

Presented by Eric Booth, former Salt Spring Island Trustee.

The following was my presentation to Trust Council today (March 11, 2020)

Thank you Mr. Chairman

I do not relish being here today to speak to this issue.

I am here today speaking on behalf of all property owners in the Trust Area who are or should be outraged at the state of affairs of application processing in the Trust Area as I outlined in my recent letter to you all.

As a taxpayer I was shocked last year to find just how poorly the Trust has been operating when it comes to processing land use applications, and, the resulting impact on taxes.

To be clear, when I say “the Trust” I am collectively referring to the corporate body, Trust Council, its appointed CAO, the provincial government employees employed as planning staff, including the Director of Local Planning Services and the Regional Planning Managers, all of whom have a statutory duty to follow established Trust Policies.

In 2004 I was likewise shocked to find the average cost of processing an application within the Trust Area was \$17,000. When I brought the matter to the attention of Trust Council senior staff could not provide a substantial explanation of why it was costing so much, or where the time was being spent. I recommended to Council that time tracking software be purchased and implemented, and, I understand my recommendation was followed in 2006 after I left office.

However, at the time there was already Trust Policy, established circa 1993 through 1996, which should have acted as a failsafe to protect taxpayers. However, that failsafe has failed because the Policy has not been followed by Staff, and, has been ignored by Trust Council as a whole.

As a result of that failure, I estimate that over \$20 million of subsidy to development within the Trust Area has been inappropriately placed on the backs of the very same taxpayers who elected every local trustee sitting around this table to represent their best interests...as local trustees who have a duty to ensure the trust placed in their elected representative is upheld and not broken.

Ok

It was reported to you last year at this time that 92.7%, or \$2,092,000, of the cost of application processing was paid by taxpayers.

How much should have been paid by taxpayers if the failsafe Trust Policies were followed? Zero dollars.

How then has this been allowed to continue since 2004 when I first rang the alarm on behalf of those I represented?

Well, in 2007 the Trust paid thousands of dollars to Stantec Consulting to look into the matter. Stantec completed their report and provided recommendations which were brought forward to this corporate body in September 2007. The efficiency of processing applications was quantified

by Stantec at 43%...put in another way, the inefficiency at the time was 57%.

So, according to the data published last year, the Trust is now about 6 times less efficient in processing an application than in 2007, and about 13 times less efficient than Trust Policy dictates it should be.

It is unquestionable and undeniably clear that Staff have not been following Policy. However, the question as to “why” Staff haven’t been following policy is not.

And that is what is really at the heart of this issue. How is it that for 16 years, two Chief Administrative Officers, three Directors of Local Planning Services later, staff is still, to this day, not following Policies?

The Policies are clear. They were intended to be clear when they were written and adopted by Trust Council. They set out exactly how long Application Processing should take for any one of 15 different applications. They set out exactly the process Staff are to follow when first considering the cost of processing an application. They set out exactly how much time it should take, and therefore how much an average application will cost, planners to process. They set out exactly how Staff are to estimate and calculate extraordinary costs, and they set out exactly how Staff are to invoice applicants, not taxpayers, for additional costs.

And yet, the Policies have been entirely ignored.

When we explore the results of ignoring them, a number of things become clear.

1. There is consequently no time constraint on how much time Staff can spend on an application. In other words, ignoring the policies means there is no check on the efficiency of any planner as to how efficiently they process a particular application. Time becomes meaningless.
2. The result of no check on efficiency of application processing means applications take longer to process. The proof of this is clearly presented in the fact that applications, on average, are taking 13 times longer than they should. I’m going to say that again – Applications are taking 13 times longer on average to process than they should.
3. What is the impact on applicants when an application takes 13 times longer than it should? I would suggest you ask that question of virtually any applicant which has come before any of your Local Trust Committees over the past 16 years. Ask them what their additional costs have been due to the time delays they have experienced.
4. The impact on taxpayers is startling. Over 25% of the Trust’s entire budget last year, paid for by the electors you were all elected to represent, was in essence flushed down the proverbial drain.

Because of this, given the 16 years since I first brought this to the attention of the Trust, it is not a stretch to suggest the cost to taxpayers has been well over \$20 million dollars. \$20 million dollars of taxpayers’ hard-earned, after-tax dollars, to subsidize development within the Trust Area simply because this corporation has ignored Policy.

5. The fact that applications take 13 times longer begs the question whether there is an actual unwritten, internal policy adopted by staff to ignore the written policies and take their time processing applications, in order to slow development in the Trust Area down. Given the entirety of circumstances, and the magnitude of the issue, that's NOT an unreasonable question to ask.

The Trust has woken somewhat to this issue, because there is now a new, proposed Application Processing Template bylaw in draft form.

When I read through it I was impressed by the fact the Trust Policies which are still not being adhered to are not even mentioned...while at the same time the primary "solution" being touted is simply to raise application fees.

With all due respect, this is akin to a chicken farmer being told by the fox he doesn't need to mend the fence... he just needs to get a few more chickens. According to the Staff report on the draft bylaw, an average rezoning application costs about \$12,000 to process.

Comparing that to the existing Policy guidelines, that suggests an average rezoning application is taking only 3 times longer than it should, not 13 times longer than the financial data show for applications. Then where is the additional time spent? Something doesn't add up here and no audit has been conducted which would shed more light.

In addition, even if Staff's current recommendations are adopted, it means taxpayers will still be picking up about \$1.5 million a year in subsidizing development applications.

To that point, there is some discussion within the Staff Report about the "benefit" to the public of the Trust in processing a development application. With all due respect, if one taxpayer wants to make an application to rezone a property, why should a taxpayer from Lasqueti pay for ANY part of processing a land use application on Salt Spring? Especially when there are specific policies to address this?

With all due respect the current proposal is entirely inadequate, and, in my opinion, attempts to veil the underlying inefficiency which is apparent.

And this is where the issue begins to boil down to its essence. If applications are taking 13 times longer on average to process, one approach would be to increase application fees 13 fold. However, what would the consequences of that be? Well, the very first taxpayer to apply for a rezoning application would be told the application fee has recently been increased from \$5,000 to \$65,000. And, what do you think you, as the elected representative, would hear from that taxpayer? This would become front page news, as it should now be.

Instead, Staff are recommending you make things more complicated, add on a few additional charges here and there, and only charge a total of say \$12,000....which would leave taxpayers to pick up the additional \$53,000 of processing.

I'm going to put it to you all that this situation has been out of control for over 16 years, and has

gotten worse, not better, over that time.

The question of whether this whole matter is actionable has arisen.

Do you, and this corporate body, owe an administrative duty of care to the electors of the Trust Area to ensure the Trust's Policies are followed, to ensure the taxpayers are receiving fair service for fair cost? That's a great question, and as our representative one you should all be asking yourselves.

If this was a private corporation which you owned, and you discovered it was operating at a 7.1% efficiency, and that you were subsidizing that inefficiency by over \$2,000,000 a year, and that the reason for the subsidy was that the CAO you appointed, and your Directors and employees had been collectively blatantly ignoring company policies for 16 years, in spite of an independent consultant's report and recommendations leading to a \$20 million loss...I'm going to ask you... would you demand that heads roll and that existing policies be enforced, or, just continue business as usual and raise rates to try and cover the ongoing losses?

It's entirely your decision to make, one way or another. You are the captains of this enterprise, but it is long past time to right this ship.

Thank you.

Eric Booth, Islands Trustee (2002-2005).