

# **FALSE ECONOMY: BUYING BACK YOUR COMMUNITY AMENITIES**

We examine a few examples of other communities' amenity loss and the recent costs and efforts to acquire and protect environmentally sensitive and significant green space, and then looks at ways to avoid incurring the false economy of amenity loss in our own communities.

## **What is false economy?**

False economy is buying something today to save a dollar and then spending two dollars a week later to fix or replace that item. Most of us have done that, at one time or another, to either save a buck or take advantage of a deal that was just too good to pass up.

## **What happens when an entire community defers a cost?**

A new municipality may accept reduced development costs or forgo amenity acquisition to attract growth or expand its tax base. In either case, the consequence is usually higher property taxes at a later date if the municipality experiences a revenue shortfall over expenses or experiences a shortage of community amenities (such as park land, trails, sidewalks or other community facilities) needed by the growing community. This is the false economy.

Older municipalities may keep taxes in check by deferring maintenance and not replacing aging infrastructure. However, when a sewer line fails, a water line needs upgrading, a street needs a new road base or a bridge becomes unsafe, the one dollar that should have been spent on maintenance and scheduled replacement becomes a two dollar capital cost for emergency repair or replacement. Reading the newspaper or listening to the news provides us with a lengthy list of local municipalities either creating or dealing with false economies.

## **Amenity loss examples**

About 30 years ago, many urban communities in the Greater Victoria area realized they had lost, or were losing, many of the natural amenities that brought earlier residents to this area. In some instances, the loss of an economy based on seemingly endless natural resources and access to farm land, fresh water, the ocean, forests and wild life resulted in costly damage to their community.

### **Bowker Creek**

Bowker Creek begins at the University of Victoria and empties into Oak Bay; it drains a 1,000 hectare watershed. Starting a hundred years ago, portions of the creek were filled, put underground, paved over and otherwise neglected. Flooding, pollution and garbage dumping plagued the old creek corridor. In the 1980s, the community realized the

creek's importance and has since spent millions of taxpayers' dollars on continuing projects to reopen parts of the waterway and replace the abandoned edges with walkways and animal habitat.

More:

[www.crd.bc.ca/watersheds/protection/bowker/](http://www.crd.bc.ca/watersheds/protection/bowker/)

### **Selkirk Waters, Gorge Waterway and the Inner Harbour**

These shorelines were once the industrial hub of the City of Victoria, but, by the 1970s, the shorelines were contaminated and the waters polluted beyond safe levels for both fish and humans. Community groups, senior governments and local taxpayers put in a great deal of effort to reclaim much of this area. The Kinsmen Club returned Gorge Park beach on the Gorge Waterway (in Esquimalt) to its earlier use as a water park for community use. Craigflower Creek and the Colquitz River (both flowing into the Selkirk Waters of Victoria's Upper Harbour) were two of the earliest urban reclamation projects; fish, trails and renewed residential growth returned to these neglected areas of Saanich.

More:

[www.esquimalt.ca/parksrecreation/parks/parksdescriptions.aspx](http://www.esquimalt.ca/parksrecreation/parks/parksdescriptions.aspx)

[www.crd.bc.ca/watersheds/protection/craigflower/](http://www.crd.bc.ca/watersheds/protection/craigflower/)

[www.saanich.ca/resident/parks/pdfs/colquitzriver.pdf](http://www.saanich.ca/resident/parks/pdfs/colquitzriver.pdf)

### **Bee Creek**

Bee Creek in Colwood runs through the grounds of Royal Roads University and empties into Esquimalt Lagoon. Restoring one kilometre of this fish bearing creek cost thousands of dollars and hours of volunteer time. The preservation and restoration of the lagoon itself is the objective of another organization, the Esquimalt Lagoon Initiative Strategy.

More:

[www.crd.bc.ca/watersheds/protection/beeecreek/](http://www.crd.bc.ca/watersheds/protection/beeecreek/)

[www.elsi.ca/plans-strategies/index.htm](http://www.elsi.ca/plans-strategies/index.htm)

### **Swan Lake Nature Sanctuary and Rithet's Bog**

These Saanich wetlands were fortunately not as damaged as wetlands in some other areas as the municipality and the community realized how important it is to retain this type of green space amenity and protected these wetlands from being drained and developed.

More:

[www.swanlake.bc.ca](http://www.swanlake.bc.ca)

[www.rithetsbog.org](http://www.rithetsbog.org)

### **Our own communities**

As unincorporated communities, Shirley and Otter Point don't own, or have responsibility for, any of our municipal services; these services are either privately owned, or the Province and the Capital Regional District (CRD) takes care of them. We pay property taxes, but historically these taxes haven't covered the actual cost of providing all of our

services: the province subsidizes our policing and road costs; we purchase our planning services from the CRD; volunteers provide our fire, and search and rescue services; and many of us pay privately for services (such as garbage collection and water supply).

### **Opportunities to avoid false economies**

Allowing growth without considering future costs is false economy. While we can't protect ourselves from everything (and can't always make correct forecasts), we can certainly take the time to learn from the experiences of others and avoid making the same mistakes ourselves.

We *do* have the opportunity to avoid the future tax expenses needed to buy back, repair or rehabilitate our communities' natural amenities (the above examples illustrate the huge costs to taxpayers elsewhere in the South Island regions). We *do* have the opportunity to ensure that we protect select areas as the community grows by exacting a fee or amenity from a developer in exchange for their legal right to increase the value of their property through zoning change, greater building density or subdivision.

We have three ways to acquire desirable amenities, such as parks, trails, etc., at little cost:

1. The Province approves all subdivision applications for unincorporated areas (such as Shirley and Otter Point). Provincial legislation requires that fee simple subdivisions, but not family or 4-on-10 (strata) subdivisions, make a mandatory 5% land or cash donation to the electoral area. Our Parks & Recreation Commission recommends to the Juan de Fuca Electoral Area Land Use Committee, and thus the CRD Board, which cash or land option to take, and what land to accept for parks and trails in lieu of cash.
2. The Juan de Fuca Land Use Committee considers applications to rezone a property after consulting with appropriate agencies, commissions and the community. Applicants could donate land, or other community assets as one of the requirements for rezoning.
3. The CRD may require a private owner to place a Green Covenant on a portion of their land or their development to limit or prevent any changes to the land.

### **Actions**

We should first identify land for trails, parks, foreshore access, community watersheds and community forests, and protect sensitive ecosystems and wild life corridors. We can then, if possible, obtain these natural features as they become available for purchase or as development occurs.

Living near the water is attractive, and we already see some lakes, wetlands, streams and foreshores in Shirley and Otter Point altered by development. We don't need to burden future generations of taxpayers with the cost to reclaim them.

The first parks plan for the Juan de Fuca Electoral Area is nearly finalized. This document includes an inventory of green space amenities that the Juan de Fuca Electoral Area Parks & Recreation Commission recommends acquiring as the

opportunity arises.

The introduction of Otter Point's and Shirley's Official Community Plans (OCPs) in 2007 continued the work begun in 1996 with the *Otter Point and Shirley Local Area Plan*. These planning documents helped to identify and protect certain areas from development and established guidelines to minimize the impact of residential, commercial and industrial growth on the environment. These OCPs come under review in 2010 (Otter Point) and 2011 (Shirley/Jordan River) giving our communities another opportunity to comment on where and how growth should happen.

## **Conclusion**

Experience elsewhere shows that any attempt to prevent false economies requires a vision backed by fair regulations that have the support of the community; the community then must have the willpower to stand by those regulations.