
City of Kelowna

MEMORANDUM

DATE: April 10, 2007

FILE: 0113-01

TO: City Manager

FROM: Boundary Extension Review Team

RE: **Westside Governance – Results of the Public Consultation Process**

RECOMMENDATION:

THAT Council receive the results of the public consultation process with City of Kelowna residents relative to the potential amalgamation of the City of Kelowna and the Westside;

AND THAT Council accept the results of the public consultation process as confirmation a majority of Kelowna residents favour amalgamation and advise the Province and the Westside Governance Committee that Council supports amalgamation with the Westside;

AND FURTHER THAT Council direct staff to publish the notice of the boundary extension in accordance with 20 (5) (b) of the Local Government Act if:

- Westside residents elect amalgamation as the preferred choice of governance;
AND
- the Minister notifies Council of a proposed recommendation to extend the City of Kelowna boundary to include the Westside.

(NOTE: Option 1)

BACKGROUND:

During the closed portion of the October 30th, 2006 Council meeting, after considering potential conditions by which the City would support an agreement with the Province for a boundary extension, the consensus of Council was that the City of Kelowna would publicly declare its position before Westside residents go to a vote.

On January 22, 2007, Council considered that the Westside Governance Committee (WGC) was nearing completion of its multi year review of governance options for the Westside and would likely recommend a referendum to seek direction from Westside residents as to whether the WGC preferred the status quo, incorporation or amalgamation option for governance.

Council resolved to support amalgamation, in principle, believing it to be in the best interest of the City, the Westside and the Province to already know the City's position regarding amalgamation if Westside residents vote for amalgamation with the City of Kelowna.

Council unanimously adopted the following resolution on January 22, 2007:

THAT Council advise the Minister of Community Services, Ida Chong, that the City of Kelowna is prepared to support an agreement with the Province on a boundary extension, to include areas as identified in the Westside Governance Study, subject to:

- *confirmation that a boundary extension will not adversely impact Kelowna taxpayers; and*
- *the results of a consultation process with Kelowna citizens.*

At the January 25, 2007 meeting of the WGC, the City was asked to advise the WGC, before its final meeting on April 11, 2007, whether or not the City supported a boundary extension or if it would seek further public input through a referendum.

In order to provide the WGC with a response before its final meeting on April 11, 2007, Council passed the following resolution on February 5, 2007:

THAT a special meeting of the Council for the City of Kelowna be held in the Council Chambers on Tuesday, April 10, 2007 at 7:00 p.m. to hear a staff presentation regarding Westside Governance issues.

Council directed that all aspects of the public consultation plan, including the scientifically valid survey, be completed for inclusion in the report to be presented at the special meeting on April 10, 2007 rather than April 16, 2007 as originally planned.

On March 5, 2007 Council amended its original resolution supporting amalgamation, as follows, to include a statement reflecting its belief that one government is in the best long term interest of the region.

THAT Kelowna City Council give support in principle to an extension of the City's boundaries to include Westside, believing one government to be in the best long term interest of the region. Should Westside residents choose to join the City,

Council will welcome a boundary extension subject to:

- *confirmation that a boundary extension will not adversely impact Kelowna taxpayers; and*
- *the results of a consultation process with Kelowna citizens.*

On March 12, 2007 Council received a report from Robert Prosser and Associates, who had been engaged in early February to complete a due diligence review of the financial implications of a City of Kelowna boundary extension to include the Westside Governance Study Area, relative to the Provincial Offer of Restructure Assistance. Council adopted the following resolution:

THAT Council receive the attached report from Robert Prosser & Associates Inc. regarding the financial impact on Kelowna taxpayers of an amalgamated Kelowna and Westside Governance Study Area;

AND THAT Council accept the report's findings as confirmation that a boundary extension will not adversely impact Kelowna taxpayers.

This removed the first "subject to" clause of the March 5, 2007 resolution and activated the full communications plan component in preparation for Council's review of the public consultation results at the special meeting on April 10, 2007.

The public education component of the consultation process included:

- addition of the Prosser Report, a Q & A section and a 'pros and cons' section to other amalgamation related information on the City's website
- an invitation for citizens to submit their own questions to the City's website for response
- an invitation to send e-mail correspondence to Mayor and Council.
- newspaper, radio and internet ads
- a 4 day kiosk in Orchard Park Mall

The public consultation component of the process included:

- IPSOS REID - a scientifically valid telephone survey of 400 City residents
- MALL KIOSK - a written survey of citizens visiting the mall kiosk
- INTERNET - an internet survey on the City's website

The public consultation process directed by Council has now been completed.

Only 20 emails were received in response to the invitation to submit questions to the website or to provide views and comment to the Mayor and Council. 3 of those were from Westside residents.

IPSOS REID SURVEY

The scientifically valid survey was conducted by Ipsos Reid during the week of April 5, 2007. The accuracy of the Ipsos Reid survey is +/- 4.9%, 19 times out of 20. The results indicate that 2/3 of respondents support amalgamation.

AMALGAMATION:

Yes	-	66%	Support amalgamation
No	-	21%	Do not support amalgamation

NOTE: 12% of respondents did not know (Ipsos Reid advises that this result is not unusually high)

REFERENDUM:

The survey posed 2 questions regarding a referendum. The 'No' and 'Yes' side of the referendum question both failed to receive 50% support. 46% of respondents said 'No' referendum, Council should make the decision. 44% favoured a referendum.

There was a significant increase in support for 'No' referendum (Council make the decision), when those who initially indicated preference for a referendum were asked if Council should hold the referendum even if a majority of survey respondents supported amalgamation. 40% of those who initially indicated preference for a referendum said they did not think one was necessary if a majority of survey respondents supported amalgamation.

64%* of respondents then support Council making the decision without referendum.

*NOTE: Ipsos Reid determined this number by adding the numbers who chose "make a decision" in question # 7 of the survey to the number who said "hold a referendum" in question # 7 and then changed their minds in question # 8 (and said it would no longer be necessary to hold a referendum if a majority support amalgamation).

MALL KIOSK SURVEY

There were approximately 900 visits to the Mall kiosk. 283 Kelowna residents completed

the written survey. 74% support amalgamation and 26% do not support amalgamation. 51% want Council to make the decision without referendum; 49% prefer a referendum. The numbers change to 55% who want Council to make the decision without referendum and 45% for referendum when the response to the question about the necessity for a referendum if a majority of survey respondents supported amalgamation is taken into account.

INTERNET SURVEY

There were 823 Kelowna resident responses to the Internet survey. 54% support amalgamation and 46% do not support amalgamation. Only 812 individuals responded to the referendum question. 55% prefer a referendum; 45% want Council to just make the decision. The numbers change to 51% support referendum and 49% who want Council to make the decision when the response to the question about the necessity for a referendum if a majority of survey respondents supported amalgamation is taken into account.

LEGAL/STATUTORY PROCEDURAL REQUIREMENTS:

Section 20 of the Local Government Act would apply.

SECTION 20 of the Local Government Act states:

Extension of boundaries

20 (1) *On the recommendation of the minister, the Lieutenant Governor in Council may, by supplementary letters patent, extend the area of a municipality to include land not in a municipality.*

(2) The Lieutenant Governor in Council may specify in the supplementary letters patent that, for the purpose of preparing, completing, returning, confirming and authenticating the assessment roll of land and improvements in the extended municipality, the land and improvements included by the extension are deemed, for a specified period before or after the extension, or both, to be included in or excluded from the municipality.

(3) Before making a recommendation referred to in subsection (1), the minister must

(a) notify the council of the proposed recommendation, or

(b) have received from the council a request for the extension.

(4) In either case referred to in subsection (3), the council must give public notice of the extension in at least 2 consecutive issues of a newspaper and once in the Gazette.

(5) A council

(a) may submit the question of the proposed extension to the electors of the municipality for assent, and

(b) must submit the question of the proposed extension to the electors of the municipality for assent if at least 10% of those electors request this within 30 days of the last publication of the notice under subsection (4).

(6) The minister may direct that a vote on the question of including an area in a municipality under this section be taken in that area in the form specified by the minister and, for these purposes, Section 9 applies.

City Council has already advised the Province and the WGC that it supports amalgamation with the Westside, in principle, thus making that option appropriate for inclusion on the governance ballot.

As we understand Section 20 of the Local Government Act, if, on June 16, 2007, Westside residents elect amalgamation with the City of Kelowna as their preferred governance option, the Minister would then, at the expressed wish of Westside residents, be required to officially advise the City of a proposed boundary extension. Only at that point in time, does the City need to decide whether to effect either 20 (5) (a) or 20 (5) (b) of the Local Government Act.

A referendum is not a legislative requirement and may, at this juncture, even be perceived as presumptuous on the part of the City before being formally asked by Westside residents.

The City has responded to previous boundary extension situations cases, including the most recent Country Rhodes subdivision request, only by posting of public notice in accordance with 20 (4) of the Act.

OPTIONS

City Council has several options including, but not necessarily limited to, those noted below.

OPTION 1

- Accept the results of the public consultation process as confirmation that a majority of Kelowna residents support amalgamation.
- Advise the Province and the WGC that Council supports amalgamation with the Westside.
- Direct staff to publish the notice of the boundary extension in accordance with 20 (5) (b) of the Local Government Act if:
 - Westside residents elect amalgamation as the preferred choice of governance; AND
 - the Minister notifies Council of a proposed recommendation to extend the City of Kelowna boundary to include the Westside.

OPTION 2

- Accept the results of the public consultation process as confirmation that a majority of Kelowna residents support amalgamation.
- Advise the Province and the WGC that Council supports amalgamation with the Westside.
- Direct staff to immediately publish the notice of the extension in accordance with 20 (5) (b) of the Local Government Act.

OPTION 3

- Do not accept the results of the public consultation process as confirmation that a majority of Kelowna residents support amalgamation.
- Direct staff to proceed to hold a referendum in accordance with 20 (5) (a) of the Local Government Act if:
 - Westside residents elect amalgamation as the preferred choice of governance; AND
 - the Minister notifies Council of a proposed recommendation to extend the City of Kelowna boundary to include the Westside.

OPTION 4

- Do not accept the results of the public consultation process as confirmation that a majority of Kelowna residents support amalgamation.

- Direct staff to immediately proceed to hold a referendum in accordance with 20 (5) (a) of the Local Government Act.

Respectfully submitted by,

Paul Macklem

Director of Financial Services

On behalf of the Boundary Extension Review Team:

Rick Baker, Director of Corporate Development

John Vos, Director of Works & Utilities

David Shipclark, Director of Corporate Services

Karen Cairns, Communications Manager