

NEWSLETTER

December, 2015

2015 Overview and Information on the following subjects and issues:

- **Taxation Concerns** – What you should know about how your taxes are being spent – E.g. **Council has just approved a provisional 2016 budget that includes another 5% (4.86%) tax hike.** This is another 5% of a 2015 Budget that was already increased 5.1% in 2015. Why is this?
- **Webcasting of Meetings** - still being done by Oak Bay Watch not Council.
- **Evidence-based Information and Policy Research** – OBW provides the other side of changing Land Use e.g. taxes, traffic, infrastructure impacts etc.
- **Advocacy for More transparency** - in which we lag all other communities in the Capital Regional District (CRD).
- **Resident Information and Engagement** – a necessary requirement.
- **Changes to Oak Bay’s Council’s minutes procedure** – Council made a fundamental change in how Council Minutes are recorded – this has further reduced transparency

2015 Overview & Information – Please Read On

Taxation Concerns

The last Annual Plan published in **July 2015** states staffing costs were almost **\$20,000,000.(\$19,585,680)**. The **2015** Budget (Page1) states we expected to collect **\$20,171,946** in property taxes. The fact we were spending all of our property tax amount on staffing was known when Council decided to add almost half a million dollars to the top **10% of staff that are paid 25% of all municipal salaries.**

Obtaining this financial information was not easy. It was not presented in a way that anyone could describe as a “Transparent Process” or in a way that the information could be clearly understood by anyone without an accounting background.

Council and municipal staff have started their 2016 Annual Budget Process. The preliminary estimate is that we are headed for another close to 5 % increase (**4.86%**). This was approved at a Special Council meeting on Monday, November 14, 2015. Although this tax increase is provisional, we are well aware (based on last years tax hike) that this figure can turn out to be somewhere in the range of a similarly high tax bill. The high 5.1% tax increase last year added almost half a million dollars for new (non-service) permanent staffing. This included creating a **\$149,580** (plus significant benefits **see note***) Human Resources (HR) position. This position was to take over some of the current Chief Administrative Officer's (CAO) job responsibilities. What was not considered was the usual ratio for this full time position is 1,000:1 - Oak Bay has only four hundred staff (400:1). Sharing staff positions with other municipalities (an election promise) was not considered. The full HR job description was not developed until August 2015 – four months after the Council hiring decision. Every Oak Bay CAO to date has negotiated union contracts – union negotiations have been unchanged for years now and they take up comparatively very little time annually.

The Chief Administrative Officer's salary is about **\$160,000** annually (plus significant benefits **see note ***) however now to assist the CAO a new Executive Assistant position at a salary of **\$76,179** has also been added to this. **There was no rationale or discussion provided for adding this position** notwithstanding it is to help with the CAO's reduced job responsibilities. The Executive Assistant will also help the Mayor with his part-time duties. **There was also no rationale or discussion** as to why the Mayor now needs more help or, why other previous Oak Bay Mayors did not require this assistance.

The concern here is that none of the new staff is front line service level staff. Many of the initiatives in the Strategic Plan will require more staff to provide direct services e.g. Oak Bay has only one half time Bylaw Officer who, due to his work load, mainly operates on a resident complaint basis. His job includes investigating resident's complaints about development encroachment and illegal tree cutting issues, traffic concerns, illegal suites, parking and many other offensive bylaw infractions. It has been suggested many times that he needs more help.

The new General Administration cost increases (**a 16.13% jump in 2015**) are most disturbing: - approximately **\$160,000** plus benefits for the CAO; **\$149,580** plus benefits for the Human Resources salary; in addition to the half time **\$37,000**, (**\$76,000** full time) plus benefits Executive Assistant position. It easy to see how the 2015 General Administration costs have soared. These staff salaries were given as the primary reason for the 2016 Budget's almost 2% tax jump from 3% to **4.86%**. These are ongoing annual budget expenditures and are what future increases are based on (Administrative staff usually get pay increases at par with union staff). Oak Bay Watch believes it is time for a zero-base budgeting exercise to replace using the previous year as the starting point

Note* - benefits are budgeted at 15% - 24 % of salaries

Although it is easy to see that the new staff salaries are a major factor in driving up General Administration costs, it is not easy to understand what the **2015** cost of the **\$242,000** for **General Administration Consultant fees** were to achieve. While these may be legitimate the 2015 Budget Report provides no explanation. It is noticeable that there have been budgeted cost increases only in the recent Council terms and no cost cutting measures made or discussed. Just making statements about being financially responsible, and sharing services with other municipalities to economize - doesn't make it so.

These extensive expenditures have been added with no apparent recognition of the significant tax increased looming ahead for: CRD and Uplands sewerage, increased CRD board salaries, transit expansion, senior's services, aging infrastructure replacement and expansion - that will be required if Council goes ahead with its excessive development plans etc. Infill development has been very costly for other municipalities.

The 2015-2019 Financial Plan indicates our property taxes **will go up by approximately 20% over the five years**, however given the above factors there is no accurate way to anticipate what these other many budget implications and inflationary influences will result in. E.g. A just released media report indicated that (even with all grant funding in place) the cost for the new CRD Sewerage Treatment for each Oak Bay household ranges from \$573 to \$697. This confirms that the only thing we know for sure, and this should have been apparent to Council, our property taxes are not going to go down.

Council's record and judgment so far has not inspired confidence in their financial assessments or decisions. Therefore Oak Bay Watch urges you to keep informed, speak up and tell Council that enough is enough!!! The time has come to address the Municipality's rapidly increasing operating costs. A major focus on efficiency and cost cutting is required.

The above financial information is only a part of the 2015 Budget property tax expenditures picture. Although OBW will provide much more of this taxation information in the near future, the above information should be enough to raise alarm bells for the upcoming 2016 Budget & Strategic Plan processes.

Webcasting

The Oak Bay Watch (OBW) team has worked many extra hours this year attending all Council and Committee of the Whole meetings, analyzing and, defining the relevant, important agenda items. Almost all of these meetings were webcast live (33 meetings). This was done for accountability purposes; we have kept track of what our council has done and not done to ensure resident's interests are represented. These meetings can be viewed at <http://www.oakbaywatch.com/webcasts.html>. Council has yet to implement

webcasting despite promising to do so for some years now as part of a broader public engagement strategy and unfilled commitment to transparency.

Evidence-based Information & Policy Research

This has been our bread and butter and one of our “raison d’être”. In 2015, we researched and compiled an incredible amount of information, legislation, best practices and guidelines on planned community growth; building planning and development; infill development; sustainable budget; transparency; public consultation and engagement, just to mention a few. Our research has also helped us accumulate a database on how municipalities in BC and Canada, that have already implemented these Council proposed infill land use changes, have dealt with or are still struggling with **the tax shortfalls** and other inherent densification and rapid growth impacts.

OBW and other Community groups have approached Council and Staff many times this year, and asked to be included in the decision-making process. We have offered positive, evidence-based solutions and alternative points-of-view. Unfortunately, Council has systematically dismissed all sorts of community input. The only exceptions were:

- A last-minute decision to reverse staff’s recommendation to form an “Advisory Planning Committee” as opposed to an Advisory Planning Commission as required by the Local Government Act. This change to a Commission prevents Council members and staff from deciding on and approving their own recommendations; and
- To try non-lethal deer removal. The permits for this initiative are now being considered by the Federal and Provincial Governments.

Advocating for more Transparency: “Council’s Strategic Plan”

We spent countless hours analyzing the 4-year Strategic Plan that includes many, many initiatives and future financial implications for the Community. In 2016 OBW will be providing much more information on the Strategic Plan’s objectives and initiatives and how this will affect taxation. We will keep you informed as the Strategic Plan’s impacts unfold. Our goal is to ensure that existing residents are provided with **all** the facts, good and bad and ensure that existing residents rights and properties are protected.

OBW spearheaded the campaign against Monster Houses and the return to a more sane development approach on small lots. We will have to wait and see how this new building Floor Area Ratio formula turns out. Council placed significant development community representation on the Review Committee. As residents had not agreed in 2007 to a **blanket increase in lot density** rescinding the zoning bylaw should have been done immediately - as the intent of this 2007 zoning bylaw change was not to increase density on smaller Oak Bay lots.

When this serious zoning mistake was pointed out by Staff, Oak Bay Watch, and the Community, Council resisted remedial action for four years, **and then just partially**

scaled back this excessive increased density. The original bylaw had served Oak Bay for twenty years and was not restrictive. The four-year corrective process was far too long and caused a lot of ongoing problems for many Community residents.

Oak Bay Watch is concerned that this kind of zoning / land use change mistake could happen again with Infill Development and similar Council resistance to provide remedies.

Resident Information and Engagement

Some of our other accomplishments this year include: full revitalization and upgrading of our website (www.oakbaywatch.com); updating of our supporter's list and our newsletter process; and increased community outreach and strengthening our ties with other Oak Bay, CRD and BC Community Associations interested in how municipal administrations operate and are governed. Interesting to note.... Saannich Council is currently undertaking a governance review.

Keeping the Community informed and engaged is a key Oak Bay Watch priority. Often OBW and those who want to participate in collaborative and honest debate on community development issues, are called anti-change or NIMBY's. OBW is **not** against change - but is aware of how invasive and disastrous making the wrong decisions can be for municipalities (and taxpayers). Changes **MUST** be carefully considered and fully researched, and openly debated. Community associations all over the CRD have come to realize that providing residents with all the facts allowing them to make informed decisions, is the best way to ensure our elected officials choose to do what the community wants, instead of what they or special interest groups want.

OBW's objective of providing the public with proven facts produces better perspectives for filling out surveys, providing input and with voting choices. We do not believe that elected officials personal beliefs and preferences are a valid base for making decisions. In 2015, our members reminded council and staff that, Oak Bay is fortunate to have many reputable, highly talented and aware residents who are ready to contribute. OBW has campaigned for much more two-way consultation and "collaboration", by way of surveys, workshops, and town-hall meetings etc. Topics like housing, infill development, deer management and tax increases need to be discussed publicly. With the exception of Councillor Zhelka, who personally advertised and held four face-to-face Community Information Events. It is apparent so far Community Engagement is not a Council priority, notwithstanding their statements to the contrary.

The Community Plan and the Resident OCP Survey guaranteed all the key issues for residents would be satisfied "before" any land use or zoning change were made – Oak Bay Watch wants Council to live up to this major commitment. OBW is fully aware other communities have made dramatic land use changes first, then tried to apply complicated and expensive solutions - after the fact. They are now suffering the adverse consequences. Balancing existing residents rights with development is what good

governance and good decision making is all about. This fundamental Council duty must be applied to the Official Community Plan Implementation.

Recent Developments

Changes to Oak Bay's Procedural Bylaw

Council has approved a transparency and accountability “backward step”. Residents will no longer be able to identify which Councillor moves and seconds a motion or resolution as this information will be removed from the minutes. OBW has discussed this consequential change with a number of residents and they consider this “staff decision to be shocking”. It was reported to Council that staff based their decision to remove this important identifying procedure on assumptions that this was an “industry standard” and “parliamentary principle”. However by eliminating the names of those who introduce motions, the community is prevented from understanding where Councillors stand on issues and what they support as individuals. Additionally, residents cannot see if Councillors are complying with their electoral promises. OBW finds this new municipal policy regressive as it makes it much more difficult for voters to identify whom they want to see re-elected in 2018.

To respond to municipal staff's information with real facts OBW research found that: Our Canadian Parliament and the BC Legislature record movers and seconders in their minutes (they also broadcast and webcast). So does almost every other CRD Municipality (the other two that do not webcast). The CRD Board, itself, records motion makers along with Vancouver, Burnaby and many of the Lower Mainland Municipalities. Additionally Council's decision to accept staff's suggested changes is also disturbing because:

- Council was misinformed and,
- Council, rubber-stamped staff's decision, with no consideration of how such a change would further ignore resident's need for more transparency.

Please discuss this important issue and let Council know you wish that this new procedure be overturned!

Our plan moving forward

Online Survey

We are planning to conduct periodic online surveys in 2016. Oak Bay Watch wants to hear from you, and have you give us your views on issues such as: overall vision and priorities. What are your thoughts on should we allow: multi-family developments on single-family lots, secondary suites, sub-divisions, garden and lane way housing, duplexes, and triplexes. Let us know what you think about tree protection, shoreline development, rental accommodation, allowing unlimited customer visitation to home based businesses, and so on.

We will pass these collective viewpoints on to Council and provide a strong voice. The Community has demonstrated its ability to see and suggest viable outcomes – if they exist. The first survey will be online soon – please participate – it will not contain leading questions. Please include your neighbours, spread the word and network for us. We consider this the most effective way forward to ensure Oak Bay remains desirable and expenditures are controlled by good governance.

Upcoming OBW Budget Discussions

Oak Bay Watch will be holding an Open House soon and the date, time and venue will be announced – Councillors will be invited, please attend. The purpose of this event is to provide verifiable, detailed information on issues that have and will affect our Community and taxes now and in the years to come. A two-way conversation on the Official Community Plan implementation is vital. The way the 2013 Official Community Plan Resident Survey framed its questions and the format of the associated “information sessions”, did not allow for any substantive community input and analysis on adequate housing and land use. We need to hear from residents that rely on a fixed or limited income and do not want or cannot have multi-family developments on their properties.

Oak Bay Watch will be starting a Website Information section to inform you what the real impacts will be of many of the suggested infill housing options and how this has worked out in other communities that have adopted infill densification policies. For example when a university without adequate residences doubles its enrolment, it can have a major negative effect on the adjacent residential neighbourhoods. This is what the University of Victoria plans to do. Who then pay for the extra bylaw enforcement other communities adjacent to universities have found necessary? Oak Bay Watch will let you know what the impact has been throughout Canada when this situation has arisen. Oak Bay Watch will also provide some very real solutions that could balance a controlled densification approach with zoning safeguards to protect residents.

Oak Bay Watch will also continue to help individual residents and groups that have continued to form to object to invasive developments. The Development Industry, however, uses the “divide and conquer” approach. This is successful because it is much easier, after lobbying for adoption of land use changes, to divide the opposition, which can then be dealt with separately. With group opposition it is much more difficult. Municipal staff is often used to quell the waters of dissent. We believe a better Community approach is to prevent invasive development legislation collectively. **To do this we need your support:**

PLEASE DONATE

2016 promises to be a year full of challenges from the aforementioned excessive tax increases to allowing multi-family developments on all lots in Oak Bay. More than ever,

our group of volunteers will be busy making sure that changes to our municipal bylaws (zoning being the major one) does not change what everyone loves about Oak Bay. Our record shows we prioritize existing resident's needs and objectives.

We currently have limited funding for printing , webcasting, website costs, meeting space, etc. Any donation will help - we can print a lot of information with even small donations. We are all volunteers - our time is given freely. You can support us by credit card or pay pal (on our website). If you prefer, you can also write a cheque to "Oak Bay Watch" (Your email to our website, with a phone number, will allow us to arrange pickup). We are able to provide a receipt but not for tax purposes. We will protect your privacy, and gratefully accept your donations on a confidential basis. If you can **or** cannot donate please continue to visit the website and have your friends sign up for our mailing list. Attend our information meetings to stay informed and at important Council meetings to show solidarity.

Oak Bay Watch is not alone in demanding financial accountability, transparency, an adherence to democratic principles, responsible growth and development in tune with community values and, respect for the right for residents to have their voices heard. Our advocacy work has to be done if Oak Bay is to preserve its character and charm. We urge you get involved!

We wish you and your family the very best of this holiday season!!!!

Sincerely,

The Oak Bay Watch Team