



THE CORPORATION OF THE **VILLAGE OF SLOCAN**

PO BOX 50 – 503 Slocan Street, Slocan BC V0G 2C0

ANNUAL REPORT FOR 2022



**Annual Report for the Village of Slocan
To be Presented to Municipal Council on June 12th, 2023.**

Mayor Jessica Lunn
Councillor Ezra Buller
Councillor Joel Pelletier
Councillor Madeleine Perriere
Councillor Burly Van Bynen

Village of Slocan – Annual Report 2022

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During the year 2022 the municipality has not made, nor is the Municipality aware of electors of the Village of Slocan having made, an application to court for a declaration of disqualification of a person elected or appointed to office on the Council of the Village of Slocan.

Message from the Mayor

On behalf of Slocan Village Council, I am pleased to share with you the 2022 Annual Report for the Village of Slocan. This report provides a comprehensive overview of Village operations for the fiscal year ending December 31, 2022.

The Annual Report includes the prior year's financial statements, and highlights some of our major capital initiatives and accomplishments. Through sound fiscal planning and a commitment to hard work, the Village has maintained a strong financial position.

The Village of Slocan is in a creative and transformational time. As we transition from a single industry economy, Council aims to target investments and make decisions that support sustainability, health, and well-being for our residents now and into the future. 2021 Census data indicates a population increase of 31% over the past 5 years. With the purchase of the former Springer Creek Mill Site lands, broadband connectivity, and many new residents, the Village of Slocan is ripe to revisit our short and long-term vision including the Official Community Plan (OCP). In 2022, through significant community engagement and input, the Village adopted a renewed OCP. The community vision – “A flourishing Village where people are connected to nature and each other.”

As a small municipality it is a constant challenge to balance our capacity with public expectation, legislative obligations, and emerging operational priorities. Indeed, we rely heavily on volunteer organizations and our small team of dedicated employees to provide an incredible suite of services and initiatives to residents. I am extremely proud of the efforts staff and Council to support the energy of our volunteer organizations/commissions and to leverage our operational budget through strategic and timely grant applications.

Please review the 2022 Annual Report to better understand the progress the Village has made on infrastructure, operational, community and sub-regional projects. Ongoing and emerging priorities including source water planning and water distribution infrastructure upgrades, preparation for a long-term Mill Site Master plan, placemaking projects such as Harold Street Design and implementation, affordable housing, Climate Action initiatives including wildfire mitigation, and economic development, and the revitalized of much used and loved amenities such as the tennis courts/skating ring and Expo Park.

Thank you to all citizens for your volunteer efforts over the past year. Without your dedication we would not have been able to continue with the delivery of many activities, projects and programs. I would also like to take this opportunity to thank our very dedicated employees. Their tremendous efforts continue to result in healthy operations and success with the development of Village assets and amenities. Their dedication makes the job of Council a lot easier.

Jessica Lunn, MAYOR

Report from the Chief Administrative Officer

This Annual Report provides a summary of the activities, projects, services, financial statements and some key statistical information that the reader may find useful when measuring and comparing Slocan with other local governments.

The Annual Report provides updates and accomplishments of the goals and objectives of the Village of Slocan. Council will strive to keep the municipal levels of taxation reasonable.

The Village will continue to ensure a high level of customer service to meet the needs of our citizens; but will need to do so within the constraints of limited financial resources.

Our public work employees are committed to providing a high level of services and support to the residents. Road maintenance, snow removal and water supply services remain a priority of our outside staff.

Village Office staff strives to provide timely and courteous assistance to all citizens.

Village staff will continue to monitor, control and allocate financial resources in order to achieve the community's immediate and long-term goals and objectives.

Michelle Gordon
Chief Administrative Officer

2022 MUNICIPAL SERVICES & OPERATIONS

Part I - Revenues

The Village collected \$206,810 in taxes; generates \$131,502 from the sale of services; revenues from own sources are \$30,824; unconditional transfers from the provincial government amount to \$463,000. This does not include inter-fund transfers and taxes collected for other agencies, such as school taxes, regional district taxes, hospital, etc. Funds collected for other agencies (Hospital District, BC Assessment Authority, MFA, schools & RDCK) were \$331,418.

The Village used the Small Community Funding Grant to reduce the tax burden on the business and residential properties. For perspective, if the Village needed to raise the same amount of revenue without the unconditional grant of \$463,000 received in 2022, the municipal tax rate increase required would have been 274% for the year.

Water fund revenues, a combination of residential user fees, Westside user fees and commercial flat rate fees were \$130,692.

Part II – Expenditures

General Government - \$362,675

General government expenditures include the cost of administration, including Council operations, the office, legal and auditing services, liability insurance and other general overhead expenditures.

Protective Services - \$501

Protective services include building inspections, bylaw enforcement, and emergency management.

Transportation Services - \$222,634

Transportation services includes the cost of public works maintenance shop, all the Village's equipment, summer & winter road maintenance and street lights.

Environmental Health - \$25,184

Environmental health includes the cost of garbage collection, yard waste collection, tree pruning and boulevard maintenance.

Public Health & Welfare - \$4,477

Public Health & Welfare includes cemetery maintenance.

Recreation & Cultural Services - \$140,141

Recreation and cultural services include the operation and maintenance of the boat ramp & wharf, curling rink, tennis court / skating rink, parks, Springer Creek RV Park & Campground, Slocan Owl Walk, Silvery Slocan Hall, and Wellness Centre / Library / Fitness Centre.

Debt Interest & Fiscal Services - \$18,495

Operating Capital Expenditures - \$399,195

The capital program highlights include:

- Tennis Court Upgrades
- Campground Electrical Upgrade
- Legion Exterior Heritage Restoration Project

Water Utility Operations - \$102,604

Water utility includes administration, water supply treatment, transmission and distribution; dam, pump station and tank; and hydrants.

Water Capital Expenditures – \$0.00

There were no water capital expenditures in 2022.

2022 BUILDING ACTIVITIES SUMMARY

The Regional District of Central Kootenay provides building inspection services for the Village of Slocan. The assigned Building Official is responsible for the administration and enforcement of the Building Code and scrutinizes all building plans to ensure that the structural integrity, fire safety and plumbing are all in compliance with the Building Code and municipal bylaws.

	Total Construction Value	# Permits	RD Permit Fees/ Renewal Fees	Village Fees Collected
Residential – New Starts Only	\$859,830	3	\$8,321	\$925
Residential Additions/Renovations /Accessory Buildings/Demolition	118,500	4	1,322	147
Mobile Homes	0	0	0	0
Commercial – New Starts Only	0	0	0	0
Commercial Additions / Renovations/Demolitions	0	0	0	0
Commercial – Occupant Load Calculation	0	1	90	10
Industrial	0	0	0	0
Industrial Additions / Renovations	0	0	0	0
Institutional	0	0	0	0
Institutional Additions/Renovations	0	0	0	0
Change of Use	0	0	0	0
TOTAL	<u>\$978,330</u>	8	<u>\$9,733</u>	<u>\$1,082</u>

PROGRESS REPORT FOR 2021

Council set the following objectives for 2021, as part of the Annual Report process, and the following is the progress that has been made on those objectives.

Objective	Measures and Strategies	Achievements and Outcomes
Micro-Hydro Plant: Proceed with micro-hydro generation project owned by the Village, for the Village.	The Village of Slocan has been working diligently over the past decade and a half to develop an 800kW run-of-river hydro project on Springer Creek. The original intent of the project was to lessen the Village's reliance on a single industry, the sawmill, as its primary revenue source, and to allow the Village to become increasingly self-reliant. The development of Springer Creek Micro-Hydro was regarded as a much-needed project that would support the Village's transition from a single industry town. It would play a significant role in the Village's Integrated Sustainability and Transition plan, supporting the development of a green energy economy, providing employment, energy resilience, and sustainability. Revenues generated would assist with funding and maintaining operations and would position Council to partner and support the implementation of community initiatives, revitalization, and growth. It was estimated that the project would produce a GHG net offset of approximately 24t CO₂ per year. The project would be viable and reliable, providing year-round energy. In addition, the project would become a model for small, community-based renewable energy projects in the region. The project would cost an estimated \$3,600,000 to complete, which included construction of the intake and penstock, access road, powerhouse, turbine, substation, and power line inter-connection. In 2017, the Village successfully received grant funding through the <i>New Building Canada Fund</i>. The Village was awarded \$2.4 million dollars from the Provincial and Federal Government, representing two-thirds of the proposed budget; the remaining third to be produced by the Village through a loan provided by the Municipal Finance Authority. With the announcement of funding, the Village could continue its efforts to negotiate an agreement for the purchase of power. In 2017, with all permitting in place, the Village submitted an application to BC Hydro's Standing Offer Program (SOP). The program had been in place for many years and supported and encouraged the development of small clean or renewable electricity projects in BC and paid out a pre-determined power purchase rate through an Electricity Purchase Agreement (EPA). Rates paid out through the SOP were determined to be greater than those offered by other power purchasers in the region and made the Springer Creek Micro-Hydro project feasible. The application was marked as complete and in the queue to be processed for an EPA. A successful application to the Standing Offer Program was favourable for the Village. Based on historic SOP rates, it was determined that the project's annual gross revenues were projected to be approximately \$294,000, less any expenses for debt servicing and operations. This meant that net annual revenues for the Village were estimated to be approximately \$170,000. This would replace the industrial tax revenues that were lost with the closure of Springer Creek Forest Products. The Springer Creek Hydro Project has been on hold since the fall of 2017,	

	when the Province began a review of BC Hydro and the Standing Offer Program. The Village was advised that all applications in the queue, including the Village's, would remain on hold until the review was complete. Unfortunately, the review resulted in the indefinite termination of the Standing Offer Program, and a decision that BC Hydro would no longer be signing any new power purchase agreements. Mayor and Council met with Ministers at the annual UBCM Convention annually, petitioning against the cancellation of the SOP, and to advocate for the Springer Creek Micro-Hydro Project, with no success. Staff worked diligently with the Build Canada Grant administrators to find a solution. The task proved challenging as the original intent of the project was now lost, and the Village would have to discover a way to proceed with the project, while maintaining the original scope. This meant finding an alternate solution for selling the power, while meeting the project deadline of March 31, 2020. As time passed, the Village requested an extension on the grant funds to March 31, 2022. The Village continued to explore other avenues for a power purchase agreement including options to partner with other power utilities in the area, and a preliminary investigation into becoming its own utility. The Village's hydro project consultant explored options, such as the production of hydrogen and ammonia using the surplus energy, supplying energy to a target property or facility, and even the supply of energy to computer operations, such as a data center or cryptocurrency exchange. Ultimately, the options presented would require significant feasibility analysis, were speculative, and would place the Village in a position of significant financial risk. At a special meeting of Council held on October 25th, 2021, Council unanimously came to a determination to withdraw from the New Building Canada Program, and to take no further action on the Springer Creek Micro Hydro Project. This decision was not made lightly, but proceeding with the project carried significant financial risk without clear and quantifiable benefits to the Village. In addition, the time and effort required to move forward with any of the potential project options would impact the ability for the Village to focus on other priority items, such as the mill site redevelopment, Harold Street design implementation, addressing infrastructure demands such as source water and water distribution design and development, and planning for sustainable growth and operations. The Village will continue to advocate for programs such as the Standing Offer Program, to assist small communities who strive to reach their climate action goals and net zero strategies. Council would also like to thank the New Building Canada Fund for the funding opportunity, and express appreciation to all who assisted the Village with this project to date.	
Paving Project	Main Street Paving	The Village saw completion of the Main Street Waterline Replacement Project in late 2019. Council allocated \$188,200 from the Community Works Fund to the 2021 budget to complete the "Main Street & Boat Launch Turnaround Resurfacing Project". The project was successfully completed. The Village will continue to investigate resurfacing opportunities within the Village.

Economic Development	Create and support opportunities for economic development in Slocan and region.	Ongoing – Regional Economic Development Partnership.
Legion	Support heritage restoration and energy efficiency upgrades.	The Village was successful with an application to the CBT Built Heritage Fund fund, to complete the Slocan Legion Hall Heritage Exterior Restoration Project Phase 1. Work started in the Fall of 2020, and was ongoing throughout 2021.
Source Water	Analyze current water source, conduct testing analysis, feasibility.	An Infrastructure Planning Grant was received for completion of a <i>Village of Slocan Source Water Study</i> - Gwillim Creek currently supplies the Village its potable water via the Slocan Water Treatment Plant. Solutions and alternatives for source water supply will be considered, due to aging infrastructure and climate change factors. Work is ongoing.
Harold Street	Beautification and improvements to Harold Street – pre-development and planning.	A BC Rural Dividend Grant was received for completion of a <i>Harold Street North Conceptual Design Plan</i> . A concept plan was completed for this project in July 2018 and included recommendations, cost estimates and a concept plan. The Village was successful in sourcing funding to complete Phase 2: Detailed Design Plan. Due to COVID-19, the purchase of the mill site, and pending OCP Revision, the project was put on hold in 2021 and commenced in 2022.
Breakwater	Repair of the Breakwater	In 2021, a report was received from staff on the current condition of the breakwater, recommending that Council investigate repair. Inspection and additional information to be provided in 2022.
Campground	Campground electrical upgrades	In 2021, the Villages of Slocan, Silverton and New Denver collaborated to prepare and submit an application to the Kootenay Rockies Tourism Development Fund, to support facilities upgrades at existing municipally-owned campgrounds, improving campground capacity and support increased tourism in the area. The group application was successful, and the Village will upgrade its electrical service at the Springer Creek RV Park & Campground, and expand site services. Work will be ongoing through 2022.
Affordable Housing	Continue to support affordable housing opportunities in Slocan.	An Affordable Housing Commission was formed in 2017, to gather information and provide recommendations to Council on

		future housing needs in Slocan. In 2019, the Village successfully procured M'akola Development Services to complete an Affordable Housing Feasibility Analysis for a housing complex on Village-owned lots 1-5 and 18-20, Slocan Street. An analysis was completed in 2020. With a successful CMHC grant, a pre-development schematic design and concept plan was completed, with intention to prepare a funding application to BC Housing. A 2021 project proposal submission to BC Housing's "Building BC: Community Housing Fund" was selected to proceed. Accepting award of funding does not guarantee the project moves forward, but gives the Village an opportunity to accept the Pre-Development Funding to complete the due diligence work, to confirm the project is viable from a developmental site use perspective. Staff, Council, the Village's housing consultants, and the Slocan Affordable Housing Commission worked together with BC Housing on next steps.
Mill Site	Purchase of former Springer Creek Mill Site Lands	In late 2020, the Village purchased the former mill site lands. Council has committed to community consultation and an OCP update, as well visioning for a mill site master plan.
Official Community Plan	Revision of the OCP	In late 2021, the Village issued a Request for Proposals (RFP) to hire a consultant to complete the OCP Revision. By year end, Selkirk Planning & Design was procured to complete this work. Work will be ongoing in 2022.
Boundary Expansion	Investigate Expansion	Under the Rural Resident Retention and Attraction Pilot Project, an initiative of the Ministry of Forests, Lands, Natural Resource Operations & Rural Development, developed to assist a few smaller, rural communities position themselves for investment, development, and ultimately the attraction and retention of residents, the Village will investigate boundary expansion. The Village currently holds title to properties outside the boundary, including the cemetery, Outriders grounds, Campground, and Owl Walk Park. Preliminary investigative work is and will be ongoing.

STATEMENT OF MUNICIPAL OBJECTIVE AND PROGRESS MEASURES FOR CURRENT YEAR (2022) AND NEXT YEAR (2023).

In early 2022, Council set the following objectives, which it hoped to accomplish in the Council term. Council and staff prepared these objectives from feedback received by Councillors from constituents throughout the year.

- Continue to support volunteer community groups and organizations.
- Pursue grant monies for infrastructure upgrades.
- Continue to implement a '10 year capital water plan' infrastructure program.
- Explore community and sub-regional level strategic advantages.
- Further our Village of Slocan tourism and Regional Economic Development Strategy.
- Finding fiscal efficiencies in municipal cost savings.
- Identify joint municipal revenue opportunities.
- Continue to support development of Affordable Housing.

Objective	Measures and Strategies	Achievements and Outcomes
Bylaws	Review and update bylaws	The following bylaws were adopted in 2022: • Inter-Community Business Licence Amendment Bylaw • Zoning Amendment Bylaw – Rezone Application • OCP Amendment Bylaw – Rezone Application • Fees & Charges Amendment Bylaw – Campground/Business Fees • Business Licence Amendment Bylaw – Cannabis Retail • Zoning Amendment Bylaw – Cannabis Retail • Financial Plan Bylaw (2022-2026) • Tax Rate Bylaw 2022 • Election Procedures Bylaw 2022 • Election Officials Bylaw 2022 • Road Dedication Bylaw • Official Community Plan Bylaw
Legion Hall	Support heritage restoration and energy efficiency upgrades.	The Village was successful with an application to the CBT Built Heritage Fund, to complete the Slocan Legion Hall Heritage Exterior Restoration Project Phase 1. Work started in the Fall of 2020, and was ongoing throughout 2021. The project was fully-completed in July 2022.

Harold Street Revitalization	Beautification and improvements to Harold Street – pre-development and planning.	A BC Rural Dividend Grant was received for completion of a <i>Harold Street North Conceptual Design Plan</i> . A concept plan was completed for this project in July 2018 and included recommendations, cost estimates and a concept plan. The Village was successful in sourcing funding to complete Phase 2: Detailed Design Plan. Due to COVID-19, the purchase of the mill site, and pending OCP Revision, the project was put on hold in 2021. The project was restarted in 2022 – an RFP was issued June 2022 and Lawson Engineering was procured to complete the detailed design plan. The Plan was at 75% completion by the end of 2022, with the finishing touches to be added in 2023.
Official Community Plan	Revision of the OCP	In late 2021, the Village issued a Request for Proposals (RFP) to hire a consultant to complete the OCP Revision. By year end, Selkirk Planning & Design was procured to complete this work. After much public input, through engagement sessions, walking tours, open houses and surveys, the revised OCP was produced and adopted in October 2022.
Tennis Court Revitalization	Upgrades to the tennis court	In January 2022, the Village submitted an application to the Columbia Basin Trust <i>Outdoor Active Recreation Grant Program</i> , for revitalization of the tennis courts, including levelling the ground surface/base layers, new asphalt surface, installation of FlexCourt multi-game sport surface, and EZ Ice Rink kit. Work was ongoing throughout 2022 and the project is expected to be completed in 2023.
Breakwater	Repair of the Breakwater	In 2021, a report was received from staff on the current condition of the breakwater. In August 2022, a professional dive team performed a complete inspection of the breakwater, and produced a report including details on the pontoons, decking, and support beams. The report listed repair options (critical and recommended), and included cost estimates. Council committed to allocating funds to the 2023 budget for repair.
Economic Development	Create and support opportunities for economic development in Slocan and region.	Ongoing – Regional Economic Development Partnership between the Villages of Slocan, Silverton and New Denver, facilitated by Central Kootenay Community Futures.

Source Water	Analyze current water source, conduct testing analysis, feasibility.	An Infrastructure Planning Grant was received for completion of a <i>Village of Slocan Source Water Study</i> - Gwillim Creek currently supplies the Village its potable water via the Slocan Water Treatment Plant. Solutions and alternatives for source water supply will be considered, due to aging infrastructure and climate change factors. Work is ongoing.
Campground	Campground electrical upgrades	In 2021, the Villages of Slocan, Silverton and New Denver collaborated to prepare and submit an application to the Kootenay Rockies Tourism Development Fund, to support facilities upgrades at existing municipally-owned campgrounds, improving campground capacity and support increased tourism in the area. The group application was successful, and the Village will upgrade its electrical service at the Springer Creek RV Park & Campground, and expand site services. Work was ongoing throughout 2022, for completion in 2023.
Affordable Housing	Continue to work towards constructing an affordable housing complex in the Village.	An Affordable Housing Commission was formed in 2017, to gather information and provide recommendations to Council on future housing needs in Slocan. In 2019, the Village successfully procured M'akola Development Services to complete an Affordable Housing Feasibility Analysis for a housing complex within the Village. An analysis was completed in 2020. With a successful CMHC grant, a pre-development schematic design and concept plan was completed, with intention to prepare a funding application to BC Housing. A 2021 project proposal submission to BC Housing's "Building BC: Community Housing Fund" was selected to proceed. Accepting award of funding does not guarantee the project moves forward, but gives the Village an opportunity to accept the Pre-Development Funding (PDF) to complete the due diligence work, to confirm the project is viable from a developmental site use perspective. Staff, Council, and the Village's housing consultants will work together with BC Housing to submit the application to BC Housing for release of the PDF funds, to complete pre-development work. The pro-

		ject is proposed to be located at the north end of block 34.
Curling Club	Demolition	In 2022, the Village issued an RFP for demolition of the Curling Club, to prepare the lands for future housing development. Demolition is expected to be completed in 2023 after a contractor is procured.
Mill Site	Purchase of former Springer Creek Mill Site Lands	In late 2020, the Village purchased the former mill site lands, and committed to community consultation regarding the future of the site. The OCP update was completed in 2021, and visioning for a mill site masterplan will be forthcoming in 2024.
Boundary Expansion	Investigate Expansion	Under the Rural Resident Retention and Attraction Pilot Project, an initiative of the Ministry of Forests, Lands, Natural Resource Operations & Rural Development, developed to assist a few smaller, rural communities position themselves for investment, development, and ultimately the attraction and retention of residents, the Village will investigate boundary expansion. The Village currently holds title to properties outside the boundary, including the cemetery, Outriders grounds, Campground, and Owl Walk Park. Preliminary investigative work is and will be ongoing.
Connectivity	CBBC Fibre Backbone Project	Continue to encourage and support connectivity in the Slocan Valley.

PERMISSIVE TAX EXEMPTIONS 2022

For each permissive tax exemption granted by bylaw under Division 7 of Part 7 of the *Community Charter*, Council must include the amount of taxes that would have been imposed on the property if it were not exempt for that year. Calculating foregone tax revenue is done by applying the municipal tax rate to the value of the property that was permissively exempted.

Roll Number	Legal Description	Civic Address	Organization	Value of Permissive Exemption
105.000	Lot 11, Block 13, Plan 496, DL 292, Kootenay District	619 Arthur Street Slocan, BC	St. Andrew's Presbyterian Church and Hall	\$269.96
163.000	Lot 14 and Lot 15, Block 23, Plan 496, DL 292, Kootenay District	711 Harold Street Slocan, BC	St. Mary's Catholic Church and Hall	\$360.11
205.600	Plan NEP86609, Lot 1, Plan 496, DL 292, Kootenay District, Except Plan NEP90447	1001 Harold Street Slocan, BC	WE Graham Community Service Society	\$786.99
72.001	Lots 1 and 2, Block 10, District Lot 292, Plan 496, Kootenay Land District,	502 Harold Street, Slocan, BC	The Silvery Slocan Hall, Canadian Legion, Slocan Valley Branch #276	\$640.11
155.001	Lots 2 to 6, Block 22, District Lot 292, Plan 496, Kootenay Land District	710 Harold Street, Slocan, BC	Slocan Community Library Society	\$210.32
214.080 214.000 214.120 214.140	Lots 4 and 5, Block 39, District Lot 292, Kootenay Land District, Plan 496,	Adjoining Arthur Street Slocan, BC	"Community Garden", WE Graham Community Service Society	\$289.46
65.101	Lots 17 to 20, Block 8, District Lot 292, Plan 496, Kootenay Land District	503 Slocan Street, Slocan, BC	"Archives", portion leased to the Slocan Valley Historical Society.	\$108.43