

**Date:** June 6, 2016

**From:** Richard Alexander, UNA Chair

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**FOR INFORMATION**

In late 2015, the UNA Board of Directors was advised that the Province of British Columbia was going to download the cost of fire protection for the UNA neighbourhoods to residents. In February 2016, representatives from the Ministry of Community Sport and Cultural Development met with the UNA Board of Directors who indicated that the Province believed that UNA residents have not been paying for the cost of providing fire protection services to the neighbourhoods. At that time, the UNA Board of Directors agreed with the Province and, because the impact of the download had not been anticipated in the preparation of the 2016/17 budget, asked that the download be postponed for one year. In addition, the UNA Board of Directors asked that, for transparency, the download appear as part of the Rural Tax.

After reviewing this further, the Board contracted a consultant, whose experience is in municipal and governmental affairs, and met with its legal advisors to review the Province's request. After further investigation, the Board refutes any suggestion that UNA residents have not been paying for fire protection services. Collectively, through the Rural Tax and UBC Services Levy, UNA residents pay the same tax as a City of Vancouver resident pays and who receives fire protection services. The Board sent a third letter to the Province indicating its position (attached).

In addition, the UNA Board of Directors rejects the idea that the addition of a Rural Tax is the best approach to manage the payment of fire protection services. Once on the rural tax notice, any tax is a fixed government statute and is no longer open for discussion. It is not the role of the Provincial Government to interfere by setting taxes in local administrations.

The UNA Board of Directors questions the allocation of funds collected by the Rural Tax general levy. These funds go into provincial general revenue and are not specifically allocated to services for a particular administrative area such as the UNA neighbourhoods.

Furthermore, fire protection services are an integral part of the UBC Campus covering both academic and market properties. Academic fire costs are paid for by the Province. UNA market properties are directly linked to UBC's academic mission. If UBC agrees that UNA market properties should pay for fire protection services,

then this is correctly part of land management and is the responsibility of UBC to manage. It is not a Provincial Government matter.

The UNA has not yet received a formal statement from UBC confirming that the fire tax rate proposed is a fair amount for the services received. For example, the UNA has not been informed as to the amount that is paid by the Government to the City of Vancouver for the fire protection services provided. The contract under which Fire services are delivered has not been made known to the taxpayer, the UNA.

The UNA Board of Directors is committed to managing the impact on the operating budget and will consider the following priorities for 2016 -2019:

To remove Provincial Government interference

- Remove the fire tax from the Rural Tax notice
- Place the matter under the purview of the UBC landowner role

To manage the short-term effects:

- Manage the financial impact in the budget years ending in 2017 & 2018
- Deliver a balanced budget
- Disclose any changes to the level of recreation and cultural services

#### **UNA budget management years 2016-2019**

2016: cover the \$500K expense from UNA Reserves

2017: Reduce expenses by a total of \$1M

2018: to be determined



VIBRANT, DIVERSE, SUSTAINABLE

Jacque Dawes  
Deputy Minister  
Ministry of Community Sport and Cultural Development  
Government of British Columbia  
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May 20, 2016

Dear Deputy Minister Dawes:

Re: Fire and rescue protection costs for the University Neighbourhoods

I write further to my letter to you of March 10 2016, in which we expressed concern about the impact of a proposal to recover the costs of fire and rescue protection services from market housing properties on the UBC campus. Upon further consideration of the matter, the University Neighbourhoods Association has now decided that it does not support this proposal further. The reasons for this decision are set out in this letter.

I wish to stress that the residents in the University Neighbourhoods are more than to pay their fair share of the costs of the services they receive. Indeed, we believe we have been doing so for some time.

When the development of market housing on campus commenced in the late 1990s, UBC undertook to “peg” the taxes and levies on the new development at the same rates, based on assessed value, as those prevailing in the City of Vancouver. Market housing properties on the campus have been paying those rates ever since. In the City of Vancouver, those rates have been, and are, sufficient to pay for one of the most sophisticated fire and rescue services in the province as well as a fully functional urban police force. Together, these costs represent, respectively, 5 percent and 10 percent of the City’s budget. It is our considered view, therefore, that residents have been paying a level of taxation sufficient to provide fire and rescue services,

even if these funds were not actually paid for these services because they were provided to UBC without charge by the province.

If fire and rescue costs, heretofore provided to the University without charge, are now to be incurred, then they are the University's responsibility and should not need participation by the province to resolve. Any issues arising from changed circumstances should be resolved within the framework of the existing agreements between UBC and its residents as represented by the UNA.

The proposed rural tax for fire and rescue protection would be imposed without any democratic control by those served as to the amount and type of service to be provided or the amount to be paid. History has shown that, once such arrangements are put in place through provincial legislative or regulatory action, they are very difficult to amend.

We appreciate the time and effort your staff have expended to seek a solution to this matter. Please be assured that we are willing to discuss with UBC how fire and rescue service costs are handled within the framework of the existing relationship between UBC and its residents, and any changes that may be required going forward.

Yours truly,



Richard Alexander  
Chair, UNA Board of Directors

CC Jan Fialkowski, Executive Director, University Neighbourhoods Association

Michael White, Associate Vice President, Campus and Community Planning, UBC