor services across the region provide almost identical products in each location. With insufficient funding (most centres must do annual fundraising activities) and low staff levels, some of the administrative burden of the services could be regionalized.
- There was overall agreement that some form of a regional function will benefit the tourism industry on the whole while recognizing the desire for each community to maintain their own unique identities.
- The majority felt that this function should, at least for the first few years, be housed under the Economic Development Commission. (EDC)
- Providing regional emphasis information at gateway locations will result in more visitor traffic in every community.

- Visitors Centres should be upgraded and more visible to attract visitors to stop and enquire about the area. A site that is easily visible, accessible and a destination attraction could create a significant impact on highway travellers given the distance between locations in this rural area. Particular advantage should be taken in areas which may see different visitors who may not travel on Highway 1 into the core of the region such as Cowichan Lake, Shawnigan Lake or Chemainus.

THE BENEFITS:

A Regional Visitor Centre together with a Regional Tourism Plan encourages a process of streamlining the development and delivery of tourism services regionally. The underlying rationale for adopting a regional approach includes the following benefits from the Cowichan Region Tourism Plan 2010 – 2015

- There is a growing trend towards developing sub-regions as “destinations”, as this often reflects how visitors perceive the destination and how they plan their activities. The Cowichan has five distinct and complimentary regions that are perfectly situated to take advantage of this trend
- There is a preferential funding formula for clustered communities through the *Community Tourism Opportunities* program
- A regional plan will provide an opportunity to adopt a more integrated approach to planning. Through ongoing regional dialogue, common priorities and ways of working together can be facilitated in a manner that will create greater synergies and overall momentum.
- 42 • A coordinated regional approach to marketing will increase the destination’s profile in the market place through critical mass of product and an enhanced ability to differentiate the destination on the basis of regional distinctiveness. It will also provide greater opportunities for leveraging marketing funds and developing innovative packages.
- A regional organization is better positioned to share market knowledge and to increase the region’s ability to be responsive to emerging opportunities and threats. Moreover, a regional point of contact facilitates working relations with other outside organizations, the travel trade, the travel media, and potential investors.
- A regional approach to tourism planning and management creates enhanced opportunities to highlight the importance of tourism as a key economic sector within the region and to gain political leverage.
- Communities with a strong sense of place act as ‘honey-pots’ in the destination and will provide a stronger base for tourism businesses to build on. Spreading the benefits and generating visitor spend throughout the region is highly dependent on being able to market local distinctiveness and authenticity.

The two Regional Tourism Plans plainly show that a requirement for a centralized Visitor Services Strategy, supported by all five Chambers of Commerce is the means of survival for the Chambers of Commerce. The alternative is a certain reduction in services for individual Chambers and their Visitor Services combined with continued issues surrounding annual funding.

It is important that the Chambers work together under a recommended Memorandum of Understanding, support the Regional Tourism Organization model and look ahead to continuing their cooperative operation as they serve their own members locally and, in partnership with the other Chambers, serve the visitors to the region.

THE KEY ROLE - REGIONAL VISITOR SERVICES:

A cohesive and co-operative approach to delivering Visitor Services in the Cowichan Region will result in more successful promotion of our tourism product to all types of travellers who arrive here, whether for business or pleasure. With so many Visitor Centres operating in the Region, having a central “umbrella” organization providing support and direction will ensure delivery of the best possible service to our visitors.

This is a great opportunity to form a network of VC operators in the region. Revenue generating, issues management, growth ideas, (plus all of the following points) are just a few of the things that, with the combined talent in our Chambers and VC’s, can be used to improve delivery of visitor services. The “umbrella organization” could be a coalition of all Chambers/VC representatives.

For many tourists, the VC is the first point of contact with the community, and will strongly influence first impressions. Planning for visitor information services is therefore extremely important. There are several components to internally promoting our tourism product and many advantages if all Visitor Centres are consistent in terms of:

- Staff Training: Product knowledge and the way in which it is delivered to the traveller are equally important.
- Communications: Develop a means to internally and externally communicate with all stake-holders to better educate the visitor on what to do in the area.
- Develop a consistent racking policy to encourage more operators to participate, and allow for every VC to share in the profits and to ensure that all VC’s have all regional community guides and maps.

- Create a reliable tracking system for enquiries about local attractions (activities, events, food & beverage etc), separate from enquiries about BC attractions and develop a broader statistics collection system, including reports from all tourism sectors, to give a truer picture of who is coming, why they come, and how long they stay.
- Tour & Conference Planning with one location assists large groups planning tours or conferences in the region with accommodations, activities etc. (ex: Service Clubs, sports clubs)

WHAT ABOUT INDIVIDUAL or SUB-REGION VISITOR CENTRES?

A clearly understood goal in the move forward with the Regional Visitor Centre Project is that the other visitor centres in the region will continue to need support to service their local area members and visitors.

- It is anticipated that the new facility at the BC Forest Discovery Centre will become the flagship Visitor Centre for the region. Administration services associated with this Centre would be in the strongest position to coordinate the delivery of a regionalized visitor services program as outlined above.
- Assuming that services are regionalized, regional support should be added to the efforts being made by the Ladysmith Tourism Committee and the Ladysmith Chamber of Commerce to secure funding for the renovation of the train station as a new location for that community's Visitor Centre.
- The planning discussions raised the need for a new point of delivery for visitor information for visitors as they enter the Region from the south. The current visitor booth is constrained by visibility, location and size. A potential location on the Highway has been identified and consideration should be given to using the location for a roadside information kiosk or 'Gateway'.
- All partners commit to exploring funding options for the ongoing viability of providing the existing visitor information services across the region, especially those at Cowichan Lake and South Cowichan.
- The joint application between the VC's for multiple summer students will ensure a higher success rate of getting student funding.
- Reducing costs such as bulk purchasing (maps, postcards, books etc) through one location will save money and bulk ordering and shipping of out of town publications to one destination will be more economical.

THE MARKETING PLAN:

The Cowichan Region Tourism Marketing Plan 2010-2015 has identified ways in which the delivery of tourism can be supported through regional mechanisms, and opportunities for addressing local issues in a broader context can be utilized when applicable. A regional approach will encourage greater integration of the industry, and a more cost-effective and efficient approach to developing tourism and delivering related services.

The new Regional Visitor Centre will be a critical component in the plan, and it can be characterized as the pivot point in the regional plan. Its design is intended to be an attraction itself.

See Appendix B for the comprehensive Community Tourism Foundations and Tourism Cowichan Regional Marketing Plan (now currently a major component of the EDC Sustainable Cowichan Business Plan). This will be the guiding document for regional tourism marketing. Application is being made concurrently to Island Coastal Economic Trust by the EDC for funding to implement the critical and urgent parts of the marketing plan, many of which will be directly linked to and benefit the sub-regions in the CVRD.

OPERATIONS PLAN:

The core operations of the VC will be the servicing of visitors. This is provided through a number of ways, which include the following:

- Travel Counselling

- Bookings, Ticket sales
 - Tours
 - Accommodations – Hello BC system and local bookings
 - Bike rentals

- Computer Use for travellers
 - WIFI
 - Terminals
 - Online bookings

- Displays & Demonstrations. Live and interactive as well as static.
 - First Nations carvers, weavers etc
 - Wine, agritourism, Cittaslow etc
 - Wildlife
 - Historical
 - Regional Area displays – communities, Downtown Duncan etc
 - Cooking demos
 - Outdoor activities

- Relocation assistance
 - Personal
 - Business

- Training - Education
 - TVIC course
 - Tourism Product knowledge for all VC staff
 - Business education seminars
 - Hosting familiarization tours, tour busses

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Retail Sales

- Facility Rentals
 - After hours functions

- Community & Tourism Events promotion

- Business Centre
 - Racking
 - Business resource hub
 - Business and Chamber member meetings, seminars, networking etc

APPENDIX A

BC FOREST DISCOVERY CENTRE + COWICHAN REGIONAL VISITOR CENTRE

PRELIMINARY COST REVIEW 25.October, 2011

SITE IMPROVEMENTS

	Site Preparation	\$40,000	
	New Road & Parking Lot Improvements		
	green/permeable paving	\$51,000	
	asphalt topping, catch basins and lines	\$60,000	
	Revised Parking Drainage	\$40,000	
	Sewer	\$30,000	
48	Site Lighting	\$150,000	
	Signage	\$20,000	
	Landscape Improvements	\$175,000	
	Trail Network	\$75,000 *	
	East Parking Lot	\$100,000 *	

ST			\$741,000

BUILDING & EQUIPMENT

Building & Services	\$829,000
Furnishings	\$40,000
Sustainability Upgrades	\$35,000

ST **\$1,645,000**

CONSTRUCTION AND CONTINGENCY

General Contractor Overhead & Profit @ 10%	\$164,500
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ST **\$1,809,500**

Contingency Allowance @ 10%	\$180,950
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49 **ST** **\$1,990,450**

LEED Performance Capital Cost @ 5%	\$99,523
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PROJECTED CONSTRUCTION CONTRACT VALUE **\$2,089,973**

Drinkwater Road improvements	\$100,000
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PROJECT CAPITAL CONSTRUCTION COST **\$2,189,973**

Rounded Subtotal **\$2,190,000**

FEES AND SERVICES

Sub-Division Costs	\$20,000 *
Consulting Fees	
Pre-planning and preliminary design	\$25,000
Architectural + Landscape Architectural - 8% (includes Architecture, Landscape Architecture, Structural, Mechanical, Electrical Engineering)	\$163,000 **
Civil Engineering & Coordination	\$25,000
Geotechnical & Environmental Engineering & Coordination	\$25,000
Consulting Disbursements & Travel Time	\$30,000
LEED Certification & Commissioning	\$70,000 ***

TOTAL	\$2,548,000

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NOTES

* Values established in the REB estimation of probable cost.

** Fee has been reduced by \$12,500 because design and planning closely reflect the design presented in the outline report of findings.

*** LEED Certification costs will be approximately \$50,000, and commissioning costs will be approximately \$20,000.