



Committee Report – For Information

April 30, 2025

S226 Service Withdrawal and Taxation Area E

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Electoral Area/Municipality: City of Nelson, Area F and Area E
Services Impacted S226

1.0 PURPOSE OF REPORT

The intent of this report is to outline the process of how a participating area in a service could withdraw and to illustrate how taxation within Area E would change if all of Area E participated in service S226.

2.0 BACKGROUND AND UPDATE

From February 11, 2025 the regularly scheduled Commission meeting the following directions to staff resolutions were passed:

1. The Commission direct staff to provide information on how participants could withdraw from a service within the Regional District of Central Kootenay.
2. The Commission direct staff to provide a comparison of what a resident in Area E would pay if all of Area E was included in Service S226-Nelson and Areas F and Defined E.

Withdrawal from a service:

The following services are exempted from withdrawal under Division 6 [Dispute Resolution in Relation to Services] of Part 10 [Regional Districts: Service Structure and Establishing Bylaws] of the Local Government Act:

- a) an emergency telephone system, including an emergency 911 system;
- b) a transit service;
- c) a regional parks service established under the Local Government Act;
- d) the service of the regulation, storage and management of municipal solid waste and recyclable material.

For other services, like the Nelson and District Community Facilities, Recreation, and Leisure Service Establishment Bylaw (S226) which includes the City of Nelson, Area F and Defined Area E the Province grants autonomy to Regional Districts to amend Service Establishment Bylaws to meet the growing/changing needs of communities. The province provides guidance on this:

<https://www2.gov.bc.ca/gov/content?id=6CC3C96E06E34E129D3F29D852C8D791>

This is included as Appendix C – Bylaw amendment, repeal and conversion requirements.

The current bylaw for S226 does not contain any special provisions for service withdrawal. This means that when the bylaw was adopted by the Board it does not contain a process for a participating area to withdraw from the service.

To begin the process of withdrawing, 2/3 of participants would need to consent for the amendment to the bylaw to change the participating areas with approval of the inspector. The Minister may also order that the amendment or repeal bylaw receive the approval of the electors. It is important to note the Minister determines which electors participate in that process – not the Board.

As S226 is responsible for borrowing, operations and asset management of significant recreational facilities the Minister will expect that all participants will negotiate in good faith to reach an agreement to continue the service. For Service S226 a Service Review was conducted between 2029 and 2023 (Appendix A). The result of the service review was Bylaw No. 2865 to amend Establishment Bylaw No. 1623 to update the service requirements (Appendix B).

The changes to the establishment bylaw clearly define what the service funds and provides guidance on how new services could be added. The current public engagement on the Recreation Campus is a good example of Commission and the Board following the intent of the bylaw.

Area E Taxation:

The following is how 2025 taxation would be different if all of Area E funded S226 as compared to only a Defined Portion of Area E.

In 2025 \$500,000 of land and improvements in the current service area will pay \$285.64. If all of Area E participated this amount would be \$248.82. Current participants would decrease \$36.82 in this example. In the portion of Area E not participating in the service, their taxation would increase \$248.82.

3.0 NEXT STEPS AND TIMELINE

There are no projected next steps unless directed by Commission.



Respectfully submitted,
Joe Chirico – General Manager of Community Services

ATTACHMENTS:

Attachment A – Service Review

Attachment B – Bylaw No. 2865

Attachment C – Province of BC – Bylaw amendment, repeal and conversion requirements



S226 Service Review

Background Report

September 20, 2022

Final

Prepared for: RDCK S226 Service Review Committee

Prepared by: RC Strategies





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1. Introduction and methodology

S226 is a service of the Regional District of Central Kootenay that provides residents and visitors opportunities to participate in indoor and outdoor recreation activities. Because of this service, people are more able to be physically active and connected to their communities. The participants in the S226 Benefitting Area are the City of Nelson, Electoral Area F and defined portions of Electoral Area E.

Since the inception of the Regional District in the early 1970's, S226 has taken on many forms. It began with a focus on recreational programming which was then expanded to include the aquatics / fitness facility operation, arena and field program coordination and eventually the operations of a new arena and facility expansion in the early 2000's. For a more detailed overview of the history of S226 please refer to the appendix.

As is the case with all Regional District services in the Province of British Columbia, if a party to the service has concerns with the business of the service, they can request a Service Review to address concerns and explore possible solutions. In 2019, a Service Review was initiated by Area E to address concerns related to the scope and operations of the service.

The Service Review for S226 began with facilitated discussions with the Commission responsible for governing the service and RDCK administration. Eventually a consulting company (RC Strategies) was hired to help explore the situation and formulate potential solutions. RC Strategies conducted a formal background review of relevant planning and legal documentation, conducted interviews with RDCK administrative staff and key stakeholders, and facilitated a survey of the Directors associated with the services. RC Strategies also facilitated a workshop with the Service Review Committee (members of the Commission responsible for the service as well as other key stakeholders) to discuss issues and potential solutions. This report outlines the findings of the entire review process and provides a path forward that was identified through informed consent of all parties involved.

2. What we've learned

The background review included review of the various service establishment and commission bylaws and amendments occurring since the Service was first set up. A review of other key documents such as the formal reporting requirements for the Service Review, the Nelson and District Parks and Recreation Master Plan and Master Plans from other regions throughout the RDCK was also completed.

Key learnings from this background review were as follows. Many of these findings confirmed the issues brought forward in initiating the Service Review.

- The Establishment bylaw is vague in its explanation of the services provided through S226.
- The current tax assessment in the areas that are party to S226 is such that the service could be expanded significantly without typical elector approval requirements.
- For the two major shifts in service provided by S226, voter assent (referendum) was required.
- The current Master Plan provides direction on future service delivery, programming and facilities but does not outline a process for resource development nor a framework for prioritization of new or expanded services.
- The current Master Plan was completed in 2016, prior to major shifts in the recreation market associated with COVID and other considerations.

In addition to the background review, a survey of Commission members and other key stakeholders was conducted. Specific questions related to the issues raised in the Service Review and potential solutions were probed. The following summarizes the results of the survey.

- There was general agreement (majority) that elector approval should be required for service level expansion.
- There was general agreement (majority) that asset management should be an administrative responsibility.
- There was no clear collective opinion on the form of the final outcome of this process (repeal, amendment, policy level solutions, etc.).

Further to these survey findings, the background review, and the experiences of the consulting team, issues related to recreation and issues related to governance were identified.

Issues related to recreation

- The subjective nature of recreation as a public service and lack of clear direction on what role local government should have.
- Most local governments have inadequate asset management practices.
- It is not uncommon to see political tension between urban and rural areas.

Issues related to governance

- The ability to expand service without elector approval (referendum or AAP) due to vague Establishment Bylaw wording and assessment levels / affordability.
- Urban / City control over Commission voting.
- Antiquated governance documentation (Establishment and Commission Bylaws).
- The boundaries of S226 may be too narrow.

These findings were presented at the Committee Workshop and form the rationale for the proposed solutions.

3. Proposed solution

The proposed solution is as follows:

Amend the Establishment Bylaw for S226 (which may or may not require elector approval) to reflect the following...

- *Clearly define the scope of service in a new bylaw based on current assets and services.*
- *Use a set of pre-approval and electoral approval tools to explore new service additions from time to time and making significant investments in existing facilities on an ongoing basis.*
- *Include prudent asset management in current assets in scope.*

Defining scope...

This solution first entails defining a scope of services offered through S226. This scope has been agreed to as all of the infrastructure and programs supported by S226 as of August 2022. For a complete list please refer to the appendix.

Tools for exploring new services and major investments...

For pre-approval and electoral tools related to investment decision making, the appendix outlines a planning process which both the Commission (for projects brought forward by the City of Nelson or Areas E and F) and potential partners external to the Commission (projects proposed by community groups or other organizations) should be held accountable to completing prior to decision making.

Further to this planning process, the appendix outlines a criteria-based framework for assessing need (determining if current service levels are appropriate or not) and prioritizing any new investments. This framework is to be used in feasibility and planning work, ultimately influencing investment in new and existing facilities.

Once necessary information is generated and the processes outlined are followed, the Commission will use legislated Elector Approval Tools (Referendum or Alternate Approval Process) **for all investments in new or expanded services over \$250,000**, regardless of whether required to do so by legislation or not.

Asset management...

With regard to asset management, the appendix includes an asset management and facility condition index approach that will help the Commission make decisions and provide guidance related to S226.

4. Implementation considerations

Key next steps associated with this service review include the following:

1. Draft a Establishment Bylaw amendment (Q3 2022)
2. Adopt tools presented herein until revisiting Master Plan occurs (Q4 2022)
3. Revisit / confirm tools presented herein during next Master Plan process (future)

Also important to note is that there were some other issues identified during this review process that may require attention in the future but that do not need to be addressed currently in order to remedy the primary concerns that instigated the review in the first place. These are listed as follows.

- Rural / urban relationships building at the Commission and community level.
- The renewing and revisiting of the current parks and recreation strategic planning of the Commission.
- The potential expansion of the S226 to include other areas within the RDCK.

Once the other recommended elements of this review are implemented by the Commission, it would be prudent to revisit each of the items above to determine if there is a need to address any at that point in time. The Commission may also consider a moratorium on any new service expansion until the tools and processes outlined herein are in place.

Appendices

S226 History

Year	Event	What it Does
1966	By-Law 132	Establishes a Recreation Program Service covering the City of Nelson, All of Electoral Area F and a portion of Electoral Area E calling it Recreation Commission Five and creates a Commission to manage it.
1973	By-Law 148	Puts the Question of participating in an indoor pool function to the electors of the City of Nelson, all of Electoral Area F and a portion of Electoral Area E. (referendum passes)
1991	By-Law 837	Establishes the Nelson and District Aquatic Centre and Recreation Function and delegates all powers except for the employment of staff to a Commission provided costs are within budget approved by the RDCK Board. Commission to have 10 members with majority outside the City.
1991	By-Law 838	Adjusts the composition and authority of the original 1966 Recreation Commission Five to match the structure and authority of the new Aquatic Centre Commission as above.
1997	By-Law 1223	Has little effect and makes minor adjustments to the Aquatic Centre Commission established in By-Law 837
1997	By-Law 1224	Has little effect and makes minor adjustments to the Aquatic Centre Commission established in By-Law 838
1998	By-Law 1275	Adjusts the two parallel Commissions, expanding both from 10 members to 14 members so that the representation from inside and outside of the City are more or less equal.
2000	By-Law 1448	Converts Recreation Commission Five to a service and limits taxation to .311 mills.
2003	By-Law 1623	Merges the Recreation Commission Five and Aquatic Centre Commissions to manage both and sets an overall taxation limit of 1.68 mills.
2009	By-Law 2060	Amends the structure of the combined Commission, reducing it to five members, with the City now having the majority of votes.
2016	Commission motion	Takes over the entire operation of the Civic Centre Arena (mostly financed before, but now completely financed).

Facilities and services in scope of S226

NELSON & AREA RECREATION FACILITIES

The following table identifies the operational relationship between the Regional District of Central Kootenay (RDCK) and the City of Nelson as of January 2021.

Note: Facilities, parks and trails listed on this table came from the Nelson & District Parks & Recreation Master Plan and are part of RDCK Service S226 Recreation Facility - Nelson and Area.

FACILITY/BUILDING	OWNERSHIP	MANAGEMENT RELATIONSHIP	OPERATIONS	PROGRAMMING
Balfour Hall	Balfour Recreation Society	None	Balfour Recreation Society	Balfour Recreation Society
Civic Arena	City of Nelson	City of Nelson - Agreement	City of Nelson/RDCK	RDCK - Community Organisation
Civic Centre Blue Room	City of Nelson	City of Nelson	City of Nelson	Rental Space
Civic Theatre	City of Nelson	City of Nelson - Lease	City of Nelson/Civic Theatre	Civic Theatre Society
Glacier Gymnastics Club	City of Nelson	City of Nelson - Lease	City of Nelson/Gymnastics Club	Gymnastics Club
Harrop Hall	Harrop & Dist. Com. Centre Society	Harrop Hall	Harrop Hall	Harrop Hall
Gyro Pool	City of Nelson	City of Nelson - Agreement	City of Nelson/RDCK	RDCK
Lakeside Washrooms/Paddle Rental Centre	City of Nelson	City of Nelson - Agreement	City of Nelson/RDCK	RDCK
LVR Multisport Facility (Tennis/pickleball courts)	School District	Nelson Tennis Club - Agreement	School District/Tennis Club	School District/Tennis Club
Mary Hall	City of Nelson	Selkirk College - Agreement	Selkirk College	Selkirk College
Nelson Curling Club	City of Nelson	City of Nelson - Lease	City of Nelson/Curling Club	Curling Club
Nelson & District Community Complex	RDCK	RDCK	RDCK	RDCK - Community Organisation
Nelson & District Senior's Coordinating Society	City of Nelson	City of Nelson - Lease	City of Nelson	Senior's Society
Nelson & District Youth Centre	City of Nelson	City of Nelson	City of Nelson	City of Nelson
Nelson Skateboard & Bike Park (Rosemont Park)	City of Nelson	City of Nelson	City of Nelson	City of Nelson
Nelson Soccer Association	City of Nelson	City of Nelson - Lease	City of Nelson/Soccer Association	Soccer Association
North Shore Hall	RDCK	RDCK	RDCK	RDCK - Community Organisation
Procter Hall	Procter Community Society	Procter Hall	Procter Hall	Procter Hall
Taghum Hall	Taghum Hall Society	Taghum Hall Society	Taghum Hall Society	Taghum Hall Society
PARKS/TRAILS				
Art Gibbons Memorial Park (Rosemont Park)	City of Nelson	City of Nelson	City of Nelson	City of Nelson
Balfour Beach Regional Park	RDCK	RDCK	RDCK	RDCK
Bonnington Regional Park	RDCK	RDCK	RDCK	RDCK
Cottonwood Falls Park	City of Nelson	City of Nelson	City of Nelson	City of Nelson
Cottonwood Lake Regional Park	RDCK	RDCK	RDCK	RDCK - Community Organisation
Dog walk (at Nelson Airport)	City of Nelson	City of Nelson	City of Nelson	City of Nelson
Gyro Park	City of Nelson	City of Nelson	City of Nelson	RDCK
IOED Park	City of Nelson	City of Nelson	City of Nelson	City of Nelson
James Johnstone Regional Park	RDCK	RDCK	RDCK	RDCK
Lakeside Park (Rotary Lakeside Park)	City of Nelson	City of Nelson - Contribution	City of Nelson	Community Organisations
Lakeside Park Playing Fields	City of Nelson	City of Nelson - Contribution	City of Nelson	Community Organisations
Lakeside Park Walkway	City of Nelson	City of Nelson - Contribution	City of Nelson	City of Nelson
Lion's Park	City of Nelson	City of Nelson	City of Nelson	City of Nelson
Lyon's Bluff Trail	Province	Province	Province	Province
McDonalds Landing Regional Park	RDCK	RDCK	RDCK	RDCK - Community Organisation
Morning Mountain Regional Park	RDCK	RDCK	RDCK	RDCK - Community Organisation
Nelson Memorial Park (Cemetery)	City of Nelson	City of Nelson - Contribution	City of Nelson	City of Nelson
Nelson Salmo Great Northern Trail	RDCK	RDCK	RDCK	RDCK - Community Organisation
Provincial Park - Kokanee - Visitor Centre	Province	Community - Contribution	Community Organisation	Community Organisation
Pulpit Rock Access Regional Trail	RDCK	RDCK	RDCK	RDCK - Community Organisation
Queen Elizabeth Park	City of Nelson	City of Nelson - Contribution	City of Nelson	Community Organisations
Sunshine Bay Regional Park	RDCK	RDCK	RDCK	RDCK - Community Organisation
Taghum Beach Regional Park	RDCK	RDCK	RDCK	RDCK
Various Trails	Province	Provincial - Agreements	Community Organisations	Community Organisations
OTHER				
Recreation Commission No. 10	RDCK	RDCK	RDCK	Community Organisations
Nelson Municipal Library	City of Nelson	City of Nelson - Contribution	City of Nelson	City of Nelson

and Areas E & F.

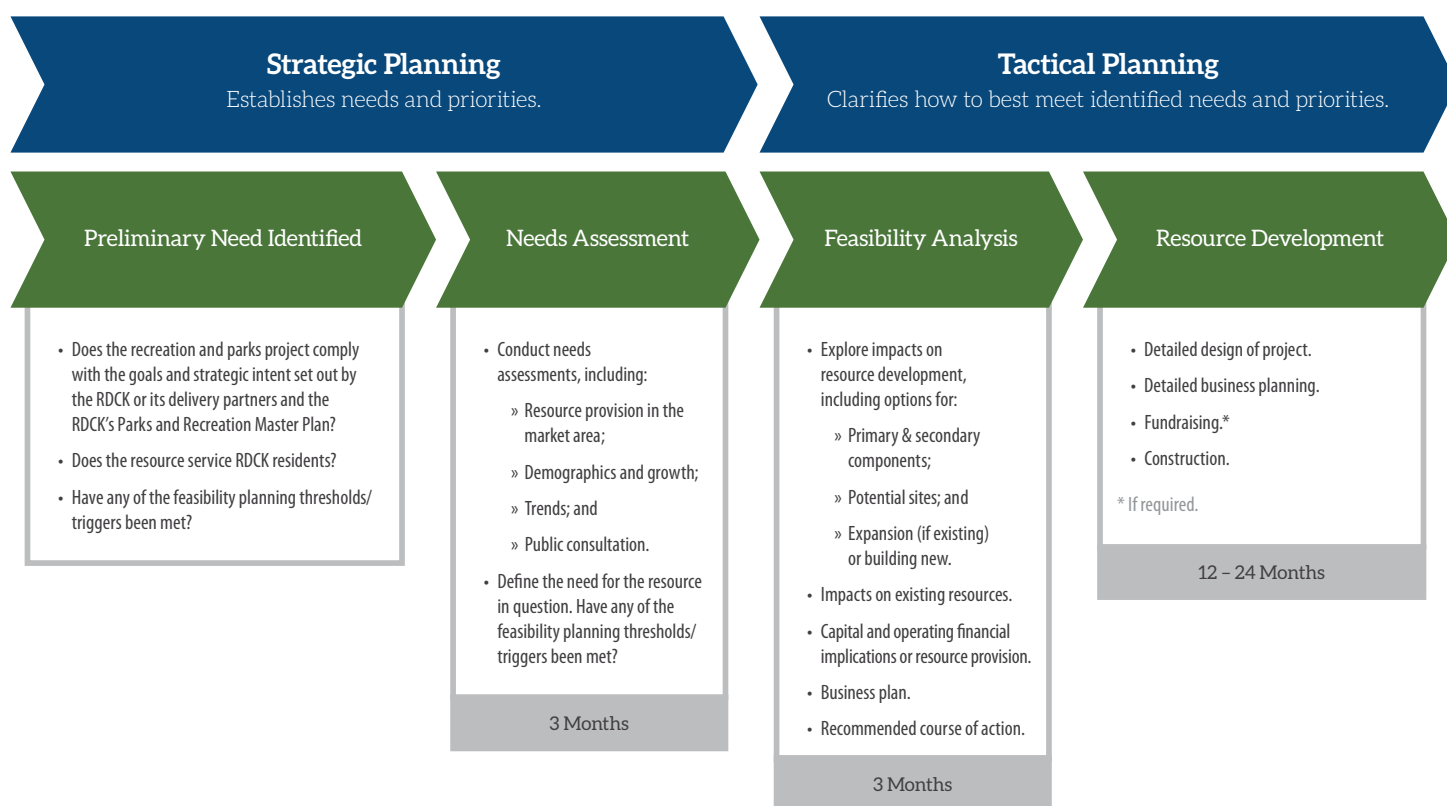
	BOOKING	CAPITAL	SERVICE	TAXPAYERS	RDCK VOTER ASSENT
	Balfour Recreation Society	Balfour Recreation Society	None	No Direct	No
ons	RDCK S226	City of Nelson/RDCK (Refrigeration)	City of Nelson/RDCK S226	Nelson/Nelson, F, Def E (west)	Ownership - No/Programing - NA
	RDCK S226	City of Nelson	City of Nelson	Nelson	Ownership - No
	Civic Theatre Society	City of Nelson/Civic Theatre	City of Nelson/Civic Theatre	Nelson/Nelson, F, Def E (west)	Ownership - No
	Gymnastics Club	City of Nelson/Gymnastics Club	City of Nelson/Gymnastics Club	Nelson	Ownership - No
	Harrop Hall	Harrop Hall	None	No Direct	No
	N/A	City of Nelson	City of Nelson/RDCK S226	Nelson/Nelson, F, Def E (west)	Ownership - No/Programing - NA
	N/A	City of Nelson	City of Nelson/RDCK S226	Nelson/Nelson, F, Def E (west)	Ownership - No/Programing - NA
	School District/Tennis Club	School District/Tennis Club	None	School District	No
	Selkirk College	Selkirk College	Selkirk College	Nelson/Provincial	No
	Curling Club	City of Nelson/Curling Club	City of Nelson/Curling Club	Nelson	Ownership - No
ons	RDCK S226	RDCK S226	RDCK S226	Nelson, F, Def E (west)	Ownership - Yes/Programing - NA
	Senior's Society	City of Nelson	Senior's Society	Nelson	Ownership - No
	City of Nelson	City of Nelson	City of Nelson	Nelson	Ownership - No
	City of Nelson	City of Nelson	City of Nelson	City of Nelson	No
	Soccer Association	City of Nelson/Soccer Association	Soccer Association	Nelson	Ownership - No
ons	RDCK	RDCK	RDCK S211/S226	F/Nelson, F, Def E (west)	Ownership - Yes/Programing - NA
	Procter Hall	Procter Hall	None	No Direct	No
	Taghum Hall Society	Taghum Hall Society	None	No Direct	No
	City of Nelson	City of Nelson	City of Nelson	City of Nelson	NA for this service type of service
	RDCK	RDCK	RDCK S202	Nelson,Salmo,E,F,G	NA for this service type of service
	RDCK	RDCK	RDCK S202	Nelson,Salmo,E,F,G	NA for this service type of service
	City of Nelson	City of Nelson	City of Nelson	City of Nelson	NA for this service type of service
ons	RDCK	RDCK	RDCK S202	Nelson,Salmo,E,F,G	NA for this service type of service
	City of Nelson	City of Nelson	City of Nelson	City of Nelson	NA for this service type of service
	City of Nelson	City of Nelson	City of Nelson/RDCK S226	Nelson/Nelson, F, Def E (west)	NA for this service type of service
	City of Nelson	City of Nelson	City of Nelson	City of Nelson	NA for this service type of service
	RDCK	RDCK	RDCK S202	Nelson,Salmo,E,F,G	NA for this service type of service
	RDCK	City of Nelson	RDCK S202/City of Nelson	Nelson,Salmo,E,F,G/Nelson	NA for this service type of service
	RDCK	City of Nelson	RDCK S202/City of Nelson	Nelson,Salmo,E,F,G/Nelson	NA for this service type of service
	RDCK	City of Nelson	RDCK S202/City of Nelson	Nelson,Salmo,E,F,G/Nelson	NA for this service type of service
	City of Nelson	City of Nelson	City of Nelson	City of Nelson	NA for this service type of service
	Province	Province	Province	Province	NA for this service type of service
ons	RDCK	RDCK	RDCK S202	Nelson,Salmo,E,F,G	NA for this service type of service
ons	RDCK	RDCK	RDCK S202	Nelson,Salmo,E,F,G	NA for this service type of service
	City of Nelson	City of Nelson	City of Nelson/RDCK S176	Nelson/E,F	NA for this service type of service
ons	RDCK	RDCK	RDCK S202	Nelson,Salmo,E,F,G	NA for this service type of service
	NA	Province/Community Organisation	Province/RDCK S202/Others	Province/Nelson,Salmo,E,F,G	NA for this service type of service
ons	RDCK	RDCK	RDCK S202	Nelson,Salmo,E,F,G	NA for this service type of service
	RDCK	City of Nelson	City of Nelson/RDCK S226	Nelson/Nelson, F, Def E (west)	NA for this service type of service
ons	RDCK - Community Organisations	RDCK	RDCK S202	Nelson,Salmo,E,F,G	NA for this service type of service
	RDCK	RDCK	RDCK S202	Nelson,Salmo,E,F,G	NA for this service type of service
	Community Organisations	Community Organisations	Province/RDCK S202/Others	Province/Nelson,Salmo,E,F,G	NA for this service type of service
	NA	NA	RDCK S279	DEF E (east)	NA for this service type of service
	City of Nelson	City of Nelson	City of Nelson/RDCK S199, S200	City of Nelson/ F / H	Contribution - Yes

Planning protocol

Determining the feasibility of, planning, and developing facilities is a significant undertaking. It can be a lengthy process and is costly. To appropriately develop a facility, a defined process should be followed. This process lays out a logical pathway that considers the information gleaned from community engagement and research and works through more detailed levels of planning for facility need including anticipated costs.

The planning is intended to more clearly understand the project and its need along with the impacts the potential facility will have in the community. The process is instructive for community organizations to understand the diligence the RDCK will undertake as they work through this process. It can assist groups who are keen to help with the development of a facility to understand the types of information needed. Sometimes groups will provide some assistance by providing some elements of the information required.

Project Development Process



*taken from the 2020 Regional District of Central Kootenay – Town of Creston and Electoral Areas A, B & C Parks and Recreation

Master Plan While the process can seem daunting, when considering potential projects in excess of \$1M it is appropriate. The process can take from 18 to 30 months but with a commitment of public monies this deliberate approach is warranted. The process should be employed for potential facilities developed by the RDCK but also for projects led by community organizations who are looking for public support for the development.

The term potential project is utilized because there are decision points along the way to enable further study to be halted. It is typically upon completion of the feasibility study that people start to see projects as realities even though completion of a feasibility study does not mean a commitment to construction. Some commitment is needed to complete a feasibility study – either through the hiring of an independent resource or allocation of staff time some resources are required for this study. Typically a feasibility study needs to include a program of public engagement preferably one that is considered representative of the entire community. Facility concepts are included as part of the study along with anticipated capital costs and operating costs.

If two or more of the following triggers are met, it is recommended to start the feasibility analysis.

1. Facility spaces currently being offered approach 80% to 90% utilization on a sustained basis.
2. The cost to repair a facility is 50% or more of the cost to replace.
3. Trends and market assessment support that future demands for the facility type will remain stable or increase.
4. The facility in question and program services proposed provide equitable access for all residents as a public service.

5. The facility type and function aligns with RDCK strategic planning, broader planning initiatives and the Strategic Foundation outlined in related parks and recreation strategic plans.
6. Facility type and function are not currently or adequately provided through other agencies or private sector services in the region.
7. Potential or confirmed operational/capital partners are committed and established as registered societies, institutions or municipal governments and collectively represent sufficient membership or market segments to sustain use of the development for the life of the development.
8. An external partner (institution, municipality, volunteer and/or non-profit group) leading a facility development initiative has, or has access to, significant capital and/or operating resources.

The process will help the Commission determine feasibility and ensure that necessary information is gathered and influences decision making related to public resources.

Asset management and facility condition index approach

Parks and recreation facilities are some of the costliest municipal facilities to develop and operate. They typically require a sizeable contingent of staff to operate and operations (including maintenance and utilities) are costly. As facilities age, greater investment is needed to maintain its functionality. The physical plant deteriorates and ultimately significant repair and / or replacement is needed. An asset management approach is a systematic means of planning for repair, refurbishment and redevelopment of facilities. Developing these plans helps prepare for the ultimate costs necessary.

Lifecycle budgeting involves setting aside a portion of funds in the operational budgets needed to pay for future costs of expected repairs or refurbishment. Typically a fixed percentage of estimated asset replacement value is identified and included in the budget. This can be 1.7-2.5% of replacement value.¹ Consider an arena. At some point the ice plant will need replacing and undertaking this type of budgeting will provide the funding necessary to replace the ice plant at the time without impacting the operational funding for that year.

The commission should strive to invest 2.1% of replacement value into a life cycle reserve fund to help offset major expenses incurred in sustaining existing parks and facilities.

Some municipalities include facility amenity refreshment planning as part of their asset management approach. This planning suggests that beyond the physical plant of the facility there can be a need to change or refresh the amenity. For example some aquatic facilities are refreshed to include leisure amenities that may have become “must have” elements long after the facility was built. Some facilities require periodic reinvestment to ensure the functional use and relevance of it is maintained.

Facility and site lifecycle replacement budgeting includes planning to replace existing facilities when the cost-benefit analysis associated with reinvestment is not warranted and new replacement infrastructure is the

most appropriate way to proceed. Facility and site replacement budgeting would suggest that facilities are not only maintained on an annual basis through facility lifecycle planning but that money is also put away through operating budgets to pay for building new replacement facilities. As the life span of recreation facilities and spaces is typically between 40 – 60 years, this annual replacement planning would theoretically put smaller amounts away each year so that when the facility is decommissioned and needs to be replaced a substantial portion of the capital replacement value is already in reserves.

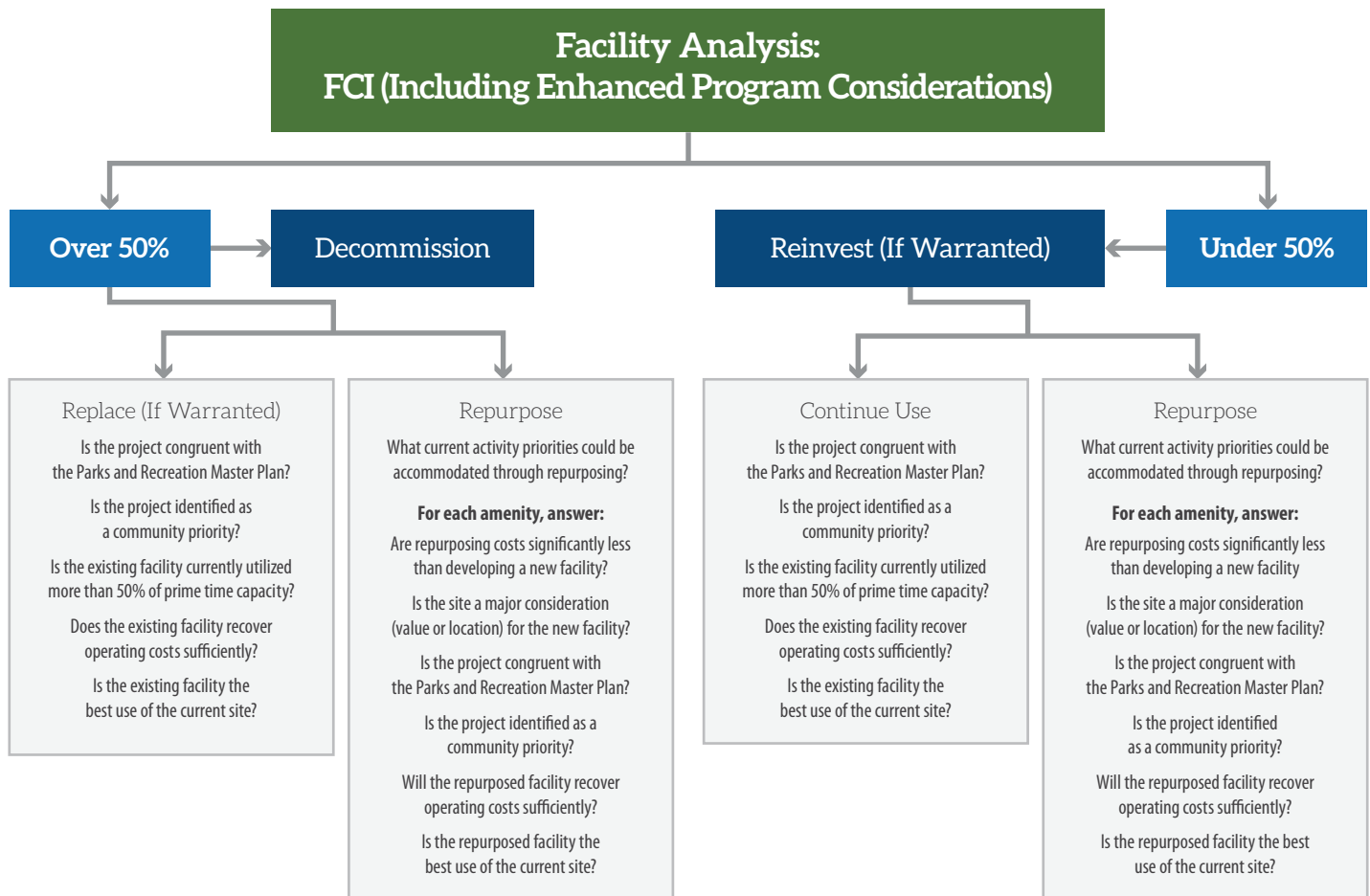
Further to the merits of lifecycle budgeting, even those municipalities that have secured sufficient lifecycle replacement budgets to actually replace facilities and sites need to decide what is most appropriate: reinvestment, repurposing, or replacing existing facilities or sites.

The repurposing of existing indoor and outdoor recreation and parks facilities has great potential for meeting the needs of expanding programs as well as meeting the needs of newly introduced activities in the area. In order to effectively do so, facilities considered for repurposing must be analyzed in terms of exiting usage levels, and the costs associated with any changes. As even underutilized spaces in the area are valued by some residents, appropriate justification will undoubtedly be required to repurpose any existing public recreation and/or parks facility or space. If a facility or spaces has been identified for potential repurposed use, the Commission must engage the local community, users of the facility and the experts required to assess opportunities associated with sustained or repurposed uses (architectural and engineering assessment).

The concept of Facility Condition Index (FCI) is a common tool for government in assessing the potential of reinvestment in, or replacement of, a public facility. Currently, many Western Canadian municipalities utilize FCI to assist in decision making regarding the future of publicly owned facilities and spaces. FCI measures the required upgrade costs of a facility versus its replacement value. Those facilities or spaces that have repair to replacement ratios of over 50% (FCI) are candidates for repurpose or decommissioning. Those with FCI of under 50% are more likely candidates for reinvestment.

1 The 2016 Canadian Infrastructure Report Card suggests a range of 1.7% to 2.5% of replacement value for life cycle reserve budgeting for recreation facilities. http://canadianinfrastructure.ca/downloads/Canadian_Infrastructure_Report_2016.pdf

Although this approach is accepted and helpful, it does not account for the functionality of the facility in question. If a facility is structurally and mechanically sound, but it does not meet demands for functional programming of potential users, the FCI may warrant reinvestment which functionally may not be effective in meeting community needs. This issue is accentuated for recreation and parks facilities and spaces as many have unique and varied uses. The addition of a “program enhancement premium” needs to be understood when calculating FCI and assessing facilities for reinvestment, repurposing or decommissioning.



* If two or more of these questions are answered “NO”, then the facility should be decommissioned. If not, the reinvestment/repurpose should be ranked through the system presented in the Parks and Recreation Master Plan against other potential projects.

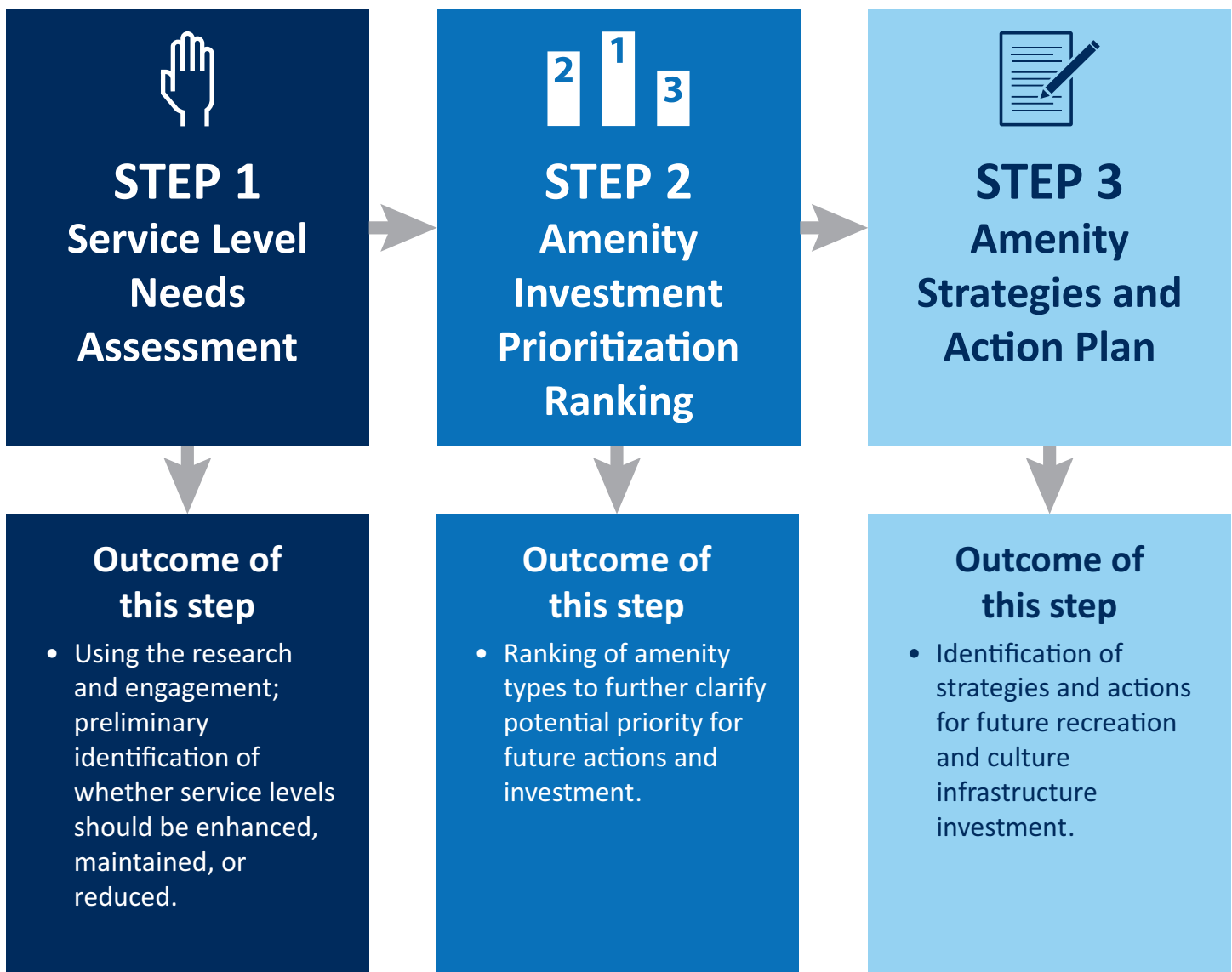
*taken from the 2020 Regional District of Central Kootenay – Town of Creston and Electoral Areas A, B & C Parks and Recreation

This asset management approach, including life cycle reserve budgeting and facility condition index, should be applied to RDCK facilities and should also be expected for partner and community facilities that require RDCK support. Community organizations that own a facility should have an asset management plan in place. It is not uncommon for some organizations to address emergent issues at the time and have little proactive planning in place to help manage the facility. An asset management plan in place will help the association more effectively manage its facility.

Needs assessment and prioritization framework

It is not uncommon that decision makers need to consider several potential projects and make a decision about which one should receive further attention. This can be a difficult decision and one that is fraught with emotion and bias. Should resources allow multiple facility projects can be approved. A more likely scenario is one in which limited resources require a priority to be identified. The following approach includes a criteria-based way to assess service levels and prioritize investment in some amenities over others. The framework reflects strategic intent, community input, trends in provision and economic development benefits. As new strategic planning processes are undertaken the relevance and weighting of the considerations outlined in this tool should be revisited and adjusted as necessary.

A three-step process for evaluating infrastructure needs and priorities has been developed and is summarized by the following graphic. This process is based on inputs gathered by the commission including ongoing research and community engagement and leveraging the expertise of staff and external professionals when needed. The information gathered to feed this approach should be revisited as new information comes available.



*taken from another project, will be designed to RDCK standard if approved

Step 1 (Service Level Needs Assessment) uses five criteria from the research and engagement process to assess need and suggest whether the provision of a recreation and parks amenity type should be “enhanced”, “maintained” or “reduced”.

Step 2 (Amenity Investment Prioritization Ranking) undertakes further investigation and prioritization by considering the initial five criteria used in Step 1 along with seven additional criteria that draw in other factors that are important to consider as part of prioritization process. Recognizing that there is a significant cost to simply maintaining existing infrastructure service levels, Step 2 prioritizes both amenity types that Step 1 suggests should be enhanced and maintained.

Step 3 (Amenity Strategies and Action Plan) then applies a practical lens to the prioritization by outlining potential steps and considerations for each of the amenity types.

The following table outlines the criteria used to assess need for and prioritize amenities. Note that those highlighted in blue are to be applied to both the service level needs assessment and prioritization steps in the process.

Criteria	Metrics				Weight
General public demand indicators	3 points — for top “#1-3” household survey amenity priorities	2 points — for “#4-6” household survey amenity priorities	1 point — for “#7-10” household survey amenity priorities	0 points — for amenity priorities that are beyond the top #10 and/or not in scope	5
User group and stakeholder demand indicators	3 points — for amenities that have strong indications of support from the majority of user groups and stakeholders	2 points — for amenities that have moderate indications of support from the majority of user groups and stakeholders	1 point — for amenities that have strong indications of support from one or two user groups or interest areas	0 points — for amenities that have no indications of support from user groups and stakeholders	5
Utilization	3 points — for amenities that have high observed or expected levels of utilization	2 points — for amenities that have moderate observed or expected levels of utilization	1 point — for existing amenities that have unknown levels of utilization	0 points — for existing amenities that have low observed or expected levels of utilization	3
Alignment with expected trends and demographic / population shift	3 points — for amenities that are positioned to respond to more than two observed trends and expected shifts in demographics/ population	2 points — for amenities that are positioned to respond to more than 2 observed trends or expected shifts in demographics/ population	1 point — for amenities that are positioned to respond to one observed trend or expected shift in demographics/ population	0 points — for amenities that are not positioned to respond to observed trends or expected shifts in demographics/ population	3

Criteria		Metrics			Weight
Current provision in the Region	3 — the facility space would add completely new activity to recreation in the Region		2 — the facility space would significantly improve provision of existing recreation activity in the Region	0 — the amenity is already adequately provided in the Region	3
Community accessibility	3 — the amenity would be completely financially and physically accessible to all residents	3 — the amenity would primarily be financially and physically accessible to all residents	1 — the amenity would be accessible to all residents via programmed/rental use	0 — the amenity would not be accessible to residents	4
Financial impact	3 — the amenity has a low overall cost impact	2 — the amenity has a moderate overall cost impact	1 — the amenity has a high overall cost impact	0 — the amenity is not likely to be feasible	4
Cost savings through partnerships or grants	3 — partnership and/or grant opportunities exist in development and/or operating that equate to 50% or more of the overall amenity cost	2 — partnership and/or grant opportunities exist in development and/or operating that equate to 25%–49% or more of the overall amenity cost	1 — partnership and/or grant opportunities exist in development and/or operating that equate to 10%–24% or more of the overall amenity cost	0 — no potential partnership or grant opportunities exist at this point in time	3
Alignment with Master Plan foundations	3 — the amenity achieves three of the intended outcomes		1 — the amenity achieves one of the intended outcomes		2
Economic impact	3 — the amenity will draw significant non-local spending into the Region and catalyze provincial, national and/or international exposure	2 — the amenity will draw significant non-local spending into the Region	1 — the amenity will draw moderate non-local spending into the Region	0 — the amenity will not draw any significant non-local spending into the Region	2

*adapted from the 2020 Regional District of Central Kootenay – Town of Creston and Electoral Areas A, B & C Parks and Recreation

REGIONAL DISTRICT OF CENTRAL KOOTENAY

Bylaw No. 2865

A Bylaw to amend Nelson and District Community Facilities, Recreation, and Leisure Service Establishment Bylaw No. 1623, 2003 to update the service requirements.

WHEREAS the Board of the Regional District of Central Kootenay (RDCK) has enacted *Nelson and District Community Facilities, Recreation, and Leisure Service Establishment Bylaw No. 1623, 2003* for the purpose of providing recreational and leisure programming services, and the maintenance and operations of community facilities used for recreation;

AND WHEREAS it is deemed appropriate to amend Bylaw No. 1623 to refine the scope of the service to incorporate asset management for existing assets;

AND WHEREAS pursuant to the *Local Government Act*, participating area approval has been given by the Directors for the City of Nelson and Electoral Areas E and F;

NOW THEREFORE the Board of the Regional District of Central Kootenay, in open meeting assembled, HEREBY ENACTS as follows:

1 Section 6 be deleted in its entirety and replaced with the following:

- 6 (1) The service hereby established includes but is not limited to the following powers and authorities:
- (a) To own, lease, operate or provide ongoing funding for the facilities listed in Schedule B of this bylaw;
 - (b) To acquire or develop new community facilities and amenities for recreational and leisure purposes, including but not limited to the acquisition, construction, renovation, or expansion of facilities such as, swimming pools, multi purpose arenas, and fitness areas, subject to the requirements of section 6 (2) of this bylaw;
 - (c) To acquire all such real property, easements, rights-of-way, licenses, rights or authorities as may be requisite or desirable for or in connection with the construction, renovation and expansion of community and recreation facilities within the Nelson & District Community Facilities, Recreation and Leisure Service Area;
 - (d) The acquisition of property authorized by section 6 (1)(c) of this bylaw shall include, but is not limited to, the acquisition of an interest in properties owned by the City of Nelson to facilitate the construction, renovation or expansion of community, recreation and leisure facilities;
 - (e) To provide recreational and leisure programming services;

(f) To provide effective stewardship of the RDCK-owned facilities listed in Schedule B by proactively planning for the costs of upgrading, maintaining, renewing or replacing assets, as identified in asset management plans.

(2) A proposed facility addition to Schedule B must complete a project development process prior to a bylaw amendment coming forward for RDCK Board consideration that includes but is not limited to:

- Feasibility Study;
- Community Engagement;
- Strategic and Tactical Planning; and
- Utilizing asset acquisition screening tools.

2 Schedule B is hereby included within this bylaw as attached

3 This Bylaw may be cited as **"Nelson & District Community Facilities, Recreation, and Leisure Services Establishment Amendment Bylaw No. 2865, 2022."**

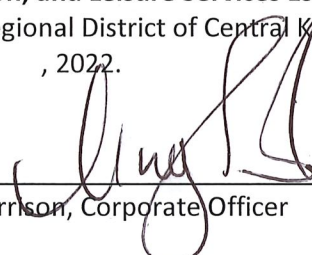
READ A FIRST TIME this 22nd day of September, 2022.

READ A SECOND TIME this 22nd day of September, 2022.

READ A THIRD TIME this 22nd day of September, 2022.

I hereby certify that this is a true and correct copy of the **Nelson & District Community Facilities, Recreation, and Leisure Services Establishment Amendment Bylaw No. 2865, 2022** as read a third time by the Regional District of Central Kootenay Board on the 22nd day of September, 2022.

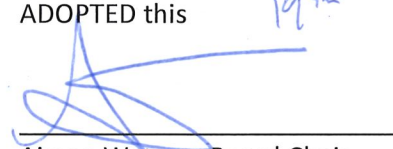
for


Mike Morrison, Corporate Officer

ASSENT RECEIVED as per the *Local Government Act – Consent on behalf of participating area.*

APPROVED by the Inspector of Municipalities on the 19th day of December, 2022

ADOPTED this 19th day of January, 2023.


Aimee Watson, Board Chair


Mike Morrison, Corporate Officer

SCHEDULE B

Amendment to Bylaw No. 1623, 2003

Facilities/Services included in the Nelson and Area Recreation Facilities Service (\$226)

The following table identifies the operational relationship between the Regional District of Central Kootenay (RDCK) and the City of Nelson as of August 2022.

FACILITY/BUILDING	OWNERSHIP	MANAGEMENT RELATIONSHIP	OPERATIONS	CAPITAL
Civic Arena	City of Nelson	City of Nelson – RDCK Agreement	City of Nelson/RDCK	City of Nelson/RDCK (refrigeration)
Civic Centre Blue Room	City of Nelson	City of Nelson	City of Nelson	City of Nelson
Gyro Park	City of Nelson	City of Nelson – RDCK Agreement	City of Nelson/RDCK	City of Nelson
Lakeside Washrooms/ Paddle Rental Centre	City of Nelson	City of Nelson – RDCK Agreement	City of Nelson/RDCK	City of Nelson
Nelson & District Community Complex	RDCK	RDCK	RDCK	RDCK (\$226)
North Shore Hall	RDCK	RDCK	RDCK (\$211)	RDCK (\$211)
PARKS/TRAILS	OWNERSHIP	MANAGEMENT RELATIONSHIP	OPERATIONS	CAPITAL
Lakeside Park (Rotary Lakeside Park)	City of Nelson	City of Nelson – Contribution RDCK (\$202)	City of Nelson	City of Nelson
Lakeside Park Playing Fields	City of Nelson	City of Nelson – Contribution RDCK (\$202)	City of Nelson	City of Nelson
Lion's Park	City of Nelson	City of Nelson	City of Nelson	City of Nelson
Queen Elizabeth Park	City of Nelson	City of Nelson – Contribution RDCK (\$226)	City of Nelson	City of Nelson

i A **Crisis Response Centre** is open and Victim Services are available for people impacted by the tragic events in Vancouver.
Call or text **1-800-563-0808**.

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Bylaw amendment, repeal and conversion requirements

✦ Last updated on January 21, 2025

Local government bylaws may only be amended or repealed by bylaw. Most amendment and repeal bylaws are subject to the same requirements as the power to adopt a new bylaw under that authority. Some regional district bylaws may be amended or repealed with two-thirds of the participants in the service consenting to the change.

Once a local government bylaw is adopted, it may only be amended or repealed by bylaw. Generally, bylaws to amend or repeal an existing bylaw are subject to the same approval and other requirements as the power to adopt a new bylaw under that authority.

An exception to the general rule for amendments and repeals is regional district establishing bylaws and loan authorization bylaws. The *Local Government Act* provides the option that the board may amend or repeal an establishing bylaw or loan authorization bylaw with at least two-thirds consent of the participants in the service.

General process for bylaw amendments and repeals

Unless otherwise specified in legislation, amendment and repeal bylaws are subject to the same approval and other requirements as the power to adopt a new bylaw under that authority. For example, if a municipal council or regional district board wanted to amend a zoning bylaw it would need to hold a public hearing after second reading of the amendment or repeal bylaw before it could adopt the amendment bylaw.

If a municipality wanted to amend a loan authorization bylaw it would need to obtain approval from the Inspector of Municipalities and approval of the electors before it could adopt the amendment bylaw. The municipality would also need to obtain consent from the regional district board for the change if the regional district already consented to undertake the financing through a security issuing bylaw.

- [Learn more about municipal security issuing resolutions and agreements](#)

Minister can exempt from approval of the electors

Under the *Community Charter*, the minister responsible for local government has the authority to exempt an amendment or repeal bylaw from approval of the electors or assent of the electors and set any terms and conditions considered appropriate. The minister generally only uses this authority in situations where there is a provincial interest. This authority does not apply to regional district service establishing and loan authorization bylaw amendments and repeals.

Process for regional district Service Establishing & Loan Authorization Bylaw amendments and repeals

Regional district boards may repeal or amend service establishing bylaws and loan authorization bylaws in one of three ways:

- In accordance with the requirements applicable to the adoption of the bylaw (including Inspector of Municipalities' approval)
- With the consent of two-thirds of the participants in the service and Inspector of Municipalities' approval
- With the consent of two-thirds of the participants in the service and meeting the requirements of the *Regional Districts Establishing Bylaw Approval Exemption Regulation* which exempts some bylaws from Inspector of Municipalities' approval

Two-thirds consent of the participants is the most common way to amend service establishing bylaws and loan authorization bylaws as it is more straightforward to complete, especially when changes to the bylaw are often minimal (for example, adding a few properties to the service area or slightly increasing the requisition amount).

Where substantive amendments are required (for example, a large increase in the requisition amount or an expansion of the scope of the service), the regional district may choose to amend the bylaw in accordance with the requirements applicable to the adoption of the bylaw.

The minister responsible for local government also has the ability to require a regional district to amend or repeal a bylaw in accordance with the requirements applicable to the adoption of the bylaw, or, order that the bylaw receive approval of the electors prior to adoption. This power is usually only exercised if the minister considers the change to have a significant impact on the electorate.

Special provisions for changing service withdrawal conditions

If a regional district service establishing bylaw contains special provisions for service withdrawal, these cannot be altered without consent from all of the participants in the service (as opposed to the two-thirds consent available for other service establishing bylaw amendments).

However, most service establishing bylaws do not contain terms and conditions for withdrawal as this is optional content. Where there are no provisions for service withdrawal explicitly stated in the bylaw, a participant may leave the service with consent of two-thirds of the participants. Where the participants cannot come to agreement, there are dispute resolution provisions in the *Local Government Act* that deal specifically with service withdrawal.

- [Learn more about service reviews and service withdrawal](#)
- [Learn more about optional content in service establishing bylaws](#)

Special regulation to exempt some amendments from Inspector Approval

The Regional Districts Establishing Bylaw Approval Exemption Regulation allows regional district service establishing bylaws to be amended without Inspector of Municipalities' approval where either of the following apply:

- Service area boundary amendments - at least 50% of the parcels representing at least 50% of net taxable value of land and improvements to be added or removed from the service have signed a petition to request the change

- Increase to the maximum requisition - the amount of the increase is less than or equal to 25% of the requisition amount on the date the original bylaw was adopted or the date five years before the date of third reading of the amendment bylaw (whichever is later)

These amendment bylaws still require consent from two-thirds of the participants in the service before adoption and must still be sent to the Ministry of Housing and Municipal Affairs for filing. Ministry staff will review the bylaw for consistency with the regulation.

When submitting a bylaw under this regulation, the regional district would provide:

- A cover letter indicating that the regulation is being used
- Copies of consent from at least two-thirds of the participants in the service
- the corporate officer's certificate of sufficiency for the petition (if the amendment is to add or remove property)

As with most local government bylaws, there must be one day between third reading and adoption of the amendment bylaw.

Regional district continued Service Conversion Bylaws

Prior to 1989, regional districts' core powers were provided in their letters patent (constituting documents). Therefore, they could only establish new services by:

- Applying to Lieutenant Governor in Council to amend letters patent to augment or add a regional district's function
- Adopting a specified area bylaw to provide services to small communities within unincorporated rural areas

In 1989, regional districts were authorized to adopt service establishing bylaws meaning they could choose from a menu of powers provided in legislation and establish these services by bylaw. While regional districts no longer have to apply for supplementary letters patent or adopt specified area bylaws, some regional district services, called "continued services," are still provided under these original authorities.

Because continued services no longer meet the requirements of the legislation, any amendment or repeal requires the continued service to be first converted to a service

establishing bylaw, which requires approval of the Inspector of Municipalities.

Process to convert a continued service

The process to convert a regional district continued service is similar to the process of amending a regional district service establishing bylaw, with a few differences:

- The bylaw that converts the continued service must include all the current legislated content for a service establishing bylaw under section 339 of the *Local Government Act* -- many supplementary letters patent and specified area bylaws may be missing information as they predate some of the legislated requirements
- The bylaw that converts the continued service should specifically identify that it is a continued service that is being converted to a service establishing bylaw -- an example of this wording is: "The function of [PURPOSE] as granted by Division ### (if applicable) of Supplementary Letters Patent dated [MM/DD/YY] is hereby converted and established as the [SERVICE NAME]."

The process to convert a regional district continued service is:

1. Service establishing bylaw to convert a continued service drafted and board gives it three readings
2. Two-thirds of the participants in the service provide consent
3. Provincial review and statutory approval by the Inspector of Municipalities (six to eight weeks)
4. Period during which bylaw can be challenged by applying to Supreme Court (one month)
5. Adopted bylaw submitted to the Ministry of Housing and Municipal Affairs for its records

Given these bylaws can be complicated, provincial government staff are available to conduct a preliminary review prior to bylaw being moving forward to convert a continued service.

Legislation

- *Local Government Act*
 - [S. 341 - Special rules in relation to continuation of older services](#)
 - [S. 349 - Amendment or repeal of establishing bylaws](#)
- [Community Charter, s. 137 - Power to amend or repeal](#)
- [Regional Districts Establishing Bylaw Approval Exemption Regulation](#)

Related Links

- [Bylaw Adoption Process](#)
- [Inspector of Municipalities](#)
- [Loan Authorization Bylaw Requirements](#)
- [Local Government Bylaws](#)
- [Provincial Approval of Bylaws](#)
- [Regional District Service Establishing Bylaw requirements](#)
- [Security Issuing Bylaw Requirements](#)

Contact information

[Contact us](#) if you have questions about bylaw amendment, repeal and conversion requirements.



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