



**AGENDA FOR THE SPECIAL REGULAR MEETING OF COUNCIL HELD IN
CONFERENCE ROOM A, THE COUNCIL CHAMBER AND
ELECTRONICALLY (HYBRID) FROM CITY HALL, 141 WEST 14TH STREET,
NORTH VANCOUVER, BC, ON **MONDAY, MAY 8, 2023 AT 5:30 PM****

“Live” Broadcast via City Website www.cnv.org/LiveStreaming
Complete Agenda Package available at www.cnv.org/CouncilMeetings

*The City of North Vancouver acknowledges that this Council meeting is held on the
traditional territories of the Squamish and Tsleil-Waututh Nations.*

CALL TO ORDER

APPROVAL OF AGENDA

1. Special Regular Council Meeting Agenda, May 8, 2023

ADOPTION OF MINUTES

2. Regular Council Meeting Minutes, April 24, 2023

RECESS TO SPECIAL CLOSED SESSION

PUBLIC INPUT PERIOD

CONSENT AGENDA

Items *3, *4, *5 and *6 are listed in the Consent Agenda and may be considered separately or in one motion.

REPORT

- *3. Alternative Approval Process Regarding Derek Inman Parklands Adjustment –
Petition Results

BYLAWS – ADOPTION

- *4. “Parks Dedication Bylaw, 1972, No. 4392, Amendment Bylaw, 2023, No. 8965”
(Derek Inman Parklands Adjustment)
- *5. “Development Cost Charge (Transportation) Reserve Fund Bylaw, 2023,
No. 8972” (2023 Capital Plan Funding)
- *6. “Development Cost Charge (Parks) Reserve Fund Bylaw, 2023, No. 8973”
(2023 Capital Plan Funding)

REPORT

7. 2022 Audited Consolidated Financial Statements

INTRODUCTION

Artist in Residency Program at The Shipyards – Allison Chow

Information Report, April 26, 2023 – “Artist in Residency Program at The Shipyards”

REPORTS

8. Lonsdale Energy Corp. – 2023 Annual General Meeting
9. Mickey McDougall Facility and Flicka Gymnastics – Authority to Enter into Funding Agreement
10. Child Care Business Licence Application BUS-33823 – Lifeway Child Care Centre (532 East 4th Street) – Initial Consideration
11. CanExport Community Investment Projects

PUBLIC CLARIFICATION PERIOD

COUNCIL INQUIRIES / REPORTS

NEW ITEMS OF BUSINESS

NOTICE OF MOTION

RECESS TO CLOSED SESSION

REPORT OF THE COMMITTEE OF THE WHOLE (CLOSED SESSION)

ADJOURN

CALL TO ORDER

APPROVAL OF AGENDA

1. Special Regular Council Meeting Agenda, May 8, 2023

ADOPTION OF MINUTES

2. Regular Council Meeting Minutes, April 24, 2023

RECESS TO SPECIAL CLOSED SESSION

THAT Council recess to the Special Committee of the Whole, Closed Session, pursuant to the *Community Charter*, Section 90(1)(l) [annual report].

PUBLIC INPUT PERIOD

The Public Input Period is addressed in sections 12.20 to 12.28 of “Council Procedure Bylaw, 2015, No. 8500.” The time allotted for each speaker addressing Council during the Public Input Period is 2 minutes, with the number of speakers set at 5 persons. Speakers’ comments will be audio recorded, as well as live-streamed on the City’s website, and will form part of the public record.

Speakers may only speak on the same matter once in a 3-month period.

Speakers during the Public Input Period are permitted to join the meeting in person in the Council Chamber or electronically via Webex. There are 2 ways to sign up to speak during the Public Input Period.

- 1) IN PERSON: Speakers who choose to participate in person must sign the speaker list located outside the Council Chamber between 5:30 and 5:55pm on the day of the Council meeting.
- 2) ELECTRONICALLY VIA WEBEX: Speakers who choose to participate electronically must pre-register by 12:00 noon on the day of the Council meeting by completing the online form at cnv.org/PublicInputPeriod, or by phoning 604-990-4230. These pre-registrants will receive instructions by email or phone on the afternoon before the Council meeting.

If a speaker has written material to accompany their comments, the material must be sent to the Corporate Officer at clerks@cnv.org no later than 12:00 noon on the day of the Council Meeting.

The Public Input Period provides an opportunity for comment only and places the speaker’s concern on record, without the expectation of a response from Council. Speakers must comply with the General Rules of Conduct set out in section 5.1 of “Council Procedure Bylaw, 2015, No. 8500” and may not speak with respect to items as listed in section 12.25(2).

Speakers are requested not to address matters that refer to items from a concluded Public Hearing/Public Meeting or to Public Hearings, Public Meetings and Committee meetings when those matters are scheduled on the same evening’s agenda, as an opportunity for public input is provided when the particular item comes forward for discussion.

Please address the Mayor as “Your Worship” or “Mayor, followed by his/her surname”. Councillors should be addressed as “Councillor, followed by his/her surname”.

CONSENT AGENDA

Items *3, *4, *5 and *6 are listed in the Consent Agenda and may be considered separately or in one motion.

RECOMMENDATION:

THAT the recommendations listed within the “Consent Agenda” be approved.

START OF CONSENT AGENDA

REPORT

- *3. Alternative Approval Process Regarding Derek Inman Parklands Adjustment – Petition Results – File: 09-4250-20-0007/1

Report: Corporate Officer, April 26, 2023

RECOMMENDATION:

PURSUANT to the report of the Corporate Officer, dated April 26, 2023, entitled “Alternative Approval Process Regarding Derek Inman Parklands Adjustment – Petition Results”:

THAT the Corporate Officer’s Certification for the Alternative Approval Process Opportunity regarding Derek Inman Parklands Adjustment be received and filed;

AND THAT “Parks Dedication Bylaw, 1972, No. 4392, Amendment Bylaw, 2023, No. 8965” (Derek Inman Parklands Adjustment) be considered for final adoption.

BYLAWS – ADOPTION

- *4. “Parks Dedication Bylaw, 1972, No. 4392, Amendment Bylaw, 2023, No. 8965” (Derek Inman Parklands Adjustment)

RECOMMENDATION:

THAT “Parks Dedication Bylaw, 1972, No. 4392, Amendment Bylaw, 2023, No. 8965” (Derek Inman Parklands Adjustment) be adopted, signed by the Mayor and Corporate Officer and affixed with the corporate seal.

- *5. “Development Cost Charge (Transportation) Reserve Fund Bylaw, 2023, No. 8972” (2023 Capital Plan Funding)

RECOMMENDATION:

THAT “Development Cost Charge (Transportation) Reserve Fund Bylaw, 2023, No. 8972” (2023 Capital Plan Funding) be adopted, signed by the Mayor and Corporate Officer and affixed with the corporate seal.

CONSENT AGENDA – Continued

BYLAWS – ADOPTION – Continued

- *6. “Development Cost Charge (Parks) Reserve Fund Bylaw, 2023, No. 8973”
(2023 Capital Plan Funding)

RECOMMENDATION:

THAT “Development Cost Charge (Parks) Reserve Fund Bylaw, 2023, No. 8973”
(2023 Capital Plan Funding) be adopted, signed by the Mayor and Corporate
Officer and affixed with the corporate seal.

END OF CONSENT AGENDA

REPORT

7. 2022 Audited Consolidated Financial Statements – File: 05-1680-04-0001/2022

Report: Chief Financial Officer, April 26, 2023

RECOMMENDATION:

PURSUANT to the report of the Chief Financial Officer, dated April 26, 2023,
entitled “2022 Audited Consolidated Financial Statements”:

THAT in accordance with Section 167 of the *Community Charter*, Council accept
the City of North Vancouver Consolidated Financial Statements for the year
ended December 31, 2022.

INTRODUCTION

Artist in Residency Program at The Shipyards – Allison Chow

*Information Report, April 26, 2023 – “Artist in Residency Program at The
Shipyards”*

REPORTS

8. Lonsdale Energy Corp. – 2023 Annual General Meeting
– File: 11-5500-06-0001/1

Report: Chief Executive Officer, Lonsdale Energy Corp., May 3, 2023

RECOMMENDATION:

PURSUANT to the report of the Chief Executive Officer, Lonsdale Energy Corp., dated May 3, 2023, entitled “2023 Annual General Meeting”:

THAT the 2022 Financial Statements be received and filed;

THAT the proposed Unanimous Consent Resolutions of the Shareholder of Lonsdale Energy Corp. be endorsed;

AND THAT the Mayor and Corporate Officer be authorized to sign the resolution.

9. Mickey McDougall Facility and Flicka Gymnastics – Authority to Enter into Funding Agreement – File: 02-0800-30-0013/1

Report: Senior Project Manager, April 14, 2023

RECOMMENDATION:

PURSUANT to the report of the Senior Project Manager, dated April 14, 2023, entitled “Mickey McDougall Facility and Flicka Gymnastics – Authority to Enter into Funding Agreement”:

THAT the Mayor and Corporate Officer be authorized to sign the Infrastructure Canada “Green and Inclusive Community Buildings Program” funding agreement and any other documentation to give effect to this motion.

10. Child Care Business Licence Application BUS-33823 – Lifeway Child Care Centre (532 East 4th Street) – Initial Consideration – File: 13-6750-10-0001/1

Report: Business Licence Inspector, April 26, 2023

RECOMMENDATION:

PURSUANT to the report of the Business Licence Inspector, dated April 26, 2023, entitled “Child Care Business Licence Application BUS-33823 – Lifeway Child Care Centre (532 East 4th Street)”:

THAT the Public Meeting be waived for Business Licence Application BUS-33823;

AND THAT the Business Licence Application BUS-33823 for Lifeway Child Care Centre be approved.

REPORTS – Continued

11. CanExport Community Investment Projects – File: 13-6750-01-0001/2023

Report: Manager, Economic Development, April 26, 2023

RECOMMENDATION:

PURSUANT to the report of the Manager, Economic Development, dated April 26, 2023, entitled “CanExport Community Investment Projects”:

THAT the Mayor and Corporate Officer be authorized to sign the Contribution Agreement with Global Affairs Canada for the 2023 CanExport Community Investments Sub-Program;

AND THAT staff report back to Council on project implementation and outcomes at the conclusion of the Contribution Agreement.

PUBLIC CLARIFICATION PERIOD

The Public Clarification Period is limited to 10 minutes in total and is an opportunity for the public to ask a question regarding process or clarification on an item on the Regular Council Agenda. The Public Clarification Period concludes after 10 minutes and the Regular Council Meeting reconvenes.

COUNCIL INQUIRIES / REPORTS

NEW ITEMS OF BUSINESS

NOTICE OF MOTION

RECESS TO CLOSED SESSION

THAT Council recess to the Committee of the Whole, Closed Session, pursuant to the *Community Charter*, Sections 90(1)(c) [labour relations], 90(1)(e) [land matter] and 90(1)(j) [information privacy].

REPORT OF THE COMMITTEE OF THE WHOLE (CLOSED SESSION)

ADJOURN

THIS PAGE INTENTIONALLY LEFT BLANK



**MINUTES OF THE REGULAR MEETING OF COUNCIL HELD IN THE
COUNCIL CHAMBER AND ELECTRONICALLY (HYBRID) FROM CITY
HALL, 141 WEST 14TH STREET, NORTH VANCOUVER, BC, ON
MONDAY, APRIL 24, 2023**

PRESENT

COUNCIL MEMBERS

Mayor L. Buchanan
Councillor H. Back
Councillor D. Bell
Councillor A. Girard
Councillor J. McIlroy
Councillor S. Shahriari
Councillor T. Valente

STAFF MEMBERS

L. McCarthy, CAO
K. Graham, Corporate Officer
J. Peters, Acting Deputy Corporate Officer
B. Pearce, Deputy CAO / Director, Strategic and Corporate Services
R. Skene, Deputy Director, Strategic and Corporate Services
L. Sawrenko, Chief Financial Officer
H. Granger, City Solicitor
T. Ryce, Chief Building Official
R. Basi, Manager, Development Planning
M. Friesen, Manager, Environmental Sustainability
R. de St. Croix, Manager, Long Range and Community Planning
B. Underhill, Transportation Planner
L. Lensink, Planner, Environmental Sustainability
B. van der Heijden, Development Planner
H. Dang, Development Planner
K. Magnusson, Director, Engineering, Parks and Environment
D. Hutch, Deputy Director, Parks and Public Spaces
J. Hall, Manager, Public Realm Infrastructure
C. Lesmeister, Planner
L. Orr, Acting Director, Community and Partner Engagement
S. Smith, Manager, Economic Development
B. Lin, Economic and Business Development Coordinator
J. Roy, Manager, Civic Facilities
K. Chan, Manager, Information Technology
D. Foldi, Senior Project Manager
E. Doran, Director, People and Culture
G. Schalk, Public Safety Director and Fire Chief
P. Duffy, Manager, Bylaw Services
M. Hunter, Deputy Director, Recreation and Culture, NVRC
D. Koep, Chief Librarian, NV Library
C. Bulman, Committee and Records Clerk

The meeting was called to order at 6:00 pm.

APPROVAL OF AGENDA

Moved by Councillor Back, seconded by Councillor Valente

1. Regular Council Meeting Agenda, April 24, 2023

CARRIED UNANIMOUSLY

ADOPTION OF MINUTES

Moved by Councillor Back, seconded by Councillor Bell

2. Regular Council Meeting Minutes, April 17, 2023

CARRIED UNANIMOUSLY

PROCLAMATIONS

Mayor Buchanan declared the following proclamations:

Day of Mourning – April 28, 2023

Polonia Day – May 2, 2023 – read by Councillor Girard

PUBLIC INPUT PERIOD

- Soushiant Zanganehpour, 350 Inglewood Avenue, West Vancouver, spoke regarding Item 8 – Commemoration Policy and PS752 Memorial.
- Konrad Kobielewski, 604-2190 Bellevue Avenue, West Vancouver, spoke regarding Polonia Day.

CONSENT AGENDA

Moved by Councillor Bell, seconded by Councillor Girard

THAT the recommendations listed within the “Consent Agenda” be approved.

CARRIED UNANIMOUSLY

START OF CONSENT AGENDA

BYLAWS – ADOPTION

*3. “Financial Plan for the Years 2023 to 2027 Bylaw, 2023, No. 8962”

Moved by Councillor Bell, seconded by Councillor Girard

THAT “Financial Plan for the Years 2023 to 2027 Bylaw, 2023, No. 8962” be adopted, signed by the Mayor and Corporate Officer and affixed with the corporate seal.

(CARRIED UNANIMOUSLY)

*4. “Tax Rates Bylaw, 2023, No. 8963”

Moved by Councillor Bell, seconded by Councillor Girard

THAT “Tax Rates Bylaw, 2023, No. 8963” be adopted, signed by the Mayor and Corporate Officer and affixed with the corporate seal.

(CARRIED UNANIMOUSLY)

CONSENT AGENDA – Continued

BYLAWS – ADOPTION – Continued

- *5. “Inter-municipal Transportation Network Services Business Licence Agreement Bylaw, 2023, No. 8966” (Expanding the Inter-municipal TNS Business Licence to Hope, Kent and Mission)

Moved by Councillor Bell, seconded by Councillor Girard

THAT “Inter-municipal Transportation Network Services Business Licence Agreement Bylaw, 2023, No. 8966” (Expanding the Inter-municipal TNS Business Licence to Hope, Kent and Mission) be adopted, signed by the Mayor and Corporate Officer and affixed with the corporate seal.

(CARRIED UNANIMOUSLY)

- *6. “Inter-municipal Transportation Network Services Business Licence Scheme Bylaw, 2023, No. 8967” (Expanding the Inter-municipal TNS Business Licence to Hope, Kent and Mission)

Moved by Councillor Bell, seconded by Councillor Girard

THAT “Inter-municipal Transportation Network Services Business Licence Scheme Bylaw, 2023, No. 8967” (Expanding the Inter-municipal TNS Business Licence to Hope, Kent and Mission) be adopted, signed by the Mayor and Corporate Officer and affixed with the corporate seal.

(CARRIED UNANIMOUSLY)

REPORT

- *7. Appointment of North Shore Designate to E-Comm Board – 2023-2024 Term and Proxyholder for E-Comm Board Annual General Meeting
– File: 01-0230-20-0016/2023

Report: Corporate Officer, April 19, 2023

Moved by Councillor Bell, seconded by Councillor Girard

PURSUANT to the report of the Corporate Officer, dated April 19, 2023, entitled “Appointment of North Shore Designate to E-Comm Board – 2023-2024 Term and Proxyholder for E-Comm Board Annual General Meeting”:

THAT District of North Vancouver Mayor Mike Little be nominated to serve as the North Shore designate to the E-Comm Board of Directors for the 2023-2024 term, such Board to be elected by the E-Comm Board of Directors at the Annual General Meeting on June 22, 2023;

AND THAT Mayor Mike Little be designated as nominee to attend the Annual General Meeting of the Shareholders for the purpose of voting the City of North Vancouver shares.

(CARRIED UNANIMOUSLY)

END OF CONSENT AGENDA

PRESENTATION

Commemoration Policy and PS752 Memorial: Proposed Approach – Park Planner 2

The Park Planner 2 and Deputy Director, Parks and Public Spaces, provided a PowerPoint presentation regarding the “Commemoration Policy and PS752 Memorial: Proposed Approach” and responded to questions of Council.

REPORTS

8. Commemoration Policy and PS752 Memorial: Proposed Approach
– File: 12-6120-01-0001/2023

Report: Park Planner 2, April 12, 2023

Moved by Councillor Girard, seconded by Councillor Back

PURSUANT to the report of the Park Planner 2, dated April 12, 2023, entitled “Commemoration Policy and PS752 Memorial: Proposed Approach”:

THAT the proposed approach to develop a City Commemoration Policy be endorsed;

AND THAT the Commemoration Policy be used to guide the delivery of the Flight PS752 memorial and all future related projects.

Moved by Councillor Shahriari, seconded by Councillor Bell

THAT the motion be amended to replace the last clause with the following:

“AND THAT staff be directed to use a parallel process to develop a commemoration policy and move forward with a Flight PS752 memorial process.”

Amendment motion, **CARRIED**

Mayor Buchanan is recorded as voting in opposition to the amendment motion.

Main motion, as amended, **CARRIED UNANIMOUSLY**

9. UBCM EOC Grant – Emergency Operations Centre (EOC) and Department Operations Centre (DOC) Interoperability Enhancements
– File: 14-7130-01-0001/2023

Report: Manager, Operational Readiness, North Shore Emergency Management,
April 12, 2023

Moved by Councillor McIlroy, seconded by Councillor Bell

PURSUANT to the report of the Manager, Operational Readiness, North Shore Emergency Management, dated April 12, 2023, entitled “UBCM EOC Grant – Emergency Operations Centre (EOC) and Department Operations Centre (DOC) Interoperability Enhancements”:

Continued...

REPORTS – Continued

9. UBCM EOC Grant – Emergency Operations Centre (EOC) and Department Operations Centre (DOC) Interoperability Enhancements
– File: 14-7130-01-0001/2023 – Continued

THAT Council support the submission of the application to the Community Emergency Preparedness Fund (CEPF), under the stream of 2023 Emergency Operations Centres and Training, for the project entitled “Emergency Operations Centre (EOC) and Department Operations Centre (DOC) Interoperability Enhancements”;

AND THAT Council commit to the District of North Vancouver providing overall grant management for the project, on behalf of the City of North Vancouver and the District of West Vancouver.

CARRIED UNANIMOUSLY

10. UBCM Poverty Reduction Planning and Action Program – North Shore Poverty Reduction Strategy, North Shore Solutions Navigator Program Update and 2023 Action Grant Opportunity – File: 10-5080-20-0005/1

Report: Manager, Long Range and Community Planning, April 12, 2023

Moved by Councillor Valente, seconded by Councillor McIlroy

PURSUANT to the report of the Manager, Long Range and Community Planning, dated April 12, 2023, entitled “UBCM Poverty Reduction Planning and Action Program – North Shore Poverty Reduction Strategy, North Shore Solutions Navigator Program Update and 2023 Action Grant Opportunity”:

THAT the North Shore Poverty Reduction Strategy be endorsed;

THAT staff be directed to work with the District of North Vancouver and District of West Vancouver to submit a regional application for the North Shore under the 2023 intake for Stream 2 of the UBCM Poverty Reduction Planning and Action Program;

THAT Council support the District of North Vancouver as the primary applicant for the North Shore to apply for, receive and manage the 2023 UBCM Poverty Reduction Planning and Action Program grant funding on the City of North Vancouver’s behalf;

AND THAT subject to confirmation that full funding is available, the project be authorized to proceed.

CARRIED UNANIMOUSLY

REPORTS – Continued

11. Moodyville Traffic Signals Project (53250) – Funding Reallocation
– File: 11-5460-01-0001/2023

Report: Section Manager, Traffic Engineering, April 12, 2023

Moved by Councillor Girard, seconded by Councillor Shahriari

PURSUANT to the report of the Section Manager, Traffic Engineering, dated April 12, 2023, entitled “Moodyville Traffic Signals Project (53250) – Funding Reallocation”:

THAT an amount of \$65,000 of existing funding be reallocated from Project 53263 “New Pedestrian Crossing Facilities – St. Andrews Avenue at Keith Road” for the purpose of funding the Moodyville Traffic Signals Project;

AND THAT an amount of \$20,000 of existing funding be reallocated from Project 53259 “Traffic Signal System Upgrades” for the purpose of funding the Moodyville Traffic Signals Project.

CARRIED UNANIMOUSLY

12. 2023 Appropriations #1 – File: 05-1705-30-0019/2023

Report: Chief Financial Officer, April 12, 2023

Moved by Councillor McIlroy, seconded by Councillor Back

PURSUANT to the report of the Chief Financial Officer, dated April 12, 2023, entitled “2023 Appropriations #1”:

THAT (Funding Appropriation #2306) an amount of \$4,100,746 be appropriated from the General Capital Reserve for the purpose of funding the 2023-2027 Capital Plan;

THAT (Funding Appropriation #2307) an amount of \$3,295,750 be appropriated from the Civic Amenity Reserve for the purpose of funding the 2023-2027 Capital Plan;

THAT (Funding Appropriation #2308) an amount of \$11,483,813 be appropriated from the Civic Amenity – Harry Jerome CRC Reserve for the purpose of funding the 2023-2027 Capital Plan;

THAT (Funding Appropriation #2309) an amount of \$620,000 be appropriated from the Tax Sale Land Interest Reserve for the purpose of funding the 2023-2027 Capital Plan;

THAT (Funding Appropriation #2310) an amount of \$365,883 be appropriated from the Carbon Fund Reserve for the purpose of funding the 2023-2027 Capital Plan;

Continued...

REPORTS – Continued

12. 2023 Appropriations #1 – File: 05-1705-30-0019/2023 – Continued

THAT (Funding Appropriation #2312) an amount of \$100,000 be appropriated from the Cemetery Fund Reserve for the purpose of funding the 2023-2027 Capital Plan;

THAT (Funding Appropriation #2313) an amount of \$50,154 be appropriated from the Computer Equipment Fund Reserve for the purpose of funding the 2023-2027 Capital Plan;

THAT (Funding Appropriation #2314) an amount of \$45,119 be appropriated from the General Building Fund Reserve for the purpose of funding the 2023-2027 Capital Plan;

THAT (Funding Appropriation #2315) an amount of \$16,686 be appropriated from the General Equipment Replacement Fund Reserve for the purpose of funding the 2023-2027 Capital Plan;

THAT (Funding Appropriation #2316) an amount of \$5,524 be appropriated from the Justice Administration Building Fund Reserve for the purpose of funding the 2023-2027 Capital Plan;

THAT (Funding Appropriation #2317) an amount of \$515,000 be appropriated from the Engineering Equipment Replacement Fund Reserve for the purpose of funding the 2023-2027 Capital Plan;

THAT “Development Cost Charge (Transportation) Reserve Fund Bylaw, 2023, No. 8972” (2023 Project Plan Funding), a Bylaw to appropriate an amount of \$198,000 from the DCC (Transportation) Reserve Fund to fund the 2023 Project Plan, be considered;

THAT “Development Cost Charge (Parks) Reserve Fund Bylaw, 2023, No. 8973” (2023 Project Plan Funding), a Bylaw to appropriate an amount of \$371,250 from the DCC (Parks) Reserve Fund to fund the 2023 Project Plan, be considered;

AND THAT should any of the amounts remain unexpended as at December 31, 2026, the unexpended balances shall be returned to the credit of the respective fund.

CARRIED UNANIMOUSLY

BYLAWS – FIRST, SECOND AND THIRD READINGS

13. “Development Cost Charge (Transportation) Reserve Fund Bylaw, 2023, No. 8972” (2023 Capital Plan Funding)

Moved by Councillor McIlroy, seconded by Councillor Back

THAT “Development Cost Charge (Transportation) Reserve Fund Bylaw, 2023, No. 8972” (2023 Capital Plan Funding) be given first and second readings.

CARRIED UNANIMOUSLY

Continued...

BYLAWS – FIRST, SECOND AND THIRD READINGS – Continued

13. “Development Cost Charge (Transportation) Reserve Fund Bylaw, 2023, No. 8972” (2023 Capital Plan Funding) – Continued

Moved by Councillor McIlroy, seconded by Councillor Back

THAT “Development Cost Charge (Transportation) Reserve Fund Bylaw, 2023, No. 8972” (2023 Capital Plan Funding) be given third reading.

CARRIED UNANIMOUSLY

14. “Development Cost Charge (Parks) Reserve Fund Bylaw, 2023, No. 8973” (2023 Capital Plan Funding)

Moved by Councillor McIlroy, seconded by Councillor Back

THAT “Development Cost Charge (Parks) Reserve Fund Bylaw, 2023, No. 8973” (2023 Capital Plan Funding) be given first and second readings.

CARRIED UNANIMOUSLY

Moved by Councillor McIlroy, seconded by Councillor Back

THAT “Development Cost Charge (Parks) Reserve Fund Bylaw, 2023, No. 8973” (2023 Capital Plan Funding) be given third reading.

CARRIED UNANIMOUSLY

REPORTS

15. CleanBC Better Homes Municipal Rebate Contribution and Jump on a New Heat Pump Update – File: 11-5280-14-0001/2023

Report: Planner 2, Environmental Sustainability, April 12, 2023

Moved by Councillor McIlroy, seconded by Councillor Bell

PURSUANT to the report of the Planner 2, Environmental Sustainability, dated April 12, 2023, entitled “CleanBC Better Homes Municipal Rebate Contribution and Jump on a New Heat Pump Update”:

THAT funds in the amount of \$80,000 be allocated within the Greening the Community Building Sector Project to continue to provide municipal top-up rebates for low carbon home energy retrofits through the CleanBC Better Homes Program;

AND THAT the Mayor and Corporate Officer be authorized to sign the Contribution Agreement Amendment with the Province of BC and BC Hydro and any other necessary documentation to give effect to this motion.

CARRIED UNANIMOUSLY

REPORTS – Continued

16. Copperpenny Distilling Application for Permanent Change of Liquor Service Hours for the Lounge Area – Public Feedback and Recommendation
– File: 13-6750-01-0001/2023

Report: Manager, Economic Development, April 14, 2023

Moved by Councillor McIlroy, seconded by Councillor Girard

PURSUANT to the report of the Manager, Economic Development, dated April 14, 2023, entitled “Copperpenny Distilling Application for Permanent Change of Liquor Service Hours for the Lounge Area – Public Feedback and Recommendation”:

THAT the application for extension of current closing hours to 12:00 am, Sunday to Thursday, and 2:00 am, Friday and Saturday, for liquor service in the lounge area, under Copperpenny Distilling Limited’s Liquor Manufacturer Licence, be approved, subject to the following conditions:

- In accordance with the provisions set out in the Outdoor Dining Agreement, the extension of liquor service hours shall not be applied to the current outdoor patio area. All service of food and beverages on the outdoor patio should cease by 11:00 pm and the patio area should be cleared by 12:00 am; and
- Signage be posted in conspicuous locations on the business premises to advise patrons to be respectful of neighbours when leaving the premises;

THAT the Liquor and Cannabis Licensing Branch be informed of this resolution and that the application approval has been granted on the basis that:

- The impact of noise on the community in the immediate vicinity of the establishment, in general, is expected to be minimal if managed diligently;
- The proposed extension to liquor service hours is consistent with the vision for The Brewery District;
- The proposed extended liquor service hours will not result in the service area being operated in a manner that is contrary to the primary purpose of the business; and
- The results of the public feedback conducted by City staff found a majority of respondents in favour of the proposed liquor service hours.

Moved by Councillor Valente, seconded by Councillor Back

THAT the motion be amended to add the following clause:

“AND THAT staff be directed to work with the applicant to enter into a Good Neighbour Agreement.”

Amendment motion, **CARRIED**

Mayor Buchanan, Councillor Girard and Councillor McIlroy are recorded as voting in opposition to the amendment motion.

Main motion, as amended, **CARRIED UNANIMOUSLY**

REPORTS – Continued

17. Development Variance Permit for 1253 Sutherland Avenue (James Stobie, Synthesis Design Inc.) – File: 08-3400-20-0110/1

Report: Planner 1, April 12, 2023

Moved by Councillor Bell

PURSUANT to the report of the Planner 1, dated April 12, 2023, entitled “Development Variance Permit for 1253 Sutherland Avenue (James Stobie, Synthesis Design Inc.)”:

THAT Development Variance Permit No. PLN2023-00001 (James Stobie, Synthesis Design Inc.) be considered for issuance under Section 498 of the *Local Government Act* and referred to a Public Meeting;

THAT notification be circulated in accordance with the *Local Government Act*;

AND THAT the Mayor and Corporate Officer be authorized to sign the necessary documentation to give effect to this motion.

The motion was not considered due to lack of a seconder.

Moved by Councillor Girard, seconded by Councillor McIlroy

PURSUANT to the report of the Planner 1, dated April 12, 2023, entitled “Development Variance Permit for 1253 Sutherland Avenue (James Stobie, Synthesis Design Inc.)”:

THAT Development Variance Permit No. PLN2023-00001 (James Stobie, Synthesis Design Inc.) be considered for issuance under Section 498 of the *Local Government Act* and the Public Meeting be waived;

THAT notification be circulated in accordance with the *Local Government Act*;

AND THAT the Mayor and Corporate Officer be authorized to sign the necessary documentation to give effect to this motion.

CARRIED UNANIMOUSLY

18. Zoning Bylaw Amendment for 125 Victory Ship Way (The Wallace Venue Corp.) – File: 08-3400-20-0100/1

Report: Planner 1, April 12, 2023

Moved by Councillor Valente, seconded by Councillor Back

PURSUANT to the report of the Planner 1, dated April 12, 2023, entitled “Zoning Bylaw Amendment for 125 Victory Ship Way (The Wallace Venue Corp.)”:

Continued...

REPORTS – Continued

18. Zoning Bylaw Amendment for 125 Victory Ship Way (The Wallace Venue Corp.)
– File: 08-3400-20-0100/1 – Continued

THAT the application submitted by The Wallace Venue Corp., to amend the CD-393 Zone for the property located at 125 Victory Ship Way, be considered and no Public Hearing be held, in accordance with the *Local Government Act*;

THAT notification be circulated in accordance with the *Local Government Act*;

AND THAT the Mayor and Corporate Officer be authorized to sign the necessary documentation to give effect to this motion.

CARRIED UNANIMOUSLY

19. Rezoning Application: 275 East 2nd Street (Three Shores Management / Integra Architecture Inc.) – File: 08-3400-20-0078/1

Report: Planner 1, April 12, 2023

Moved by Councillor McIlroy, seconded by Councillor Back

PURSUANT to the report of the Planner 1, dated April 12, 2023, entitled “Rezoning Application: 275 East 2nd Street (Three Shores Management / Integra Architecture Inc.)”:

THAT the application submitted by Three Shores Management / Integra Architecture Inc., to rezone the property located at 275 East 2nd Street from a RM-1 Zone to a Comprehensive Development Zone, be considered and no Public Hearing be held, in accordance with the *Local Government Act*;

THAT notification be circulated in accordance with the *Local Government Act*;

AND THAT the community benefits listed in the report section “Density Bonus and Community Benefits” be secured through agreements at the applicant’s expense and to the satisfaction of staff.

CARRIED UNANIMOUSLY

20. Council Code of Conduct – File: 01-0530-01-0001/2023

Report: Corporate Officer and City Solicitor, April 18, 2023

Moved by Councillor Bell, seconded by Councillor Shahriari

PURSUANT to the report of the Corporate Officer and City Solicitor, dated April 18, 2023, entitled “Council Code of Conduct”:

Continued...

REPORTS – Continued

20. Council Code of Conduct – File: 01-0530-01-0001/2023 – Continued

THAT at the Regular meeting of April 17, 2023, Council directed staff to bring forward a draft Code of Conduct regarding respectful behaviour and communications of and with Council, City staff, volunteers and members of the public when interfacing with one another and/or using City facilities or services;

THAT in accordance with the legislative requirements of the *Community Charter*, Council confirms that the following principles for Codes of Conduct have been duly considered and ratifies its decision to establish a Council Code of Conduct:

- a) Council members must carry out their duties with integrity;
- b) Council members are accountable for the decisions that they make, and the actions that they take, in the course of their duties;
- c) Council members must be respectful of others; and
- d) Council members must demonstrate leadership and collaboration;

AND THAT staff be directed to prepare a draft Code of Conduct based on the required principles set out above and in accordance with the resolution approved by Council on April 17, 2023, and bring it forward for Council consideration.

CARRIED UNANIMOUSLY

PUBLIC CLARIFICATION PERIOD

Nil.

COUNCIL INQUIRIES

Nil.

COUNCIL REPORTS

Councillor Valente reported on his attendance at the Advisory Planning Commission meeting, the North Vancouver City Library Board meeting and the Social Planning Advisory Committee meeting.

Councillor Bell reported on his attendance at the Advisory Planning Commission meeting, the North Vancouver Museum and Archives Commission meeting, the Friends of the Museum Society meeting, UBCM's Housing Summit and the City's Volunteer Appreciation Reception.

Councillor Girard reported on her attendance at UBCM's Housing Summit, the Multicultural Community Festival Task Force meeting and the North Van Arts Council Board meeting.

Councillor Back reported on her attendance at the North Vancouver Recreation and Culture Commission meeting, the City's Volunteer Appreciation Reception and the North Vancouver Policing Committee meeting.

COUNCIL REPORTS – Continued

Councillor McIlroy reported on her attendance at a meeting regarding the Youth Awards and Scholarships.

Councillor Shahriari reported on his attendance at the Advisory Design Panel meeting, the North Shore Advisory Committee on Disability Issues meeting and the Multicultural Community Festival Task Force meeting.

Mayor Buchanan reported on her attendance at recent meetings with the Province regarding housing and provincial funding, North Shore Emergency Management, Burrard Inlet Rapid Transit and Metro Vancouver, as well as her attendance at the City's Volunteer Appreciation Reception and an event to thank former Mayor Booth for her years of service at the District of West Vancouver.

NEW ITEMS OF BUSINESS

Nil.

NOTICE OF MOTION

Nil.

Mayor Buchanan acknowledged Larry Orr's (Acting Director, Community and Partner Engagement) upcoming retirement and recognized his work at the City over the past 32 years.

ADJOURN

Moved by Councillor Bell, seconded by Councillor Girard

THAT the meeting adjourn.

CARRIED UNANIMOUSLY


The meeting adjourned at 8:38 pm.

"Certified Correct by the Corporate Officer"

CORPORATE OFFICER

THIS PAGE INTENTIONALLY LEFT BLANK



_____ Department Manager	_____ Director	 _____ CAO
--------------------------------	-------------------	---

The Corporation of **THE CITY OF NORTH VANCOUVER**
CITY CLERK'S DEPARTMENT

REPORT

To: Mayor Linda Buchanan and Members of Council

From: Karla Graham, Corporate Officer

Subject: ALTERNATIVE APPROVAL PROCESS REGARDING DEREK INMAN
PARKLANDS ADJUSTMENT – PETITION RESULTS

Date: April 26, 2023 File No: 09-4250-20-0007/1

The following is a suggested recommendation only. Refer to Council Minutes for adopted resolution.

RECOMMENDATION

PURSUANT to the report of the Corporate Officer, dated April 26, 2023, entitled "Alternative Approval Process Regarding Derek Inman Parklands Adjustment – Petition Results":

THAT the Corporate Officer's Certification for the Alternative Approval Process Opportunity regarding Derek Inman Parklands Adjustment be received and filed;

AND THAT "Parks Dedication Bylaw, 1972, No. 4392, Amendment Bylaw, 2023, No. 8965" (Derek Inman Parklands Adjustment) be considered for final adoption.

ATTACHMENT

1. Corporate Officer's Certification (CityDocs [2338046](#))

BACKGROUND

At the Regular Council meeting of March 6, 2023, staff were directed to undertake an Alternative Approval Process regarding "Parks Dedication Bylaw, 1972, No. 4392, Amendment Bylaw, 2023, No. 8965" (Derek Inman Parklands Adjustment).

DISCUSSION

This report presents the results of the opportunity to petition against “Parks Dedication Bylaw, 1972, No. 4392, Amendment Bylaw, 2023, No. 8965”.

Eligible electors of the City of North Vancouver were provided an opportunity for an Alternative Approval Process that was conducted in accordance with Sections 30 and 86 of the *Community Charter*. Advertisements for the Alternative Approval Process opportunity were posted on the City’s website and advertised in the North Shore News on March 15 and 22, 2023. Completed Elector Response Forms were accepted by the City Clerk’s Office until 4:00 pm on Monday, April 24, 2023.

A determination of the total number of electors for the City to which this Alternative Approval Process opportunity applies is 41,325. One Elector Response Form was received, therefore, the percentage of estimated electors who validly submitted Elector Response Forms is .002%. The Corporate Officer’s Certification (Attachment #1) indicates that the approval of the electors was obtained.

Accordingly, Bylaw No. 8965 is brought forward for final adoption.

RESPECTFULLY SUBMITTED:



Karla Graham, MMC
Corporate Officer



THE CORPORATION OF THE CITY OF NORTH VANCOUVER

CORPORATE OFFICER'S CERTIFICATION

I, THE UNDERSIGNED Corporate Officer, as the person assigned responsibility for corporate administration under section 148 of the *Community Charter*, certify the results of the Alternative Approval Process that was conducted to obtain the approval of the electors regarding the following bylaw:

"Parks Dedication Bylaw, 1972, No. 4392, Amendment Bylaw, 2023, No. 8965"
(Derek Inman Parklands Adjustment)

Estimated number of eligible electors is **41,325**

Number of elector response forms submitted by the deadline is **1**

Number of elector response forms rejected is **0**

Number of elector response forms accepted is **1**

Percentage of estimated electors who validly submitted elector response forms is **.002%**

In accordance with Section 86 of the *Community Charter*, the approval of the electors was obtained.

DATED this 26th day of April, 2023.



Karla Graham, MMC
Corporate Officer

THIS PAGE INTENTIONALLY LEFT BLANK

THE CORPORATION OF THE CITY OF NORTH VANCOUVER

BYLAW NO. 8965

A Bylaw to amend “Parks Dedication Bylaw, 1972, No. 4392”

The Council of The Corporation of the City of North Vancouver, in open meeting assembled, enacts as follows:

1. This Bylaw shall be known and cited for all purposes as **“Parks Dedication Bylaw, 1972, No. 4392, Amendment Bylaw, 2023, No. 8965” (Derek Inman Parklands Adjustment)**.
2. “Parks Dedication Bylaw, 1972, No. 4392” is hereby amended by:
 - A. Deleting Part 1(a) and replacing it with “Lots 36-40, inclusive, Block 154, District Lot 274, Plan 878.”

READ a first time on the 6th day of March, 2023.

READ a second time on the 6th day of March, 2023.

READ a third time on the 6th day of March, 2023.

ADOPTED on the <> day of <>, 2023.

MAYOR

CORPORATE OFFICER

THIS PAGE INTENTIONALLY LEFT BLANK

THE CORPORATION OF THE CITY OF NORTH VANCOUVER

BYLAW NO. 8972

**A Bylaw to authorize the expenditure of monies from the
Development Cost Charge (Transportation) Reserve Fund
for the 2023 Capital Plan Appropriations.**

WHEREAS the entire City is listed in “Development Cost Charges Bylaw, 2016, No. 8471” as an area where development cost charges for transportation will be levied;

AND WHEREAS the development of highway facilities, other than off street parking, is a capital cost permitted to be paid using Development Cost Charge funds under Section 566 of the *Local Government Act*;

NOW THEREFORE the Council of The Corporation of the City of North Vancouver, in open meeting assembled, enacts as follows:

1. This Bylaw shall be known and cited for all purposes as “**Development Cost Charge (Transportation) Reserve Fund Bylaw, 2023, No. 8972**” (2023 Capital Plan Funding).
2. The following amount is hereby appropriated from the Development Cost Charge (Transportation) Reserve Fund for the purpose of funding:
 - A. \$198,000 for the “New Sidewalks To Complete the Pedestrian Network” project.

READ a first time on the 24th day of April, 2023.

READ a second time on the 24th day of April, 2023.

READ a third time on the 24th day of April, 2023.

ADOPTED on the <> day of <>, 2023.

MAYOR

CORPORATE OFFICER

THIS PAGE INTENTIONALLY LEFT BLANK

THE CORPORATION OF THE CITY OF NORTH VANCOUVER

BYLAW NO. 8973

**A Bylaw to authorize the expenditure of monies from the
Development Cost Charge (Parks) Reserve Fund
for the 2023 Capital Plan Appropriations.**

WHEREAS the entire City is listed in “Development Cost Charges Bylaw, 2016, No. 8471” as an area where development cost charges for parks will be levied;

AND WHEREAS the development of park land is a capital cost permitted to be paid using Development Cost Charge funds under Section 566 of the *Local Government Act*;

NOW THEREFORE the Council of The Corporation of the City of North Vancouver, in open meeting assembled, enacts as follows:

1. This Bylaw shall be known and cited for all purposes as “**Development Cost Charge (Parks) Reserve Fund Bylaw, 2023, No. 8973**” (2023 Capital Plan Funding).
2. The following amount is hereby appropriated from the Development Cost Charge (Parks) Reserve Fund for the purpose of funding:
 - A. \$371,250 for the “Upper Levels Greenways” project.

READ a first time on the 24th day of April, 2023.

READ a second time on the 24th day of April, 2023.

READ a third time on the 24th day of April, 2023.

ADOPTED on the <> day of <>, 2023.

MAYOR

CORPORATE OFFICER

THIS PAGE INTENTIONALLY LEFT BLANK



 Department Manager	 Director	 CAO
--	---	--

The Corporation of **THE CITY OF NORTH VANCOUVER**
FINANCE DEPARTMENT

REPORT

To: Mayor Linda Buchanan and Members of Council

From: Larry Sawrenko, Chief Financial Officer

Subject: 2022 AUDITED CONSOLIDATED FINANCIAL STATEMENTS

Date: April 26, 2023 File No: 05-1680-04-0001/2022

The following is a suggested recommendation only. Refer to Council Minutes for adopted resolution.

RECOMMENDATION:

PURSUANT to the report of the Chief Financial Officer, dated April 26, 2023, entitled "2022 Audited Consolidated Financial Statements":

THAT in accordance with Section 167 of the *Community Charter*, Council accept the City of North Vancouver Consolidated Financial Statements for the year ended December 31, 2022.

ATTACHMENTS:

- (1) The Corporation of the City of North Vancouver Consolidated Financial Statements for the year ended December 31, 2022 – DRAFT (CityDoc#2356572).

PURPOSE:

Under the provisions of the *Community Charter*, CNV's annual financial statements must be presented to and accepted by Council by May 15 of the year following. The attached statements have been audited by CNV's appointed auditors, BDO Canada LLP ("BDO"). In accordance with the latest recommendations of the Accounting Standards Board, signatures by the auditors on the audit report and by the Chief Financial Officer on the statements will be added after acceptance of the statements by Council.

BACKGROUND:

CNV's audited consolidated financial statements reflect:

- All CNV's funds, including the water, sewer & drainage, and the solid waste utilities, as well as cemetery operations
- The North Vancouver City Library
- CNV's ownership of Lonsdale Energy Corporation ("LEC")
- CNV's 50% share of the North Vancouver Museum & Archives Commission ("NVMA")
- CNV's 33.9% share of the North Vancouver Recreation & Culture Commission ("NVCRC")

The Cemetery Trust, which is administered by CNV, is not included in the consolidated statements, as these funds are only managed by CNV on behalf of other beneficiaries.

DISCUSSION:

BDO has recently completed the audit of CNV's financial statements. Its conclusion is as follows:

"The accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of CNV as at December 31, 2022, and its consolidated results of operations, its changes in consolidated net financial assets, its consolidated cash flows for the year then ended in accordance with Canadian public sector accounting standards."

Local governments in B.C. are not permitted to budget for deficits. Should a deficit occur, the resulting deficit must be carried forward to the current year's Financial Plan as an expenditure, restricting a government's ability to deliver on its plans. CNV prepares its Financial Plans to achieve balanced budgets and manages its financial performance to avoid deficits consistent with the Community Charter.

In 2022, CNV had a surplus of \$51.2 million compared to a surplus of \$16.8 million in 2021, representing 27.2% and 11.7% of revenues respectively. A summary of these surpluses is shown below:

Category (\$ millions)	2022	2021
Revenues	188.5	143.7
Expenses	137.3	126.9
Consolidated Annual Surplus	51.2	16.8
Surplus as a percentage of revenues	27.2%	11.7%
Accumulated Surplus, beginning of year	633.1	616.3
Accumulated Surplus, end of year	684.3	633.1

These surpluses can be broken down as follows:

Category (\$ millions)	2022 Surplus	2021 Surplus	2022 YoY \$ Change
General Operating ¹	7.7	5.6	2.1
Utilities & Cemetery	9.9	7.7	2.2
Statutory and Capital Reserves	33.5	3.1	30.4
Major Agencies	0.1	0.4	(0.3)
Consolidated Annual Surplus	51.2	16.8	34.4

¹ In accordance with public sector accounting standards, CNV's investment in LEC is accounted for using the modified equity method. The interest and dividend income CNV earns from its investment in LEC are included in the General Operating category.

Overall, CNV's 2022 surplus is consistent with that produced in 2021, with the exception of the surplus generated in its Statutory and Capital Reserves. The Statutory and Capital Reserve surplus resulted from developer payments, primarily relating to Community Amenity Contributions and Density Bonus payments. CNV's practice is to budget for no developer contributions in any given year, so that Council can exercise its full discretion when considering any development application in the year. Therefore, developer contributions create surpluses for CNV by design.

Additional explanation of the 2022 surpluses is provided below.

General Operating

The \$7.7M general operating surplus equals 4.1% of consolidated revenues and is a result of net favourable revenues and expenses, with the main drivers summarized below:

Category (\$ millions)	2022 Surplus Drivers	Comment
License & Permit Revenues	2.8	Higher permit and fee revenues from increased construction activity
Fines & Fees Revenues	1.0	
RCMP Contract	1.5	Staffing vacancies resulting from tight labour markets continued in 2022
Wages & Benefits	1.0	
Interest Revenues (Operating)	0.9	Interest rates increased in latter part of 2022, improving investment returns
Other	0.5	
Total	7.7	

The \$7.7M surplus has been allocated to rebuild/maintain reserves, including non-statutory reserves and accounts established for emergency/unexpected expenditures, to fund the Permit Revenue Reserve where surplus permit revenues are set aside to cover future costs of processing permit applications, and the General Capital Reserve (a flexible reserve to fund future projects that support Council's Priorities).

Utilities and Cemetery

Utilities and Cemetery are self-funded through related user fees. Cemetery and Utilities generated \$9.9M of CNV's total 2022 surplus. Most of this surplus (\$8.0M) was planned for in the 2022-2026 Financial Plan and is to fund future asset management work within the Water and Sewer & Drainage utilities and to "smooth in" future Metro Vancouver rate

increases needed to fund the North Shore Waster Water Treatment Plant. The remaining \$1.9M was mainly generated from higher metered water sales to commercial customers.

Category (\$ millions)	2022 Surplus Drivers
Water	4.8
Sewer & Drainage	4.7
Solid Waste	0.1
Cemetery	0.3
Total	9.9

Annual surpluses are kept within the individual utility/cemetery operating funds.

Statutory and Capital Reserves

The Statutory and Capital Reserve surplus of \$33.5M was behind 65.4% of CNV's total 2022 surplus. This \$33.5M surplus primarily resulted from developer contributions. As noted above, these payments are entirely unbudgeted by design so that Council can exercise its full discretion when considering any development application in the year.

Developer contributions come to CNV by way of Community Amenity Contributions, Development Cost Charges, and Density Bonus payments. In 2022, CNV received \$20.3 M of density bonus payments relating to projects approved by Council at 114 W 15th (\$19.2M) and 1712 Lonsdale (\$1.1M), whereas no Density Bonus payments were received in 2021. These 2022 payments are behind the majority of the \$33.5M surplus, as public sector accounting standards requires these amounts to be recognized as revenue in the year they are received.

In accordance with CNV's Density Bonus & Community Benefits Policy, Density Bonus payments are allocated to CNV's Civic Amenity Reserve (80%) and Affordable Housing Reserve (20%) where they are set aside and used to fund future projects that enhance the use and enjoyment of the City by members of the public, such as recreation centres and parks, as well as non-market and special needs housing.

Major Agencies

CNV funds major agencies including the North Vancouver City Library, the North Vancouver Museum & Archives Commission and North Vancouver Recreation & Culture Commission through grants. The audited results of each agency are consolidated with CNV's financial statements at their proportionate share and are detailed for 2022 as follows:

Agency (\$ millions)	2022 Surplus Drivers
North Vancouver City Library	(0.1)
North Vancouver Museum & Archives Commission ¹	(0.1)
North Vancouver Recreation & Culture Commission ²	0.3
Total	0.1

^{1,2} NVMA and NVRC are included at CNV's proportionate share of 50% and 33.94% respectively.

These agencies' 2022 financial performance is generally consistent with approved budgets.

Assessment of Financial Condition:

Assessing the financial health of a regional or local government includes consideration of several financial and non-financial elements. The primary financial elements assessed by credit rating agencies when analyzing the financial health of a municipality are debt burden and liquidity.

- **Debt Burden** refers to amount of debt relative to the size of an organization.
- **Liquidity** refers to the adequacy of assets readily convertible to cash compared to key expenses.

Standard & Poors is a leading credit rating agency covering regional and local governments in Canada. The financial ratios that it uses to evaluate debt burden and liquidity and how they would apply to CNV's historical financial results are shown below.

Debt Burden

1. Tax Supported Debt / Consolidated Operating Revenue

This metric compares the amount of an organization's debt to the organization's size, as indicated by revenues.

\$ thousands, unless otherwise indicated	2022	2021
Tax Supported Debts (A)	\$0	\$0
Consolidated Operating Revenues (B)	\$139,043	\$128,919
Ratio (A/B)	0%	0%

CNV had no tax supported debt from 2020 to 2022, as LEC was supporting repayment of CNV's only loan with the Municipal Finance Authority. S&P's top performers in this category have ratios less than 30%, so CNV would achieve S&P's top rating.

2. Interest Payment / Adjusted Operating Revenue

This metric compares the amount of an organization's interests costs (which are correlated with debt levels) to the organization's size, as indicated by general revenues (primarily taxes, fees, rents, and from sale of services).

\$ thousands, unless otherwise indicated	2022	2021
Interest Payments (A)	\$3	\$6
Adjusted Operating Revenues (B)	\$95,574	\$88,874
Ratio (A/B)	0%	0%

S&P's top performers in this category have ratios less than 5%, so CNV would achieve S&P's top rating in this category.

Liquidity

3. Unencumbered Liquid Assets / Annual Debt Service Costs

\$ thousands, unless otherwise indicated	2022	2021
Unencumbered Liquid Assets (A)	\$9,168	\$14,002
Annual Debt Service Costs (B)	\$237	\$228
Ratio (A/B)	39:1	61:1

S&P's top performers in this category have ratios greater than 1.2:1, so CNV again would achieve S&P's top rating in this category.

HJCRC Loan

CNV also has a committed MFA loan facility in the amount of \$109 million to support the Harry Jerome Community Recreation Centre ("HJCRC") capital program. This loan is currently undrawn and there were no actual interest charges for 2022. Were the loan fully drawn down in 2022, CNV's tax supported debt to consolidated operating revenue ratio would be 78.4%, which would place it in the middle of S&P's 5 rating categories (60%-120%).

\$ thousands, unless otherwise indicated	2022 (Adj.) ¹
Tax Supported Debt (A)	\$109,000
Consolidated Operating Revenues (B)	\$139,043
Ratio (A/B)	78.4%

The ratio of interest payments to adjusted operating revenue would have been 3%, or within the top performers for this category of under 5%.

\$ thousands, unless otherwise indicated	2022 (Adj.) ¹
Interest Payments (A)	\$2,719
Adjusted Operating Revenues (B)	\$95,574
Ratio (A/B)	2.8%

The liquidity ratio of unencumbered liquid assets to annual debt service costs would have been 3:1, also still within the S&P's top rating.

\$ thousands, unless otherwise indicated	2022 (Adj.) ¹
Unencumbered Liquid Assets (A)	\$9,168
Annual Debt Service Costs (B)	\$2,719
Ratio (A/B)	3:1

¹ 2022 Adj assumes 2022 actual results, adjusted to assume CNV's \$109M MFA loan was fully drawn

Overall, even under the assumption that this debt were fully drawn in 2022, CNV's financial position would remain strong.

FINANCIAL IMPLICATIONS:

Financial implications have been addressed throughout the report. Overall, CNV's financial position is strong.

INTERDEPARTMENTAL IMPLICATIONS:

This report and draft statements summarize the financial position of the whole organization, including its related entities. CNV's favourable financial position reflects CNV departments' and related entities' cooperation and participation in sound financial management.

STRATEGIC PLAN, OCP OR POLICY IMPLICATIONS:

The financial results for 2022 reflect CNV's Corporate Business Plan Outcome of being "A Fiscally Responsible Organization". These results also reflect *Community Charter* requirements to manage within a balanced budget framework.

RESPECTFULLY SUBMITTED:



Larry Sawrenko
Chief Financial Officer

**The Corporation of the City of
North Vancouver**
Consolidated Financial Statements
For the year ended December 31, 2022

Statement of Management Responsibility

The Council of the Corporation of the City of North Vancouver ("City") has delegated the responsibility for the integrity and objectivity of the financial information contained in the consolidated financial statements to the management of the City. The consolidated financial statements which, in part, are based on informed judgments and estimates, have been prepared by management in accordance with Canadian public sector accounting standards, which have been applied on a basis consistent with that of the preceding year.

To assist in carrying out their responsibility, management maintains an accounting system and internal controls to provide reasonable assurance that transactions are executed and recorded in accordance with authorization, and that financial records are reliable for preparation of financial statements.

The Mayor and Council oversee management's responsibilities for the financial reporting and internal control systems. Council annually reviews and approves the consolidated financial statements.

The City's independent auditors, BDO Canada LLP, are engaged to express an opinion as to whether the City's consolidated financial statements present fairly in all material respects the financial position of the City as at December 31, 2022, and the results of operations, changes in net financial assets and cash flows for the year then ended in accordance with Canadian generally accepted auditing standards.

The consolidated financial statements have, in management's opinion, been properly prepared within reasonable limits of materiality and in accordance with Canadian public sector accounting standards.

Larry Sawrenko

Chief Financial Officer

[DATE – date of financial statement approval]

Independent Auditor's Report

To the Mayor and Council of The Corporation of the City of North Vancouver

Opinion

We have audited the consolidated financial statements of the Corporation of the City of North Vancouver and its controlled entities (the "City"), which comprise the consolidated statement of financial position as at December 31, 2022 and the consolidated statement of operations, the consolidated statement of changes in net financial assets and the consolidated statement of cash flows for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of the City as at December 31, 2022, and its consolidated results of operations, its changes in consolidated net financial assets, its consolidated cash flows for the year then ended in accordance with Canadian public sector accounting standards.

Basis for Opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the City in accordance with the ethical requirements that are relevant to our audit of the consolidated financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Unaudited Information

We have not audited, reviewed, or otherwise attempted to verify the accuracy or completeness of the Schedule A of the City's consolidated financial statements.

Responsibilities of Management and Those Charged with Governance for the Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with Canadian public sector accounting standards, and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, management is responsible for assessing the City's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the City or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the City's financial reporting process.

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.



As part of an audit in accordance with Canadian generally accepted auditing standards, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the City's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the City's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the City to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the City to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the City audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Chartered Professional Accountants

Vancouver, British Columbia

[DATE - date of financial statement approval]

The Corporation of the City of North Vancouver
Consolidated Statement of Financial Position
As at December 31, 2022 with comparative figures for 2021
(in thousands of dollars)

	2022	2021
FINANCIAL ASSETS		
Cash	\$ 61,175	\$ 74,571
Temporary investments (note 3(a))	174,057	103,526
Portfolio investments (note 3(b))	62,281	83,466
Investment in Lonsdale Energy Corp. (note 4)	4,826	4,613
Due from other governments	5,087	3,962
Accounts receivable	10,242	11,471
Loan to Lonsdale Energy Corp. (note 5)	26,653	27,043
Interest receivable	6,990	8,720
	<u>351,311</u>	<u>317,372</u>
LIABILITIES		
Accounts payable and accrued liabilities	22,199	22,680
Deferred revenue	37,607	34,258
Deferred lease revenue (note 13)	49,421	49,930
Deferred development cost charges	21,824	22,072
Debt (note 6)	-	237
Employee future benefits (note 7)	8,496	8,386
Advances and other liabilities	10,188	10,077
	<u>149,735</u>	<u>147,640</u>
NET FINANCIAL ASSETS	<u>201,576</u>	<u>169,732</u>
NON-FINANCIAL ASSETS		
Tangible capital assets (note 8)	479,069	461,087
Inventories	948	746
Prepaid expenses	2,754	1,544
	<u>482,771</u>	<u>463,377</u>
ACCUMULATED SURPLUS (note 9)	<u>\$ 684,347</u>	<u>\$ 633,109</u>

Commitments and contingencies (note 10)

See accompanying notes to the consolidated financial statements

Chief Financial Officer
Larry Sawrenko

The Corporation of the City of North Vancouver
Consolidated Statement of Operations
Year ended December 31, 2022 with comparative figures for 2021
(in thousands of dollars)

	2022 Budget	2022	2021
	(notes 2(i) and 14)		
REVENUE			
Property value tax (Note 10 (a))	\$ 72,030	\$ 72,159	\$ 69,056
Parcel taxes	3,939	4,002	3,814
Licences and permits	4,335	7,165	6,441
Fines and fees	5,302	6,236	4,678
Rent	2,576	3,689	3,368
Interest, dividends and penalties	2,434	8,075	5,589
Sale of services	31,629	33,908	29,672
Rebate and recoveries	85	165	185
Grants and other	7,925	13,199	12,729
Developer contributions and other transfers	210	40,907	8,200
Loss on disposition of assets	-	(1,143)	(714)
Lonsdale Energy Corp. income (note 4)	-	213	666
	<u>130,465</u>	<u>188,575</u>	<u>143,684</u>
EXPENSES			
General government	21,983	26,231	23,211
Transportation and transit	7,458	10,771	8,866
Health, social services and housing	2,745	2,796	2,724
Development services	7,124	7,716	7,494
Protective services	30,607	28,248	28,139
Parks, recreation and culture	33,261	34,396	30,665
Water utilities	11,262	11,724	10,871
Sewer utilities	11,657	12,201	11,767
Solid waste	3,850	3,254	3,163
	<u>129,947</u>	<u>137,337</u>	<u>126,900</u>
Total expenses (note 12)			
Annual surplus	518	51,238	16,784
Accumulated surplus beginning of year	633,109	633,109	616,325
Accumulated surplus end of year	<u>\$ 633,627</u>	<u>\$ 684,347</u>	<u>\$ 633,109</u>

See accompanying notes to the consolidated financial statements

The Corporation of the City of North Vancouver
Consolidated Statement of Change in Net Financial Assets
Year ended December 31, 2022 with comparative figures for 2021
(in thousands of dollars)

	2022 Budget	2022	2021
	(notes 2(i) and 14)		
Annual surplus	\$ 518	\$ 51,238	\$ 16,784
Acquisition of tangible capital assets	(217,998)	(35,674)	(32,751)
Non-cash developer contributed assets	-	(1,540)	(737)
Proceeds on sale of tangible capital assets	-	120	213
Depreciation of tangible capital assets	17,400	17,969	17,099
Loss on disposition of tangible capital assets	-	1,143	714
	<u>(200,598)</u>	<u>(17,982)</u>	<u>(15,462)</u>
Acquisition of inventories	-	(1,173)	(1,182)
Acquisition of prepaid expenses	-	(3,741)	(1,591)
Use of inventories	-	971	1,140
Use of prepaid expenses	-	2,531	1,874
	<u>-</u>	<u>(1,412)</u>	<u>241</u>
Increase (decrease) in net financial assets	(200,080)	31,844	1,563
Net financial assets, beginning of year	<u>169,732</u>	<u>169,732</u>	<u>168,169</u>
Net financial assets, end of year	<u>\$ (30,348)</u>	<u>\$ 201,576</u>	<u>\$ 169,732</u>

See accompanying notes to the consolidated financial statements

The Corporation of the City of North Vancouver
Consolidated Statement of Cash Flows
Year ended December 31, 2022 with comparative figures for 2021
(in thousands of dollars)

	2022	2021
Cash provided by (used for):		
Operating Transactions		
Annual surplus	\$ 51,238	\$ 16,784
Items not involving cash:		
Depreciation expense	17,969	17,099
Loss on disposal of tangible capital assets	1,143	714
Non-cash developer contributed assets	(1,540)	(737)
Lonsdale Energy Corp. income	(213)	(666)
Changes in non-cash operating items:		
Increase in due from other governments	(1,125)	(90)
Decrease (increase) in accounts receivable	1,229	(418)
Change in loan to Lonsdale Energy Corp.	390	(525)
Decrease in interest receivable	1,730	3,698
Decrease in accounts payable and accrued liabilities	(481)	(16,675)
Increase in deferred revenue	3,349	2,126
Decrease in deferred lease revenue	(509)	(1,995)
Increase (decrease) in deferred development cost charges	(248)	109
Increase in accrued employee future benefits	110	157
Increase (decrease) in advances and other liabilities	111	(274)
Increase in inventories	(202)	(43)
Decrease (increase) in prepaid expenses	(1,210)	284
	71,741	19,548
Capital Transactions		
Cash used to acquire tangible capital assets	(35,674)	(32,751)
Proceeds from sale of tangible capital assets	120	213
	(35,554)	(32,538)
Investing Transactions		
Increase in temporary investments	(70,531)	(47,937)
Decrease in portfolio investments	21,185	19,035
	(49,346)	(28,902)
Financing Transactions		
Repayment of long-term debt	(237)	(228)
Decrease in cash	(13,396)	(42,120)
Cash, beginning of year	74,571	116,691
Cash, end of year	\$ 61,175	\$ 74,571

See accompanying notes to the consolidated financial statements

The Corporation of the City of North Vancouver
Notes to Consolidated Financial Statements
Year ended December 31, 2022
(tabular amounts in thousands of dollars)

1. OPERATIONS

The City of North Vancouver (the "City") was incorporated in 1907 and operates under the provisions of the Community Charter and the Local Government Act of British Columbia. The City's principal activity is the provision of local government services to residents of the incorporated area. These include administrative, protective, transportation, environmental, recreational, water and sanitary services.

2. SIGNIFICANT ACCOUNTING POLICIES

The consolidated financial statements of the City have been prepared in accordance with Canadian public sector accounting standards, as prescribed by the Public Sector Accounting Board ("PSAB"). The significant accounting policies are summarized below:

(a) Basis of Presentation

The consolidated financial statements include the accounts of all the funds of the City, the accounts of the North Vancouver City Library, which is controlled by the City, the City's 33.94% proportionate share of the operations of the North Vancouver Recreation Commission, and the City's 50% proportionate share of the operations of the North Vancouver Museum and Archives Commission. The City's investment in Lonsdale Energy Corporation ("LEC"), a wholly owned government business enterprise, is accounted for using the modified equity method.

The City has an agreement with the District of North Vancouver in the operation and management of the North Vancouver Recreation Commission, and the City includes its proportionate share in the City's consolidated financial statements. The current agreement specifies that the operating costs shall be paid 33.94% (2021 – 33.94%) by the City and 66.06% (2021 – 66.06%) by the District of North Vancouver. Each municipality is responsible for its own facilities and pays 100% of all capital costs relating to improvement, expansion and replacement of buildings or facility equipment.

The City also has an agreement with the District of North Vancouver in the operation and management of the North Vancouver Museum and Archives Commission, and the City includes its proportionate share in the City's consolidated financial statements. The current agreement specifies that the operating costs shall be paid 50% (2021 – 50%) by the City and 50% (2021 – 50%) by the District of North Vancouver. Each municipality is responsible for its own facilities and pays 100% of all capital costs relating to improvement, expansion and replacement of buildings or facility equipment.

(b) Basis of Accounting

Revenue is recorded on an accrual basis and recognized when earned. Expenses are recognized as they are incurred and measurable as a result of the receipt of goods and services.

The Corporation of the City of North Vancouver
Notes to Consolidated Financial Statements
Year ended December 31, 2022
(tabular amounts in thousands of dollars)

2. SIGNIFICANT ACCOUNTING POLICIES (continued)

(c) Revenue Recognition

Taxes are recognized as revenue in the year that the taxes are authorized, the taxable event occurs and they are considered collectible. Through the British Columbia Assessments appeal process, taxes may be adjusted by way of supplementary roll adjustments. The effects of these adjustments on taxes are recognized at the time they are awarded. Levies imposed for Regional District services and other taxing authorities are not included. Lease revenue is recognized on a straight-line basis over the term of the lease.

Charges for sewer, water and solid waste usage are recorded as user fees. Connection fees revenues are recognized when the connection has been established.

Sale of service and other revenue are recognized on an accrual basis.

(d) Deferred Revenue

Deferred revenue consists of prepaid property taxes, prepaid business licenses, and fees paid in advance for services yet to be provided.

(e) Deferred Lease Revenue

Deferred lease revenue consists of funds collected in advance of rental periods for Long-Term Prepaid Leases, which will be recognized as revenue, on a straight line basis, over the term of the lease.

(f) Deferred Development Cost Charges

Development cost charges collected to pay for future capital projects are deferred upon receipt and recognized as revenue when the capital costs for which they were collected are incurred.

(g) Temporary Investments

Temporary investments include bank issued notes and bonds and provincial bonds and debentures maturing in the subsequent year and are valued at the lower of cost or market value.

(h) Portfolio Investments

Portfolio investments include bank issued notes and bonds and provincial bonds and debentures maturing after the subsequent year end. Securities are recorded at their cost and written down to reflect losses in value that are other than temporary.

(i) Budget Figures

The budget figures are based on the five year financial plan adopted on April 12th, 2021.

The Corporation of the City of North Vancouver
Notes to Consolidated Financial Statements
Year ended December 31, 2022
(tabular amounts in thousands of dollars)

2. SIGNIFICANT ACCOUNTING POLICIES (continued)

(j) Government Transfers

Unrestricted government transfers are recognized as revenue in the year that the transfer is authorized by the issuing government and any eligibility criteria have been met. Restricted government transfers, in the way of grants or other transfers, are recognized as revenue in the year in which any stipulations that create liabilities are met.

(k) Employee Future Benefits

The City and its employees make contributions to the Municipal Pension Plan. As this plan is a multi-employer plan, contributions are expensed as incurred.

Sick leave and post-employment benefits also accrue to the City's employees. The liabilities related to these benefits are actuarially determined based on services and best estimates of retirement ages and expected future salary and wage increases. The liabilities under these benefits plans are accrued based on projected benefits as the employees render services necessary to earn the future benefits.

(l) Long-term Debt

Long-term debt is recorded in the consolidated financial statements net of sinking fund payments and adjustments.

(m) Non-Financial Assets

Non-financial assets are not available to discharge existing liabilities and are held for use in the provision of services. They may have useful lives extending beyond the current year and are not intended for sale in the ordinary course of business.

(i) Tangible Capital Assets

Tangible capital assets are recorded at cost, which includes amounts that are directly attributable to acquisition, construction, development or betterment of the asset. The cost less residual value of the tangible capital assets, excluding land, is amortized on a straight line basis over their estimated useful lives as follows:

Land improvements	Straight line over useful life of each asset unit	10 – 100 years
Parks	Straight line over useful life of each asset unit	10 – 75 years
Buildings	Straight line over useful life of each asset unit	10 – 100 years
Machinery & equipment	Straight line over useful life of each asset unit	3 – 25 years
Vehicles	Straight line over useful life of each asset unit	6 – 25 years
Infrastructure	Straight line over useful life of each asset unit	7 – 100 years
Library materials	Straight line over useful life of each asset unit	2 – 5 years
Work in progress	Not depreciated until put into use	

**The Corporation of the City of North Vancouver
Notes to Consolidated Financial Statements
Year ended December 31, 2022
(tabular amounts in thousands of dollars)**

2. SIGNIFICANT ACCOUNTING POLICIES (continued)

(m) Non-Financial Assets (continued)

(ii) Contributions of Tangible Capital Assets

Tangible capital assets received as contributions or transfers from developers are recorded at their estimated fair value at the date of receipt and also are recorded as revenue.

(iii) Works of Art and Historic Assets

The City and the Museum and Archives Commission manages and controls various works of art and non-operational historic assets including buildings, artifacts, paintings and sculptures located at City sites and public display areas.

Works of art and historic assets are not recorded as assets in these consolidated financial statements.

(iv) Natural Resources

Horticultural assets such as treed areas, grassy areas and gardens are not recognized as assets in the consolidated financial statements.

(v) Interest Capitalization

The City does not capitalize interest costs associated with the construction of a tangible capital asset.

(vi) Leased Tangible Capital Assets

Leases that transfer substantially all of the benefits and risks incidental to ownership of property are accounted for as leased tangible capital assets. All other leases are accounted for as operating leases and the payments are charged to expenses as incurred.

(vii) Inventories

Inventories held for consumption are recorded at the lower of weighted average cost and replacement cost.

(n) Estimates

The preparation of the consolidated financial statements requires management to make estimates and assumptions that affect the reported amounts in the consolidated financial statements and the disclosure of contingent liabilities. Areas requiring significant estimation are post-employment benefits, compensated absences and termination benefits, estimated useful life of tangible capital assets and measurement of contingent liabilities. Actual results could differ from these estimates.

**The Corporation of the City of North Vancouver
Notes to Consolidated Financial Statements
Year ended December 31, 2022
(tabular amounts in thousands of dollars)**

2. SIGNIFICANT ACCOUNTING POLICIES (continued)

(o) Segment Disclosure

A segment is defined as a distinguishable activity or group of activities of a government for which it is appropriate to separately report financial information related to expenses. See note 12.

(p) Contaminated Sites

A liability for contaminated sites is recognized when a site is not in productive use or an unexpected event has occurred and the following criteria are met:

- i) an environmental standard exists;
- ii) contamination exceeds the environmental standard;
- iii) the City is directly responsible or accepts responsibility;
- iv) it is expected that future economic benefits will be given up; and
- v) a reasonable estimate of the amount can be made

The liability is recognized as management's estimate of the cost of post-remediation including operation, maintenance and monitoring that are an integral part of the remediation strategy for a contaminated site.

3. INVESTMENTS

(a) Temporary Investments

The fair value of temporary investments at December 31, 2022 was \$174,401,892 (2021 - \$106,252,156). Financial instruments included in temporary investments range in maturity date from January 2023 to December 2023, and range in yield from 1.05% to 4.80%. Included in temporary investments is \$140,120,709 (2021 - \$50,351,077) in High Interest Savings Accounts.

(b) Portfolio Investments

The fair value of portfolio investments at December 31, 2022 was \$63,932,662 (2021 - \$91,472,860). These investments range in maturity from January 2024 to May 2031, and range in yield from 1.30% to 7.52%.

4. INVESTMENT IN LONSDALE ENERGY CORPORATION ("LEC")

The City owns all the issued and outstanding shares of LEC, which was incorporated under the Business Corporations Act (British Columbia) on July 7, 2003. LEC operates a district energy system providing hydronic energy to residential, institutional and commercial buildings in the City of North Vancouver.

The Corporation of the City of North Vancouver
Notes to Consolidated Financial Statements
Year ended December 31, 2022
(tabular amounts in thousands of dollars)

4. INVESTMENT IN LONSDALE ENERGY CORPORATION ("LEC") (continued)

Summarized financial information relating to LEC is as follows:

	2022	2021
Cash and accounts receivable	\$ 3,002	\$ 2,956
Plant and equipment	38,420	37,381
Other assets	767	711
Total assets	<u>\$ 42,189</u>	<u>\$ 41,048</u>
Accounts payable and accrued liabilities	\$ 2,895	\$ 2,173
Deferred contributions	7,815	7,322
Debt ¹	26,653	26,940
Total Liabilities	<u>\$ 37,363</u>	<u>\$ 36,435</u>
Shareholder's equity	<u>\$ 4,826</u>	<u>\$ 4,613</u>
Total revenue	\$ 9,702	\$ 8,277
Total expenses	9,489	7,610
Net income	<u>\$ 213</u>	<u>\$ 667</u>

Included in the City's Consolidated Statement of Financial Position is "Investment in Lonsdale Energy Corp." in the amount of \$4,826,000 (2021 - \$4,613,000) and a ¹ loan receivable in the amount of \$26,653,000 (note 5) (2021 - \$27,043,000). Also, included in accounts receivable in the City's Consolidated Statement of Financial Position are receivables from LEC in the amount of \$1,122,000 (2021 - \$666,000).

5. LOAN RECEIVABLES

(a) Lonsdale Energy Corporation

The loan receivable balance of \$26,653,000 (2021 - \$27,043,000) consists of the following interest bearing promissory notes:

(a) On August 1, 2018, the City converted amounts due from LEC whereby LEC issued a 5 year promissory note to the City in the amount of \$33,661,966. The loan matures on August 1, 2023 and bears interest at 2.65% per annum. On July 15, 2019 and November 17, 2021, the City's Council authorized LEC to borrow an additional \$1,681,000 and \$290,000 respectively. These Promissory notes were subsequently issued and carry the same terms as the initial promissory note. The promissory notes to the City have been partially drawn upon with a balance owing at December 31, 2022 of \$26,653,000 (2021 - \$27,043,000).

All loans are due with a 12 month notice period and bear interest at 2.65% (2021 - 2.65%). Interest revenue of \$704,000 (2021 - \$709,000) and dividend revenue of \$53,900 (2021 - \$33,000) has been included in the Consolidated Statement of Operations.

The Corporation of the City of North Vancouver
Notes to Consolidated Financial Statements
Year ended December 31, 2022
(tabular amounts in thousands of dollars)

5. LOAN RECEIVABLES (continued)

(a) Lonsdale Energy Corporation (continued)

At the maturity date of the loan to LEC, the City may, at its discretion, extend the terms of the loan in whole or in part or LEC may repay the loan in whole or in part using either internal or external financing. Subsequent to December 31, 2022, on April 17, 2023, the City renewed and consolidated the outstanding and authorized loans with LEC on a 5-year demand term at an interest rate of 3.51% compounded quarterly as of August 1, 2023.

(b) British Columbia Photography and Media Arts Society ("The Polygon Gallery")

The City converted a loan guarantee for the British Columbia Photography and Media Arts Society ("The Polygon Gallery") to a loan agreement between the City and the Polygon Gallery in accordance with the Community Charter. The total debt issued was up to \$510,000, with the principal balance outstanding at December 31, 2022 was \$372,000. The loan agreement expires on March 27, 2027.

Interest revenue of \$10,361 (2021 - \$nil) has been included in the Consolidated Statement of Operations. The interest rate is set as the monthly prime interest rate.

6. DEBT

The City had financed the expansion of LEC by assuming debt on behalf of LEC through the Municipal Finance Authority in accordance with the Community Charter. Debt principal is reported net of repayments and actuarial adjustments. The City carries no other long-term debt. The total debt issued, including future principal re-payments and actuarial adjustments on the net outstanding debt outstanding as at December 31, 2022 was \$nil (2021 - \$237,098).

Interest expense of \$3,000 (2021 - \$6,000) has been included in the Consolidated Statement of Operations. The interest rate on long-term debt was 0.3% per annum.

The City has a revenue anticipation borrowing bylaw, 2020, No 8749 authorized to borrow up to \$35M to ensure the city is able to continue providing essential services to its citizens. There has been no drawdown on the facility (2021 - \$nil).

7. EMPLOYEE FUTURE BENEFITS

(a) Sick and Severance

Employees of the City are entitled to payments related to unused sick leave and severance upon retirement or resignation after ten years of service. The amount recorded for these benefits is based on an actuarial valuation done by an independent firm of actuaries using a projected benefit actuarial valuation method pro-rated on services. The most recent actuarial valuation of the City's future benefits was completed as at December 31, 2022.

The Corporation of the City of North Vancouver
Notes to Consolidated Financial Statements
Year ended December 31, 2022
(tabular amounts in thousands of dollars)

7. EMPLOYEE FUTURE BENEFITS (continued)

(a) Sick and Severance (continued)

Information regarding the City's obligations for these benefits, including 100% of the North Vancouver City Library and its proportionate share of the North Vancouver Recreation Commission, and North Vancouver Museum and Archives Commission, is as follows:

	2022	2021
Benefit obligation - beginning of the year	\$ 7,906	\$ 8,505
Add: Current service costs	731	789
Interest on accrued benefit obligation	206	186
Less: Actuarial gain	(1,115)	(778)
Benefits paid	(784)	(796)
Benefit obligation - end of the year	\$ 6,944	\$ 7,906
Add: Unamortized actuarial gain	1,552	480
Accrued benefit liability - end of the year	<u>\$ 8,496</u>	<u>\$ 8,386</u>

The significant actuarial assumptions adopted in measuring the City's accrued benefit liability are as follows:

	2022	2021
Discount rates	4.50%	2.50%
Future inflation rates	2.00%	2.00%
Compensation increases	2.58% to 4.63%	2.58% to 4.63%

The unamortized actuarial gain is amortized over a period equal to the employees' average remaining service lifetime of eleven years for the City (2021 - 11 years).

(b) Council Retirement Stipend

Starting 2005, Council Members are entitled to a retirement stipend based on 9.98% of the individual's total indemnity received subsequent to 2002. These amounts are accrued as earned and recorded in accounts payable and accrued liabilities.

The Corporation of the City of North Vancouver
Notes to Consolidated Financial Statements
Year ended December 31, 2022
(tabular amounts in thousands of dollars)

8. TANGIBLE CAPITAL ASSETS

2022	Land	Land Improvements	Parks	Buildings	Machinery & Equipment	Vehicles	Infrastructure	Library Materials	Work in Progress	Total
Costs										
Balance beginning of year	\$ 44,909	\$ 82,368	\$ 55,657	\$ 149,690	\$ 24,018	\$ 12,585	\$ 250,762	\$ 942	\$ 71,357	\$ 692,288
Additions and Adjustments	1,320	50	3,160	121	3,243	1,474	27,773	218	(145)	37,214
Disposals	-	7	1,122	682	1,160	1,341	1,502	205	-	6,019
Balance end of year	\$ 46,229	\$ 82,411	\$ 57,695	\$ 149,129	\$ 26,101	\$ 12,718	\$ 277,033	\$ 955	\$ 71,212	\$ 723,483
Accumulated Depreciation										
Balance beginning of year	\$ -	\$ 19,083	\$ 19,281	\$ 72,475	\$ 18,134	\$ 6,611	\$ 95,150	\$ 467	\$ -	\$ 231,201
Depreciation and Adjustments	-	2,433	1,918	4,970	2,502	760	5,170	216	-	17,969
Disposals	-	7	1,086	360	1,160	1,062	876	205	-	4,756
Balance end of year	\$ -	\$ 21,509	\$ 20,113	\$ 77,085	\$ 19,476	\$ 6,309	\$ 99,444	\$ 478	\$ -	\$ 244,414
Net Book Value	\$ 46,229	\$ 60,902	\$ 37,582	\$ 72,044	\$ 6,625	\$ 6,409	\$ 177,589	\$ 477	\$ 71,212	\$ 479,069
2021										
Cost										
Balance beginning of year	\$ 43,909	\$ 82,357	\$ 55,508	\$ 141,793	\$ 23,382	\$ 11,867	\$ 244,320	\$ 929	\$ 57,677	\$ 661,742
Additions	1,000	11	149	7,897	1,134	1,391	7,990	236	71,357	91,165
Disposals	-	-	-	-	498	673	1,548	223	57,677	60,619
Balance end of year	\$ 44,909	\$ 82,368	\$ 55,657	\$ 149,690	\$ 24,018	\$ 12,585	\$ 250,762	\$ 942	\$ 71,357	\$ 692,288
Accumulated Depreciation										
Balance beginning of year	\$ -	\$ 16,655	\$ 17,365	\$ 66,996	\$ 17,091	\$ 6,491	\$ 91,042	\$ 477	\$ -	\$ 216,117
Depreciation expense	-	2,428	1,916	5,479	1,541	692	4,830	213	-	17,099
Disposals	-	-	-	-	498	572	722	223	-	2,015
Balance end of year	\$ -	\$ 19,083	\$ 19,281	\$ 72,475	\$ 18,134	\$ 6,611	\$ 95,150	\$ 467	\$ -	\$ 231,201
Net Book Value	\$ 44,909	\$ 63,285	\$ 36,376	\$ 77,215	\$ 5,884	\$ 5,974	\$ 155,612	\$ 475	\$ 71,357	\$ 461,087

(a) Work in Progress

Work in progress having a cost of \$71,212,000 (2021 - \$71,357,000) has not been amortized. Amortization of these assets will commence when the asset is in service.

(b) Developer Contributed Tangible Capital Assets and Other Transfers

Developer contributed tangible capital assets and other transfers of \$1,540,000 (2021 - \$737,000) have been recognized during the year.

The Corporation of the City of North Vancouver
Notes to Consolidated Financial Statements
Year ended December 31, 2022
(tabular amounts in thousands of dollars)

9. ACCUMULATED SURPLUS

	2022	2021
General funds – general, water and sewer & drainage (a)	\$ 55,002	\$ 51,719
Reserve fund (b)	124,527	100,376
Capital fund (c)	504,818	481,014
Accumulated surplus, end of year	\$ 684,347	\$ 633,109

(a) General funds – general, water and sewer

	2022	2021
Appropriated:		
General fund	\$ 21,867	\$ 17,408
Water fund	4,112	2,547
Sewer & Drainage fund	14,049	11,508
Unappropriated:		
General fund	9,094	14,002
Water fund	3,478	1,446
Sewer & Drainage fund	690	690
General funds – COVID-19 Safe Restart Grant	1,712	4,118
	\$ 55,002	\$ 51,719

(b) Reserve Funds

	Balance December 31, 2021	Contributions & Transfers	Earnings	Less Expenditures	Balance December 31, 2022
Machinery and Equipment					
Engineering	\$ 3,295	\$ 187	\$ 180	\$ 442	\$ 3,220
Fire	268	268	31	200	367
General	65	-	7	20	52
Computer	107	38	3	52	96
Building	236	-	-	95	141
Local Improvements	780	11	22	11	802
Affordable Housing	6,984	3,588	292	238	10,626
Tax Sale Lands	34,576	-	1,211	721	35,066
Waterworks	4,774	-	161	-	4,935
Parking	341	167	6	508	6
Civic Amenity	44,961	33,105	3,043	30,777	50,332
Justice Administration Accommodation	80	-	-	8	72
Streets DCC	-	1,092	-	1,092	-
Parks DCC	-	1,218	-	1,218	-
Lower Lonsdale Amenity	8	-	-	-	8
Lower Lonsdale Legacy	2,631	-	88	47	2,672
Infrastructure	269	-	562	-	831
Public Art	599	85	21	70	635
Marine Drive Community Amenity	-	-	-	-	-
Sustainable Transportation	164	88	5	67	190
Carbon Fund	238	65	13	(236)	552
Civic Amenity HJRC	-	37,831	510	24,417	13,924
Total	\$ 100,376	\$ 77,743	\$ 6,155	\$ 59,747	\$ 124,527

(c) Capital Fund

	2022	2021
Invested in tangible capital assets	\$ 479,069	\$ 461,087
Appropriated capital funds	25,749	19,927
	\$ 504,818	\$ 481,014

The Corporation of the City of North Vancouver
Notes to Consolidated Financial Statements
Year ended December 31, 2022
(tabular amounts in thousands of dollars)

10. COMMITMENTS AND CONTINGENCIES

(a) Property Taxes

The City is obliged to levy, collect and remit property taxes on behalf of, and to finance the arrears of property taxes of, other bodies as follows:

	2022	2021
Tax collected	\$ 127,265	\$ 125,024
Less collections for and remittances to other bodies:		
Provincial Government - Schools	\$ 41,153	\$ 41,917
Greater Vancouver Regional District	2,029	1,935
Greater Vancouver Transportation Authority	9,878	10,033
British Columbia Assessment Authority	1,538	1,565
Municipal Finance Authority	8	7
BIA Lower Lonsdale Society	500	511
	<u>\$ 55,106</u>	<u>\$ 55,968</u>
Property Value Tax	<u>\$ 72,159</u>	<u>\$ 69,056</u>

(b) Pension Liability

The City and its employees contribute to the Municipal Pension Plan (a jointly trustee pension plan). The board of trustees, representing plan members and employers, is responsible for administering the plan, including investment of assets and administration of benefits. The plan is a multi-employer defined benefit pension plan. Basic pension benefits are based on a formula. As at December 31, 2021, the plan has about 227,000 active members and approximately 118,000 retired members. Active members include approximately 42,000 contributors from local governments.

Every three years, an actuarial valuation is performed to assess the financial position of the plan and adequacy of plan funding. The actuary determines an appropriate combined employer and member contribution rate to fund the plan. The actuary's calculated contribution rate is based on the entry-age normal cost method, which produces the long-term rate of member and employer contributions sufficient to provide benefits for average future entrants to the plan. This rate may be adjusted for the amortization of any actuarial funding surplus and will be adjusted for the amortization of any unfunded actuarial liability.

The most recent actuarial valuation for the Municipal Pension Plan as at December 31, 2021, indicated a \$3,761 million funding surplus for basic pension benefits on a going concern basis. The next valuation will be as at December 31, 2024, with results available in 2025.

The City paid \$4,514,000 (2021 - \$4,521,000) for employer contributions to the plan in fiscal 2022.

The Corporation of the City of North Vancouver
Notes to Consolidated Financial Statements
Year ended December 31, 2022
(tabular amounts in thousands of dollars)

10. COMMITMENTS AND CONTINGENCIES (continued)

(b) Pension Liability (continued)

Employers participating in the plan record their pension expense as the amount of employer contributions made during the fiscal year (defined contribution pension plan accounting). This is because the plan records accrued liabilities and accrued assets for the plan in aggregate, resulting in no consistent and reliable basis for allocating the obligation, assets and cost to individual employers participating in the plan.

(c) Contingent Liabilities

The City is currently engaged in or party to certain legal actions, assessment appeals and other existing conditions involving uncertainty which may result in material loss. A reasonable estimate of these future liabilities has been made where possible and is recorded in the financial statements as a liability. Where the outcomes or amounts or losses are uncertain, management has determined that there are no potential material amounts involved.

(d) E-Comm

The City is a member of Emergency Communications for British Columbia, Incorporated ("E-Comm"), an organization comprised predominately of member municipalities, for the purpose of providing emergency dispatch services. The City is represented on the board and as a class "A" shareholder has voting rights should the organization want to incur additional debt.

The E-Comm facility was constructed using debt as a financing mechanism and members are liable for a proportionate share of that debt. This debt is repaid by members through annual fees charged by E-Comm. Should E-Comm dissolve, the members would be liable for a proportionate share of any residual debt. Alternatively, should members choose to opt out of E-Comm they would be liable for a proportionate share of debt at the time of withdrawal.

The City holds 2 class "A" shares and one class "B" share.

(e) Contractual Obligations

As at December 31, 2022 the City had entered into various construction contracts for a total outstanding value of \$164.6M.

11. TRUST FUNDS

Certain assets have been conveyed or assigned to the City to be administered as directed by an agreement or statute. The City holds the assets for the benefit of, and stands in a fiduciary relationship to, the beneficiary. The Cemetery Trust Fund, totaling \$3,648,000 (2021 - \$3,437,000), which is administered by the City, has not been included with the City's accounts.

The Corporation of the City of North Vancouver
Notes to Consolidated Financial Statements
Year ended December 31, 2022
(tabular amounts in thousands of dollars)

12. SEGMENTED INFORMATION

The City is a diversified municipal government entity in the Province of British Columbia that provides a wide range of services to its citizens. Certain functional areas have been combined and separately disclosed in the segmented information. The segments and the services they provide are as follows:

General Government

General Government provides the administrative and legislative services that support the various sectors of the City. Functions include financial planning and reporting, economic development and legislative services.

Transportation and Transit

The Transportation and Transit division aims to provide enhanced access to public transit, safe pedestrian and cyclist routes, accessible transportation for people with limited mobility and maintain existing infrastructure. These goals are achieved through street design, traffic signals and signs, street lighting and road maintenance activities.

Health, Social Services and Housing

Health, Social Services and Housing encompasses a wide variety of City funded initiatives aimed at supporting the social structure and sustainability of the community. Included are cemetery operations, youth and family support services, seniors programs and homeless prevention initiatives.

Development Services

Development Services' focus is community planning, which includes land use guidelines, the management of City owned lands, heritage planning and development of the City's official community plan.

Protective Services

Protective Services is comprised of the North Vancouver RCMP detachment, the North Vancouver City Fire Department and bylaw enforcement. The North Vancouver RCMP detachment plays an integral role in the protection of North Vancouver residents and their property through crime prevention and detection, emergency response and victim services. The North Vancouver City Fire Department is responsible to provide fire suppression service, fire prevention services and fire safety education.

Parks, Recreation and Culture

Parks, Recreation and Culture provides access to recreation facilities, the operation and maintenance of the City's many parks and trails, the North Vancouver City Library and the City's participation in the North Vancouver Museum and Archives and the North Vancouver Recreation and Culture Commission.

Water Utilities

The Water Utility, in conjunction with Metro Vancouver, provides safe, clean, reliable water to the residents and businesses of the City of North Vancouver.

Sewer & Drainage Utilities

The Sewer & Drainage Utility collects waste water and transports it to trunk water mains and wastewater treatment plants operated by Metro Vancouver. In addition to the collection of wastewater, the Sewer Utility also manages the City's 150km storm drainage system which diverts rainfall runoff with an emphasis on flood prevention.

The Corporation of the City of North Vancouver
Notes to Consolidated Financial Statements
Year ended December 31, 2022
(tabular amounts in thousands of dollars)

12. SEGMENTED INFORMATION (continued)

Solid Waste

The Solid Waste Utility provides curbside garbage, recycling and yard trimmings collection to the residents of the City of North Vancouver.

The Consolidated Statement of Operations by segment and services is as follows:

	Revenues	Expenses						Annual Surplus(Deficit)
		Wages & Benefits	Goods & Supplies	Services	Depreciation	Capitalized	Total	
General government	\$ 124,494	\$ 18,648	\$ 5,169	\$ (275)	\$ 5,508	\$ (2,819)	\$ 26,231	\$ 98,263
Transportation and transit	4,926	3,293	782	12,755	3,639	(9,698)	10,771	(5,845)
Health, social services and housing	615	451	149	2,254	4	(62)	2,796	(2,181)
Development services	10,275	5,733	33	1,950	-	-	7,716	2,559
Protective services	1,393	19,156	938	7,716	710	(272)	28,248	(26,856)
Parks, recreation and culture	11,792	15,864	1,461	30,822	6,312	(20,063)	34,396	(22,604)
Water utilities	15,655	1,811	8,626	1,488	948	(1,149)	11,724	3,931
Sewer utilities	16,081	1,884	415	10,437	848	(1,383)	12,201	3,880
Solid waste	3,344	1,518	86	1,650	-	-	3,254	91
2022	\$ 188,575	\$ 68,358	\$ 17,659	\$ 68,797	\$ 17,969	\$ (35,446)	\$ 137,337	\$ 51,238
2021	\$ 143,684	\$ 64,156	\$ 19,605	\$ 58,791	\$ 17,099	\$ (32,751)	\$ 126,900	\$ 16,784

13. DEFERRED LEASE REVENUE

In 2020 the City entered into an agreement for the Harry Jerome Neighborhood Lands for a lease term of 99 years and included in deferred revenue is \$49.4M (2021 - \$49.9M).

The Corporation of the City of North Vancouver
Notes to Consolidated Financial Statements
Year ended December 31, 2022
(tabular amounts in thousands of dollars)

14. BUDGET FIGURES

The budget figures presented in these consolidated financial statements include 100% of the North Vancouver City Library and the City's proportionate share of the North Vancouver Recreation Commission, and North Vancouver Museum and Archives Commission. The financial plan was approved by Council as the Financial Plan for the Years 2022 to 2026 Bylaw, 2026, No. 8918 April 4th, 2022. The table below reconciles the approved budget to the budget figures reported.

	Financial Plan Bylaw
Revenue per Statement of Operations	\$ 130,465
Less:	
Budget adjustments for consolidation	(213)
Transfers from reserve	(1,775)
Interagency funds	(6,285)
	<u>(8,273)</u>
Revenue per Financial Plan Bylaw 8918	<u>122,192</u>
Expenses per Statement of Operations	129,947
Adjustments:	
Decrease for capital expenditures	(5,549)
Increase for non-capital projects	1,962
Budget adjustments for consolidation	4,323
Decrease for interagency payments	(6,285)
	<u>(5,549)</u>
Expenses per Financial Plan Bylaw 8918	<u>124,398</u>
Deficit for the year	(2,206)
Reserves and capital:	
Capital expenditures	(217,998)
Depreciation	17,400
Equity	(17,243)
Transfers from reserves	92,659
Proceeds from debt	109,000
Debt servicing	(625)
External contributions	19,013
Annual budgeted surplus per Financial Plan Bylaw 8918	<u><u>\$ -</u></u>

The Corporation of the City of North Vancouver
Notes to Consolidated Financial Statements
Year ended December 31, 2022
(tabular amounts in thousands of dollars)

15. COVID-19 IMPACT







Subsequent to the previous year end, the impact of COVID-19 in Canada and on the global economy increased significantly. As the impacts of COVID-19 continue, there could be specific impact on the City, its citizens, employees, suppliers and other third party business associates that could impact the timing and amounts realized on the City's assets and future ability to deliver services and projects.

The Corporation of the City of North Vancouver
Schedule A - Unaudited
Year ended December 31, 2022
(tabular amounts in thousands of dollars)

Schedule A: COVID-19 Safe Restart Grant

	2022
2021 Grant Funding Balance	\$ 4,118
Grant Expenditure:	
Business Continuity	(337)
Community Resiliency & Recovery	(285)
City Services	(1,010)
Response & Emerging Issues	(28)
Capital Projects Shortfalls Due to COVID-19	(746)
2022 Grant Funding Balance	\$ 1,712



 Department Manager	 Director	 Department Manager	 Deputy Director	 Director	 CAO
--	---	--	--	---	--

The Corporation of **THE CITY OF NORTH VANCOUVER**
ENGINEERING, PARKS & ENVIRONMENT DEPARTMENT
NORTH VANCOUVER RECREATION & CULTURE COMMISSION

INFORMATION REPORT

To: Mayor Linda Buchanan and Members of Council

From: Magda Kwaterska, Manager, The Shipyards & Waterfront
Karen Pighin, NVRC Cultural Services Supervisor

Subject: ARTIST IN RESIDENCY PROGRAM AT THE SHIPYARDS

Date: April 26, 2023 File No: 13-6740-01-0001/2023

SUMMARY

In an effort to provide diverse, accessible and inclusive cultural programming at The Shipyards and to provide opportunities for artists and the public to connect, The Shipyards staff have been collaborating with North Vancouver Recreation and Culture Commission (NVRC) staff to launch an Artist in Residency program at The Shipyards. After a selection process, NVRC chose the mixed media and textile artist Allison Chow. Allison is a graduate of Emily Carr University of Art and Design with a focus on industrial and product design. She is a professional within the public engagement and art and design fields. This is Allison's first Artist Residency appointment.

BACKGROUND

NVRC's Artist Residency program was established in 2019. The Artist Residency program has supported over 22 artists from 2019 – 2023 in creative projects that generate meaningful connections for the artists and for community participants.

The NVRC Artist Residency program provides unique opportunities for emerging and established artists from various disciplines, cultures and life experiences to discover, create and produce new work or develop existing projects. Each year, NVRC receives numerous applications to this program. NVRC provides financial support and space for artists to undertake their work in various locations throughout the City of North Vancouver and the District of North Vancouver for anywhere from 2-8 months.

In the City of North Vancouver, spaces have included Harry Jerome Community Recreation Centre, John Braithwaite Community Centre, Chris Zuehlke Field House, various parks and this year; The Shipyards Warming Hut.

The NVRC Artist Residency program has supported the development of artists from a variety of art disciplines including visual art, dance, digital art, music, environmental art and story-telling. As part of the program, Artists connect with their environment and give back to community through workshops, artist's talks, performances and other arts-based engagement activities.

To learn more, please visit <https://www.nvrc.ca/arts-culture/artist-residency-program>

DISCUSSION

Allison Chow's proposal included illustrating what it means to be a Chinese immigrant and growing up in-between generations, and she was inspired by the history of The Shipyards and would like to work with the archives as reference for her art. Allison's art will take shape throughout the course of the residency and the artist is flexible to work within physical parameters staff have provided. All work and installations will be temporary and stand-alone with nothing permanently affixed to City buildings.

The artist residency started April 1, 2023 offsite, and the artist will take residence at 19 Wallace Mews (the "Wash Hut") from Monday, April 24 until Thursday, June 1. The studio space will be open to the public on Mondays, Wednesdays and Fridays from 2:00-4:00pm with the potential for additional openings. In addition to the public engagement piece, free public workshops led by the artist will take place from May 25-June 1.

STRATEGIC PLAN, OCP OR POLICY IMPLICATIONS

This proposal supports Council's strategic plan through celebrating diversity, enhancing social connection and building a strong sense of belonging under the "A Vibrant City" priority. It further supports the City's Social Plan under Section 3.10 – Cultural Diversity and OCP Objective 5.3.4 to encourage a variety of community activities through policy, facilities and grants.

RESPECTFULLY SUBMITTED:


Magda Kwaterska
Manager, The Shipyards & Waterfront


for Karen Pighin
Cultural Services Supervisor



T 604.983.7312 F 604.985.9417 E info@LonsdaleEnergy.ca
141 West 14th Street, North Vancouver BC V7M 1H9

REPORT

To: Mayor Linda Buchanan and Members of Council
From: Karsten Veng, Chief Executive Officer, LEC
SUBJECT: 2023 ANNUAL GENERAL MEETING
Date: May 03, 2023

RECOMMENDATION:

PURSUANT to the report of the Chief Executive Officer of Lonsdale Energy Corp., dated May 3, 2023, entitled, "2023 Annual General Meeting":

THAT the 2022 Financial Statements (Attachment 1) be received and filed;

THAT the attached proposed Unanimous Consent Resolutions of the Shareholder of Lonsdale Energy Corp. (Attachment 2) be endorsed;

AND THAT the Mayor and City Corporate Officer be authorized to sign and seal the said resolution.

ATTACHMENTS:

1. Financial Statements of Lonsdale Energy Corp. for the Year ended December 31, 2022
2. Proposed Unanimous Consent Resolutions of the Shareholder of Lonsdale Energy Corp. (in lieu of the annual general meeting)
3. Historical Income Statements for Years of Operation: 2004 – 2022
4. Year-over-Year District Energy Growth Summary: 2018-2022

PURPOSE:

This report presents the audited Financial Statements for the year ended December 31, 2022 (**Attachment 1**) for Lonsdale Energy Corp. (LEC), and provides a summary of 2022 activities and analysis of the statements. The statements comply with the International Financial Reporting Standards (IFRS) as is required for government business enterprises. The report recommends that a resolution be adopted by the City of North Vancouver (the City), LEC's sole shareholder, in lieu of holding an Annual General Meeting.

BACKGROUND:

LEC began operations in 2004 providing hydronic (water-based) space heating and domestic hot water services to multi-family, commercial, and institutional buildings within the City. LEC has operated and built the district energy system (DES) to provide reliable and competitively priced thermal energy across four interconnected service areas. The Company is following a traditional business life cycle, moving through the startup, growth, and maturity stages. The following table provides a timeline of the Company's activities:

Period	Description
2004-2008	LEC commenced operations and construction of infrastructure to establish a customer base. LEC incurred losses during these startup years.
2009-2014	LEC entered a growth phase and began earning a modest income and decreasing its deficit.
2015	Non-recurring expenses resulting from obligations under a finance lease with Corix Utilities Inc. caused an increase in the deficit.
2016	LEC adjusted its rate structure and again earned a modest income.
2017-2020	LEC matured and experienced rapid growth while eliminating its deficit and provided retained earnings to its shareholder.
2021-Present	LEC continues to grow and balances earnings with a focus on reducing carbon emissions and maintaining affordability to customers.

Table 1.0: LEC Business Lifecycle

For more details on the historical performance of the Company, a summary of LEC's financial results is provided in **Attachment 3**. LEC aims to operate a reliable and resilient DES while balancing the goals of:

1. Reducing carbon emissions in the community,
2. Providing affordable and competitively priced thermal energy, and
3. Providing a return on investment to the City.

Currently, LEC's renewable energy sources include a solar panel array on the roof of the Library, a geo-exchange field under School District 44's head office, as well as recovery of rejected heat from cooling services at School District 44's head office, the Shipyard Commons and the Skate Plaza at The Shipyards. In 2022, LEC began purchasing Renewable Natural Gas (RNG) from FortisBC to reduce carbon emissions. The hydronic based DES enables seamless integration of a wide variety of low-carbon energy sources. These energy sources are used in priority and directly offset energy that would otherwise be provided by natural gas. Also, LEC has entered into a Thermal Energy Sale and Purchase Agreement with the Greater Vancouver Sewerage & Drainage District

(GVS&DD). Under the agreement, GVS&DD is to recover heat from the treated sewerage effluent at the North Shore Wastewater Treatment Plant, which will be distributed throughout LEC's DES. Due to construction delays, LEC is uncertain about when heat energy sales will commence. With the City and LEC recently setting ambitious GHG targets, reducing the carbon emissions was a primary focus in 2022 and is expected to be in the years to come.

DISCUSSION:

Review of 2022 Activity

With the addition of four buildings to the distribution network in 2022, LEC has 109 energy transfer stations delivering heating and cooling services to 103 buildings in the City. LEC services approximately 7.92 million square feet of property and 15,000 residents; this is approximately 26% of the City's population (58,120) per Statistics Canada's 2021 census. Additionally, LEC services numerous commercial and institutional premises such as restaurants, office spaces, hotels, City Hall, the Civic Library, and the Fire Hall. **Attachment 4** provides additional statistics for the DES. The following customers were added in 2022:

Connection Date	Name	Service Area	Address
May 2022	The Bowline	Lower Lonsdale	222 E 2 nd Street
Aug. 2022	Toppen Ridge	Moodyville	237 Ridgway Ave.
Aug. 2022	Alcuin College	Lower Lonsdale	63 Mahon Ave.
Nov. 2022	Trails	Moodyville	520 E 1 st Street

Table 2.0: 2022 Building Connections

During 2022 LEC added approximately 280 meters of distribution piping worth \$1.06 million to the DES. This is approximately half of the additions compared to 2021 and smallest addition of the past five years. This is a result of fewer building connections and that these connections were mostly adjacent to existing piping. Also, in recent years LEC undertook significant civil projects aimed at interconnecting its four service areas. Interconnection allows for the movement of thermal energy between service areas, thus increasing system reliability and allowing the prioritization of low-carbon energy sources.

LEC added \$1.54 million new plant and equipment assets to the system in 2022. A significant portion of this, \$1.07 million, was for a 4.5 MW in boiler capacity expansion at Mini-Plant 8 (1308 Lonsdale Avenue). The addition of these boilers was necessary to service the 2023 winter peak demand while low-carbon energy sources continue to be evaluated and developed. Coinciding with the construction of these boilers, LEC began purchasing RNG, which helps to offset the natural gas purchases of this added capacity. Remaining additions to plant and equipment primarily consist of construction of energy transfer stations to service new buildings. LEC also continued to improve and integrate new customers into its Supervisory Control and Data Acquisition (SCADA) software. In addition to saving the Company money by eliminating the need for 24-hour human supervision of the DES, LEC's control system provides an abundance of valuable performance data to: better serve customers, improve system efficiency, and manage the utilization of energy sources.

As a result of the COVID-19 pandemic, LEC has experienced a lag in new connections in 2021 and 2022, with only four buildings added in both years. Developers deferred construction due to uncertainty in the real estate market. Despite this slow down, revenues continued to grow, and the Company met all its debt obligations. LEC has mostly returned to pre-pandemic operations, and it appears that its growth will continue with 8 scheduled connections in 2023 and 10 in 2024.

In addition to the 2019 Notice of Motion passed by Council setting targets to reduce City carbon emissions by 80% below 2007 levels by 2040 and by 100% (net zero) by 2050, LEC has set its own target of reducing carbon emissions of the district energy system by 40% of 2021 emissions by the end of 2026. Staff are shifting focus and accelerating efforts towards a transition away from natural gas. This transition is also being driven by the rising cost of natural gas and annual increases to the carbon tax making natural gas less economical. There is also the risk of future legislation being implemented to cap emissions from natural gas. Through the purchase of 50,000 Giga Joules (GJ) of RNG in 2022, LEC reduced the natural gas consumption of the DES by approximately 15%, removing 3,000 tonnes of CO₂ emissions. This is the equivalent of the carbon dioxide absorbed by 120,000 mature trees, or removal of 1,000 vehicles from the community.

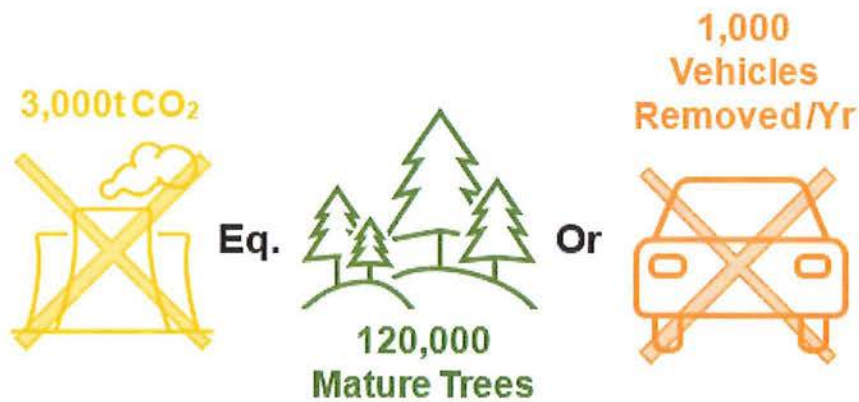


Table 3.0: RNG GHG Reductions Graphic

During the year, LEC continued to progress on several projects aimed at reducing carbon emissions: digital boilers; a sewer heat recovery plant; server waste heat recovery; ocean source heating; and thermal energy storage. The feasibility and economic viability of these projects is being assessed, as well as the impact on rate payers. While these energy sources will carry upfront capital costs (and potential rates changes) in the near term, they will become more economical in comparison to the rising cost of natural gas over time.

Financial Performance Overview

The ambitious goals set out by the City and LEC for carbon emission reductions increased the focus on carbon emission reductions in 2022, resulting in changes in operations. The most significant of these changes were the purchase of RNG and increased allocation of resources towards decarbonization of the DES. The purchase of 50,000 GJ of RNG from FortisBC directly offset 15% of purchases that would otherwise have been conventional natural gas reducing LEC’s carbon emission intensity from 216 kgCO₂/MWh in 2021 to

183 kgCO₂/ MWh in 2022. This was done while maintain affordable rates to customers and earning profits for LEC during the year:

Comparison of LEC's Effective Rate and GHG Emission Intensity with other Energy Providers

As at Dec. 31, 2021			As at Dec. 31, 2022		
Energy Provider	GHG Emission Intensity (kg CO ₂ /MWh)	Effective Rate (\$ / MWh)	Energy Provider	*GHG Emission Intensity (kg CO ₂ /MWh)	Effective Rate (\$ / MWh)
LEC	216	\$97	LEC	183	\$108
Fortis BC	220	\$100	River District Energy (East Fraserlands)	220	\$112
Richmond Oval Village District Energy	220	\$107	Richmond Oval Village District Energy	220	\$114
River District Energy (East Fraserlands)	220	\$108	Fortis BC	220	\$115
UBC Neighbourhood DEU	220	\$113	UBC Neighbourhood DEU	220	\$116
Surrey City Energy	132	\$120	Surrey City Energy	132	\$122
BC Hydro	24	\$122	BC Hydro	24	\$124
False Creek Neighbourhood Energy Utility (NEU)	70	\$125	False Creek Neighbourhood Energy Utility (NEU)	70	\$129
PCI Marine Gateway (Heating & Cooling)	58	\$128	PCI Marine Gateway (Heating & Cooling)	42	\$155
SFU UniverCity Energy	44	\$154	SFU UniverCity Energy	44	\$164
Shannon Estates Utility Ltd.	n/a	n/a	Shannon Estates Utility Ltd.	61	\$189

Notes:

1. Effective rates for FortisBC, UBC Neighbourhood DEU, River District Energy, NEU, SFU UniverCity, Richmond Oval, Surrey City Energy, PCI Marine Gateway, and Shannon Estates Utility Ltd. were estimated for 2022 by the City of Vancouver and referenced from report dated November 1, 2022.
2. Effective rate estimates may be based on proposed 2022 rates pending regulatory or Council approvals and therefore are subject to change.
3. LEC's effective rate is calculated based on revenue and heat delivered for the 12 months ended Dec. 31, 2022.
4. BC Hydro cost based on purchase of 50% residential step 1 and 50% residential step 2 electricity price as of April 1, 2022 and includes a rate rider and basic charge. Based on these assumptions the 2022 electric cost would be \$124 / MWh.
5. Creative Energy Ltd. has been omitted from this table as their systems has historically been steam based.
6. Actual effective rates for individual customer buildings may vary due to individual building characteristics and/or performance.

Table 4.0: 2021 vs. 2022 Effective Rates and GHG Emission Intensity

As seen above, LEC remained a low-cost provider of thermal energy, despite the additional cost of RNG purchases compared to conventional natural gas. LEC's effective price still rose due to the rising cost of natural gas during the year. This table also demonstrates the relationship between reducing carbon emissions and costs to customers: as emissions are reduced, the cost to customers increases due to more expensive technologies.

Due to the higher energy cost of RNG, LEC is still assessing RNG's long-term viability, however, because it could be purchased immediately and without a capital investment, it was the best option to have an impact on carbon emissions in 2022 and offset the increase in gas capacity at MP8. After modeling and assessing the impact on finances, LEC determined that the losses of a higher RNG price were acceptable to achieve carbon emission reductions during the year. Introducing RNG to the DES is currently considered an interim solution until a comprehensive low-carbon roadmap for LEC has been completed, which is scheduled for 2025. Additionally, LEC considered the benefit of deferring a rate adjustment based on RNG to provide relief to customers during a period of significant inflation.

In 2022 LEC increased the allocation of resources towards decarbonization of the DES. This included the addition of staff to increase efforts for low-carbon energy source research, investigation, fund sourcing, and implementation; and the hiring of consultants for feasibility studies, design, and costing of low carbon projects. Efforts towards decarbonization of the DES have resulted in less profits when compared to 2021, however this must be considered within the context of the cost of decarbonization and maintain affordability to customers. As part of developing a low-carbon road map, LEC is assessing its strategy for balancing carbon emission reduction goals versus the cost to customers and energy diversity.

Financial Statement Analysis – Statement of Net and Comprehensive Income

The Statement of Net and Comprehensive Income, or the Income Statement, provides a summary of the revenues, expenses, and financing activities contributing towards a profit (or loss). LEC's Revenue is earned from utility services while its Cost of Sales are the direct inputs, natural gas and electricity, necessary to provide services. Operating costs are made up of the servicing and maintenance contracts necessary to run the DES, as well as the General and Administrative expenses (such as staff salaries, insurance costs, legal costs, consulting costs, administrative costs, etc.). LEC's Contributions are made up of the portion of deferred revenue being recognized in the current year. Contributions from various sources are made towards the assets of the Company and are recognized over the life of the asset. As more contributions are received, more deferred revenue is recognized within the current year. Profits decreased from \$699,529 to \$267,040 in 2022. This is primarily a result of the purchase of RNG, unexpected increases in Cost of Sales from FortisBC, increased staffing costs, and reduced revenue growth due to deferred development resulting from higher interest rates.

The below analysis of the Income Statement displays LEC's expenses as a function of revenue earned. This allows for comparison to the prior year with consideration for revenue growth and provides the commonly used ratios of Gross Margin (revenue available after paying the direct costs) and Profit Margin (revenue available to increase equity after all costs have been considered).

	2022	% of Revenue	2021	% of Revenue
Revenue	\$ 8,796,481	100%	\$ 7,538,894	100%
Less: Cost of Sales	4,734,300	54%	3,292,352	44%
Gross Margin	4,062,181	46%	4,246,542	56%
Less: Operating Expenses	3,994,262	45%	3,570,304	47%
Net: Contributions & Financing Costs	199,121	2%	23,291	0%
Net Income (\$) / Profit Margin (%)	\$ 267,040	3%	\$ 699,529	9%

Table 5.0: Vertical Analysis of the 2022 Income Statement

As seen in the table above, LEC's profit margin has decreased from 9% to 3%. The driver of this decrease is the increase in Cost of Sales to 54%, which has reduced LEC's Gross Margin. The following factors contributed to this increase:

1. The purchase of 50,000 GJ of RNG, as opposed to natural gas, incurred additional costs of \$295,000.

Management determined this premium as acceptable on a temporary basis. In 2023, staff will have more certainty around other low-carbon energy projects and can conduct a comprehensive rate review which will assess if rates should be adjusted for RNG to cover these costs.

2. A string of extraordinary events has significantly limited natural gas supply locally and globally, impacting the natural gas market and resulting in extra costs of \$359,000 for 2022. These events are the rupture of an Enbridge Pipeline (2018), the COVID-19 Pandemic (2020-22), and the war in the Ukraine and subsequent embargo on Russia, a leading natural gas supplier (2022-present).

The January 1, 2023 rate adjustment by FortisBC is signaling stabilization within the natural gas market and LEC has already realized savings through the use of market pricing in early 2023. Staff are still assessing strategies around natural gas procurement and have contracted an independent consultant who will provide input before contracts are renewed in 2023.

Profits have decreased due to increased Cost of Sales and the delay of new customer connections, however neither of these factors are expected to affect LEC long-term. Staff are taking measures to address the increase in Cost of Sales in 2023 and 18 connections are scheduled over the next two years.

Adding staff for LEC has also increased costs, however new staff are necessary to service the growing customer base and facilitate the transition to low-carbon energy sources. Despite the added staff salaries, Operating Expenses decreased proportionally from Revenue, from 47% to 45% in 2022, indicating LEC's ability to meet the financial requirements of new staff members.

It should be noted, the use of preventative and corrective maintenance contracts decreased Plant Operation and Maintenance Expenses in 2022, however with an aging of the system staff expect these costs to increase in the coming years.

While profits have decreased in 2022, this should be balanced with consideration for carbon emission reductions during the year and maintained affordability to customers. Both of these goals have been achieved in 2022: removal of 3,000 tonnes of carbon emissions from the DES and remaining a low-cost provider of thermal energy. With significant customer additions expected for 2023 and a comprehensive rate review, it is expected that profitability will be maintained and LEC will continue to increase retained earnings in 2023.

Financial Statement Analysis – Statement of Financial Position

The Statement of Financial Position, or Balance Sheet, is a summary of LEC's assets, liabilities and shareholder's equity on December 31, 2022. It provides a snapshot of the assets owned by the Company's, and whether they were sourced from liabilities or investment from the shareholder. LEC's assets are primarily made up of the Plant and Equipment used to generate and deliver energy to customers, as well as the materials for construction of future infrastructure. Additionally, liquid assets (cash, accounts receivable and prepaid expenses) are held for operating the Company. A loan from the City for construction of DES infrastructure represents a significant portion of LEC's liabilities.

Deferred contributions are also a portion of liabilities, as LEC recognizes these contributions over the life of the asset for which the contribution was made. Current liabilities represent the outflow of resources owed by LEC within a year.

With asset additions of \$2.60 million, depreciation of \$1.73 million, and the \$97,000 disposal of a temporary boiler sold by LEC, Plant and Equipment assets only increased by 2% year-over-year. With only four connections and no significant piping stretches this was a less capital-intensive year than LEC has recently experienced. However, the Company is preparing for a busy coming year, as indicated by the increase in supplies/materials of 71%. LEC continues to add to its Software Assets through the integration of new customers into its SCADA system.

Historically, the majority of LEC's infrastructure has been funded through loans from the City. As the City is also LEC's sole shareholder, classifying these loans as equity for the Company provides a better representation when assessing LEC's debt versus equity. With this consideration, LEC has a Debt-to-Equity Ratio (Total Liabilities / Shareholders' Equity) of approximately 1:3 (0.34). This ratio indicates that assets are financed mainly through equity, which is relatively safer and reduces risk to the Company. With significant growth throughout the life of the Company, these shareholder loans have been necessary to meet the infrastructure requirements. By leveraging debt from the City, LEC has connected a significant number of buildings which will maximize the impact of the future low-carbon energy sources. On August 1, 2018, the City authorized a five-year demand term loan with an interest rate of 2.65%, which consolidated previous funding for various capital projects. As of December 31, 2022, LEC owed the City \$24,708,086 of this loan and has \$5,655,000 of the authorized amount remaining to draw for future named projects. In addition to this loan, LEC was authorized to borrow two small amounts under the same loan terms: \$1,681,000 on July 15, 2019, and \$290,000 on December 6, 2021. The City also received a loan of \$2,000,000 under the Green Municipal Investment Fund Project Loan to finance LEC infrastructure. This funding and the debt obligations were transferred to LEC and included in LEC's liabilities. This loan was retired on March 17, 2022. These loan obligations are summarized below:

Authorized by Council	Disbursed to LEC	Total Principal Payments	Amount Due to the City	Interest Paid to the City
\$37,632,966	\$31,941,966	\$5,288,880	\$26,653,086	\$4,417,414

Table 6.0: Summary of Loans from the City

During 2022 LEC satisfied its loan obligations to the City, as per the agreed upon debt repayment schedule: \$917,098 in principal payments and \$706,877 in interest payments. The City continued to earn a competitive return on the loans at 2.65% in comparison to a yield of 2.51% from the City's fixed income investment portfolio in 2022. The financial statements have also disclosed that on April 17, 2023, the City and LEC renewed the loans for another 5-year term at an interest rate of 3.51%. A Debt Service Coverage Ratio (Earnings Before Interest, Taxes, Depreciation and Amortization [EBITDA] / Total Debt Service) of approximately 1.6 is indicative of LEC's ability to meet its debt obligations. This ratio means that based on 2022 earnings, LEC could adequately cover all of its debt obligations 1.6 times. The City also provides administrative services and operations activities, such as IT and payroll services, which are reimbursed on a quarterly basis and displayed under Current Liabilities.

LEC's Current Ratio (Current Assets / Current Liabilities) dropped to 0.66 during the year (2021 – 0.83). This ratio aims to measure the liquidity of the Company and its ability to meet current liabilities with liquid assets. Generally, maintaining a current ratio above 1.0 is advisable to ensure cash is on hand to cover current obligations. The change in this ratio is the result of LEC using internal funds for capital projects on an interim basis while negotiating a credit facility with a commercial lender (LEC was authorized by Council to borrow up to \$12 million from a commercial lender to fund capital projects). The internally funded projects have been included in the credit facility request and will be drawn on close, injecting cash into LEC's current assets. This injection will result in an estimated current ratio of 1.08. Additionally, a couple of factors which reduce the risk of this ratio being below 1.0 are that the security deposits held by LEC are not due immediately and release of these deposits are spread over the year (subject to performance). Also, deferred contributions are recognized over time, however, are actually collected with terms of 21 days, similar to other LEC receivables. LEC's management team regularly generates 18-month cash flow projections to monitor its cash balance and is confident in the organization's ability to meet its short-term obligations.

Retained earnings are reinvested into the Company for the purpose of funding capital expenditures that add capacity and reduce the carbon emissions of the DES. In 2022, LEC reduced its carbon emission intensity to 183 kgCO₂/MWh from 216 kgCO₂/MWh in 2021. Additionally, significant resources continue to be allocated towards the research and development of various low-carbon energy sources. LEC also provided \$53,900 in dividends to the City during the year.

Annual General Meeting

Legislation requires that each year the Company hold an Annual General Meeting (AGM) so that its shareholders can approve the Company's financial statements; appoint the Directors and Auditors; and conduct other business as required. Alternatively, the shareholders may consent in writing to the business required to be transacted at the AGM. Since the City is the sole shareholder of LEC, the latter option is an appropriate alternative. Accordingly, a Unanimous Consent Resolutions of the Shareholder (**Attachment 2**) has been submitted so the shareholder may consent to the resolutions of the AGM. The consent resolution names BDO Canada LLP as auditors of the Company until the next annual reference date or until a successor is appointed. The City and LEC issued a Request for Proposal of Professional Audit Services for the audit of the Company's financial statements from 2021 to 2025 and BDO was the successful proponent.

A Unanimous Consent Resolution of the Shareholder dated December 21, 2018, appointed Leanne McCarthy and Jessica McIlroy to the LEC Board. Subsequently, a Consent Resolution dated December 7, 2020, appointed Karsten Veng. Lastly, a Consent Resolution dated February 13, 2023, appointed Larry Sawrenko. Article 13.1 of the Articles of the Company specifies that, at each AGM all the Directors shall retire, and the members entitled to vote thereat shall elect a Board of Directors. The proposed Unanimous Consent Resolutions of the Shareholder has been prepared on the same basis as previous years to confirm the current Directors, each for another 1-year term.

Article 18.1 of the Articles of the Company specifies the officers that must be appointed as follows: a Chairperson of the Board, a Vice-Chair, a President and a Secretary-Treasurer. LEC's Officers are as follows:

Name	Office
Leanne McCarthy	Chairperson of the Board and President
Jessica McIlroy	Vice-Chair of the Board and Director At Large
Karsten Veng	Chief Executive Officer
Larry Sawrenko	Secretary-Treasurer

The proposed Unanimous Consent Resolutions of the Shareholder confirms these officers for another 1-year term.

Outlook for 2023

2023 will be a busy year for LEC as connection schedules return to pre COVID-19 levels (8 in 2023 and 10 in 2024) and LEC progresses on its carbon reduction journey. LEC continues to assess feasibility of several carbon emission reduction projects from both a technical and economical perspective and expects to achieve certainty around the viability of multiple projects during the year. Staff anxiously await the results of a grant application to share costs for a low-carbon energy project that would significantly reduce carbon emissions. An announcement of successful applications will be made in Summer 2023. The certainty gained on these projects will contribute towards a decarbonization plan to map GHG emission reductions based on existing renewable energy sources and various new technologies. Considering the large capital investment necessary for these renewable energy sources, as well as higher operating costs, all of these opportunities need to be considered for financial viability and impact on rate payers. LEC will complete rigorous financial analysis on these projects to determine the impacts on profits and affordability to customers before making any investment decisions or recommendations.

FINANCIAL IMPLICATIONS:

Discussed throughout the report.

STRATEGIC PLAN IMPLICATIONS:

LEC aligns with the 2018-2022 Council Strategic Plan, more specifically, Council's Livable City goal stating:

Further develop a renewable energy strategy to transition the City-owned Lonsdale Energy Corporation district energy system to incorporate low carbon energy sources and minimize the use of natural gas, including exploring a compost/waste to energy facility and other strategic opportunities

RESPECTFULLY SUBMITTED BY:



Karsten Veng, P.Eng., PMP
Chief Executive Officer, LEC

Financial Statements of

LONSDALE ENERGY CORP.

Year ended December 31, 2022



Tel: 604 688 5421
Fax: 604 688 5132
vancouver@bdo.ca
www.bdo.ca

BDO Canada LLP
Unit 1100 - Royal Centre
1055 West Georgia Street
Vancouver BC V6E 3P3 Canada

Independent Auditor's Report

To the Shareholders of Lonsdale Energy Corp.

Opinion

We have audited the financial statements of Lonsdale Energy Corp. (the "Entity"), which comprise the Statement of Financial Position as at December 31, 2022, and the Statements of Net and Comprehensive Income, Changes in Equity and Cash Flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Entity as at December 31, 2022, and its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards.

Basis for Opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Entity in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with International Financial Reporting Standards, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Entity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Entity or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Entity's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.



As part of an audit in accordance with Canadian generally accepted auditing standards, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Entity's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Entity's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Entity to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

BDO Canada LLP

Chartered Professional Accountants

Vancouver, British Columbia
April 25, 2023

LONSDALE ENERGY CORP.

Statement of Financial Position

December 31, 2022, with comparative information for 2021

	Note	2022	2021
Assets			
Current Assets:			
Cash		\$ 709,364	\$ 921,407
Accounts receivable	5	2,292,925	2,034,954
Prepaid expenses		121,982	115,033
		3,124,271	3,071,394
Plant and equipment	6(a)	37,783,441	37,008,595
Supplies for the distribution system and general equipment	6(b)	636,923	372,657
Software assets	7	644,980	576,055
Debt Reserve Fund	8(c)	-	20,000
		\$ 42,189,615	\$ 41,048,701
Liabilities and Shareholder's Equity			
Current liabilities:			
Accounts payable and accrued liabilities		\$ 1,115,823	\$ 951,997
Security deposits		657,500	555,059
Due to the City of North Vancouver	8(a)	1,121,922	666,137
Current portion of Loan from City of North Vancouver	8(b)	1,080,000	642,021
Current portion of loan from Green Municipal Investment Fund	8(c)	-	237,098
Current portion of deferred contributions	9	785,413	655,380
		4,760,658	3,707,692
Loan from City of North Vancouver	8(b)	25,573,086	26,061,065
Deferred contributions	9	7,029,500	6,666,713
		37,363,244	36,435,470
Shareholder's equity:			
Share capital	10	2,000,010	2,000,010
Contributed surplus		111,723	111,723
Retained earnings		2,714,638	2,501,498
		4,826,371	4,613,231
Commitments and contingencies (note 14)			
		\$ 42,189,615	\$ 41,048,701

See accompanying notes to financial statements.

Approved on behalf of the Board:



Director



Director

LONSDALE ENERGY CORP.

Statement of Net and Comprehensive Income

Year ended December 31, 2022, with comparative information for 2021

	Note	2022	2021
Revenue	12	\$ 8,796,481	\$ 7,538,894
Cost of sales		4,734,300	3,292,352
		4,062,181	4,246,542
Operating expenses:			
Plant operation and maintenance		325,009	382,831
Depreciation		1,834,262	1,751,491
General and administrative	13	1,834,991	1,435,982
		3,994,262	3,570,304
Contributions and financing costs:			
Contributions	9 & 12	785,413	655,380
Finance income		120,585	82,709
Finance costs	8(b) & 8(c)	(706,877)	(714,798)
		199,121	23,291
Net income and comprehensive income		\$ 267,040	\$ 699,529

See accompanying notes to financial statements.

LONSDALE ENERGY CORP.

Statement of Changes in Equity

Year ended December 31, 2022, with comparative information for 2021

	Share capital	Contributed surplus	Retained earnings	Shareholder's equity
Balance, December 31, 2020	\$ 2,000,010	\$ 111,723	\$ 1,834,969	\$ 3,946,702
Net income and comprehensive income	-	-	699,529	699,529
Cash dividends	-	-	(33,000)	(33,000)
Balance, December 31, 2021	2,000,010	111,723	2,501,498	4,613,231
Net income and comprehensive income	-	-	267,040	267,040
Cash dividends (Note 10)	-	-	(53,900)	(53,900)
Balance, December 31, 2022	\$ 2,000,010	\$ 111,723	\$ 2,714,638	\$ 4,826,371

See accompanying notes to financial statements.

LONSDALE ENERGY CORP.

Statement of Cash Flows

Year ended December 31, 2022, with comparative information for 2021

	2022	2021
Cash provided by (used in)		
Operations:		
Net income	\$ 267,040	\$ 699,529
Adjustments for:		
Depreciation	1,834,262	1,751,491
Recognition of deferred contributions	(785,413)	(655,380)
Net finance cost	586,292	632,089
Loss on disposal of plant and equipment	96,928	-
Change in non-cash operating working capital:		
Accounts receivable	(257,971)	(68,093)
Prepaid expenses	(6,949)	(40,218)
Accounts payable and accrued liabilities	163,826	4,873
Due to the City of North Vancouver	455,785	140,712
Security deposits	102,441	150,000
Net cash from operating activities	2,456,241	2,615,003
Investing:		
Purchase of plant and equipment (including supplies for the distribution system put into use)	(2,602,268)	(3,035,251)
Change in supplies for distribution system	(264,266)	180,675
Purchase of software assets	(172,693)	(117,475)
Holdback for debt reserve fund received	20,000	-
Interest received	120,585	82,709
Net cash used in investing activities	(2,898,642)	(2,889,342)
Financing:		
Contributions received	1,278,233	637,285
Repayments of loans from the City of North Vancouver	(680,000)	(850,000)
Proceeds from loans from the City of North Vancouver	630,000	1,035,000
Dividends paid to the City of North Vancouver	(53,900)	(33,000)
Interest paid	(706,877)	(714,798)
Principal payments on Green Municipal Investment Fund loan	(237,098)	(227,979)
Net cash (used) in financing activities	230,358	(153,492)
Decrease / Increase in cash	(212,043)	(427,831)
Cash, beginning of year	921,407	1,349,238
Cash, end of year	\$ 709,364	\$ 921,407

See accompanying notes to financial statements.

LONSDALE ENERGY CORP.

Notes to Financial Statements

Year ended December 31, 2022

1. Reporting entity:

Lonsdale Energy Corp. (the "Company") is domiciled in Canada and was incorporated under the Business Corporations Act (British Columbia) on July 7, 2003 and commenced development activities thereafter and commercial operations on March 1, 2004. Since inception, the efforts of the Company have been devoted to the development and operation of a district energy system in the City of North Vancouver. The address of the Company's registered office is Suite E, 15 Chesterfield Place, North Vancouver, British Columbia, V7M 3K3.

The Company is a wholly owned subsidiary of The Corporation of the City of North Vancouver (the "City"), the parent organization. The full financial statements of the City are publicly available and produced by the City.

Under Section 149(1)(d) of the Income Tax Act, the Company is exempt from income and capital taxes by virtue of the fact that it is a wholly owned subsidiary of the City.

2. Basis of presentation:

(a) Statement of compliance:

The financial statements have been prepared in accordance with International Financial Reporting Standards (IFRS).

The financial statements were authorized for issue by the Board of Directors on April 25, 2023.

(b) Basis of measurement:

The financial statements have been prepared on the historical cost and a going concern basis. The going concern basis of presentation assumes the Company will continue in operation for the foreseeable future and will be able to realize its assets and settle its liabilities and commitments in the normal course of business.

Management believes that, based on its current cash flow forecasts and the continued and on-going availability of financing, when and if required, to fund future capital requirements that the Company will be able to operate for the foreseeable future.

(c) Presentation of financial statements:

The Company uses a classified statement of financial position. The statement of financial position distinguishes between current and non-current assets and liabilities. Current assets and liabilities are those expected to be recovered or settled within twelve months from the reporting date and non-current assets and liabilities are those where the recovery or settlement is expected to occur more than twelve months from the reporting date. The Company classifies the statement of net and comprehensive income using the function of expense method, which classifies expenses according to their functions, such as costs of operation or administrative activities.

LONSDALE ENERGY CORP.

Notes to Financial Statements (continued)

Year ended December 31, 2022

2. Basis of presentation (continued):

(d) Functional and presentation currency:

These financial statements are presented in Canadian dollars, which is the Company's functional currency.

(e) Critical accounting judgements and estimates:

The preparation of the financial statements in conformity with IFRS requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimates are revised and in any future periods affected.

Information about assumptions and estimation uncertainties that have a significant risk of resulting in a material adjustment within the next financial year are included in the following notes:

Note 5 and 15 - valuation of accounts receivable

Note 4(a)(iii), 4(g) and 6 - useful lives of plant and equipment and valuation of plant and equipment

Note 4(b) and 7 - useful lives of software assets

3. Adoption of new accounting standards:

There are no new accounting standards, interpretations and/or amendments impacting the Company that have been adopted for the accounting year beginning on January 1, 2022 which have given rise to changes in the Company's accounting policies or resulted in any material changes to the Company's financial statements.

4. Significant accounting policies:

(a) Plant and equipment, supplies for the distribution system:

(i) Recognition and measurement:

Items of plant and equipment are measured at cost less accumulated depreciation and accumulated impairment losses.

Cost includes expenditures that are directly attributable to the acquisition of the asset. The cost of self-constructed assets include the cost of materials and direct labour, any other costs directly attributable to bringing the assets to a working condition for their intended use, the costs of dismantling and removing the items and restoring the site on which they are located, and borrowing costs on qualifying assets.

LONSDALE ENERGY CORP.

Notes to Financial Statements (continued)

Year ended December 31, 2022

4. Significant accounting policies (continued):

(a) Plant and equipment, supplies for the distribution system (continued):

The supplies for the distribution system are capital items, not for resale, which have yet to be used in the construction of the distribution system infrastructure, and accordingly, are not amortized until installed and available for use.

Purchased software that is integral to the functionality of the related equipment is capitalized as part of that equipment.

When significant parts of an item of plant and equipment have different useful lives, they are accounted for as separate items (major components) of plant and equipment.

Gains and losses on disposal of an item of plant and equipment are determined by comparing the proceeds from disposal with the carrying amount of plant and equipment, and are recognized net within other income in profit or loss.

(ii) Subsequent costs:

The cost of replacing a part of an item of plant and equipment is recognized in the carrying amount of the item if it is probable that the future economic benefits embodied within the part will flow to the Company, and its cost can be measured reliably. The carrying amount of the replaced part is derecognized. The costs of the day-to-day servicing of plant and equipment are recognized in statement of net and comprehensive income as incurred.

(iii) Depreciation:

Depreciation is calculated over the depreciable amount, which is the cost of an asset less its residual value.

Depreciation is recognized in profit or loss on a straight-line basis over the estimated useful lives of each part of an item of plant and equipment, since this most closely reflects the expected pattern of consumption of the future economic benefits embodied in the asset.

Depreciation of the various components of the general equipment and sections of the distribution system starts once a component/section is available for use at the following rates on a straight line basis for the current and comparative periods:

Asset	Rate
Distribution system	2.5%
Communication system	4.0%
General equipment	5.0%
Computer and office equipment	20.0%

Depreciation methods, useful lives and residual values are reviewed at each financial year end and adjusted if appropriate.

LONSDALE ENERGY CORP.

Notes to Financial Statements (continued)

Year ended December 31, 2022

4. Significant accounting policies (continued):

(b) Software assets:

The software assets are integral to the functionality of related equipment. Software assets are recognized at cost, net of accumulated amortization and accumulated impairment losses, if any. Software assets, less their estimated residual values, are amortized on a straight-line basis. Depreciation of the software assets starts once the software is available for use at the following rate on a straight line basis for the current and comparative periods:

Asset	Rate
Software	10.0%

The estimated useful lives, amortization method, and residual value of each asset are evaluated annually or more frequently if required, and are adjusted, if appropriate.

(c) Revenue recognition:

The Company recognizes revenue when it transfers control over a promised good or services, which constitutes a performance obligation under the contract, to a customer and where the Company is entitled to consideration as a result of completion of the performance obligation. Depending on the terms of the contract with the customer, revenue recognition can occur at a point in time or over time. When a performance obligation is satisfied, revenue is measured at the transaction price that is allocated to that performance obligation. Revenue is recognized over time generally using output as a measure or progress (i.e. kilowatt hours delivered) as the Company's customers simultaneously receive and consume energy. Energy sales are based on fixed rates and meter readings and are billed on a cyclical basis. Revenue is accrued for energy delivered but not yet billed where collection of the relevant receivable is probable, persuasive evidence of an arrangement exists and the sales price is fixed or determinable and it is highly probable that a subsequent change in its estimate would result in a significant revenue reversal.

Application fee revenues are based on a percentage of the value of a development. Revenue is earned and recognized annually on an accrual basis over the three year period services are provided.

Connection fee revenues are determined based on the capacity requirements planned for a development and are initially deferred and recognized in profit or loss on a systematic basis consistent with the depreciation of the asset.

LONSDALE ENERGY CORP.

Notes to Financial Statements (continued)

Year ended December 31, 2022

4. Significant accounting policies (continued):

(d) Government grants:

Government grants are recognized initially as deferred contributions at fair value when there is reasonable assurance that they will be received and the Company will comply with the conditions associated with the grant. Grants that compensate the Company for operating expenses incurred are initially deferred and recognized in statement of net and comprehensive income as other income in the same periods in which the expenses are recognized. Grants that compensate the Company for the cost of an asset are initially deferred and recognized in profit or loss on a systematic basis consistent with the depreciation of the of the asset, over the useful life of the asset when put into use.

(e) Finance income and finance costs:

Finance income comprises of interest on funds invested. Interest income is recognized as it accrues in profit or loss, using the effective interest method.

Finance costs comprise interest expense on borrowings, unwinding of the discount on provisions, and impairment losses recognized on financial assets. Borrowing costs that are not directly attributable to the acquisition, construction or production of a qualifying asset are recognized in profit or loss using the effective interest method.

(f) Financial instruments:

(i) Financial assets:

The Company has the following financial assets: cash and trade receivables.

The Company initially recognizes cash and accounts receivable on the date on which they are originated. Cash and trade receivable are initially measured at fair value and are subsequently classified and measured at amortized cost, using the effective interest rate method, because they solely meet the payments of principal and interest criterion and are held within a business model whose objective is to hold financial assets in order to collect contractual cash flows. The carrying amount is reduced through the use of a loss allowance and the amount of the related loss allowance is recognized in profit or loss (Note 5(c)). Subsequent recoveries of receivables and unbilled service revenue previously provisioned are credited to profit or loss.

Due to its short-term nature, the carrying amounts of trade receivable and unbilled service revenue approximates their fair value.

(ii) Financial liabilities:

The Company initially recognizes financial liabilities on the date that they are originated. All other financial liabilities are recognized initially on the trade date at which the Company becomes a party to the contractual provisions of the instrument.

Such financial liabilities are recognized initially at fair value plus any directly attributable transaction costs. Subsequent to initial recognition these financial liabilities are measured at amortized cost using the effective interest method.

LONSDALE ENERGY CORP.

Notes to Financial Statements (continued)

Year ended December 31, 2022

4. Significant accounting policies (continued):

(f) Financial instruments (continued):

(ii) Financial liabilities (continued):

The Company derecognizes a financial liability when its contractual obligations are discharged, cancelled or expire.

The Company has the following financial liabilities: accounts payable and accrued liabilities, due to the City of North Vancouver, security deposits, and a loan from City of North Vancouver.

Financial assets and liabilities are offset and the net amount presented in the statement of financial position when, and only when, the Company has a legal right to offset the amounts and intends either to settle on a net basis or to realize the asset and settle the liability simultaneously.

(iii) Share capital:

Common shares

Common shares are classified as equity. Incremental costs directly attributable to the issue of common shares are recognized as a deduction from equity.

(g) Impairment of long lived assets:

The carrying amounts of the Company's non-financial assets are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated.

The recoverable amount of an asset or cash-generating unit is the greater of its value in use and its fair value less costs to sell. In assessing value in use, the estimated future cash flows are discounted to their present value using a discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. For the purpose of impairment testing, assets that cannot be tested individually are grouped together into the smallest group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or groups of assets (the "cash-generating unit, or CGU").

The Company's corporate assets do not generate separate cash inflows. If there is an indication that a corporate asset may be impaired, then the recoverable amount is determined for the CGU to which the corporate asset belongs.

An impairment loss is recognized if the carrying amount of an asset or its CGU exceeds its estimated recoverable amount. Impairment losses are recognized in profit or loss.

An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. The impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortization, if no impairment loss had been recognized.

LONSDALE ENERGY CORP.

Notes to Financial Statements (continued)

Year ended December 31, 2022

4. Significant accounting policies (continued):

(h) New standards and interpretations not yet adopted:

At the date of authorization of these financial statements, certain new standards, amendments and interpretations to existing standards have been published by the IASB but are not yet effective, and have not been adopted early by the Company. Management anticipates that all of the relevant pronouncements will be adopted in the Company's accounting policies for the first period beginning after the effective date of the pronouncement. There are currently no new standards, amendments, or interpretations that are expected to materially impact the Company's financial statements.

5. Accounts receivable:

	2022	2021
Trade receivables	\$ 2,035,006	\$ 1,834,818
Sales tax receivable	257,919	200,136
	<u>\$ 2,292,925</u>	<u>\$ 2,034,954</u>

The Company settles the receivables due from the City separate from its payment of the amounts due to the City. As a result, the outstanding receivables and payables due from/to the City are recorded on a gross basis.

The aging of trade receivables at the reporting date was:

	2022	2021
(a) Utilities		
Current	\$ 1,647,442	\$ 1,579,866
Past due 30-60 days	31,386	116,191
Past due 61-90 days	2,688	2,024
Past due greater than 90 days	6,665	22,087
(b) Application fees		
Current	\$ 472	\$ -
Past due 30-60 days	-	-
Past due 61-90 days	51,975	-
Past due greater than 90 days	-	39,375
(c) Other		
Current	\$ 294,378	\$ 52,042
Past due 30-60 days	-	-
Past due 61-90 days	-	-
Past due greater than 90 days	-	23,233
	<u>\$ 2,035,006</u>	<u>\$ 1,834,818</u>

LONSDALE ENERGY CORP.

Notes to Financial Statements (continued)

Year ended December 31, 2022

5. Accounts receivable (continued):

(a) Utilities

Included in utilities are trade receivables for the monthly provision of space heating, space cooling and domestic hot water services.

(b) Application fees

Included in application fees are trade receivables for 0.15% of the construction value of new developments connecting to the Company's district energy system. These trade receivables cover multiple phases of development and the developers are offered the option of paying fees separately by phase. Phased payments can result in the potential for longer aging of trade receivables. These trade receivables are still expected to be collected within one year.

(c) Other

Included in other are trade receivables such as the connection fees from new customers or contributions from developers for extended distribution piping as part of the initial connection of a building to the system.

The Company measures the loss allowance using the simplified method at an amount equal to the lifetime expected credit loss (ECL) for trade receivables. The ECL is an estimation of loss in the event of default of the trade receivable arising from default events occurring in the lifetime of the instrument. The lifetime ECL is estimated based on historical default rates and forward looking trends in the energy and real estate industry.

No loss allowance has been made in relation to the collectability of accounts receivable as at December 31, 2022 and 2021 as the impact is expected to be trivial.

LONSDALE ENERGY CORP.

Notes to Financial Statements (continued)

Year ended December 31, 2022

6. Plant and equipment:

(a) The Company's plant and equipment consists of the following:

	Distribution system	General equipment	Total
<u>Cost</u>			
Balance as at December 31, 2021	\$ 30,351,593	\$ 18,061,137	\$ 48,412,730
Additions	1,061,222	1,541,046	2,602,268
Disposal	-	(96,928)	(96,928)
Balance as at December 31, 2022	\$ 31,412,815	\$ 19,505,255	\$ 50,918,070
<u>Accumulated depreciation</u>			
Balance as at December 31, 2021	\$ 4,457,752	\$ 6,946,383	\$ 11,404,135
Depreciation	799,059	931,435	1,730,494
Disposal	-	-	-
Balance as at December 31, 2022	\$ 5,256,811	\$ 7,877,818	\$ 13,134,629
<u>Net book value</u>			
At December 31, 2021	\$ 25,893,841	\$ 11,114,754	\$ 37,008,595
At December 31, 2022	26,156,004	11,627,437	37,783,441

(b) Supplies for the distribution system and general equipment represent \$636,923 (2021 - \$372,657) in plant and equipment which have not been installed or used for the district energy system as at December 31, 2022. Consequently, they are not being amortized.

LONSDALE ENERGY CORP.

Notes to Financial Statements (continued)

Year ended December 31, 2022

7. Software assets:

Cost

Balance, at December 31, 2021	\$ 1,013,757
Additions	172,693
Balance, at December 31, 2022	\$ 1,186,450

Accumulated Depreciation

Balance, at December 31, 2021	\$ 437,702
Depreciation	103,768
Balance, at December 31, 2022	\$ 541,470

Net book value

At December 31, 2021	\$ 576,055
At December 31, 2022	\$ 644,980

In 2014, the Company initiated the replacement and upgrade of the central control system in the Lower Lonsdale service area as well as acquiring a new financial reporting system software. The new financial reporting system was put into service in March 2015 and is being amortized over its estimated useful life of 10 years. The control system was put into service in July 2016 and is being amortized over its estimated useful life of 10 years.

In 2017, the Company undertook further controls upgrades for the Harbourside and Central Lonsdale service areas. The control system in Harbourside was put into service in September 2017 and the Central Lonsdale system was completed and put into service in January 2019. New customers and customers in the new Moodyville service area have been substantially added to the control system as they have been connected to the district energy system.

8. Due to the City of North Vancouver:

(a) Due to the City of North Vancouver:

The amount due to the City of \$1,121,992 (2021 - \$666,137) arises from operating and financing expenses paid by the City on behalf of the Company. The amounts outstanding as at December 31, 2022 are expected to be repaid as part of the ongoing operations of the Company. The amount due to the City is non-interest bearing, unsecured and due on demand.

LONSDALE ENERGY CORP.

Notes to Financial Statements (continued)

Year ended December 31, 2022

8. Due to the City of North Vancouver (continued):

(b) Loans from the City of North Vancouver:

	2022	2021
Demand promissory note (i)	\$ 24,708,086	\$ 25,098,086
Demand promissory note (ii)	1,655,000	1,605,000
Demand promissory note (iii)	290,000	-
	\$ 26,653,086	\$ 26,703,086

(i) On August 1, 2018 a five-year demand term loan was issued by the City to borrow a maximum of \$33,661,966. This Promissory Note replaced and nullified all previous Promissory Notes issued by the City to the Company. The loan matures on August 1, 2023 and bears interest at 2.65% per annum. As at December 31, 2022 an amount of \$24,708,086 remains due to the City. During the year, the Company drew \$340,000 (2021 - \$775,000) from this promissory note. After considering the principal payments of \$3,288,880 made to date, the remaining funding available to the Company under the terms of the agreement is \$5,665,000, which the Company expects to draw on for future asset construction.

(ii) On July 15, 2019 the City's Council authorized the Company to borrow an additional \$1,681,000. This Promissory Note carries the same terms as the Promissory Note in Note 8.(b)(i). As at December 31, 2022 an amount of \$1,655,000 remains due to the City. The Company did not draw on this promissory note during the year (2021 - \$260,000). Additional funding is available to the Company under the terms of the agreement to a maximum of \$26,000.

(iii) On December 6, 2021 the City's Council authorized the Company to borrow an additional \$290,000. This Promissory Note carries the same terms as the Promissory Note in Note 8.(b)(i). As at December 31, 2022 an amount of \$290,000 remains due to the City. During the year, the Company drew \$290,000 (2021 - \$0) from this promissory note. No additional funding is available to the Company under the terms of the agreement.

Although the term loans are due on demand, with the exception of an amount of \$1,080,000 (2021 - \$642,021), the amounts have been classified as a non-current liability as the City has, as approved by Council, committed to providing the Company with a twelve month notice period for any reimbursements of the loan requested in advance of the planned repayment schedule based on management's forecast.

In 2022, \$680,000 (2021 - \$850,000) was repaid to the City in payment of the principal of the loans from the City. The interest expense of \$703,877 (2021 - \$708,798) related to the Due to the City of North Vancouver is included in finance costs in the statement of net and comprehensive income.

LONSDALE ENERGY CORP.

Notes to Financial Statements (continued)

Year ended December 31, 2022

8. Due to the City of North Vancouver (continued):

(b) Loans from the City of North Vancouver (continued):

The loans are secured by an interest in all of the Company's current and future property, including plant and equipment, supplies for the distribution system and other related assets.

(c) Loan from Green Municipal Investment Fund:

On June 29, 2012, the City received a loan of \$2,000,000 under the Green Municipal Investment Fund Project Loan through the Municipal Finance Authority ("MFA") to finance eligible costs incurred related to the capital projects undertaken by the Company. The loan bears interest at the ten-year Government of Canada bond yield rate in effect at the date of request of the disbursement less 1.5% (effective interest rate of 0.3%) and is payable semi-annually and matures on the tenth anniversary of the loan date. As a condition to receive the loan, the Company made a debt reserve deposit payment of \$20,000.

The annual principal payments to the MFA were held in a sinking fund deposit account which accrued interest income based on actuarial estimates. The total principal repayments made including the interest income earned on the sinking fund deposit was used to retire the loan on June 29, 2022. The difference between the actuarial and actual interest income earned during the was reimbursed to the Company.

The City assumed this loan on behalf of the Company. The City then loaned the proceeds of the loan to the Company with terms consistent with the MFA. The loan is subject to certain financial and non-financial covenants. Prior to retiring the loan the City and Company were in compliance with these covenants.

On March 17, 2022 this loan obligation was retired by the City and the Company. This loan was retired earlier than the June 29, 2022 date per the City's request. An amount of \$5,849 was reimbursed to the Company representing the net actual interest income of the actuarial estimates. This amount has been recorded in revenue.

The interest expense of \$3,000 (2021 - \$6,000) is included in finance costs in the Statement of Net and Comprehensive Income.

LONSDALE ENERGY CORP.

Notes to Financial Statements (continued)

Year ended December 31, 2022

9. Deferred contributions:

	2022	2021
(a) Green Municipal Investment Fund Project Grant	\$ 738,869	\$ 820,052
(b) Gas Tax Agreement – Innovation Fund	700,049	724,447
(c) Infrastructure Stimulus Fund Grant	73,395	75,478
(d) Solar Water Installation	95,621	109,281
(e) Contributions from developers and new customers	6,190,603	5,573,730
(f) Contributions from utility company	16,376	19,105
	7,814,913	7,322,093
Current portion	(785,413)	(655,380)
Non-current portion	\$ 7,029,500	\$ 6,666,713

(a) Green Municipal Investment Fund Project Grant:

In 2005, the City and the Federation of Canadian Municipalities (FCM) entered into an agreement whereby FCM provides a grant from the Green Municipal Investment Fund. The grant provides for 25% of the eligible costs, to a maximum of \$2,000,000, related to the construction of the mini-plants, distribution system and project soft costs such as those related to intangible assets, development costs and pre-operating costs. The Company has received the maximum eligible grant of \$2,000,000.

The contribution is recognized over the useful life of the related assets. The portion of the grant that is not recognized as revenue is recorded as deferred contribution.

The following table summarizes the amount recognized as of December 31:

	2022	2021
Deferred contribution - FCM Grant, beginning of year	\$ 820,052	\$ 904,844
Revenue recognized from grant	(81,183)	(84,792)
Deferred contribution - FCM Grant, end of year	\$ 738,869	\$ 820,052

(b) Gas Tax Agreement - Innovation Fund:

In 2009, the City and the Union of British Columbia Municipalities (UBCM) entered into an agreement whereby UBCM provided a grant from the Gas Tax Innovation Fund. The grant provides for 100% of the eligible costs, to a maximum of \$973,750 related to the construction of a section of the distribution system in Central Lonsdale.

The contribution is recognized over the useful life of the distribution system at a rate of 2.5% per year from the date the section covered under the grant is available for use. The portion of the grant that is not recognized as revenue is recorded as deferred contribution.

LONSDALE ENERGY CORP.

Notes to Financial Statements (continued)

Year ended December 31, 2022

9. Deferred contributions (continued):

(b) Gas Tax Agreement - Innovation Fund (continued):

The following table summarizes the amount recognized as of December 31:

	2022	2021
Deferred contribution - Gas Tax Grant, beginning of year	\$ 724,447	\$ 748,845
Revenue recognized from grant	(24,398)	(24,398)
Deferred contribution - Gas Tax Grant, end of year	\$ 700,049	\$ 724,447

(c) Infrastructure Stimulus Fund Grant:

In 2011, the City and the Province of British Columbia (Province) entered into agreement whereby the Province provides a grant from the Infrastructure Stimulus Fund. The grant provides for 66.66% of the eligible costs, to a maximum of \$83,332 related to the construction of a section of the distribution system in Central Lonsdale. The maximum contribution of \$83,332 was received in 2011.

The contribution is recognized over the useful life of the distribution system at a rate of 2.5% per year from the date the section completed under the grant is available for use. Depreciation of this section of the distribution system started to be recognized as of November 1, 2017 resulting in the commencement of revenue recognition.

The following table summarizes the amount recognized as of December 31:

	2022	2021
Deferred contribution - Infrastructure grant, beginning and end of year	\$ 75,478	\$ 77,561
Revenue recognized from grant	(2,083)	(2,083)
Deferred contribution - Infrastructure Stimulus Fund Grant, end of year	\$ 73,395	\$ 75,478

(d) Solar Water Installation:

In 2010, the City transferred the ownership of the Solar Panels to the Company which involved the transfer of all costs incurred and contributions received that were associated with the project.

LONSDALE ENERGY CORP.

Notes to Financial Statements (continued)

Year ended December 31, 2022

9. Deferred contributions (continued):

(d) Solar Water Installation (continued):

The City had incurred a total of \$347,150 in project costs and received two grant contributions from the Federal Government and the Province towards the project for a total of \$273,202. The contributions are recognized over the useful life of the solar panels at rate of 5% per year.

The following table summarizes the amount recognized as of December 31:

	2022	2021
Deferred contribution - Solar Water Installation, beginning of year	\$ 109,281	\$ 122,941
Revenue from contributions recognized	(13,660)	(13,660)
Deferred contribution - Solar Water Installation, end of year	\$ 95,621	\$ 109,281

(e) Contributions from developers and new customers:

Prior to connection of a development, the Company receives contributions from developers, in the form of application fees, for engineering services rendered during the permitting process, as well as for a period of eighteen months after occupancy has been achieved to monitor the building system's performance. This period is to ensure the in-building system performs in accordance with the Hydronic Heat Energy Bylaw (Bylaw No. 7575) and meets the Company's district energy system requirements. The contributions are recognized over a three-year period which includes eighteen months for services during the permitting process and eighteen months for performance monitoring and related activities.

The Company also includes the connection fees received as part of the initial connection of a building to the system in the contributions from developers and new customers. These fees and general contributions (see below) are linked to the cost of the initial connection including installation of the building heat exchanger. The contributions are recognized over the useful life of the general equipment at a rate of 5% per year from the date of connection of the building. This amount includes compensation of \$98,493 and \$23,676 received in 2016 and 2017 respectively, from the City for service connection rebates granted to rental buildings.

The Company recognizes general contributions received as part of initial connection, such as the amounts reimbursed by developers to the Company for costs to construct or acquire property and equipment, in deferred contributions from developer and new customers. Revenue from the contribution is recognized over the useful life of the distribution system (at a rate of 2.5%) or equipment (at a rate of 5%) asset on an annual basis from the date the asset is put into use.

LONSDALE ENERGY CORP.

Notes to Financial Statements (continued)

Year ended December 31, 2022

9. Deferred contributions (continued):

The following table summarizes the amount recognized as of December 31:

	2022	2021
Deferred contribution from developers and new customers, beginning of year	\$ 5,573,730	\$ 5,464,163
Contributions	1,278,233	637,285
Revenue recognized from contributions	(661,360)	(527,718)
Deferred contribution, end of year	\$ 6,190,603	\$ 5,573,730

(f) Contribution from utility company:

In 2009, the City received funding under the Efficient Boiler Program administered by Fortis Gas Inc. of \$54,586. The contribution is recognized over the useful life of the boilers at a rate of 5% per year.

The following table summarizes the amount recognized as of December 31:

	2022	2021
Deferred contribution from utility company, beginning of year	\$ 19,105	\$ 21,834
Revenue recognized from contributions	(2,729)	(2,729)
Deferred contribution from utility company, end of year	\$ 16,376	\$ 19,105

10. Share capital:

The authorized capital of the Company consists of an unlimited number of voting common shares without par value. As of December 31, 2022, a total of \$2,000,010 (2021 - \$2,000,010) shares were issued and outstanding to the Company's sole shareholder, the City.

There were no changes in share capital during the year.

Dividends issued amounted to \$53,900, were approved by the board on December 7, 2022, and were paid to the City.

11. Related parties:

The City has incurred expenses, including sales taxes, on behalf of the Company in the year of approximately \$1,942,631 (2021 - \$1,802,693) by providing staff, purchasing material and installing and operating the distribution system for the Company's benefit. These expenses are included in Plant operation and maintenance, General and administrative, and additions to Plant and equipment. Of this amount \$38,927 (2021 - \$245,125) has been capitalized to Plant and equipment. Specifically, City staff has been involved in purchasing materials for and installing and

LONSDALE ENERGY CORP.

Notes to Financial Statements (continued)

Year ended December 31, 2022

11. Related parties (continued):

operating components of the distribution system. The Company made \$47,498 (2021 - \$47,498) in rent payments to the City included in the General and administrative expenses for use of a portion of the building at Suite E, 15 Chesterfield Place in North Vancouver for office space. These costs have been charged to the Company by the City on a cost recovery basis. Included in revenue for 2022 is \$270,424 (2021 - \$250,740) for heating and cooling services rendered by the Company to the City.

Included in the services provided to the Company by the City is key management personnel compensation, comprised of the chief executive officer; deputy director; manager – engineering; manager – finance. These key management personnel are directly employed by the City and contracted to the Company based on an allocation of their compensation. For the year ended December 31, 2022, key management personnel compensation of \$634,039 (2021 - \$578,593) was included in the costs charged to the Company by the City. This includes services by key management personnel necessary to bring assets to working condition. Costs for services to bring assets to working condition have been attributed to the acquisition cost of the asset.

These transactions are in the normal course of operations and are measured at the exchange amount, which is the amount of consideration established and agreed to by the related parties.

12. Revenue:

	Note	2022	2021
Revenue from contracts with customers			
Energy sales		\$8,790,489	\$7,537,365
Miscellaneous revenue		5,992	1,529
		\$8,796,481	\$7,538,894
Current portion of contributions			
Contributions from government	9(a)–(d)	\$121,324	\$124,933
Contributions from developers	9(e)	79,068	72,176
Connection fees	9(e)	213,904	207,783
Application fees	9(e)	368,388	247,759
Contributions from utility companies	9(f)	2,729	2,729
Total current portion of contributions		\$785,413	\$655,380
Total revenue and contributions		\$9,581,894	\$8,194,274

LONSDALE ENERGY CORP.

Notes to Financial Statements (continued)

Year ended December 31, 2022

13. General and administrative expenses:

	2022	2021
Administrative support	\$42,731	\$35,198
Financial services	18,589	12,576
Insurance	207,148	168,678
IT Support	32,473	30,962
Miscellaneous	109,372	56,212
Professional services	110,145	57,199
Rent	47,498	47,498
Salaries	1,267,035	1,027,659
Total general and administrative expenses	\$1,834,991	\$1,435,982

14. Commitments and contingencies:

- (a) As at December 31, 2022, the Company has approximately \$1,113,635 (2021 - \$806,536) in open purchase and work orders relating to Plant and equipment.
- (b) On October 5, 2017, the Company entered in an agreement with Greater Vancouver Sewerage and Drainage District for the purchase of thermal energy from the new North Shore wastewater treatment plant currently under construction. Under the agreement, the Company will be obligated to purchase minimal quantities of energy from the new plant at a mutually agreed upon date between both parties when thermal energy will be available. The initial term of the agreement expires on the first of the month following the twentieth anniversary date of the first energy delivery; the agreement may be renewed for up to a maximum of four renewal terms. The cost of this future energy is based on an agreed upon pricing model. Due to delays in construction of the wastewater treatment plant no energy was delivered during as at December 31, 2022.

LONSDALE ENERGY CORP.

Notes to Financial Statements (continued)

Year ended December 31, 2022

15. Fair values:

Financial Assets and Liabilities:

The Company uses the following hierarchy to determine and disclose fair value of financial instruments:

Level 1 – Unadjusted quoted prices in active markets for identical assets or liabilities;

Level 2 – Inputs other than quoted prices that are observable for the asset or liability, either directly or indirectly; and

Level 3 – Inputs that are not based on observable market data, which are unobservable inputs.

If the inputs used to measure the fair value of an asset or a liability might be categorized in different levels of the fair value hierarchy, then the fair value measurement is categorized in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement.

The Company does not have any financial assets or liabilities that are carried at fair value.

The fair values of cash, accounts receivable, accounts payable and accrued liabilities, due to the City of North Vancouver, and security deposits approximate their carrying values due to their short term nature.

The fair value of the loan from the City of North Vancouver is equal to its carrying amount as the loan is due on demand.

As the loan was retired in 2022, the fair value of the loan from the Green Municipal Investment Fund at year end is \$0 (2021 - \$233,778).

16. Financial risk management:

Overview

The Company has exposure to the following risks from its use of financial instruments:

- operational risk
- credit risk
- liquidity risk
- market risk

Risk management framework:

Management has overall responsibility for the establishment and oversight of the Company's risk management framework.

The Company's risk management policies are established to identify and analyze the risks faced by the Company, to set appropriate risk limits and controls, and to monitor risks and adherence to limits.

LONSDALE ENERGY CORP.

Notes to Financial Statements (continued)

Year ended December 31, 2022

16. Financial risk management (continued):

Operational risk:

Operational risk is the risk of direct or indirect loss arising from a wide variety of causes associated with the Company's processes, personnel, technology and infrastructure, and from external factors other than credit, market and liquidity risks such as those arising from legal and regulatory requirements and generally accepted standards of corporate behaviour. Operational risks arise from all of the Company's operations.

The Company's objective is to manage operational risk so as to balance the avoidance of financial losses and damage to the Company's reputation with overall cost effectiveness.

The primary responsibility for the development and implementation of controls to address operational risk is assigned to senior management. This responsibility is supported by the development of overall Company standards for the management of operational risk in the following areas:

- requirements for appropriate segregation of duties, including the independent authorization of transactions;
- requirements for the reconciliation and monitoring of transactions;
- compliance with regulatory and other legal requirements;
- documentation of spending authority;
- ethical and business standards; and
- risk mitigation, including insurance when this is effective.

Credit risk:

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Company's receivables from customers.

The Company's exposure to credit risk is influenced mainly by the individual characteristics of each customer. Management has established a credit policy under which each new customer and developer must provide a security deposit that is held for 18 months following the issuance of a building occupancy permit.

As at December 31, 2022, \$6,665 (2021 - \$84,695) of accounts receivable exceeded 90 days. Management has performed an assessment on the collectability of these amounts and determined these amounts are collectible. The Company continues to actively monitor its exposure to credit risk.

LONSDALE ENERGY CORP.

Notes to Financial Statements (continued)

Year ended December 31, 2022

16. Financial risk management (continued):

Liquidity risk:

Liquidity risk is the risk that the Company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Company's approach to managing liquidity is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation.

The financial statements have been prepared on a going concern basis, which contemplates the realization of assets and the settlement of liabilities in the normal course of business. The Company anticipates that its cash flows from operations and current grant agreements will be sufficient to satisfy its current obligations. The City provides financing to the Company through its formal related party loan which has a specified rate of interest and is repayable on demand with, as approved by council, a twelve-month notice period for any reimbursements of the loan requested in advance of the planned repayment schedule.

As at December 31, 2022, all financial liabilities, except for the loan from City of North Vancouver, have been classified as current as they are contractually due within the next fiscal year.

As at December 31, 2022	Carrying amount	Total contractual cash flows	Less than one year	1 to 5 years	More than 5 years
Loan from City of North Vancouver	26,653,086	26,653,086	1,080,000	25,573,086	-

As at December 31, 2021	Carrying amount	Total contractual cash flows	Less than one year	1 to 5 years	More than 5 years
Loan from Green Municipal Investment Fund	\$ 237,098	\$ 237,098	\$ 237,098	\$ -	\$ -
Loan from City of North Vancouver	26,703,086	26,703,086	642,021	26,061,065	-

LONSDALE ENERGY CORP.

Notes to Financial Statements (continued)

Year ended December 31, 2022

16. Financial risk management (continued):

Market risk:

Market risk is the risk that changes in market prices, such as energy prices, interest rates and other rate risks, will affect the Company's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimizing the return.

- *Interest rate risk:*

In respect of financial assets, the Company's policy is to invest cash at fixed rates of interest in order to maintain liquidity. The loan from the City of North Vancouver bear a fixed rate of interest. The loan from City of North Vancouver is maturing on August 1, 2023. On April 17, 2023 the Company and the City of North Vancouver agreed to renew the loan for another 5-year term maturing on August 1, 2028 with an fixed interest rate of 3.51%.

- *Energy price risk:*

The Company is exposed to price risk associated with the purchase of natural gas. An increase of 10% of the cost of natural gas would generate a corresponding annualized increase to the Company's expenses of \$178,846 (2021 - \$139,029). The risk of energy price fluctuations is mitigated by the Company's policy of adjusting the commodity rates by an equal percentage of the energy price changes in accordance with the City's Bylaw No. 7575.

17. Capital management:

The Company's objective when managing capital is to safeguard the Company's ability to continue as a going concern to sustain future development of the business, so that it can provide returns for the shareholder and benefits for other stakeholders.

The Company considers the items included in shareholder's equity as capital. There were no changes in the Company's approach to capital management during the year.

18. Subsequent event note:

Subsequent to year end, on April 17, 2023, the City of North Vancouver's Council endorsed the renewal of the loan agreement between the City and the Company for another 5-year term maturing on August 1, 2028. The loan will carry an interest rate of 3.51% compounded quarterly and annual principal payments will be made based on the endorsed debt repayment schedule. If the City of North Vancouver wishes to demand repayment prior to the debt repayment schedule it must provide the Company with 12 months notice. Renewal of the loan agreement further supports the Company's ability to operate on a going concern basis and for the foreseeable future.

ATTACHMENT 2

UNANIMOUS CONSENT RESOLUTIONS OF THE SHAREHOLDER

OF

LONSDALE ENERGY CORP.

(the "Company")

in lieu of the annual general meeting

The undersigned, being the sole shareholder of the Company entitled to vote at an annual general meeting, hereby consents to and adopts in writing the following resolutions:

RESOLVED THAT:

1. the financial statements of the Company for the period ended December 31, 2022, made up of the statement of financial position, statement of comprehensive income, statement of changes in equity and statement of cash flows as at the end of that period and the report of the auditors thereon are hereby received and filed;
2. all lawful acts, contracts, proceedings, appointments and payments of money by the directors of the Company since the last annual reference date of the Company, and which have previously been disclosed to the shareholder, are hereby adopted, ratified and confirmed;
3. the number of Directors of the Company is hereby fixed at 4;
4. the following persons, each of whom has consented in writing to act as a director, are hereby elected as directors of the Company, to hold office until the next annual general meeting of the Company or unanimous resolutions consented to in lieu of holding an annual general meeting, or until their successors are appointed:

Jessica McIlroy Leanne McCarthy Karsten Veng Larry Sawrenko

5. The officers of the Company shall be as follows:

Name	Office
Leanne McCarthy	Chairperson of the Board and President
Jessica McIlroy	Vice-Chair of the Board and Director At Large
Karsten Veng	Chief Executive Officer
Larry Sawrenko	Secretary-Treasurer

6. BDO Canada LLP be appointed as auditors of the Company until the next annual reference date of the Company or until a successor is appointed, at a remuneration to be fixed by the Directors; and

7. June 15, 2023 be and is hereby selected as the annual reference date for the Company for its current annual reference period.

DATED as of May 8, 2023.

**THE CORPORATION OF THE CITY OF
NORTH VANCOUVER**

Mayor Linda Buchanan

Karla Graham, Corporate Officer

Lonsdale Energy Corp.

ATTACHMENT 3

Historical Income Statements for Years of Operation - 2004 to 2022




Income Statement line description	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
Revenue	\$ 176,707	\$ 409,108	\$ 415,741	\$ 630,088	\$ 1,016,118	\$ 1,158,110	\$ 1,434,108	\$ 1,562,007	\$ 1,693,413	\$ 2,038,134	\$ 2,594,229	\$ 2,647,001	\$ 2,838,793	\$ 3,900,077	\$ 4,132,957	\$ 5,297,998	\$ 6,418,511	\$ 7,538,894	\$ 8,796,481
Cost of Sales	\$ 66,777	\$ 187,089	\$ 245,839	\$ 299,299	\$ 479,519	\$ 469,707	\$ 722,351	\$ 752,254	\$ 747,330	\$ 965,876	\$ 1,261,027	\$ 1,175,841	\$ 1,196,282	\$ 1,538,595	\$ 1,678,140	\$ 2,125,632	\$ 2,405,710	\$ 3,292,352	\$ 4,734,300
Gross profit	\$ 109,930	\$ 222,019	\$ 169,902	\$ 330,789	\$ 536,599	\$ 688,403	\$ 711,757	\$ 809,753	\$ 946,083	\$ 1,072,258	\$ 1,333,202	\$ 1,471,160	\$ 1,642,511	\$ 2,361,482	\$ 2,454,817	\$ 3,172,366	\$ 4,012,801	\$ 4,246,542	\$ 4,062,181
Plant Operation and Maintenance	\$ 19,087	\$ 91,585	\$ 95,244	\$ 98,149	\$ 114,689	\$ 138,289	\$ 143,305	\$ 191,350	\$ 212,842	\$ 289,346	\$ 310,795	\$ 289,127	\$ 225,115	\$ 134,380	\$ 218,812	\$ 335,474	\$ 382,410	\$ 382,831	\$ 325,009
Depreciation	\$ 68,531	\$ 114,823	\$ 127,777	\$ 146,220	\$ 212,246	\$ 293,444	\$ 273,586	\$ 309,667	\$ 430,542	\$ 564,686	\$ 693,517	\$ 795,568	\$ 886,925	\$ 1,064,736	\$ 1,206,818	\$ 1,456,913	\$ 1,627,878	\$ 1,751,491	\$ 1,834,262
General and Administrative	\$ 98,268	\$ 145,543	\$ 172,968	\$ 140,987	\$ 173,957	\$ 146,916	\$ 185,574	\$ 188,783	\$ 309,926	\$ 445,511	\$ 361,409	\$ 348,892	\$ 497,248	\$ 405,632	\$ 587,399	\$ 766,138	\$ 895,126	\$ 1,435,982	\$ 1,834,991
Total - Operating Expenses	\$ 185,886	\$ 351,951	\$ 395,989	\$ 385,356	\$ 500,892	\$ 578,649	\$ 602,465	\$ 689,800	\$ 953,310	\$ 1,299,543	\$ 1,365,721	\$ 1,433,587	\$ 1,609,288	\$ 1,604,748	\$ 2,013,029	\$ 2,558,525	\$ 2,905,414	\$ 3,570,304	\$ 3,994,262
Income (loss) before other expenses	\$ (75,956)	\$ (129,932)	\$ (226,087)	\$ (54,567)	\$ 35,707	\$ 109,754	\$ 109,292	\$ 119,953	\$ (7,227)	\$ (227,285)	\$ (32,519)	\$ 37,573	\$ 33,223	\$ 756,734	\$ 441,788	\$ 613,841	\$ 1,107,387	\$ 676,238	\$ 67,919
Contributions	\$ 60,136	\$ 259,458	\$ 38,804	\$ 63,416	\$ 117,389	\$ 120,875	\$ 146,532	\$ 174,480	\$ 211,010	\$ 225,615	\$ 232,648	\$ 260,629	\$ 357,676	\$ 571,832	\$ 688,149	\$ 669,309	\$ 655,380	\$ 785,413	\$ 785,413
Finance income	\$ 23,432	\$ 22,037	\$ 24,530	\$ 17,321	\$ 5,111	\$ 11,171	\$ 15,742	\$ 25,121	\$ 32,071	\$ 34,429	\$ 27,172	\$ 27,691	\$ 42,975	\$ 65,426	\$ 77,511	\$ 94,106	\$ 82,709	\$ 120,585	\$ 120,585
Finance costs	\$ (111,951)	\$ (207,481)	\$ (194,850)	\$ (34,141)	\$ (123,277)	\$ (125,421)	\$ (128,876)	\$ (131,322)	\$ (139,585)	\$ (157,986)	\$ (214,870)	\$ (253,282)	\$ (302,870)	\$ (357,790)	\$ (498,448)	\$ (654,777)	\$ (698,885)	\$ (714,798)	\$ (706,877)
Subtotal	\$ (111,951)	\$ (123,913)	\$ 86,645	\$ 29,193	\$ (42,540)	\$ (2,921)	\$ 3,170	\$ 30,952	\$ 60,016	\$ 85,095	\$ 45,174	\$ 6,538	\$ (14,550)	\$ 42,861	\$ 138,810	\$ 110,883	\$ 64,530	\$ 23,291	\$ 199,121
Income before non-recurring expenses	\$ (187,907)	\$ (253,845)	\$ (139,442)	\$ (25,374)	\$ (6,833)	\$ 106,833	\$ 112,462	\$ 150,905	\$ 52,789	\$ (142,190)	\$ 12,655	\$ 44,111	\$ 18,673	\$ 799,595	\$ 580,598	\$ 724,724	\$ 1,171,917	\$ 699,529	\$ 267,040
Non-recurring expenses												\$ (1,030,721)							
Net Income and Comprehensive Income	\$ (187,907)	\$ (253,845)	\$ (139,442)	\$ (25,374)	\$ (6,833)	\$ 106,833	\$ 112,462	\$ 150,905	\$ 52,789	\$ (142,190)	\$ 12,655	\$ (986,610)	\$ 18,673	\$ 799,595	\$ 580,598	\$ 724,724	\$ 1,171,917	\$ 699,529	\$ 267,040
Cash Dividends																\$ (30,100)	\$ (34,000)	\$ (33,000)	\$ (53,900)
Retained Earnings (Net Accumulated Surplus/loss)	\$ (277,787)	\$ (531,632)	\$ (671,074)	\$ (696,443)	\$ (703,281)	\$ (596,449)	\$ (483,987)	\$ (333,082)	\$ (280,293)	\$ (422,483)	\$ (409,828)	\$ (1,396,438)	\$ (1,377,765)	\$ (578,170)	\$ 2,428	\$ 697,052	\$ 1,834,969	\$ 2,501,498	\$ 2,714,638
Sales (kW.hr)	1,176	3,630	4,981	6,828	11,063	14,121	18,738	22,847	23,946	27,922	31,254	32,402	37,787	49,503	53,626	60,157	69,488	76,641	80,925

Year-over-year District Energy System Growth Summary: 2018-2022

	2018	2019	2020	2021	2022
Heating Customers	77	87	95	99	103
* Cooling Customers	3	6	6	6	6
^ Total Energy Transfer Stations (ETS)	80	93	101	105	109
ETS added per year	5	13	8		
*Note, cooling customers are in buildings also heated by LEC. Therefore the number of connected buildings is the same as the heated customers					
^ Breakdown of customer accounts served:					
Residential buildings	37	41	45	48	51
Mixed - Residential / Commercial	17	21	25	26	26
Commercial	17	17	17	17	17
Institutional	6	8	8	8	9
Cooling Customers	3	6	6	6	6
Total	80	93	101	105	109
Residential Units added per year	509	560	899	387	287
Residential Units Served at Dec. 31st	4,919	5,479	6,378	6,765	7,052
* Estimated Residents	10,330	11,506	13,394	14,207	14,809
* Assumes an average household of 2.1 based on 2021 Census data.					
Gross Floor Area Served added per year (sq. ft.)	519,633	874,105	797,906	297,225	249,783
Gross Floor Area Served at Dec. 31st (sq. ft.)	5,702,012	6,576,117	7,374,023	7,671,248	7,921,031
Trenched pipe additions (km)	2.1	1.0	0.7	0.6	0.3
Trenched km of pipe as at Dec. 31st (km)	11.6	12.6	13.3	13.9	14.2
Number of boilers added per year	2	2	0	2	3
Number of boilers in LEC system	28	30	30	32	35
Heating Energy Capacity added per year (MW)	3	2	0	2	4.5
Heating Energy Capacity at Dec. 31st (MW)	26	28	28	30	34.5
Number of heat pump modules added per year	4	0	0	0	0
Number of heat pump modules in LEC system	11	11	11	11	11
Cooling Energy Capacity added per year (MW)	0.4	0	0	0	0
Cooling Energy Capacity at Dec. 31st (MW)	1.2	1.2	1.2	1.2	1.2
Heating energy delivered (MWh)	53,110	59,275	67,753	74,783	78,704
Cooling energy delivered (MWh)	516	882	1,734	1,858	2,221
Total Energy Sales (MWh)	53,626	60,157	69,488	76,641	80,926
District Energy System Emission Intensity (kgCO ₂ /MWh)	217	217	217	216	183

THIS PAGE INTENTIONALLY LEFT BLANK



 Department Manager	 Director	 CAO
---	---	--

The Corporation of **THE CITY OF NORTH VANCOUVER**
STRATEGIC & CORPORATE SERVICES DEPARTMENT

REPORT

To: Mayor Linda Buchanan and Members of Council

From: Dianna Foldi, Sr. Project Manager

Subject: MICKEY MCDUGALL FACILITY AND FLICKA GYMNASTICS
AUTHORITY TO ENTER INTO FUNDING AGREEMENT

Date: April 14, 2023 File No: 02-0800-30-0013/1

The following is a suggested recommendation only. Refer to Council Minutes for adopted resolution.

RECOMMENDATION

PURSUANT to the report of the Sr. Project Manager, dated April 14, 2023, entitled "Mickey McDougall Facility and Flicka Gymnastics – Authority to Enter into Funding Agreement":

THAT the Mayor and Corporate Officer be authorized to execute the Infrastructure Canada "Green and Inclusive Community Buildings Program" funding agreement and any related documentation.

BACKGROUND

On May 25, 2022, the City received approval in principle for an Infrastructure Canada grant to retrofit the Mickey McDougall Recreation Centre to support improved access, reduced carbon emissions and energy use, and to support Flicka's future use of the facility for gymnastics. The project is approved for up to 80% of the total eligible project costs, up to a maximum of \$2,253,020 of federal funding.

Staff have been working with Infrastructure Canada officials to negotiate a final draft funding agreement, which is now ready for execution. At the request of Infrastructure Canada, a resolution confirming that the Mayor and Corporate Officer are authorized to execute the funding agreement and associated documents is required.

DISCUSSION

Upon execution of the funding agreement, staff will proceed to enter into contract with a prime consultant in order to begin detailed design and costing of the retrofit.

The City will need to complete the work prior to the end of 2025. This timeline dovetails with the requirements for Flicka to relocate from the existing Harry Jerome Community Recreation Centre upon the completion of the City's replacement Harry Jerome Facility. These assumptions have already been integrated to the Capital Plan that Council endorsed in March 2023.

The proposed project will significantly improve the energy efficiency and, in turn, reduce the carbon emissions of the Mickey McDougall facility, as well as ensure that the facility meets current standards for accessibility. The project should therefore increase the usability and lifespan of a City asset and support Flicka in providing quality gymnastics training and recreation services to the community.

FINANCIAL IMPLICATIONS

The project is approved for up to 80% of the total eligible project costs, up to a maximum of \$2,253,020 of federal funding. An amount of \$1,125,000 has been included in the 2023 – 2032 Capital Plan as part of the overall funding for this project and was endorsed by Council in March 2023. The total available funding including the federal grant is approximately \$3.4 million

INTER-DEPARTMENTAL IMPLICATIONS

The proposed agreement has been reviewed by the City Solicitor, as well as by the Finance Department for adherence to City policy and procedures.

STRATEGIC PLAN, OCP OR POLICY IMPLICATIONS

The City will be significantly improving the energy efficiency, climate resilience and accessibility of this recreational facility, as well as contributing to the overall health and wellness within our community by providing the opportunity for recreational and high-performance gymnastics training.




RESPECTFULLY SUBMITTED:



Dianna Foldi,
Sr. Project Manager



REPORT

 Division Manager	 Director	 CAO
---	---	--

The Corporation of **THE CITY OF NORTH VANCOUVER** **COMMUNITY AND PARTNER ENGAGEMENT DEPARTMENT**

To: Mayor Linda Buchanan and Members of Council

From: Paul Hutton, Business Licence Inspector

Subject: CHILD CARE BUSINESS LICENCE APPLICATION BUS-33823 -
LIFEWAY CHILD CARE CENTRE (532 EAST 4th STREET) – INITIAL
CONSIDERATION

Date: April 26 2023 File No: 13-6750-10-0001/1

The following is a suggested recommendation only. Refer to Council Minutes for adopted resolution.

RECOMMENDATION:

PURSUANT to the report of the Business Licence Inspector, dated April 26, 2023, entitled "Child Care Business Licence Application BUS-0033823– Lifeway Child Care Centre (532 East 4th Street)":

THAT the Public Meeting be waived for Business Licence Application BUS-33823;

AND THAT the Business Licence Application BUS-33823 for Lifeway Child Care Centre be approved.

ATTACHMENTS:

1. Site Location Map ([#2353949](#))
2. Transportation Plan, submitted by applicant ([#2356011](#))
3. VCH inspection request ([#2357858](#))

PURPOSE

To bring forward Child Care Business Licence Application BUS-33826– Lifeway Child Care Centre (532 East 4th Street) for consideration by Council, as per the City's designated process for approving Group Child Care facilities as outlined in the Business Licence Bylaw (2018, 8640).

BACKGROUND

Lifeway Child Care Centre (Lifeway) has been operating at this location since October 2006. Their current approved capacity is 17 children. In late 2022, Lifeway was sold and is now operating under new ownership. As such, the new owners are required to apply for a new Business Licence which triggers a review of the application by Mayor and Council under the requirements for licencing a Group Child Care facility in the City (Sections 403 and 515 of Business Licence Bylaw, 2018, No. 8640).

Accessory residential child care facilities are a permitted use in the RS-1 zone, which requires a Business Licence. Group Child Care Facilities (as defined in the Business Licence Bylaw) are accessory residential childcare facilities providing care for more than 12 children. The Business Licence Bylaw (2018, 8640) states that the issuance of a Business Licence for a Group Child Care Facility is at the discretion of Council and prescribes the process for steps taken by the applicant and the City for considering approval.

DISCUSSION

Lifeway currently operates a multi-age licenced child care program for eight children and a group licenced childcare program for nine children on the lower floor of the home at 532 East 4th Street (see site location map in Attachment 1). The operator of the daycare remains living in the home. The approved capacity of this child care facility is permitted as an existing non-conforming use with the City's regulations, as the facility was established and licensed before the City changed the regulations regarding the number of children permitted in this type of child care facility to 16 children.

Lifeway applied to the Vancouver Coastal Health Child Care Licensing Department (VCH) to change ownership and maintain capacity of the Centre to a total of 17 children in care at the Centre if approved by the City. VCH has provided their consent.

VCH referred this application to the City which initiated a Business Licence application with the City. Staff and the applicant have been working together on this application and have progressed through the requisite steps in accordance with the City's scope and responsibility for child care facilities as per the Business Licence Bylaw (2018, 8640).

The preparation and submission of a traffic management plan was reviewed and approved by City staff. The applicant's plan meets parking requirements and the proposed traffic management and mitigation measures will minimize impact on the neighbourhood. Parking will be provided at the rear of the site and accessed from the residential driveway off of East 4th Street. This is a change of owner and the core business functions are not changing, nor any changes to the operation of the facility or building.

Analysis and Next Steps

Staff are bringing this report forward to Council as per the Business Licence application process. As outlined above, the applicant has met all requirements. No issues have been raised regarding this application, including from the Bylaws team, and staff does not have concerns with respect to neighbourhood fit and compliance with City regulations.

Should Council wish to proceed with the next steps toward approval, the options for next steps in the approval process (as outlined in the Business Licence Bylaw) are as follows:

Option 1 – staff recommendation:

- Council approve issuance of the Business Licence.
- Waived Public Meeting: Staff recommend that Council waive the optional step provided for in the Business Licence Bylaw for a Public Meeting because this business has been a part of the community for many years and the only change to the day to day operations is ownership.

Option 2 – not recommended:

- Step 1. Public Meeting: Should Council wish to proceed with a Public Meeting staff will schedule it as per the Business Licence Bylaw and provide notifications. The applicant will be in attendance at the Public Meeting and members of the public would have an opportunity to address Council.
- Step 2. Council consider issuance of the Business Licence. Following the Public Meeting, staff would bring this application to Council to consider approval of the Business Licence Application.

INTER-DEPARTMENTAL IMPLICATIONS

The Business Licence process for accessory residential child care facilities is unique among other types of Business Licences as it involves coordinated review and collaboration between the applicant and various staff from Planning, Transportation, and Business Services. All teams have been consulted on this application and do not object to the issuance of a Business Licence for this operation.

CORPORATE PLAN AND/OR POLICY IMPLICATIONS

The City's existing policy framework (Official Community Plan, Social Plan, Child Care Policy and Plan) supports the provision of child care in neighbourhoods and identifies the need for additional child care spaces in the community.

STRATEGIC PLAN IMPLICATIONS

If this application is approved it will result in sustaining child care spaces in the City and will contribute to child care related goals in Council's Strategic Plan.


RESPECTFULLY SUBMITTED:



Paul Hutton
Business Licence Inspector

City of North Vancouver
Lifeway Childcare Centre

Legend

 Subject Site

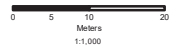
Ridgeway Ave

E 5th St

E 5th St

Moody Ave

E 4th St

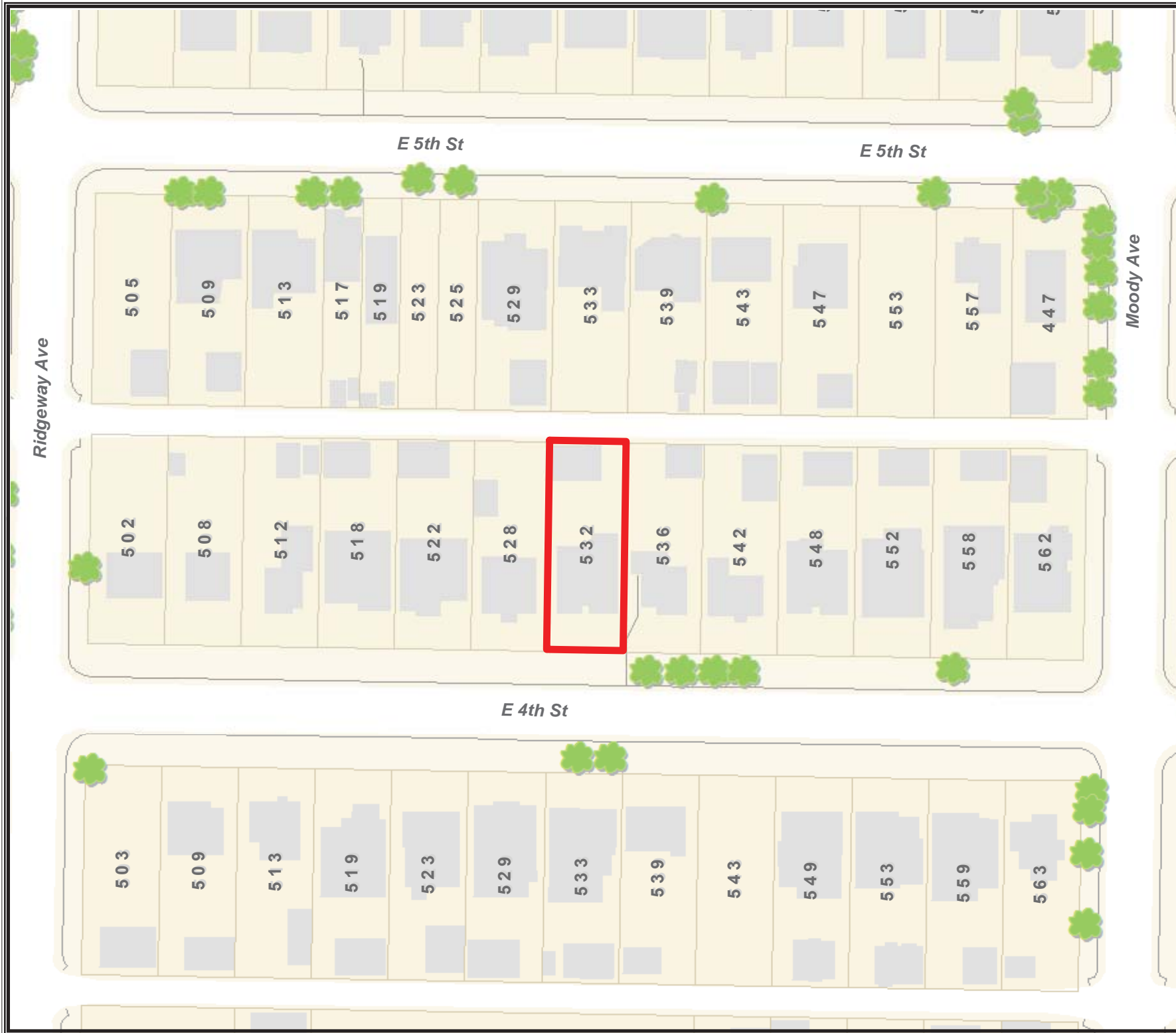


DISCLAIMER

This map was produced on the City of North Vancouver's Geographic Information System. Data provided herein is derived from sources with varying levels of accuracy and detail. The City of North Vancouver disclaims all responsibility for the accuracy or completeness of information contained herein.

GIS Division, Information Technology,
City of North Vancouver

PLOTTED: 4/18/2019
SOURCE: Various
COORDINATE SYSTEM: NAD 83 UTM Zone 10



Part A. Write brief responses to these questions about the Proposed Child Care Facility's transportation demand.

1. State the days of the week and hours of operation for your proposed facility, the number of child care spaces that will be available, and the number of employees (part-time and full-time), including yourself if you will be on-site regularly.

- Lifeways Childcare is licensed for 17 children Mondays-Fridays, 7:30am-5:30pm except for stat holidays and 2 weeks closure during Christmas time. We employ 5 staffs currently.

2. The Zoning Bylaw parking requirements for Accessory Use child care facilities are at least one (1) stall for the resident and one (1) stall for the facility. How many on-site parking stalls are you providing? How many of the on-site parking stalls are designated for parents to drop-off/ pickup their children? How many are designated for employee parking (including yourself)? Please indicate on a map or site plan the location of the proposed on-site stalls.

- 2 car garage used by resident employee. One alley parking space used by parents plus the front of the house is kept clear for parent parking as well. The current signage put up by CNV has improved this as it says 'only 2 hour parking unless resident'. The back-alley parking spot measures 18' wide 24' long adjacent to the garage.

3. At what time(s) you anticipate drop-off and pick-up to occur?

-. Parent drop-off times take about 5-10 minutes; mornings between 7:30-9 am, afternoons 3-5:30 pm.

1. **Vehicular Traffic, Parents:** Multiply number of proposed childcare spaces by 0.8. This is your site's approximate vehicle trip generation in the morning and afternoon peak hours. Divide this by 4. This is the average number of vehicles that may arrive within 15-minute intervals during the peak hour that would require use of your on-site stalls.

- parking formula: $(17 \times 0.8) / 4 = 3.4$ spaces

2. **Vehicular Traffic, Employees:** Please identify when your employees will arrive and leave, and how they will commute to work (car, walk, transit, cycle, carpool, etc). For employees (including yourself) that would commute by car, indicate where they will park.

- Staff either walk to work or park on a side street, Ridgeway or Moody

3. **Traffic Impacts:** If the number of on-site parking stalls is less than what is required for drop-off/pick-up and employee parking, indicate how you will encourage your employees to walk/cycle/take transit/etc. to work and how you will address your drop-off/pick-up needs.

- Impact: none. In the past, one neighbour told the city that parents blocked the back alley. We have never seen this happen. If a parent parks in front of the garage, the car sticks out into the alley maybe 6". They are asked not to park there

4. **Access location(s):** Transportation staff will discuss with you the proposed access location(s) and required modifications/mitigations to address any potential concerns.

- staff discussion

5. **Traffic impact mitigation measures:** Describe any measures that you are committed to taking, to mitigate the transportation impact of the child care facility in the neighbourhood. See tips below.

- Mitigation measures: It is the parent handbook to not park in front of the garage, only use the one alley parking space, if that is full, to park in front or a side street and walk in. Also in the handbook, we asked that parents not park in front of the house to the east as those residents have strongly asked that parents don't park there.



North Vancouver Office, 132 W Esplanade, North Vancouver, V7M 1A2 Tel 604-983-6700
Powell River Office, 5000 Joyce Ave, 3rd Floor, Powell River, V8A 5R3 Tel 604-485-3310
Richmond Office, 325-8100 Granville Ave, Richmond, V6Y 3T6 Tel 602-233-3147
Sechelt Office, PO Box 1040 5571 Inlet Ave, Sechelt, V0N 3A0 Tel 604-885-5164
Squamish Office, PO Box 220 1140 Hunter Pl, Squamish, V8B 0A2 Tel 1-604-892-2293
Vancouver Office, 1200-601 W Broadway, Vancouver, V5Z 4C2 Tel 604-675-3800

October 5, 2022

Taryce Wong
Business Licence Inspector
City of North Vancouver
141 West 14th Street
North Vancouver, BC V7M 1H9

twong@cnv.org; licence@cnv.org

Dear Taryce:

Re: Proposed: Lifeway Childcare
532 4th St E, North Vancouver BC V7L 1J6
Licensee: Vancouver Waldorf School Society
Facility Number: FA18923
Capacity: 9
Program: Group Child Care (30 Months to School Age)
Phone: (604) 985-7435
Email: accounting@vws.ca
Email: hpham@vws.ca

Re: Proposed: Lifeway Childcare
532 4th St E, North Vancouver BC V7L 1J6
Licensee: Vancouver Waldorf School Society
Facility Number: FA18924
Capacity: 8
Program: Multi-Age Child Care
Phone: (604) 985-7435
Email: accounting@vws.ca
Email: hpham@vws.ca

This department has received Licence applications for the above-noted child care programs. The location is currently licensed under a different ownership. The new applicant requesting to take over both existing programs. The Group Child Care (30 months to school age) will be taken over as is but applicant is requesting to amend the Group Child Care (Under 36 Months) to a Multi-Age program. Applicant advised that no structural changes will take place.

Kindly advise in writing, if this premise requires inspection by the District of North Vancouver, related to building, plumbing, electrical and fire regulations. I have attached the Municipality Information form, completed by the proposed licensee.


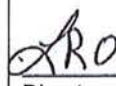

If you require more information or details please feel free to contact me by phone or email.
Thank you for your assistance.

Yours sincerely,

A handwritten signature in black ink, appearing to read 'Alina Abraham', with a long horizontal stroke extending to the right.

Alina Abraham
Child Care Licensing Officer
Alina.abraham@vch.ca
Tel: 604-983-6833



 Division Manager	 Director	 CAO
---	---	--

The Corporation of **THE CITY OF NORTH VANCOUVER**
COMMUNITY & PARTNER ENGAGEMENT DEPARTMENT

REPORT

To: Mayor Linda Buchanan and Members of Council

From: Siobian Smith, Manager, Economic Development

Subject: CANEXPORT COMMUNITY INVESTMENT PROJECTS

Date: April 26, 2023 File No: 13-6750-01-0001/2023

RECOMMENDATION

PURSUANT to the report of the Manager, Economic Development, dated April 26 2023, entitled "CanExport Community Investment Projects":

THAT the Mayor and Corporate Officer be authorized to sign the Contribution Agreement with Global Affairs Canada for the 2023 CanExport Community Investments Sub-Program;

AND THAT staff be requested to report back to Council on project implementation and outcomes at the conclusion of the Contribution Agreement.

ATTACHMENTS

1. Investment Attraction Materials (City Doc [2352419](#))
2. 2023 Contribution Agreement with Global Affairs Canada (City Doc [2352422](#))
3. 2022 Signed Contribution Agreement with Global Affairs Canada (City Doc [2186823](#))

BACKGROUND

The City of North Vancouver (the City) was awarded a financial contribution of \$12,500 to support its investment attraction efforts in 2022 through the CanExport Community Investments (CanExport) sub-program operated by Global Affairs Canada. The CanExport program provides financial support to communities seeking to improve their capacity to attract, retain and expand foreign direct investment (FDI) in order to create jobs for Canadians, support innovation and increase exports. As part of the CanExport program requirements, the City contributed matching funds in the sum of \$12,500 to undertake a project related to the development of high-level investment attraction materials for the City.

Economic Development staff worked in partnership with our Communications team and used this funding to develop a simple suite of informative and visually-appealing profiles and sector-specific fact sheets, along with a presentation template to support the framing of investment promotion pitches. The investment attraction materials aim to highlight data-based value propositions and provide examples of leading businesses for our target sectors. The profiles arm staff with a strategic tool to engage investment interests in different settings, such as industry trade shows and investment conferences. The profiles can also be used by regional partners and provincial in-market representatives to promote and drive investment to the City.

These materials serve as a baseline tool to stimulate discussions and market the City's key attributes that are priority elements in the consideration of investment decisions. The two-page sector overviews highlight key facts and compelling information that sets the City apart from comparative jurisdictions. The materials are based on research conducted by the City in recent years as background work for the Economic Strategy. The process to prioritize the target sectors, as an example, was guided by a current situation assessment conducted in 2021 – essentially affirming the City's competitive edge surrounding a diversity of high value-added services in the local economy. These current sectoral focus areas may change over time in response to local business growth and broader economic opportunities, amongst other considerations.

This suite of materials will be accessible primarily in electronic format for ease of transmission and sharing with investment interests. As such, this suite of materials was intentionally prepared to be dynamic, with staff able to easily update content to ensure that relevant and up-to-date information is maintained. Staff will continue to refine, update and add information in the materials, whilst maintaining the visually compelling pitches.

Building on this baseline work, the City applied for and was awarded another financial contribution of \$15,200 by Global Affairs Canada for 2023. This funding from the CanExport program will build on this initial work to develop investment attraction materials in 2022, and further advance the foundational value proposition specifically for the Health and Bio-Sciences sector in the City. As previously, the City is required to commit to contributing the equivalent amount of funding, in the sum of \$15,200, to undertake this follow-up project. All efforts related to undertaking this project are expected to conclude by December 31, 2023.

PROJECT DESCRIPTION

The City is renowned for its vibrant community, which boasts a thriving mix of professional services with a prominent concentration in the Health and Bio-Sciences sector. In fact, just about one in ten residents of the City is employed in health-related professions, and one in seven businesses operate in a healthcare-related capacity. In addition, the City serves as the healthcare servicing hub for more than 242,000 residents in the North Shore, Sea-to-Sky, Sunshine Coast, Powell River and Central Coast communities, and includes several First Nations communities. This unique position also facilitates a variety of supporting services related to research and development, including medical equipment and supplies manufacturing. The economic contributions and the positive spillover effect

from the Health and Bio-Sciences sector are critical to the City's efforts in building a healthy and resilient economy.

Against this backdrop, the second CanExport project seeks to identify and articulate more specific sub-sector investment opportunities, identified through extensive collaboration with partner agencies and actors in the Health and Bio-Sciences sector. Staff will work with an external expert to formulate a roadmap that aligns stakeholder plans and activates investment opportunities in this sector. This will also involve completing a succinct assessment of stakeholder capacity and relevant initiatives impacting the current cluster. Further, the roadmap will include recommendations for the consideration of opportunity-specific incentives. In tandem, staff will support the work of Invest Vancouver and provincial Investment Representatives in overseas markets to generate and target a shortlist of investment leads that align with the City's sectoral value proposition.

In summary, this project is expected to meet the following objectives:

- Understand the stakeholders' development capacity and relevant initiatives impacting the sector, so as to ensure collaboration and maximization of current efforts;
- Establish a roadmap for the sector and drive sub-sector-specific investment opportunities to ensure that concrete opportunities are identified;
- Generate investment leads that align with the sector's value proposition;
- Consider unique incentives that could support commercial growth in this sector.

CONCLUSION

The CanExport project in 2022 provided the City with updated knowledge of its target sectors through the creation of some basic investment attraction materials. These materials enable the City to respond to investment attraction opportunities and consider future campaigns in target sectors. Building on this work, the Economic Development staff will utilize the funding for 2023 to elaborate the development of the City's Health and Bio-Sciences sector. This project will formulate a roadmap to align stakeholders and activate sector-specific investment opportunities, leveraging B.C.'s Life Sciences and Bio-Manufacturing Strategy, which positions B.C. as a global Life Sciences hub. The expected stakeholder consultation and investment lead generation process will involve critical feedback from our community and partners. Endorsement of the attached Contribution Agreement will support staff with the much needed resources to further develop the City's Health and Bio-Sciences cluster.

The following recommendation is presented for Council's consideration:

THAT the Mayor and Corporate Officer be authorized to sign the Contribution Agreement with Global Affairs Canada for the 2023 CanExport Community Investments Sub-Program;

AND THAT staff be requested to report back to Council on project implementation and outcomes at the conclusion of the Contribution Agreement.

FINANCIAL IMPLICATIONS

If Council approves the recommendation, the Economic Development Division will contribute the equivalent amount of funding, in the sum of \$15,200 to undertake the project to develop a strategic plan for the City's Health and Bio-Sciences sector. This funding has been budgeted for in the 2023 financial year in existing operating funds.

INTER-DEPARTMENTAL IMPLICATIONS

The Legal Services Department has been consulted on this request to Council to endorse the attached contribution agreement. The Financial Services team has also reviewed the financial implications. There is no anticipated impact for other City Departments.

RESPECTFULLY SUBMITTED:



Siobian Smith
Manager, Economic Development



city
of north
vancouver

your base for
work & play

city
of north
vancouver

your **base** for
work & play



See what makes The City your base for trade, innovation and inspiration. A home base for workers and their families to live, work, play and thrive. Discover where your business investment fits in with our ambitious plans for growth.

FOR MORE RESOURCES
cnv.org/invest

base

YOUR LAUNCH POINT TO BC, CANADA AND THE WORLD

As the downtown of the North Shore, The City offers its 58,000 residents access to a high quality of life that includes diverse restaurants, art galleries, performing arts spaces, recreation centres, a state-of-the-art library and a leading edge regional hospital. Nestled in the mountains, this idyllic place has everything you need to grow and succeed, while providing quick access to local, regional and international markets.

12min 
DOWNTOWN BY SEABUS

95 AVG WEEKLY DIRECT
FLIGHTS FROM YVR TO
 **ASIA**

52 AVG WEEKLY DIRECT
FLIGHTS FROM YVR TO
 **EUROPE**

1km 
TO LIONS
GATE BRIDGE

.75km 
TO IRON WORKERS
MEMORIAL BRIDGE



SPACE TO GROW CAREERS AND COMPANIES

The City offers everything your business needs to grow. Engineers, lawyers, executive recruiters, financial experts, and a supportive local government are engaged, and willing to help enhance your investment in our community. We are a hub for talent – which means businesses that call The City home have access to a diversity of skillsets to excel and flourish.



BUSINESS
FRIENDLY COUNCIL
& COMMUNITY

EDUCATED WORKFORCE

51%

HOLD UNIVERSITY DEGREES
(BACHELOR'S) OR HIGHER



AWARD
WINNING
COMMUNITY
ENERGY
SYSTEM



RANKED 2ND – BC'S
MOST ECONOMICALLY
RESILIENT CITIES

300,000⁺ sq/ft

ACTIVE OPPORTUNITIES IN
WATERFRONT COMMERCIAL &
LIGHT MANUFACTURING SPACE

play

FRESH AIR AND OUTDOOR ESCAPES AT YOUR DOORSTEP

The City's access to outdoor recreation and wide open spaces is literally on our front steps. Our centrally located urban landscape provides quick connections to waterfront, rainforest and mountain ecosystems, including a network of hiking trails, parks, urban green spaces, bike paths, and mountain playgrounds. With three local ski resorts accessible within minutes, and quick connections via the Sea-to-Sky corridor to the mountain communities of Squamish and Whistler, our community has always attracted outdoor enthusiasts seeking thrills and adventures.

14 min 
UP GROUSE MTN

 **80** min
SKIING IN WHISTLER

10 min 
MOUNTAIN BIKING

5 min 
SKATEBOARDING

5 min 
SUP AND KAYAKING



Health + Medical Services



Our community's demographics present an opportunity for innovators and investors looking for a base to conduct research, biomedical clinical trials, and deploy real-world applications of cutting-edge technology. Innovation isn't ageist – see why The City offers excellent opportunities to test advances in gerontology, palliative and hospice care as well as innovations in sports medicine and rehabilitation, and niche medical device development. Take advantage of our well-integrated health clusters and medical resources to grow your business.

Industry opportunities for your business

Medical
Bio-medical
Pharmaceutical

Medical devices
Sports injury
Gerontology



Health + Medical Services

COMMUNITY OF CARE

Lions Gate Hospital will soon welcome a \$100 million state-of-the-art, high-tech wing that will serve as the hub for acute care and virtual services for people living on the North Shore, Sea-to-Sky Corridor, Sunshine Coast, Powell River and Central Coast, including Indigenous communities. The facility is an excellent base for talented and dedicated healthcare workers looking to build long-term roots in a community, as well as innovators looking for field data and a talented local workforce.

There are immediate opportunities for pharmaceutical and pharma-tech companies interested in testing new technologies and clinical applications, as well as companies interested in setting up niche manufacturing facilities that support a vibrant ecosystem. Contact us to learn more about these investment opportunities.



NEW HIGH TECH WING INVESTMENT

Lions Gate: Full-Service hospital and health district in Central Lonsdale

\$100 million
hospital investment



RESEARCH CENTRES IN BC

Including several centres of excellence



50+
research centres

1 IN 10 Residents of The City are Employed in the Health sector
AT LEAST 300 Establishments in Health Care Services
AT LEAST 11 Companies in Medical Equipment & Supplies Manufacturing



STATE OF THE ART MEDICAL FACILITIES

Lions Gate Hospital
Psychiatry & Education Centre
North Vancouver Urgent & Primary Care Centre
Habourside Oral & Facial Surgical Centre
Medical Arts Health Research Group
Elemental Research





Filming + Entertainment



The City plays a leading role in bringing made-in-BC blockbuster film and entertainment to screen and stream. The City is home to a flexible multistage studio and production office complex, diverse filming locations, cutting-edge VFX and VR facilities, alongside world-leading digital animation training and production. What's more! Imagine the possibilities to film diverse locations with minimum travel logistics – from outdoor glammers to fascinating cityscape. Our stages for creativity are endless!

Industry opportunities for your business

Gaming
Animation
TV & Film
Production

Post Production
Content Creation
Post Secondary
Training





TALENTED WORKFORCE

The cultural output of the interactive and digital media industry, includes feature films, TV series, documentaries, animation, VFX, video games, and virtual/augmented/mixed reality experiences. BC's film industry and its support services and government incentives is a vital part of The City, employing more than 1,000 residents. Our world class infrastructure and award-winning production expertise are the reason why major international entertainment companies and producers base their productions in The City. Come see what the buzz is about.



THE FILM INDUSTRY
EMPLOYS OVER

1,000
City residents

8
film stages

NORTH SHORE STUDIOS

8 high tech film stages
totaling 132,435 sq./ft. +
100,000 sq./ft of office space.

SOME FILMS SHOT ON THE NORTH SHORE

Scary Movie
Night at the Museum
Alien vs. Predator II
Fantastic Four
Final Destination

3 hrs
DIRECT TO LAX

5 hrs
DIRECT TO NYC





Marine Industries + Logistics



All waters, railways and roads lead to The City. An integral part of Canada's largest port, with four terminals located on our waterfront, the marine industry generates billions in trade, and directly employs thousands in the primary and secondary shipping and logistics market. With global players already here, The City champions industrial growth that supports our knowledge-based and value-add economy. Invest in our waterfront and watch it grow.

Concentration of Industry Activities

Port Terminal
Cargo
Ship Building
Stevedoring

Ship Repair
Metal & Minerals
Forest Products
Grain Products





Marine Industries + Logistics

DIVERSIFIED PORT CITY

With more than 7 kilometres of shoreline dedicated to port activity, The City is home to ship building and repair, industrial facilities, waterfront business parks, and a mix of commercial and professional services. In addition, we have the infrastructure to support specialty marine manufacturing and advanced technology.

The City's proximity to water drives our innovation economy. From biofuel powered ferries and tugs, blockchain and AI-enabled logistics networks to deep sea submarines and remotely operated vehicles. We are also investing in our future with industry supported training programs at British Columbia Institute of Technology's Marine Campus.

\$890 million
IN ECONOMIC ACTIVITIES

3,600
JOBS ANNUALLY
FROM PORT ACTIVITIES

\$739 million
SEASPAN ANNUAL REVENUE



CARGO MOVED IN 2021
80% of cargo was outbound for
foreign and domestic markets

146 million tons



**GATEWAY TO OVER 170
GLOBAL TRADING ECONOMIES**

\$1 of every \$3

of Canada's trade in goods
outside of North America flows
through the Port of Vancouver



INDUSTRY LEADERS THAT CALL THE CITY HOME

Seaspan
Neptune Terminals
Terminal Cargill
Richardson International
Nuytco Research
BCIT Marine Campus





High Tech Products + Services



A centrally located urban landscape makes The City an excellent base for technology-driven businesses looking to tap into Canada's fastest growing innovation sector. Our outdoor-oriented lifestyle, urban amenities and proximity to major US and international markets makes us an ideal location to invest in. Our highly educated and diverse workforce provides startups as well as established industry leaders with plenty of runway to grow their business and build a world-class team to compete on the global stage.

Industry opportunities for your business

Software
App Design
Electronics

Industrial Design
Robotics
Telecommunications





High Tech Products + Services

A LIFESTYLE WITH TECH

BC's burgeoning tech sector offers business a compelling mix of comparatively low labour costs, favourable tax regimes and leading education and training institutions. In addition, a federally sponsored VISA program streamlines the attraction and retention of international talent. Combine these elements with The City's lifestyle advantages and you will quickly see that everything your technology business needs to attract and retain an engaged and talented workforce is in place. Connect your investment here!



The City
is a true
talent
magnet



VANCOUVER
TECH JOB GROWTH
NATIONAL AVERAGE: 9.8%

+44%  **2021**

BC HIGH GROWTH SECTOR

Agritech
Aerospace
AI-Machine Learning
Clean Technology
Hydrogen

10,000 BC TECH COMPANIES
GENERATE MORE THAN

\$23B
in revenue

INDUSTRY LEADERS THAT CALL THE CITY HOME

Jane Software
WiseTrack
Fillet for Chefs
Interactive Schedules
Ecoation





Professional + Technical Services



Our business-friendly climate and comprehensive network of professional service providers support a flourishing intellectual economy. Leading architectural, engineering, and product design firms establish their HQ in The City because of this. Named as Canada's second most resilient city in 2023, we have everything your creative or technical business needs to set roots and grow in an environment where entrepreneurial success is in balance with sustainable leadership.

Professional Services Concentration

Engineering
Law
Human Resources

Accounting
Design
Architecture





Professional + Technical Services

BASE FOR INNOVATION

The City is home to a rich diaspora representing many cultures, viewpoints and areas of expertise. Professional services thrive in this culturally rich atmosphere, and are a fast growing contributor to BC's economy. Whether it's your headquarters or a satellite office, your business can draw on a flexible workforce already comfortable with remote or hybrid work scenarios. A business-friendly climate, supportive local government, and an economically resilient region means your investment in The City can immediately start paying dividends.



Join a diverse
professional
community



LICENSED PROFESSIONAL + TECHNICAL FIRMS

35% ARCHITECTURE,
DESIGN, MARKETING
28% CONSULTING

13% ENGINEERING
12% ACCOUNTING, TAX
AND BOOKKEEPING
12% LEGAL SERVICES

PEOPLE EMPLOYED IN PROFESSIONAL & TECHNICAL SERVICES SECTOR

4,170 **2016**
12.2% OF THE LABOUR FORCE

PROFESSIONAL, SCIENTIFIC & TECHNICAL SERVICES

#1 TOP INDUSTRY
SECTOR IN CITY

INDUSTRY LEADERS THAT CALL THE CITY HOME

Arya Engineering
Creus Engineering
Sense Engineering
Paperclip Law
Lakes Whyte LLP
COWI A/S
Harbour West Consulting



MAKE THE CITY YOUR BASE FOR WORK & PLAY

base



work



play



The City is the flourishing urban core of the North Shore, a gateway to the Sea-to-Sky corridor and the world beyond. Discover a highly skilled and flexible workforce, an innovation-driven economy and a beautiful natural landscape that inspires and connects our city with world-class outdoor recreation, fresh air and a base to build your dreams.

Visit cnv.org/invest, email business@cnv.org, or call [604-985-7761](tel:604-985-7761) to learn more today.





CanExport Program

Contribution Agreement for CanExport Community Investments Sub- Program

Project No. 2023-BC-02

PARTIES

HIS MAJESTY THE KING IN RIGHT OF CANADA (the "Crown"), as represented by the Minister for International Trade (the "Department" or "Global Affairs Canada") and:

The Corporation of the City of North Vancouver
141 West 14th Street
North Vancouver, BC V7M 1H9

(hereinafter referred to as the "Recipient" and jointly as the "Parties"), agree as follows:

DEFINITIONS

"Amendment" means a formal amendment to the terms and conditions of this Contribution Agreement made in accordance with subsection 14(3) prior to the expiration or earlier termination of the Contribution Agreement;

"Approved Application" means the Recipient's application, as well as the description of the purpose of the project, anticipated results, and list of eligible expenditures contained within, as approved by the adjudication committee.

"Claim" means a request for payment submitted to the Department by the Recipient through the CanExport Communities portal under subsections 5(6), 5(7) and 5(8);

"Component" means a group of Foreign Direct Investment activities approved by the Department. Components are listed in Schedule 1;

"Contribution" means the maximum amount of funding to be provided by the Department, described in section 2;

"Contributing Partner" means a company, organization or person that contributes funding towards the total costs of the Recipient's Components outlined in Schedule 1;

"Debt Due the Crown" means any amount owed and payable to the Crown;

"Designated Person" is an individual or entity that is:
a) Designated in any Sanctions-related Canadian law;
b) Identified in any Sanctions-related list maintained by the Government of Canada according to the most current version published by the Government of Canada via Global Affairs Canada and its official website or any replacement website or other replacement official publication of such list; or
c) Identified in any other Sanctions or other controls-related list;

"Effective Date" means the date on which this Contribution Agreement is signed by the respective Parties. If the signing occurs on two different dates, this

Programme CanExport

Accord de contribution relatif à sous- programme CanExport Investissement des communautés

Projet n°

PARTIES

SA MAJESTÉ LE ROI DU CHEF DU CANADA (la « Couronne »), représentée par la ministre du Commerce international (le « Ministère » ou « Affaires mondiales Canada ») et :

(ci-après appelé le « bénéficiaire » et, conjointement, les « parties ») conviennent de ce qui suit:

DÉFINITIONS

« annexe 1 » : description détaillée des composantes, jointe au présent accord de contribution et en faisant partie intégrante;

« annexe 2 » : liste des coûts admissibles et non admissibles, jointe au présent accord de contribution et en faisant partie intégrante;

« annexe 3 » : liste des modalités s'appliquant aux bénéficiaires qui remettent des fonds de la contribution à une tierce partie, jointe au présent accord de contribution et en faisant partie intégrante;

« changement » : changement apporté à certains éléments du projet au moyen du portail CanExport Communautés, avant l'expiration ou la résiliation anticipée de l'accord de contribution, sous réserve de la procédure et des limites décrites aux paragraphes 14(1) et (2);

« cible » : entreprise étrangère ayant le potentiel d'investir à l'étranger;

« composante » : série d'activités de promotion de l'investissement étranger direct approuvée par le Ministère. Les composantes sont énumérées à l'annexe 1;

« contribution » : contribution maximale du Ministère décrite à l'article 2;

« date d'entrée en vigueur » : date à laquelle le présent accord de contribution est signé par chacune des parties. S'il est signé à deux dates différentes, la date d'entrée en vigueur correspond à la date de la dernière signature;

« date d'expiration » : date à laquelle le présent accord de contribution cesse d'avoir effet, conformément au paragraphe 25(6) du présent accord de contribution;

« date de début du projet » : date à partir de laquelle le Ministère autorise le lancement des activités du projet, soit le **date**;

« date de fin du projet » : date à laquelle les activités du projet doivent être achevées, soit le **date**;

Contribution Agreement will take effect on the date of the last signature;

“Eligible Costs” means the eligible costs set out in this Contribution Agreement, Schedule 2, as well as the eligible expenditures contained in the Recipient’s application that were approved by the adjudication committee and any subsequently approved Modifications made in accordance with this Contribution Agreement;

“Expiration Date” means the date at which this Contribution Agreement ceases to be in effect, as specified in subsection 26(6) of this Contribution Agreement;

“Final Results Report” means a report describing the overall results of all activities of all Components listed in Schedule 1 to this Contribution Agreement, submitted through the CanExport Communities portal, pursuant to subsection 5(4);

“Fiscal Year” means the federal government fiscal year beginning on April 1 and ending on the following March 31;

“Lead” means a foreign company that has the desire and capability to expand through investment abroad;

“Modification” means a change to certain Project details contained within the CanExport Communities portal, made prior to the expiration or earlier termination of the Contribution Agreement, subject to the procedures and limitations described in subsections 14 (1) and (2);

“Project” means the Component(s) described in Schedule 1;

“Project End Date” means the date by which Project Components must be completed, which is **December 31, 2023**;

“Project Period” means the period beginning on the “Project Start Date” and ending on the “Project End Date”;

“Project Start Date” means the date as of which the Department has authorized Project Components to begin, which is **January 1, 2023**;

“Prospect” means a foreign company that has expressed an interest in investing and has specified Canada or placed Canada on the destination shortlist;

“Sanctions and other controls” are economic, financial or technical assistance prohibitions, export or import restrictions, or trade, arms or material embargoes imposed, administered or enforced from time to time by the Government of Canada, including, without limiting the foregoing, pursuant to the Special Economic Measures Act, the United Nations Act, the Justice for Victims of Corrupt Foreign Officials Act, the Freezing Assets of Corrupt Foreign Officials Act and the Export and Import Permits Act, and any regulations made pursuant to those Acts;

“Schedule 1” means the Component-specific details attached to and forming part of this Contribution Agreement;

“Schedule 2” means the list of eligible and ineligible costs attached to and forming part of the Contribution Agreement;

“Schedule 3” means the terms and conditions, attached to and forming part of the Contribution

« demande approuvée » : signifie que la demande du bénéficiaire, ainsi que la description du projet proposé, les résultats escomptés, et la liste des dépenses admissibles contenus dans la demande, est approuvée par le comité d’adjudication;

« demande de remboursement » : formulaire de demande de remboursement que le bénéficiaire soumet au Ministère par l’intermédiaire du portail CanExport Communautés, conformément aux paragraphes 5(6), 5(7) et 5(8);

« dépenses admissibles » : dépenses admissibles énoncées à l’annexe 2 du présent accord de contribution, dépenses admissibles figurant dans la demande du bénéficiaire approuvée par le comité d’adjudication, et tout changement approuvé ultérieurement, conformément au présent accord de contribution;

« dette envers la Couronne » : tout montant dû l’État;

« durée du projet » : période entre la « date de début du projet » et la « date de fin du projet »;

« exercice » : exercice financier du gouvernement fédéral qui débute le 1^{er} avril et se termine le 31 mars suivant;

« investisseur éventuel » : entreprise étrangère qui souhaite élargir ses activités en investissant à l’étranger et qui en a la capacité;

« investisseur potentiel » : entreprise étrangère qui a manifesté la volonté d’investir et qui compte le Canada parmi ses destinations de choix;

« limite sur le cumul de l’aide » : proportion maximale du financement public cumulatif pouvant être accordé au Canada pour toute composante ;

« modification » : modification officielle apportée aux modalités du présent accord de contribution conformément au paragraphe 14(3) avant l’expiration ou la résiliation anticipée de l’accord de contribution;

« partenaire apportant une contribution » : société, organisation ou particulier qui contribue au financement du coût total des composantes du bénéficiaire énoncées à l’annexe 1;

« Personne désignée » s’entend d’une personne ou d’une entité qui est :

- a) désignée dans toute loi canadienne relative aux sanctions;
- b) identifiée dans toute liste de sanctions tenue à jour par le gouvernement du Canada selon la version la plus récente publiée par le gouvernement du Canada par l’intermédiaire d’Affaires mondiales Canada et de son site Web officiel ou de tout site Web de rechange ou autre publication officielle de rechange de cette liste; ou
- c) identifiée dans toute autre liste de sanctions ou de mesures de contrôle;

« projet » : composante(s) décrite(s) à l’annexe 1;

« rapport final sur les résultats » : rapport décrivant les résultats globaux de toutes les activités des composantes énoncées à l’annexe 1 du présent accord de contribution, présentée au moyen du portail CanExport Communautés, conformément au paragraphe 5(4);

Agreement, for Recipients that further distribute Contribution funding to third parties;

“Stacking Limit” means the maximum level of total Canadian federal government funding for any one Component;

“Target” means a foreign company identified as having the potential for investing abroad;

“Third Party Recipient” means other third party organizations that receive Contribution funding further distributed by Recipients who have entered into an initial Contribution Agreement with the Department.

1. THE PROJECT

(1) The Recipient wishes to implement a Project entitled **2023-BC-02**, hereinafter referred to as the “Project”.

(2) The Department wishes to make a Contribution to the Recipient toward the realization of the Project.

(3) The Recipient shall undertake to use the Contribution provided herein to achieve the following objectives and expected results:

Objectives

This Project supports the Canadian community’s efforts to attract, retain and expand foreign direct investment (FDI) and is ultimately designed to strengthen the economy at the community level.

Expected results

The expected results of this Project is to enhance the capability and effectiveness of Canadian communities to attract, retain and expand foreign direct investment (FDI), as measured by analysis of recipient performance reports and surveys.

2. THE CONTRIBUTION

(1) Subject to the terms and conditions of this Contribution Agreement, and unless otherwise noted, the Department shall contribute to the Recipient up to 50% of the Eligible Costs of the Project incurred during the Project Period up to a maximum of:

CAD \$15,200.00

(2) The Contribution of up to **CAD \$15,200.00** is based upon the total Eligible Cost of the Project being a minimum of **CAD \$30,400.00**. If it is subsequently determined by the Department that the total Eligible Costs of the Project are of a lesser value than the original figure, pursuant to Schedule 1, then the Recipient shall be required to refund to the Receiver General for Canada, via the Department, a prorated amount in relation to the Department’s portion of the Project costs against the total Eligible Costs of the Project, unless those total Eligible Costs of the Project have been previously adjusted and approved in writing by the authorized signatory of the Department, pursuant to section 14 of this Contribution Agreement.

(3) The Department shall not contribute to costs incurred prior to the Effective Date or after the Project

« Sanctions et autres mesures de contrôle » s’entend des interdictions d’aide économique, d’aide financière ou d’assistance technique, des restrictions à l’exportation ou à l’importation, ou des embargos sur le commerce, les armes ou le matériel imposés, administrés ou appliqués de temps à autre par le gouvernement du Canada, y compris, sans limiter ce qui précède, en vertu de la Loi sur les mesures économiques spéciales, de la Loi sur les Nations Unies, de la Loi sur la justice pour les victimes de dirigeants étrangers corrompus, de la Loi sur le blocage des biens de dirigeants étrangers corrompus et de la Loi sur les licences d’exportation et d’importation, et de tout règlement pris en application de ces lois;

« tiers bénéficiaire » : organisation tierce qui reçoit un financement sous forme de contribution de la part des bénéficiaires ayant conclu un accord de contribution initial avec le Ministère.

1. LE PROJET

1) Le bénéficiaire souhaite réaliser un projet intitulé, ci-après appelé le « projet ».

2) Le Ministère désire verser une contribution au bénéficiaire afin de l’aider à réaliser le projet.

3) Le bénéficiaire s’engage à utiliser la contribution prévue dans le présent accord de contribution pour atteindre l’objectif et les résultats attendus suivants :

Objectifs

Ce projet a pour but d’appuyer les efforts de la communauté canadienne pour attirer, conserver et accroître l’investissement étranger direct et vise à terme à contribuer au renforcement de l’économie locale.

Résultats attendus du projet

Les résultats attendus du projet sont les suivants: Améliorer la capacité et l’efficacité des collectivités canadiennes à attirer, retenir et accroître l’investissement étranger direct (IED); ce résultat est évalué par l’analyse des rapports et des sondages sur le rendement des bénéficiaires.

2. LA CONTRIBUTION

1) Conformément aux modalités du présent accord de contribution et sauf indication contraire, le Ministère s’engage à verser au bénéficiaire jusqu’à 50 p. 100 des coûts admissibles du projet engagés pendant la période du projet, jusqu’à concurrence de :

CAD.

2) La contribution pouvant aller jusqu’à **CAD** est établie en fonction du total des dépenses admissibles du projet, évalué à au moins **CAD**. Si le Ministère détermine par la suite que le total des dépenses admissibles du projet est inférieur au montant initial prévu à l’annexe 1, le bénéficiaire sera tenu de rembourser au Receveur général du Canada, par l’intermédiaire du Ministère, un montant proportionnel à la part des dépenses admissibles du projet assumée par le Ministère, à moins que le montant des dépenses totales admissibles du projet ait été préalablement ajusté et approuvé par écrit par le signataire autorisé du Ministère conformément à l’article 14 du présent accord de contribution.

3) Sauf indication contraire à l’annexe 1B), le Ministère ne verse aucun paiement pour les coûts engagés avant la date d’entrée en vigueur du présent accord de contribution ou après la date de fin du projet.

End Date of this Contribution Agreement, unless otherwise noted in Schedule 1(B).

(4) The Recipient shall not change the scope or terms of the Project without the prior written approval of the Department. Any such changes are subject to section 14 of this Contribution Agreement.

(5) The Contribution shall be used by the Recipient to implement the Project in accordance with the provisions of this Contribution Agreement and with the terms specified in Schedules 1, 2 and 3, as well as with the Recipient's Approved Application and any subsequent Modifications approved in accordance with this Contribution Agreement, form an integral part of this Contribution Agreement.

(6) The amount payable under this Contribution Agreement, specified in subsection 2(1), is definitive. The Department shall not be responsible for any debt or deficit incurred by the Recipient or any other person associated with the Project.

(7) The Contribution made under this Contribution Agreement shall be paid by the Department in accordance with the terms of payment set forth in subsections 2(16), 2(17), 2(18), section 5, and Schedules 1, 2 and 3 of this Contribution Agreement.

(8) The Recipient shall:

(i) between the Effective Date of this Contribution Agreement and **December 31, 2023**, carry out and complete with care, skill, diligence and efficiency the Components that are described in this Contribution Agreement and subsequent Modifications approved in writing by the Department; and

(ii) between the Effective Date of this Contribution Agreement and **January 31, 2024**, incur and pay all expenditures pursuant to this Contribution Agreement.

(9) The Department reserves the right to withhold any payment to the Recipient under this Contribution Agreement where there is any overpayment, any payment made for expenses which are not eligible, or any unexpended or unaccounted balances not refunded by the Recipient under any previous Contribution Agreement with the Department, until such outstanding amounts have been refunded to the Receiver General for Canada via the Department.

(10) The Recipient shall notify the Department immediately if, during the course of the Project, circumstances arise that would make the completion of the Project unfeasible.

(11) This Contribution Agreement is not for the consideration of supplying a service to the Crown of Canada, and as such, the Canadian Goods and Services Tax does not apply to any payment made under this Contribution Agreement.

(12) The Department has the right to conduct an inspection/evaluation of the Project and hire an external monitor and/or evaluator for the performance thereof, even though an inspection/evaluation may not be performed.

(13) The Department has the right to conduct an audit of the expenses and Eligible Costs of the Recipient as they relate to the Project, even though an audit may not be performed.

(14) The Department will not contribute to the Eligible Costs incurred if the Recipient has not fulfilled the reporting requirements in respect of previous Contribution Agreements.

4) Le bénéficiaire s'engage à ne pas modifier la portée et les modalités du projet sans le consentement préalable écrit du Ministère. Tout changement de cette nature doit faire l'objet à l'article 14 du présent accord de contribution.

5) Le bénéficiaire utilise la contribution pour mettre en œuvre le projet conformément aux dispositions du présent accord de contribution et aux modalités précisées aux annexes 1, 2 et 3, ainsi qu'à la demande approuvée du bénéficiaire, et à tout changement approuvé ultérieurement conformément au présent accord de contribution, font partie intégrante du présent accord de contribution.

6) Le montant à verser en vertu du présent accord de contribution, indiqué au paragraphe 2(1), est définitif. Le Ministère n'est pas responsable des dettes ou déficits accumulés par le bénéficiaire ou par toute autre personne liée au projet.

7) La contribution faite en vertu du présent accord de contribution est versée par le Ministère selon les modalités de paiement établies aux paragraphes 2(16), 2(17), 2(18), à l'article 5 et aux annexes 1, 2 et 3 du présent accord de contribution.

8) Le bénéficiaire s'engage :

i) entre la date d'entrée en vigueur du présent accord de contribution et le **date**, à réaliser et à mener à bien, avec soin, compétence, diligence et efficacité, les composantes décrites dans le présent accord de contribution et tout changement approuvé ultérieurement, par écrit, par le Ministère;

ii) entre la date d'entrée en vigueur du présent accord de contribution et le **date**, à assumer et à payer toutes les dépenses visées par le présent accord de contribution.

9) Le Ministère se réserve le droit de retenir tout paiement au bénéficiaire aux termes du présent accord de contribution dans la mesure où un paiement excédentaire, un paiement pour des dépenses non admissibles, ou, dans le cadre de tout accord de contribution conclu antérieurement avec le Ministère, un solde non dépensé ou non comptabilisé n'a pas été remboursé par le bénéficiaire, jusqu'à ce qu'un tel montant ait été remboursé au Receveur général du Canada par l'intermédiaire du Ministère.

10) Le bénéficiaire s'engage à aviser immédiatement le Ministère si, au cours du projet, des circonstances rendent le projet irréalisable.

11) Le présent accord de contribution n'est pas conclu en contrepartie de la prestation d'un service à la Couronne du Canada, de sorte que la taxe canadienne sur les produits et services ne s'applique à aucun paiement effectué en vertu du présent accord de contribution.

12) Le Ministère se réserve le droit d'effectuer une inspection ou une évaluation du projet et de retenir les services d'un contrôleur ou d'un évaluateur externe, même si une telle inspection ou évaluation pourrait ne pas avoir lieu.

13) Le Ministère se réserve le droit de procéder à une vérification des dépenses et des coûts admissibles liés au projet assumés par le bénéficiaire même si une telle vérification pourrait ne pas avoir lieu.

14) Le Ministère ne verse aucune contribution à l'égard des dépenses admissibles engagées si le bénéficiaire ne satisfait pas aux exigences de

(15) The Recipient shall not request funding for a Project that attracts investment from within Canada.

(16) The Recipient agrees to declare in writing, within 10 business days of signing this Contribution Agreement, whether it owes any money to the Government of Canada under legislation or otherwise, and the Recipient accepts that any money to be paid to the Recipient pursuant to this Contribution Agreement may be withheld from payment and applied against any money owing by the Recipient to the Government of Canada.

(17) The Recipient agrees to declare any sources of funding (e.g. Contributing Partners) for the Project in addition to the funds received under this Contribution Agreement upon completion of the Project and before the last payment by the Department is made.

(18) The Stacking Limit for Eligible Costs is 50%. In the event that actual total Canadian federal government funding for the Eligible Costs of a Component exceeds this Stacking Limit, the Department will have the right to adjust the amount of funding referred to in subsection 2(1) of this Contribution Agreement so that the Stacking Limit is not exceeded. The Department has the right to recover such equivalent amount directly from the Recipient as a Debt Due the Crown and/or by withholding payment of all or part of the Contribution, as the case may be.

(19) The maximum level of total funding received under this Contribution Agreement and from the Recipient and Contributing Partners (e.g. Canadian government or private funding) for Eligible Costs is 100%. In the event that actual total funding for an Eligible Cost exceeds this limit, the Department will have the right to adjust the amount of funding referred to in subsection 2(1) of this Contribution Agreement so that the limit is not exceeded. The Department has the right to recover such equivalent amount directly from the Recipient as a Debt Due the Crown and/or by withholding payment of all or part of the Contribution, as the case may be.

(20) In order for the Recipient to best benefit from the resources of the Department, in Canada and abroad, the Recipient will share with the concerned Canadian missions abroad the information on Leads and Prospects generated as a result of international marketing activities carried out through this Contribution Agreement. The information will not be used for the direct benefit of the Canadian missions. The Canadian missions will use the information for the purpose of assisting the Recipient to further pursue its investment prospecting activities and, therefore, not for the direct benefit of the Crown.

(21) The Invest in Canada Bureau and Canadian missions abroad shall keep in strict confidence any results shared as per subsection 2(20) of this Contribution Agreement.

3. FUNDING

In accordance with section 40 of the *Financial Administration Act*, payment in any Fiscal Year (April 1 to March 31) is subject to there being an appropriation of funds by the Parliament of Canada for the Fiscal

year and the Recipient's submission of a statement of

reddition de comptes relatives à des accords de contributions antérieures.

15) Le bénéficiaire ne peut demander de financement pour un projet qui attire des investissements provenant du Canada.

16) Le bénéficiaire s'engage à déclarer par écrit, dans les 10 jours ouvrables suivant la signature du présent accord de contribution, toute somme qu'il doit au gouvernement du Canada en vertu de la loi ou autrement, et accepte que toute somme devant lui être versée en application du présent accord de contribution soit retenue et appliquée à toute somme qu'il doit au gouvernement du Canada.

17) Le bénéficiaire s'engage à déclarer, à la conclusion du projet et avant le paiement final par le Ministère, la source de tout financement reçu pour le présent projet (p. ex., partenaires apportant une contribution), outre les fonds reçus en vertu du présent accord de contribution.

18) La limite sur le cumul de l'aide pour les dépenses admissibles s'élève à 50 p. 100. Si le financement total octroyé par le gouvernement fédéral du Canada pour les dépenses admissibles d'une composante dépasse cette limite, le Ministère se réserve le droit de modifier le montant du financement indiqué au paragraphe 2(1) du présent accord de contribution de manière à éviter que la limite sur le cumul de l'aide ne soit dépassée. Le Ministère se réserve également le droit de recouvrer un tel montant directement auprès du bénéficiaire en tant que dette envers la Couronne ou encore de retenir le paiement sur une partie ou l'intégralité de la contribution, selon le cas.

19) Le financement total reçu aux termes du présent accord de contribution, du bénéficiaire et des partenaires apportant une contribution (p. ex., le financement de différents ordres de gouvernement au Canada ou du secteur privé) pour les dépenses admissibles ne peut dépasser 100 p. 100. Si le financement total réel pour les dépenses admissibles dépasse cette limite, le Ministère se réserve le droit de modifier le montant du financement indiqué au paragraphe 2(1) du présent accord de contribution de manière à éviter que cette limite ne soit dépassée. Le Ministère se réserve le droit de recouvrer un tel montant directement auprès du bénéficiaire en tant que dette envers la Couronne ou encore de retenir le paiement sur une partie ou l'intégralité de la contribution, selon le cas.

20) Pour tirer pleinement profit des ressources du Ministère au Canada et à l'étranger, le bénéficiaire communique, aux missions canadiennes à l'étranger qui sont concernées, l'information sur les investisseurs éventuels et potentiels répertoriés à la suite d'activités de marketing international menées dans le cadre du présent accord de contribution. Cette information ne sera pas utilisée pour le bénéfice direct des missions canadiennes ou de la Couronne, mais dans le but d'aider le bénéficiaire à poursuivre ses activités de prospection liées à l'investissement.

21) La Direction générale de l'investissement au Canada et les missions canadiennes à l'étranger traiteront en toute confidentialité les renseignements communiqués conformément au paragraphe 2(20) du présent accord de contribution.

3. FINANCEMENT

Conformément à l'article 40 de la *Loi sur la gestion des finances publiques*, tout paiement effectué au cours d'un exercice financier (du 1^{er} avril au 31 mars) est subordonné à l'affectation de crédits par le Parlement

Year in which any commitment would come due for payment. If payments cannot be made either in full or in part because the level of funding is changed by the Parliament of Canada, the Department shall notify the Recipient as soon as possible.

4. RECORDS

(1) The Recipient shall maintain separate accounts and financial records of the cost of the Project and of all expenditures or commitments, including contracts/agreements with subcontractors and Third Party Recipients, timesheets (subcontractors and/or recipient's employees), boarding passes, invoices, receipts and vouchers, for the purpose of producing financial reports required by the Department. These accounts and financial records shall be established to account for the total funds budgeted for the realization of the Project, regardless of the source of funding, and for the expenses and Eligible Costs related to its realization. The Recipient shall retain the original supporting records for each expense / Eligible Cost. All expenses / Eligible Costs incurred by the Recipient for the purpose of the Project, including those of its subcontractors and Third Party Recipients, will be subject to audit by the Department. Such records shall, at reasonable times, be open to audit and inspection by the Department, which may make copies and take extracts therefrom.

(2) The Recipient shall provide suitable facilities for audit and inspection and shall furnish the Department with such information as the Department may, from time to time, require with reference to the records referred to herein.

(3) The Recipient shall not dispose of the records referred to herein without the prior written consent of the Department, but shall preserve and keep them available for audit and inspection for such period of time as may be specified elsewhere in this Contribution Agreement or, in the absence of such specification, for five years following the expiration or earlier termination of this Contribution Agreement.

(4) The Recipient's expenses associated with an audit conducted pursuant to subsection 4(2) above shall not be recoverable from the Department.

(5) The Recipient acknowledges that, pursuant to subsection 7.1(1) of the *Auditor General Act*, the Auditor General of Canada may, at his or her own cost, conduct an inquiry respecting the Recipient's compliance with the terms and conditions of this Contribution Agreement, or an inquiry into the Recipient's procedures to measure and report on performance with respect to this Contribution Agreement. The Recipient shall cooperate with the Auditor General and his or her representatives or agents relative to any such inquiry, and shall grant same access to the Recipient's documents, records and premises for purposes of any such inquiry. The Auditor General may, at his or her discretion, discuss any concerns raised in such an inquiry with the Recipient and with the Minister. The results may be reported to Parliament in a report of the Auditor General.

5. REPORTS, CLAIMS AND PAYMENTS

(1) The Recipient shall return to the Receiver General for Canada via the Department by **January 31, 2024** or earlier termination of the Project, funds which are not disbursed, accounted for or spent in accordance

du Canada pour l'exercice financier au cours duquel un paiement doit être effectué. Le Ministère avise le bénéficiaire le plus rapidement possible si les paiements ne peuvent être effectués, en tout ou en partie, en raison de la décision du Parlement du Canada de modifier le niveau de financement.

4. REGISTRES

1) Le bénéficiaire tient des comptes et des registres financiers distincts des coûts du projet et de toutes les dépenses ou de tous les engagements, y compris les contrats/ententes avec des sous-traitants et des tiers bénéficiaires, les feuilles de présence (sous-traitants ou employés du bénéficiaire), les cartes d'embarquement, les factures, les reçus et les pièces justificatives, en vue de produire les rapports financiers requis par le Ministère. Ces comptes et registres financiers sont destinés à justifier la totalité des fonds, quelle qu'en soit la provenance, alloués pour la réalisation du projet, ainsi que les dépenses et coûts admissibles liés à sa réalisation. Le bénéficiaire conserve en lieu sûr les registres justificatifs originaux de chaque dépense/coût admissible. Toutes les dépenses/coûts admissibles engagés par le bénéficiaire pour le projet, y compris ceux engagés par ses sous-traitants et tiers bénéficiaires, feront l'objet d'une vérification par le Ministère. Ces registres peuvent être inspectés et vérifiés, à toute heure raisonnable, par le Ministère, qui pourra en faire des copies et en tirer des extraits.

2) Le bénéficiaire fournit des installations convenables aux fins de la vérification et de l'inspection, et communique au Ministère l'information dont ce dernier peut, de temps à autre, avoir besoin au sujet des registres mentionnés dans le présent accord de contribution.

3) Le bénéficiaire ne peut se défaire des registres mentionnés dans le présent accord de contribution sans obtenir le consentement préalable écrit du Ministère; il les conserve et en permet la vérification et l'inspection pour la période précisée au présent accord de contribution ou, si aucune période n'y est précisée, pour une durée de cinq ans suivant l'expiration ou la résiliation du présent accord de contribution.

4) Les dépenses engagées par le bénéficiaire pour la vérification prévue au paragraphe 2) ne peuvent être recouvrées auprès du Ministère.

5) Le bénéficiaire reconnaît que, conformément à l'article 7.1(1) de la *Loi sur le vérificateur général*, le vérificateur général du Canada peut, à ses frais, mener une enquête pour s'assurer que le bénéficiaire respecte les modalités du présent accord de contribution ou mener une enquête sur les procédures que le bénéficiaire a adoptées pour évaluer et communiquer les résultats obtenus dans le cadre du présent accord de contribution. Le bénéficiaire s'engage à collaborer avec le vérificateur général et ses représentants ou mandataires relativement à toute enquête et à lui donner accès à ses documents, ses dossiers et ses locaux pour les besoins de l'enquête. Le vérificateur général peut, à sa discrétion, discuter de tout problème soulevé lors de l'enquête avec le bénéficiaire et la ministre. Les résultats peuvent être transmis au Parlement dans un rapport du vérificateur général.

5. RAPPORTS, DEMANDES DE REMBOURSEMENT ET PAIEMENTS

1) Le bénéficiaire remet au Receveur général du Canada, par l'intermédiaire du Ministère, d'ici le **date** ou la date de la résiliation anticipée du projet, les

with the terms and conditions of this Contribution Agreement.

(2) A progress report shall be submitted via the CanExport Communities portal with each submitted Claim.

(3) The progress report shall provide the Department with information on the capacity to complete the Project on time, Component status, or impending problems. Therefore, the progress report shall include, but not be limited to:

- status of the Component (completed or not);
- achieved outputs related to the Component.

(4) At the conclusion of the Project or the earlier termination of this Contribution Agreement, the Recipient shall submit to the Department a Final Results Report describing the actual Project results achieved in comparison to the anticipated results contained in the Recipient's Approved Application and subsequent Modifications approved in writing by the Department. The Final Results Report shall be submitted through the CanExport Communities portal no later than **January 31, 2024**.

(5) The Department reserves the right to request a progress report and Financial Status Report or a disclosure of decommitted funds on the Project at any time prior to the Expiration or earlier termination date of this Contribution Agreement and the Recipient shall provide such promptly.

(6) The Recipient shall ensure that all Claims for payment submitted to the Department are certified by an authorized signing officer of the Recipient with respect to the Eligible Costs incurred and paid by the Recipient.

(7) The Recipient Shall submit a maximum of 3 Claims for the duration of the Project.

(8) All Claims shall be submitted through the CanExport Communities portal. The first Claim should be submitted no earlier than three months after the Project Start Date. For each submitted Claim, the Recipient shall indicate if it is the final Claim of the Project. Proof of the Component activity must be submitted with each Claim. Documentation and records, including copies of invoices, receipts, and/or other proof of payment, shall be retained by the Recipient and made available to the Department or a representative of the Department upon request.

(9) The Recipient shall complete a questionnaire related to outcomes arising from the Project funded under this Contribution Agreement up to 36 months after the Expiration Date of the Contribution Agreement.

(10) The final Claim shall be submitted through the CanExport Communities portal no later than **January 31, 2024** Final payment will be issued by the Department upon acceptance by the Department of the final report, in accordance with subsection 5(4) above.

(11) The Department shall not contribute to Project costs claimed after the Project End Date.

(12) The Department reserves the right to withdraw any or all funding requested in a final Claim if the final Claim is not submitted in accordance with subsection 5(10) above.

(13) The Department reserves the right to request Claims at any time prior to the Expiration or earlier

fonds qui n'ont pas été versés, affectés ou dépensés conformément aux modalités du présent accord de contribution.

2) Un rapport d'étape, soumis au moyen du portail CanExport Communautés, doit accompagner chaque demande de remboursement.

3) Le rapport d'étape fournit au Ministère des renseignements sur la capacité de terminer à temps le projet, l'état d'avancement des composantes ou les problèmes imminents. Par conséquent, le rapport d'étape comprend notamment les éléments suivants, sans s'y limiter :

- l'état d'avancement de la composante (terminée ou non);
- les résultats obtenus et résultats mesurables liés à la composante.

4) À la fin du projet ou à la date de la résiliation du présent accord de contribution, le bénéficiaire doit soumettre au Ministère un rapport final sur les résultats décrivant les résultats réels du projet par rapport aux résultats attendus énoncés dans la demande approuvée du bénéficiaire, et les changements ultérieurs ayant été approuvés, par écrit, par le Ministère. Le rapport final sur les résultats doit être présenté au moyen du portail CanExport Communautés au plus tard le **date**.

5) Le Ministère se réserve le droit d'exiger un rapport d'étape et un rapport sur la situation financière ou des renseignements sur les fonds désengagés dans le cadre du projet en tout temps avant l'expiration ou la résiliation anticipée du présent accord de contribution, et le bénéficiaire est tenu de soumettre les rapports demandés dans les plus brefs délais.

6) Le bénéficiaire s'assure que toutes les demandes de remboursement soumises au Ministère sont attestées par un signataire autorisé du bénéficiaire à l'égard des dépenses admissibles engagées et réglées par le bénéficiaire.

7) Le bénéficiaire soumet un maximum de 3 demandes de remboursement au cours de la durée du projet.

8) Toutes les demandes de remboursement sont soumises au moyen du portail CanExport Communautés. La première demande de remboursement peut être présentée au plus tôt trois mois après la date de début du projet. Dans chaque demande de remboursement, le bénéficiaire doit indiquer s'il s'agit de la demande de remboursement finale présentée dans le cadre du projet. Une preuve que l'activité liée à une composante a bien été réalisée doit également être jointe à la demande de remboursement. Le bénéficiaire conserve les documents et les registres, notamment les copies de factures, de reçus ou autres preuves de paiement et les met à la disposition du Ministère ou d'un représentant de ce dernier, sur demande.

9) Le bénéficiaire remplit le questionnaire sur les résultats découlant du projet financé aux termes du présent accord de contribution dans un délai de 36 mois après la date d'expiration du présent accord de contribution.

10) La demande de remboursement finale doit être soumise au Ministère, au moyen du portail CanExport Communautés, au plus tard le **date**. Le paiement final sera effectué par le Ministère après réception et acceptation du rapport final, conformément au paragraphe 5(4) ci-dessus.

termination date of this Contribution Agreement and the Recipient shall provide such promptly.

(14) Within fifteen business days of submission of the reports and Claims required above, the Department will notify the Recipient when:

- there are errors or omissions;
- the Components of the Recipient are not satisfactory or do not conform with the Contribution Agreement;
- the amount requested by the Recipient appears to exceed the actual value of the activities performed.

Any Project costs, referred to above, incurred by the Recipient which are the subject of notification shall be excluded for the purposes of payment until the said costs have been accepted by the Department.

(15) The Department reserves the right to request certification of any Claim by an independent auditor.

(16) Subject to section 7 of this Contribution Agreement, the Department shall pay the Recipient a portion of the Eligible Costs in respect of a Claim only to the extent that it is established to the satisfaction of the Department that the financial obligations were actually incurred by the Recipient, are fair and reasonable and are properly attributable to the termination or suspension of the work or the part thereof so terminated.

(17) Payment in Canadian dollars will be issued by the Department to the Recipient to the address shown under the "PARTIES" section of this Contribution Agreement above.

(18) The Recipient shall provide the website address and a copy of any documentation or promotional materials prepared as a result of receiving the Contribution.

(19) Upon request of the Department, the Recipient shall promptly provide supporting records in a form acceptable to the Department, for any Claim(s) submitted. The Department may exclude any such Claim for payment if the supporting record(s) are not promptly provided.

6. PUBLICATION

(1) The Recipient consents to the publication by the Department of the Recipient's name, address, purpose, achieved and/or anticipated results for the Project, the amount of the Contribution, Effective Date and the type of Contribution provided. The Recipient shall not disclose the existence of this Contribution Agreement nor undertake any announcement regarding this Contribution Agreement without obtaining prior written consent from the Department.

11) Le Ministère ne verse aucune contribution à l'égard des dépenses liées au projet dont le remboursement est demandé après la date de fin du projet.

12) Le Ministère se réserve le droit de retirer une partie ou la totalité du financement réclamé dans la demande de remboursement finale si celle-ci n'est pas présentée en conformité avec le paragraphe 5(10).

13) Le Ministère se réserve le droit d'exiger la présentation de demandes de remboursement en tout temps avant l'expiration ou la résiliation anticipée du présent accord de contribution, et le bénéficiaire est tenu de soumettre les demandes dans les temps requis.

14) Dans les quinze jours ouvrables suivant la présentation des rapports et demandes de remboursement susmentionnés, le Ministère avise le bénéficiaire si :

- des erreurs ou des omissions se sont produites;
- les composantes du bénéficiaire ne sont pas satisfaisantes ou ne sont pas conformes à l'accord de contribution;
- le montant réclamé par le bénéficiaire semble excéder la valeur réelle des activités exécutées.

Les dépenses liées au projet engagées par le bénéficiaire et faisant l'objet d'un tel avis écrit sont exclues du paiement jusqu'à ce que lesdites dépenses soient acceptées par le Ministère.

15) Le Ministère se réserve le droit de demander une attestation par un vérificateur indépendant à l'égard de toute demande de remboursement.

16) Sous réserve de l'article 7 du présent accord de contribution, le Ministère s'engage à rembourser au bénéficiaire une partie des dépenses admissibles réclamées, dans la mesure où il est établi, à la satisfaction du Ministère, que les obligations financières ont réellement été contractées par le bénéficiaire, qu'elles sont justes et raisonnables et qu'elles sont bel et bien attribuables à l'achèvement ou à la suspension des travaux ou à la fin d'une partie de ceux-ci.

17) Le paiement en dollars canadiens est versé par le Ministère au bénéficiaire à l'adresse indiquée à l'article « PARTIES » ci-dessus.

18) Le bénéficiaire fournit l'adresse du site Web et un exemplaire de tout document et matériel de promotion créés grâce à la contribution reçue.

19) À la demande du Ministère, le bénéficiaire fournit dans les meilleurs délais des documents justificatifs à l'appui de demandes de remboursement soumises. Le Ministère peut rejeter des demandes de remboursement si les documents justificatifs ne sont pas fournis rapidement.

6. PUBLICATION

1) Le bénéficiaire autorise le Ministère à publier son nom et son adresse, l'objet du projet, les résultats obtenus ou prévus, le montant de la contribution accordée, la date d'entrée en vigueur et le type de contribution accordée. Le bénéficiaire s'engage à ne pas divulguer l'existence du présent accord de contribution et à ne faire aucune déclaration à ce sujet sans le consentement préalable écrit du Ministère.

(2) Any information provided under or pursuant to this Contribution Agreement which the Recipient considers "confidential" or which constitutes "third party information" as defined under the *Access to Information Act* (Canada) shall be clearly identified and marked appropriately by the Recipient.

(3) The Recipient shall identify to the Department any planned media releases announcing CanExport Community Investments Sub-Program support. Where appropriate, and in consultation with the Department, the Recipient shall acknowledge the Contribution of the Department in any reference made by it with respect to the Project in publications, speeches, press releases or other similar communications.

7. TERMINATION, REDUCTION OR SUSPENSION

(1) The Recipient may terminate this Contribution Agreement at any time prior to receiving any part of the Contribution by giving written notice of termination to the Department, in which case the Parties shall be relieved of all obligations under this Contribution Agreement, and, in particular and without affecting the generality of the foregoing, the Department shall have no obligation to pay to the Recipient the Contribution or any part thereof.

(2) Where the Recipient has received payment of part of the Contribution, it may give notice in writing to the Department that it does not wish to receive further payment of the Contribution, in which case the Contribution Agreement shall remain in effect with regard to the reporting and audit requirements for the portion of Contribution already received.

(3) The Department may, by giving notice to the Recipient, terminate or suspend the Contribution Agreement. The Department may also, by giving notice to the Recipient, reduce or suspend any payments under this Contribution Agreement. All aspects of the Project that are completed by the Recipient to the satisfaction of the Department before the giving of such notice shall be paid for by the Department in accordance with the provisions herein.

(4) In addition to the amount which the Recipient shall be paid under subsection 7(3) of this Contribution Agreement, the Recipient may be reimbursed for the Recipient's financial obligations related to the cancellation of obligations incurred by the Recipient pursuant to such notice and obligations incurred by the Recipient or to which the Recipient is subject with respect to the Project.

(5) Payment and reimbursement under these provisions shall be made only to the extent that it is established to the satisfaction of the Department that the financial obligations were actually incurred by the Recipient and that the same are fair, reasonable and are properly attributable to the termination of this Contribution Agreement or to the reduction or suspension of payments under this Contribution Agreement.

(6) If at the date of termination of this Contribution Agreement or reduction or suspension of payments under this Contribution Agreement, the Recipient has been paid an amount that, in the opinion of the Department, exceeds the value of the activities carried out by the Recipient, the Recipient shall forthwith, upon demand from the Department, refund the excess to the Receiver General for Canada via the Department.

2) Tout renseignement fourni conformément au présent accord de contribution et qui est considéré par le bénéficiaire comme « confidentiel » ou qui constitue un « renseignement de tiers » au sens de la *Loi sur l'accès à l'information* (Canada) doit être clairement et dûment désigné comme tel par le bénéficiaire.

3) Le bénéficiaire fait part au Ministère de tout projet de communiqué de presse annonçant le soutien sous-programme CanExport Investissement des communautés. Le cas échéant, et en consultation avec le Ministère, le bénéficiaire reconnaît la contribution du Ministère chaque fois qu'il fait mention du projet dans une publication, un discours, un communiqué ou toute autre communication semblable.

7. RÉSILIATION, RÉDUCTION OU SUSPENSION

1) Le bénéficiaire peut résilier le présent accord de contribution en tout temps avant d'avoir reçu toute partie de la contribution, en donnant au Ministère un avis écrit à cet effet. Les parties sont alors déchargées de toutes les obligations que leur impose le présent accord de contribution et, en particulier et sans restreindre la généralité de ce qui précède, le Ministère n'est pas tenu de verser au bénéficiaire la contribution ou une partie quelconque de celle-ci.

2) Si le bénéficiaire a reçu une partie de la contribution, il peut aviser par écrit le Ministère qu'il ne souhaite pas recevoir d'autres paiements de la contribution, auquel cas l'accord de contribution demeure en vigueur relativement aux exigences en matière de production de rapports, de vérification et de remboursement pour la portion de la contribution déjà reçue.

3) Le Ministère peut résilier ou suspendre l'accord de contribution en donnant un avis au bénéficiaire. Le Ministère peut également, en donnant un avis au bénéficiaire, réduire ou suspendre tout paiement prévu au présent accord de contribution. Tous les volets du projet qui sont terminés par le bénéficiaire à la satisfaction du Ministère avant la remise de cet avis font l'objet d'un paiement par le Ministère conformément aux dispositions du présent accord de contribution.

4) En plus du montant devant lui être versé aux termes du paragraphe 7(3) du présent accord de contribution, le bénéficiaire peut être remboursé relativement aux obligations financières découlant de l'annulation des obligations qu'il a contractées conformément à un tel avis et des obligations qu'il a contractées ou auxquelles il est assujéti relativement au projet.

5) Les paiements et les remboursements prévus aux termes de ces dispositions ne sont effectués que dans la mesure où il a été établi, à la satisfaction du Ministère, que les obligations financières ont été effectivement contractées par le bénéficiaire, qu'elles sont justes et raisonnables, et qu'elles sont bel et bien attribuables à la résiliation du présent accord de contribution ou à la réduction ou à la suspension de paiements prévus dans ledit accord de contribution.

6) Si, à la date de résiliation de l'accord de contribution ou de la réduction ou suspension de paiements qui y sont prévus, le bénéficiaire a reçu une somme qui, de l'avis du Ministère, excède la valeur des activités exécutées par le bénéficiaire, celui-ci doit, sur demande du Ministère, rembourser immédiatement le montant excédentaire au

(7) The Recipient shall have no claim for damages, compensation, loss of profit, allowance or otherwise by reason of or directly or indirectly arising out of any action taken or notice given by the Department under these provisions, except as expressly provided herein.

(8) The Department may declare the following situations to be defaults under this Agreement:

- The Recipient becomes bankrupt or insolvent or is placed in receivership or takes the benefit of any statute relating to bankrupt and insolvent debtors;
- An order is made or a resolution is passed for the winding-up of the Recipient or the Recipient is dissolved;
- There is a change in risk that would jeopardize the success of the Project or the programming;
- The Recipient, either directly or through its representatives, makes or has made a false or misleading statement or representation to the Department in respect of any matter related to this Agreement other than in good faith;
- In the Department's opinion, a term, condition, commitment or obligation provided for in the Agreement has not been respected or complied with;
- The Recipient is no longer eligible under the program's eligibility criteria; and
- The Department has reason to believe that the Recipient has acted in breach of the laws of Canada in relation to activities carried out in relation to this Project.

(9) In the event of a default, the Department reserves the right to:

- Reduce the Contribution level, suspend any payments or make any alternate arrangements.
- Rescind the Agreement and immediately terminate any financial obligation arising out of it.
- Require the repayment of amounts already paid.

(10) The fact that the Department refrains from exercising a remedy or any right herein shall not be considered to be a waiver of such remedy or right and, furthermore, partial or limited exercise of a remedy or right shall not prevent the Department in any way from later exercising any other remedy or right under this Agreement or other applicable law.

8. COMPLIANCE

The Department may terminate this Contribution Agreement or reduce or suspend any payments under this Contribution Agreement if the Recipient fails to use the Contribution exclusively for the Project or in accordance with the provisions of this Contribution Agreement. In such a case, the Department is not liable for any payment to the Recipient arising from costs to the Recipient related to such termination.

9. BUDGET REVIEW

If the Government of Canada directs the Department to proceed with a re-examination of its budget for the purpose of affecting reductions for specific financial years, this Contribution Agreement shall be reviewed accordingly.

Receveur général du Canada, par l'intermédiaire du Ministère.

7) Sauf indication contraire, le bénéficiaire ne peut prétendre à des dommages-intérêts, indemnités, compensations pour manque à gagner, allocation ou autre dédommagement découlant, directement ou indirectement, de toute mesure prise ou de tout avis donné par le Ministère en vertu des présentes dispositions.

8) Le Ministère peut déclarer que les situations suivantes constituent des manquements aux engagements aux termes du présent accord:

- le bénéficiaire fait faillite, devient insolvable, est placé sous ordonnance de séquestre ou invoque la législation relative aux faillites et à l'insolvabilité;
- une ordonnance est rendue ou adoptée pour la liquidation du bénéficiaire ou sa dissolution;
- la situation a changé du point de vue des risques susceptibles de compromettre le succès du projet ou de la programmation;
- le bénéficiaire, directement ou par l'intermédiaire de ses représentants, fait ou a fait au Ministère, une fausse déclaration ou une déclaration trompeuse ou une représentation trompeuse concernant tout élément relatif au présent accord autrement que de bonne foi;
- le Ministère est d'avis qu'une des modalités, un des engagements ou une autre des obligations prévus dans l'Accord n'a pas été rempli ou respecté;
- le bénéficiaire ne rencontre plus les critères d'admissibilité du programme;
- le Ministère a des raisons de croire que le bénéficiaire a manqué aux lois du Canada dans la réalisation des activités liées au projet.

9) En cas de manquement aux engagements, le Ministère se réserve le droit:

- de réduire la contribution accordée, suspendre les paiements ou prendre toute autre disposition;
- de résilier l'Accord et d'annuler immédiatement toute obligation financière y afférent;
- d'exiger le remboursement des montants déjà versés.

10) Le fait que le Ministère s'abstienne d'exercer un recours ou un droit aux termes du présent accord ne doit pas être considéré comme l'abandon du recours ou du droit en question et, de plus, le fait de se prévaloir, de manière partielle ou limitée, d'un recours ou d'un droit qui lui a été accordé ne l'empêche pas, d'une façon ou d'une autre, d'exercer plus tard tout autre recours ou droit aux termes de l'Accord ou d'une loi applicable.

8. CONFORMITÉ

Le Ministère peut résilier le présent accord de contribution ou réduire ou suspendre tout paiement qui y est prévu, si le bénéficiaire n'utilise pas la contribution exclusivement aux fins du projet ou en conformité avec les dispositions du présent accord de contribution. Dans un tel cas, le Ministère ne peut être tenu responsable de rembourser au bénéficiaire les coûts liés à une telle résiliation.

9. EXAMEN DU BUDGET

Si le gouvernement du Canada ordonne au Ministère de procéder à un nouvel examen de son budget dans le but d'effectuer des réductions au cours de certains exercices financiers, le présent accord de contribution sera revu en conséquence.

10. LIABILITY

(1) Where the Recipient has entered into a loan, a capital lease or other obligation in relation to this Contribution Agreement, the Crown and the Department do not accept any liability for any debts, losses, Claims, damages or expenses in relation to that obligation.

(2) Without restricting the terms and conditions of this Contribution Agreement, it is hereby understood and agreed that, except to the extent caused by or due to the negligence of His Majesty the King in right of Canada or His officers, agents, servants and employees, the Crown and the Department (including its employees, servants and agents) shall not be liable for any losses, claims, damages, or expenses relating to any injury, disease, illness, disability or death of the Recipients' employees, agents or subcontractors and their employees caused or alleged to be caused as a result of performing the Project or any other Activity under this Contribution Agreement. Without restricting the foregoing, any "approval" rendered by the Department under or pursuant to this Contribution Agreement shall not increase or affect the Crown's liability, except as may be specifically set out in this clause.

11. INDEMNIFICATION

(1) The Recipient shall indemnify and save harmless the Crown and the Department from and against all claims, losses, damages, costs, expenses, actions and other proceedings made, sustained, brought, prosecuted, or threatened to be brought or prosecuted in any manner, based upon, occasioned by or attributable to any injury to or death of a person or damage to or loss of property arising from any negligent act, omission or delay on the part of the Recipient or the Recipient's servants or agents in carrying out the Recipient's obligations under this Contribution Agreement or as a result of the Project.

(2) The Recipient shall also indemnify the Crown and the Department from all costs, charges and expenses whatsoever that the Crown or the Department sustains or incurs in or about all claims, actions, suits and proceedings for the use of the invention claimed in a patent, or infringement or alleged infringement of any patent or any registered industrial design or any copyright that results from the carrying out of the Recipient's obligations under this Contribution Agreement, and in respect of the use of or disposal by the Crown or the Department of anything furnished pursuant to this Contribution Agreement.

(3) The Recipient's liability to indemnify or reimburse the Crown and the Department under this Contribution Agreement shall not affect or prejudice the Crown or the Department from exercising any other rights under law.

12. PURCHASE OF GOODS AND SERVICES

(1) The Recipient, in purchasing goods or services for the performance of the Project, shall do so in a way that is transparent and consistent with value for money principles.

10. RESPONSABILITÉ

1) Dans le cas où le bénéficiaire contracte un prêt, conclut un contrat de location-acquisition ou contracte toute autre obligation afférente au présent accord de contribution, la Couronne et le Ministère n'assument aucune responsabilité à l'égard de tout dommage ou de toute dette, perte, réclamation ou dépense relativement à cette obligation.

2) Sans limiter les modalités du présent accord de contribution, il est entendu et convenu que la Couronne et le Ministère (y compris ses employés, fonctionnaires et mandataires) ne sont pas responsables de toute perte, réclamation, dommage ou dépense, sauf dans la mesure où ceux-ci sont attribuables à la négligence de Sa Majesté le Roi du chef du Canada ou à ses agents, mandataires, fonctionnaires ou employés, se rapportant à une blessure, une maladie, une incapacité ou au décès d'employés, de mandataires ou de sous-traitants (et leurs employés) du bénéficiaire causés ou qui pourraient avoir été causés dans l'exécution du projet ou de toute autre activité suivant le présent accord de contribution. Sans porter atteinte aux dispositions précédentes, toute « approbation » donnée par le Ministère, en vertu du présent accord de contribution, n'accroîtra pas ni n'affectera la responsabilité de la Couronne, sauf tel qu'il peut être expressément énoncé dans cette clause.

11. INDEMNISATION

1) Le bénéficiaire dégage la Couronne et le Ministère de toute responsabilité à l'égard des réclamations, pertes, dommages-intérêts, coûts, dépenses, actions et autres poursuites faits, subis, institués, intentés, ou que l'on menace d'instituer ou d'intenter contre eux sur le fondement, quel qu'il soit, ou par suite d'une blessure ou du décès de quiconque, de dommages matériels ou de la perte de biens découlant d'un acte de négligence, d'une omission ou d'un retard du bénéficiaire, de ses employés ou de ses mandataires dans l'exécution des obligations qui incombent au bénéficiaire aux termes du présent accord de contribution ou par suite du projet.

2) Le bénéficiaire dégage aussi la Couronne et le Ministère de toute responsabilité à l'égard de tous les coûts, frais et dépenses qu'ils ont engagés ou subis dans le cadre ou par la suite des réclamations, actions, poursuites et autres instances instituées relativement à l'utilisation de l'invention revendiquée dans un brevet, ou à la contrefaçon ou à la prétendue contrefaçon de tout brevet ou de tout dessin industriel enregistré ou de tout droit d'auteur découlant de l'exécution des obligations du bénéficiaire aux termes du présent accord de contribution, et relativement à l'utilisation ou à l'aliénation par la Couronne ou le Ministère de tout objet fourni conformément au présent accord de contribution.

3) L'obligation du bénéficiaire d'indemniser ou de rembourser la Couronne et le Ministère aux termes du présent accord de contribution n'a pas pour effet d'empêcher la Couronne ou le Ministère d'exercer tout autre droit que leur confèrent les lois ni de restreindre la portée de ces droits.

12. ACHATS DE BIENS ET SERVICES

1) Le bénéficiaire, en achetant les biens et services requis pour l'exécution du projet, s'engage à le faire en toute transparence et conformément aux principes de l'optimisation des ressources.

(2) The Recipient shall maintain records, open to audit by the Department, relevant to the contracts for goods or services entered into for the performance of this Contribution Agreement.

(3) Recipient Project files must identify and support the procurement methodology used, decisions made and identification of involved officials for the contracts awarded.

(4) Failure to comply with these conditions may be a cause for suspension, reduction and termination of funding by the Department in accordance with section 7 of this Contribution Agreement.

13. REPRESENTATIVES/NOTICE

(1) For purposes of this Contribution Agreement and any notices hereto, the Department hereby designates the **Deputy Director**, responsible for CanExport Community Investments Sub-Program, a component of the CanExport Program, as its authorized representative. Any notice or communication shall be addressed to:

Trisha Skoryk
111 Sussex Drive
Ottawa, ON K1N 1J1
Email:
communities.communautes@international.gc.ca
Tel: 343-203-4141

(2) For purposes of this Contribution Agreement and any notices hereto, the Recipient hereby designates the **Economic & Business Development Coordinator** as its authorized representative. Any notice or communication shall be addressed to:

Brian Lin
141 West 14th Street
North Vancouver, BC V7M 1H9
Email: blin@cnv.org
Tel: 778-554-8728

(3) Where in this Contribution Agreement, any notice, request, direction, or other communication is required to be given or made by either Party, it shall be in writing and is effective if delivered by the CanExport Communities portal or in person, or sent by registered mail, by telegram, by telex/facsimile or by email addressed to the Party for whom it is intended at the address mentioned in this Contribution Agreement. Any notice, request, direction or other communication shall be deemed to have been given by registered mail when the postal receipt is acknowledged by the other Party; by telegram when transmitted by the carrier; and by telex/facsimile or email when transmitted. The address of either Party may be changed by notice in the manner set out in this provision.

14. MODIFICATION / AMENDMENT

(1) Modifications to the terms and conditions of this Contribution Agreement made by the Recipient and approved by the Department in writing or by electronic correspondence may include, but are not limited to, the movement of funding among cost categories, changes to contacts or signing authorities, or the cancellation of a Component. Modifications require an Amendment to this Contribution Agreement if the following terms and conditions are affected:

- (a) change the objectives of the Project;
- (b) increase the maximum amount of the Contribution;

2) Le bénéficiaire conserve les documents relatifs aux contrats de biens ou services conclus pour l'exécution du présent accord de contribution et les soumet à la vérification du Ministère.

3) Les dossiers relatifs au projet du bénéficiaire doivent indiquer et étayer la méthode d'approvisionnement utilisée et les décisions prises et identifier les représentants concernés pour les contrats attribués.

4) Le non-respect de ces conditions peut se traduire par la suspension, la réduction et l'interruption du financement par le Ministère conformément à l'article 7 du présent accord de contribution.

13. REPRÉSENTANTS/AVIS

1) Aux fins du présent accord de contribution et de tout avis prévu par celui-ci, le Ministère désigne par les présentes le **directrice adjointe**, responsable du sous-programme CanExport Investissement des communautés, qui fait partie du Programme CanExport à titre de représentant autorisé. Tout avis ou toute communication doit être adressé à :

Trisha Skoryk
111, promenade Sussex
Ottawa, ON K1N 1J1
Courriel :
communities.communautes@international.gc.ca
Tél. : 343-203-4141

2) Aux fins du présent accord de contribution et de tout avis prévu par celui-ci, le bénéficiaire désigne par les présentes le à titre de représentant autorisé. Tout avis ou toute communication doit être adressé à :

3) Lorsque le présent accord de contribution exige que l'une des parties donne un avis, des directives ou toute autre indication, ou présente une demande, la communication est faite par écrit et est valable si elle est remise en personne ou transmise par le portail CanExport Communautés, par courrier recommandé, par télégramme, par télex/télécopieur ou par courriel envoyé au destinataire à l'adresse mentionnée dans le présent accord de contribution; en outre, la communication est réputée avoir été faite à la date à laquelle le destinataire accuse réception du courrier recommandé, à la date de la remise du télégramme par le messenger, ou à la date de transmission du télex/télécopieur ou du courriel. L'adresse de l'une ou l'autre partie peut être modifiée au moyen d'un avis donné de la manière prescrite dans la présente disposition.

14. CHANGEMENT ET MODIFICATION

1) Les changements apportés par le bénéficiaire aux modalités du présent accord de contribution et approuvés par le Ministère, par écrit ou par correspondance électronique, peuvent inclure, entre autres, les mouvements de fonds entre catégories de coûts, les changements concernant les contacts ou les signataires autorisés ou l'annulation d'une composante. Une modification à l'accord de contribution est nécessaire si ces changements ont une incidence sur les modalités suivantes :

- a) les objectifs du projet;
- b) l'augmentation du montant maximal de la contribution;

- (c) extend the Expiration Date of the Contribution Agreement;
- (d) change the legal name of the Recipient.

(2) Any other Modification may require an Amendment to this Contribution Agreement approved by the authorized representative of the Department.

(3) The Department and the Recipient may amend the terms and conditions of this Contribution Agreement at any time prior to the expiration or earlier termination of this Contribution Agreement, provided that such Amendment is in writing and signed and dated by both Parties.

15. DISPUTE RESOLUTION

If a disagreement or dispute arises out of this Contribution Agreement, the Department and the Recipient will meet to try to resolve the dispute through negotiation or another appropriate dispute resolution process before resorting to litigation.

16. GOVERNING LAW

This Contribution Agreement shall be governed by and construed in accordance with the laws in force in the Province of Ontario and the laws of Canada applicable therein.

17. NO EMPLOYEE OR AGENCY RELATIONSHIP

The Recipient and anyone else involved in this Project are not, and are not to be considered, employees or servants of the Crown or the Department. The Recipient also acknowledges that nothing in this Contribution Agreement makes it a partner or agent of the Crown or the Department. The Recipient agrees not to represent itself, and shall ensure its employees, servants and agents do not represent themselves, including in any agreement with a third party, as an employee, partner or agent of the Crown or the Department.

18. CONFLICT OF INTEREST

It is a term of this Contribution Agreement that:

(1) No current or former Canadian public office holder or public servant who is not in compliance with the *Conflict of Interest Act*, *Policy on Conflict of Interest and Post-Employment* or the *Canadian Values and Ethics Code for the Public Sector* shall derive a direct benefit from this Contribution Agreement;

(2) During the term of this Contribution Agreement, any Canadian public office holder or public servant engaged in the course of carrying out this Contribution Agreement shall conduct himself or herself in compliance with the *Conflict of Interest Act*, *Policy on Conflict of Interest and Post-Employment* and the *Canadian Values and Ethics Code for the Public Sector*. Should an interest be acquired during the life of this Contribution Agreement that would cause a conflict of interest or seem to cause a departure from the principles, the Recipient shall declare it immediately to the Department.

- c) le report de la date d'expiration du présent accord de contribution.
- d) la dénomination sociale du bénéficiaire.

2) Tout autre changement peut nécessiter qu'une modification approuvée par le représentant autorisé du Ministère soit apportée au présent accord de contribution.

3) Le Ministère et le bénéficiaire peuvent modifier les modalités du présent accord de contribution en tout temps avant l'expiration ou la résiliation anticipée de ce dernier, pourvu que la modification soit apportée par écrit et signée et datée par les deux parties.

15. RÈGLEMENT DES DIFFÉRENDS

En cas de désaccord ou de différend découlant du présent accord de contribution, le Ministère et le bénéficiaire se rencontreront pour tenter de résoudre le différend par la voie de la négociation ou de tout autre mode de résolution des différends approprié avant de recourir à des poursuites.

16. LOIS APPLICABLES

Le présent Accord de contribution sera régi et interprété conformément aux lois en vigueur dans la province de l'Ontario et aux lois du Canada qui y sont applicables.

17. AUCUNE RELATION D'EMPLOYÉ OU DE MANDATAIRE

Le bénéficiaire ou quiconque prenant part à ce projet n'est pas et ne doit pas être considéré comme étant un employé ou un fonctionnaire de la Couronne ou du Ministère. En outre, le bénéficiaire reconnaît qu'aucune disposition du présent accord de contribution n'a pour effet de lui donner la qualité de partenaire ou de mandataire de la Couronne ou du Ministère. Le bénéficiaire s'engage à ne pas se présenter et s'assure que ses employés, préposés et mandataires ne se présentent pas, notamment dans toute entente conclue avec une tierce partie, comme étant un employé, partenaire ou un mandataire de la Couronne ou du Ministère.

18. CONFLIT D'INTÉRÊTS

Le présent accord de contribution est soumis aux modalités suivantes:

1) Tout titulaire de charge publique ou tout fonctionnaire canadien, actuel ou antérieur, qui ne se conforme pas à la *Loi sur les conflits d'intérêts*, à la *Politique sur les conflits d'intérêts* et l'*après-mandat* et au *Code de valeurs et d'éthique de la fonction publique* du Canada, ne peut tirer un avantage direct du présent accord de contribution.

2) Pendant la durée du présent accord de contribution, tout titulaire d'une charge publique ou fonctionnaire canadien prenant part à l'exécution du présent accord de contribution doit se conformer à la *Loi sur les conflits d'intérêts* et au *Code de valeurs et d'éthique de la fonction publique* du Canada. En outre, si pendant la durée du présent accord de contribution, une prise de participation donne lieu à un conflit d'intérêts ou semble aller à l'encontre des principes de la *Loi* ou du *Code* susmentionnés, le bénéficiaire doit en faire part immédiatement au Ministère.

19. LOBBYING

Any person lobbying at the request of the Recipient pursuant to this Contribution Agreement shall register with the appropriate governmental authority in accordance with the requirements under the Lobbying Act of Canada.

20. ANTI-CORRUPTION

(1) The Recipient declares and guarantees that no offer, gift or payment, consideration or benefit of any kind, which constitutes an illegal or corrupt practice, has been or will be made to anyone by the Recipient, either directly or indirectly, as an inducement or reward for the award or execution of this Contribution Agreement.

(2) The Recipient declares and guarantees the Recipient:

(a) Was not convicted during a period of three (3) years prior to the submission of the application, by a court of law in Canada or in any other jurisdiction for an offence involving bribery or corruption or;

(b) Is not under sanction, for an offence involving bribery or corruption, imposed by a government or a governmental organization.

(3) Should there be any changes; the Recipient shall promptly update this declaration by completing the Anti-Corruption Declaration form that can be obtained from Global Affairs Canada's Internet site at: <https://www.international.gc.ca/departement-ministere/assets/pdfs/forms-formulaires/2521e.pdf>. This updated declaration shall form an integral part of this Contribution Agreement.

(4) The Recipient declares and guarantees that neither the Recipient, nor any Third Party Recipients, nor, to the best of the Recipient's knowledge, any of its owners, officers or employees, or anyone acting on the Recipient's or Third Party Recipients' behalf, are currently under charge or have been convicted in a foreign jurisdiction within the past five years for **bribery or corruption** offences contrary to any applicable criminal law dealing with bribery or corruption of public officials. The Recipient understands that such foreign charges or convictions will be taken into account when the Department is considering whether to provide future funding;

(5) The Recipient declares and guarantees that neither the Recipient, nor any Third Party Recipients, nor, to the best of the Recipient's knowledge, any of its owners, officers or employees, or anyone acting on the Recipient's or Third Party Recipients' behalf, are currently under charge in Canada for **bribery or corruption** of public officials under the Corruption of Foreign Public Officials Act (CFPOA) or the Criminal Code; or have been convicted in Canada of such conduct during the past five years;

(6) The Recipient declares and guarantees that neither the Recipient, nor any Third Party Recipients, nor, to the best of the Recipient's knowledge, any of its owners, officers or employees, or anyone acting on the Recipient's or Third Party Recipients' behalf, are currently barred from contracting with or are otherwise under sanction from the Government of Canada due to **bribery or corruption** offences; non-engagement with a National Contact Point (NCP) for the Organisation for Economic Co-operation and Development (OECD) Guidelines for Multinational Enterprises; or non-compliance with Responsible Business Conduct (RBC) best practices;

19. LOBBYING

Toute personne effectuant du lobbying à la demande du bénéficiaire dans le cadre du présent accord de contribution est tenue de s'enregistrer auprès de l'autorité gouvernementale compétente, conformément aux exigences de la *Loi sur le lobbying* du Canada.

20. LUTTE CONTRE LA CORRUPTION

(1) Le bénéficiaire déclare et garantit qu'aucune offre, don ou paiement, contrepartie ou avantage de quelque nature que ce soit, qui constitue un acte illégal ou de corruption, n'a été ou ne sera fait à quiconque, directement ou indirectement, par le bénéficiaire à titre d'incitation ou de récompense pour l'octroi ou l'exécution du présent accord de contribution.

(2) Le bénéficiaire déclare et garantit, selon le cas, qu'il :

a) n'a pas été déclaré coupable, au cours des trois

(3) années précédant la présentation de la demande, par un tribunal au Canada ou dans toute autre juridiction, d'une infraction de corruption ou d'un acte de corruption;

b) n'est pas sous sanction, pour une infraction de corruption, imposée par un gouvernement ou une organisation gouvernementale.

(3) En cas de changements, le bénéficiaire met rapidement à jour la déclaration en remplissant le formulaire de déclaration de lutte contre la corruption qui se trouve sur le site Internet d'Affaires mondiales Canada à l'adresse :

<https://www.international.gc.ca/departement-ministere/assets/pdfs/forms-formulaires/2521F.pdf>. La déclaration mise à jour fait partie intégrante du présent accord de contribution.

(4) Le bénéficiaire déclare et garantit que ni le bénéficiaire, ni les tiers bénéficiaires, ni, à la connaissance du bénéficiaire, aucun de ses propriétaires, dirigeants ou employés, ni aucune personne agissant en son nom ou en celui de tiers bénéficiaires, ne font actuellement l'objet d'une accusation ou n'ont été condamnés dans une juridiction étrangère au cours des cinq dernières années pour des infractions de **corruption** contraires à toute loi pénale applicable traitant de la corruption d'agents publics. Le bénéficiaire comprend que de telles accusations ou condamnations à l'étranger seront prises en compte lorsque le Ministère examinera l'opportunité de fournir un financement futur.

(5) Le bénéficiaire déclare et garantit que ni le bénéficiaire, ni les tiers bénéficiaires, ni, à la connaissance du bénéficiaire, aucun de ses propriétaires, dirigeants ou employés, ni aucune personne agissant en son nom du bénéficiaire ou en celui de tiers bénéficiaires, ne font actuellement l'objet d'une inculpation au Canada pour **corruption** d'agents publics en vertu de la *Loi sur la corruption d'agents publics étrangers* (LCAPÉ) ou du Code criminel, ou n'ont été condamnés au Canada pour une telle conduite au cours des cinq dernières années.

(6) Le bénéficiaire déclare et garantit que ni le bénéficiaire, ni les tiers bénéficiaires, ni, à la connaissance du bénéficiaire, aucun de ses propriétaires, dirigeants ou employés, ni aucune personne agissant au nom du bénéficiaire ou en celui de tiers bénéficiaires, ne sont actuellement interdits de contrat avec le gouvernement du Canada ou ne sont autrement sanctionnés par celui-ci en raison d'infractions de **corruption**; le non-engagement auprès d'un Point de contact national (PCN) pour les

(7) The Recipient declares and guarantees that neither the Recipient, nor any Third Party Recipients, nor, to the best of the Recipient's knowledge, any of its owners, officers or employees, or anyone acting on the Recipient's or Third Party Recipients' behalf, are currently barred from contracting with or are otherwise **under sanction** from an inter-governmental organization or an international financial institution due to bribery or corruption;

(8) The Recipient declares and guarantees that neither the Recipient, nor any of its owners, officers or employees, nor any Third Party Recipients will knowingly engage, directly or indirectly, in **bribery or corrupt business practices** contrary to any applicable Canadian criminal law dealing with bribery or corruption of public officials, including but not limited to the Corruption of Foreign Public Officials Act (CFPOA) and the Criminal Code.

(9) The Recipient acknowledges that the Department expects that the Recipient and any Third Party Recipients shall operate in a manner consistent with the OECD Guidelines for Multinational Enterprises on responsible business conduct. Further, the Recipient acknowledges that the Department expects that the Recipient and any Third Party Recipients shall cooperate with Canada's National Contact Point (NCP) for the Responsible Business Conduct (RBC) and the Canadian Ombudsperson for Responsible Enterprise (CORE) and that the Recipient and any Third Party Recipients shall cooperate with any proceedings before the NCP or CORE which involve a request for review that names the Recipient or any Third Party Recipients. The Recipient acknowledges that the Department shall not provide support to any Canadian organization or company that declines to engage in good faith with an NCP or CORE process and does not reflect **RBC** best practices.

(10) The Recipient acknowledges that the Department may share information concerning bribery or corrupt business practices so obtained with Canadian law enforcement authorities.

(11) The Recipient acknowledges that the Department expects the Recipient and any Third Party Recipients active in any country to operate in a manner that **respects human rights, including with respect to forced or compulsory labour and all applicable laws**, as well as to operate transparently and in a manner that seeks to meet or exceed international RBC standards such as the OECD Guidelines for Multinational Enterprises and the United Nations Guiding Principles on Business and Human Rights. The Recipient acknowledges that the Department will not provide funding to any Canadian organization or company that is found to be knowingly engaged in business conduct inconsistent with these standards.

(12) The Recipient declares and guarantees that the Recipient and any Third Party Recipients have not knowingly sourced, directly or indirectly, products or services from a supplier implicated in **forced or compulsory labour or other human rights violations**. The Recipient acknowledges that any evidence that the Recipient has knowingly done so will result in the immediate termination of any existing funding agreement with the Department and a prohibition on any future applications.

(13) The Recipient acknowledges that all declarations remain in effect for the duration that this agreement is in force. The Recipient also acknowledges that, during this period of validity, the Recipient has an ongoing obligation to report to the Department any material changes to statements in these declarations

Principes directeurs de l'Organisation de coopération et de développement économiques (OCDE) à l'intention des entreprises multinationales; ou le non-respect des meilleures pratiques en matière de conduite responsable des affaires (CRA).

(7) Le Bénéficiaire déclare et garantit que ni le Bénéficiaire, ni les Tiers Bénéficiaires, ni, à la connaissance du Bénéficiaire, aucun de ses propriétaires, dirigeants ou employés, ou aucune personne agissant en son nom ou en celui de Tiers Bénéficiaires, ne sont actuellement interdits de contracter avec ou ne sont autrement **sous sanction** d'une organisation intergouvernementale ou d'une institution financière internationale pour cause de corruption.

(8) Le bénéficiaire déclare et garantit que ni le bénéficiaire, ni aucun de ses propriétaires, dirigeants ou employés, ni aucun tiers bénéficiaire ne s'engagera sciemment, directement ou indirectement, dans des **pratiques commerciales de corruption** contraires à une loi pénale canadienne applicable traitant de la corruption d'agents publics, y compris, sans s'y limiter, la Loi sur la corruption d'agents publics étrangers (LCAPE) et le Code criminel.

(9) Le bénéficiaire reconnaît que le Ministère s'attend à ce que le bénéficiaire et tout tiers bénéficiaire opèrent d'une manière conforme aux principes directeurs de l'OCDE à l'intention des entreprises multinationales sur la conduite responsable des affaires. De plus, le bénéficiaire reconnaît que le Ministère s'attend à ce que le bénéficiaire et tout tiers bénéficiaire coopèrent avec le Point de contact national (PCN) du Canada pour la conduite responsable des affaires (CRA) et avec l'Ombudsman canadien pour une entreprise responsable (OCER) et que le bénéficiaire et tout tiers bénéficiaire coopèrent avec toute procédure devant le PCN ou l'OCER comportant une demande de révision qui nomme le bénéficiaire ou tout tiers bénéficiaire. Le bénéficiaire reconnaît que le Ministère ne fournira pas de soutien à un organisme ou à une entreprise canadienne qui refuse de s'engager de bonne foi dans un processus de PCN ou d'OCER et qui ne reflète pas les pratiques exemplaires de **CRA**.

(10) Le bénéficiaire reconnaît que le Ministère peut échanger avec les autorités canadiennes chargées de l'application de la loi les informations relatives à la corruption ou aux pratiques commerciales frauduleuses ainsi obtenues.

(11) Le bénéficiaire reconnaît que le Ministère s'attend à ce que le bénéficiaire et tout tiers bénéficiaire actif dans un pays quelconque exercent leurs activités dans **le respect des droits de la personne, y compris en ce qui concerne le travail forcé ou obligatoire et toutes les lois applicables**, et qu'ils exercent leurs activités de façon transparente et en cherchant à respecter ou à dépasser les normes internationales de CRA, comme les Principes directeurs de l'OCDE à l'intention des entreprises multinationales et les Principes directeurs des Nations Unies relatifs aux entreprises et aux droits de l'homme. Le bénéficiaire reconnaît que le Ministère n'accordera pas de financement à un organisme ou à une entreprise canadienne dont on sait qu'elle a une conduite commerciale incompatible avec ces normes.

(12) Le bénéficiaire déclare et garantit que le bénéficiaire et tout tiers bénéficiaire n'ont pas sciemment acheté, directement ou indirectement, des produits ou des services à un fournisseur impliqué dans **le travail forcé ou obligatoire ou dans d'autres violations des droits de l'homme**. Le bénéficiaire

concerning bribery, corrupt business practices and human rights violations, including with respect to forced or compulsory labour and all applicable laws. The Department reserves the right to terminate a contribution or grant agreement if and when a Recipient fails to meet its obligations.

(14) The Recipient acknowledges that any declaration does not constitute a commitment by the Department to approve funding in the future. All funding decisions are made at the discretion of the Department based on information at their disposal.

(15) The Recipient acknowledges that the Department is committed to protecting the privacy rights of individuals and safeguarding the personal information under its control. Personal information collected is administered in accordance with the Privacy Act. Individuals have the right to the protection of and access to their personal information and to request corrections where the individual believes there is an error or omission. Individuals may contact the Department's Access to Information and Privacy Protection Division to request corrections.

(16) The Recipient shall include a corresponding provision in a Sub-Contract or Sub-Agreement that the Recipient enters into for the purpose of the Project.

21. ANTI-TERRORISM

(1) The Recipient declares and guarantees that the funding for the purposes of the Project will not knowingly be used to benefit terrorist groups as defined in the Criminal Code R.S.C., 1985, c. C-46 or individual members of those groups, or for terrorist activities, either directly or indirectly. The Canadian government list of terrorist entities can be found at the following web address:
<https://www.publicsafety.gc.ca/cnt/ntnl-scrnt/cntr-trrrsm/lstd-ntts/crrnt-lstd-ntts-eng.aspx>;

(2) The Recipient is responsible for consulting the list in order to stay informed of the listed terrorist groups and their members and must ensure that the funding of the Department does not benefit any listed terrorist groups and their members during the period of the Agreement.

22. SANCTIONS AND OTHER CONTROLS

(1) The Recipient warrants and covenants that neither the Recipient nor any of its directors or officers are a Designated Person, and the Recipient is in compliance with all applicable Sanctions and other controls.

(2) The Recipient shall comply with all applicable Sanctions and other controls and shall not use, directly or indirectly, any of the Financial Contribution in violation of all applicable Sanctions and other controls. The Recipient will maintain in effect policies

reconnait que toute preuve que le bénéficiaire a sciemment agi ainsi entraînera la résiliation immédiate de tout accord de financement existant avec le Ministère et l'interdiction de toute demande future.

(13) Le bénéficiaire reconnaît que toutes les déclarations demeurent en vigueur pour la durée de l'entente. Le bénéficiaire reconnaît également que, pendant cette période de validité, il a l'obligation permanente de signaler au Ministère tout changement important apporté aux énoncés de ces déclarations concernant la corruption, les pratiques commerciales frauduleuses et les violations des droits de la personne, y compris en ce qui concerne le travail forcé ou obligatoire, ainsi que toutes les lois applicables. Le Ministère se réserve le droit de mettre fin à un accord de contribution ou de subvention si et quand un bénéficiaire ne respecte pas ses obligations.

(14) Le bénéficiaire reconnaît que toute déclaration ne constitue pas un engagement du Ministère à approuver le financement à l'avenir. Toutes les décisions de financement sont prises à la discrétion du Ministère sur la base des informations dont il dispose.

(15) Le bénéficiaire reconnaît que le Ministère s'engage à protéger le droit à la vie privée des personnes et à sauvegarder les renseignements personnels dont il a la charge. Les renseignements personnels recueillis sont administrés conformément à la *Loi sur la protection des renseignements personnels*. Les personnes ont le droit de protéger leurs renseignements personnels, d'y avoir accès et de demander des corrections lorsqu'elles pensent qu'il y a une erreur ou une omission. Les personnes peuvent contacter la Division de l'accès à l'information et de la protection de la vie privée du Ministère pour demander des corrections.

(16) Le bénéficiaire inclut une disposition correspondante dans un contrat ou un accord accessoire ou complémentaire qu'il conclut aux fins du projet.

21. LUTTE CONTRE LE TERRORISME

(1) Le bénéficiaire déclare et garantit que le financement accordé aux fins du projet ne sera pas utilisé sciemment au profit de groupes terroristes, au sens du Code criminel, R.S.C. (1985), ch. C-46, ou de membres individuels de ces groupes, ou pour des activités terroristes, directement ou indirectement. La liste des entités terroristes établie par le gouvernement canadien est consultable à l'adresse suivante : <https://www.publicsafety.gc.ca/cnt/ntnl-scrnt/cntr-trrrsm/lstd-ntts/crrnt-lstd-ntts-eng.aspx>;

(2) Il incombe au bénéficiaire de se tenir au courant de la liste des groupes terroristes inscrits et de leurs membres et de s'assurer que le financement du Ministère ne profite à aucun des groupes terroristes inscrits ou leurs membres pendant la période visée par l'accord.

22. SANCTIONS ET AUTRES MESURES DE CONTRÔLE

(1) Le destinataire garantit et s'engage à ce que ni le destinataire ni aucun de ses administrateurs ou dirigeants ne soit une personne désignée, et à ce que le destinataire respecte toutes les sanctions et autres mesures de contrôle applicables.

(2) Le bénéficiaire se conformera à toutes les sanctions et autres mesures de contrôle applicables et n'utilisera pas, directement ou indirectement, la contribution financière à l'encontre de toutes les

and procedures designed to reasonably ensure compliance with all applicable Sanctions and other controls by itself and its directors or officers.

23. ENDORSEMENT

Support under this Contribution Agreement does not imply endorsement by the Department of the Recipient, its products or services, and the Recipient shall not indicate or imply such endorsement.

24. REFUNDS AND INTEREST ON OVERPAYMENTS, DISALLOWED EXPENSES, AND UNEXPENDED AND UNACCOUNTED BALANCES

(1) Any payment under this Contribution Agreement shall be deposited in an interest-bearing bank account of a commercial banking establishment and accounted for separately by the Recipient.

(2) In accordance with subsection 5(1) of the Interest and Administrative Charges Regulations, interest on outstanding balances calculated and compounded monthly at the average bank rate plus 3% is payable on that amount and accrues during the period beginning on the due date and ending on the day before the day on which payment is received by the Department.

(3) The Recipient shall refund to the Receiver General for Canada via the Department any overpayment, any payment made for expenses which are not eligible under this Contribution Agreement, or any unexpended or unaccounted balances, no later than **January 31, 2024**. The Recipient acknowledges that such are Debts Due the Crown and that any refund or debt owing under this provision shall include interest in accordance with Treasury Board of Canada policies and Canadian legislation.

25. EQUIPMENT AND MATERIAL PURCHASES

For the duration of the Project, ownership of equipment and materials purchased with Contribution funds shall vest in the Recipient, unless otherwise specified in the Project description. Following the completion of the Project, further disposition of the equipment and materials purchased with Project funds shall be in consultation with the Department.

26. OTHER CONDITIONS

(1) Unless otherwise specifically provided, nothing in this Contribution Agreement shall imply the assumption of any responsibility by the Department or its representatives for any aspect of the organization, management or financing of the Project. Notwithstanding anything in this Contribution Agreement, the Department does not, by financial or other assistance to the Recipient, accept any responsibility for errors, negligence, mismanagement or debts incurred by the Recipient or any other person, group or agent associated with it.

(2) This Contribution Agreement shall inure to the benefit of and be binding upon the successors and permitted assignees of the Parties.

(3) No member of Canada's Parliament (House of Commons or Senate) shall be involved with or benefit from any share or part of this Contribution Agreement.

sanctions et autres mesures de contrôle applicables. Le bénéficiaire maintiendra en vigueur les politiques et les procédures conçues pour assurer raisonnablement le respect de toutes les sanctions et autres mesures de contrôle applicables par lui-même et ses administrateurs ou dirigeants.

23. ENDOSSEMENT

L'appui fourni en vertu du présent accord de contribution ne signifie pas que le Ministère endosse le bénéficiaire, ses produits ou ses services. Le bénéficiaire n'est pas autorisé à faire mention d'un tel endossement, ni explicitement, ni implicitement.

24. REMBOURSEMENT ET INTÉRÊTS SUR LES PAIEMENTS EXCÉDENTAIRES, DÉPENSES REFUSÉES ET SOLDES NON DÉPENSÉS ET NON COMPTABILISÉS

1) Tout paiement découlant du présent accord de contribution est déposé dans un compte bancaire portant intérêt d'une institution financière commerciale et comptabilisé séparément par le bénéficiaire.

2) Des intérêts composés, calculés mensuellement au taux d'escompte moyen majoré de 3 p. 100, sont payables au Ministère sur le solde inutilisé, conformément au paragraphe 5(1) du *Règlement sur les intérêts et les coûts administratifs*, et courent de la date d'échéance jusqu'à la veille de la date de réception du paiement par le Ministère.

3) Le bénéficiaire rembourse au Receveur général du Canada, par l'intermédiaire du Ministère, tout paiement excédentaire, tout paiement effectué pour des dépenses non admissibles aux termes du présent accord de contribution et tout solde non dépensé ou non comptabilisé, au plus tard le **date**. Le bénéficiaire reconnaît que ces montants sont des dettes envers la Couronne et que tout remboursement ou dette payable aux termes de la présente disposition comprend les intérêts en conformité avec les politiques du Conseil du Trésor du Canada et les lois canadiennes.

25. ACHAT D'ÉQUIPEMENT ET DE MATÉRIEL

Pendant la durée du projet, la propriété de l'équipement et du matériel acheté au moyen du financement de contribution est dévolue au bénéficiaire, sauf indication contraire dans la description du projet. Une fois le projet achevé, l'affectation ultérieure de l'équipement et du matériel achetés au moyen du financement de contribution est déterminée en consultation avec le Ministère.

26. AUTRES MODALITÉS

1) À moins qu'il n'en soit expressément disposé autrement, aucune disposition du présent accord de contribution n'implique que le Ministère ou ses représentants assument quelque responsabilité que ce soit à l'égard de tout aspect de l'organisation, de la gestion ou du financement du projet. Nonobstant toute disposition du présent accord de contribution, le Ministère n'accepte aucune responsabilité, par la voie d'une aide financière ou autre consentie au bénéficiaire, à l'égard des erreurs, de la négligence ou de la mauvaise gestion du bénéficiaire ou des dettes contractées par celui-ci ou toute autre personne, tout groupe ou tout mandataire qui y est associé.

2) Le présent accord de contribution s'applique au bénéfice des parties aux présentes et lie celles-ci ainsi que leurs successeurs et leurs cessionnaires autorisés.

(4) This Contribution Agreement, or any of the obligations arising hereunder, shall not be assigned without the Department's prior written consent. No assignment of this Contribution Agreement, or any of the obligations arising hereunder, shall relieve the Recipient of any obligation under this Contribution Agreement, or impose any liability on the Crown or the Department.

(5) The Effective Date of this Contribution Agreement is the date on which it is signed by the respective Parties. If the signing occurs on two different dates, this Contribution Agreement shall take effect on the date of the latter signature.

(6) The Expiration Date of this Contribution Agreement is **April 30, 2024**.

(7) This Contribution Agreement may be executed in any number of counterparts with the same effect as if the Parties had signed the same document. All counterparts shall be construed together and shall constitute one and the same Agreement. The Parties further agree that a faxed or scanned signature shall be deemed to be and shall have the same effect as an original signature.

27. INTELLECTUAL PROPERTY

Any intellectual property created by the Recipient during the term of this Contribution Agreement shall vest in the Recipient.

28. SECURITY AND TRAVEL

(1) The Recipient shall regularly consult the travel advice and advisories issued by Global Affairs Canada, including country-specific travel and health advisories for countries to which it anticipates having to travel as a result of this Contribution Agreement, and this, throughout the period that this Contribution Agreement is in effect. Travel advice and advisories are published on the Departmental Web site and available at: <https://travel.gc.ca>

(2) It is understood and agreed that the work and activities involved in this Project may expose the Recipient's employees and subcontractors to security and health risks, including risk of injury and/or death and that it is the Recipient's sole responsibility to disclose fully and openly the risks of the Project and its work and activities to the Recipient's employees and sub-contractors and that Global Affairs Canada shall have no liability whatsoever in regard to such risks.

29. LANGUAGE

The French and English language versions of this Contribution Agreement are equally valid. In case of conflict between the two versions, the English version will prevail.

30. ENTIRE CONTRIBUTION AGREEMENT

(1) This Contribution Agreement and Schedules 1, 2, and 3, as well as the Recipient's Approved Application

3) Il est interdit aux membres des deux chambres du Parlement du Canada (Chambre des communes et Sénat) de prendre part au présent accord de contribution ou d'en tirer profit dans quelque mesure que ce soit.

4) Ni le présent accord de contribution ni les obligations qui en découlent ne peuvent être cédés sans le consentement préalable écrit du Ministère. Aucune cession du présent accord de contribution ou des obligations qui en découlent n'a pour effet de libérer le bénéficiaire des obligations qui lui incombent aux termes du présent accord de contribution ou d'imposer quelque responsabilité que ce soit à la Couronne ou au Ministère.

5) La date d'entrée en vigueur du présent accord de contribution est la date à laquelle l'accord de contribution est signé. Si la signature a lieu à deux dates différentes, le présent accord de contribution entre en vigueur à la date de la dernière signature.

6) La date d'expiration du présent accord de contribution est le **date**.

7) Le présent accord de contribution peut être signé dans un nombre illimité d'exemplaires, avec le même effet que si les Parties avaient signé le même document. Tous les exemplaires seront considérés comme un seul et même accord. Les Parties acceptent également que les signatures télécopiées ou numérisées soient considérées comme ayant le même effet qu'une signature originale.

27. PROPRIÉTÉ INTELLECTUELLE

Toute propriété intellectuelle créée par le bénéficiaire pendant la durée du présent accord de contribution est dévolue au bénéficiaire.

28. SÉCURITÉ ET DÉPLACEMENT

(1) Le Bénéficiaire consultera régulièrement les conseils aux voyageurs et avertissements émis par Affaires mondiales Canada, y compris les avis en matière de santé et de voyage propres aux pays auxquels il prévoit se rendre dans le cadre de la présente entente de contribution, et ce, pendant toute la durée de validité de cette entente de contribution. Les conseils aux voyageurs et avertissements sont publiés sur le site Web ministériel à l'adresse : <https://voyage.gc.ca/>

(2) Il est entendu et convenu que les employés et les sous-traitants du Bénéficiaire peuvent être exposés dans le cadre du travail effectué et des activités menées pour ce projet à des risques pour la santé et la sécurité, y compris des risques de blessure et/ou de mort, et qu'il incombe au Bénéficiaire de divulguer complètement et ouvertement les risques associés au Projet ainsi qu'aux travaux et aux activités connexes, aux employés et aux sous-traitants du Bénéficiaire. Il est également entendu et convenu qu'Affaires mondiales Canada n'assumera aucune responsabilité liée à de telles risques.

29. LANGUE

Les versions française et anglaise du présent accord de contribution sont tout aussi valides. En cas de conflit entre les deux versions, la version anglaise prévaut.

30. INTÉGRALITÉ DE L'ACCORD DE CONTRIBUTION

1) Le présent accord de contribution, les annexes 1, 2 et 3, ainsi que la demande approuvée du bénéficiaire

and any subsequently approved Modifications made in accordance with this Contribution Agreement, form an integral part of this Contribution Agreement.

(2) This Contribution Agreement is made pursuant to the CanExport Community Investments Sub-Program of the CanExport Program and it constitutes the entire agreement between the Parties and supersedes all previous documents, negotiations, arrangements, undertakings and understandings related to its subject matter except in relation to Eligible Costs in the Recipient's Approved Application as noted above.

(3) The Department has the right to refuse the Recipient a subsequent Contribution should the Recipient fail to comply with any of the provisions of this Contribution Agreement.

31. AUTHORIZED SIGNATORIES

Each Party represents and warrants that the signatories to this Contribution Agreement have been duly authorized to execute and deliver this Contribution Agreement.

FOR HIS MAJESTY THE KING IN RIGHT OF CANADA AS REPRESENTED BY THE MINISTER FOR INTERNATIONAL TRADE

Signature:

Date:

Jonathon Kupi
Director, Investment Promotion
Email: Jonathon.Kupi@international.gc.ca
Tel: 343-203-4140

FOR THE RECIPIENT (Authorized Signing Officer)

Signature:

Date:

Linda Buchanan
Mayor
Email: mayor@cnv.org
Tel: 604-998-3280

Signature:

Date:

Karla Graham
Corporate Officer
Email: kgraham@cnv.org
Tel: 604-990-4234

et tout changement approuvé ultérieurement, conformément au présent accord de contribution font partie intégrante du présent accord de contribution.

2) Le présent accord de contribution a été conclu conformément aux exigences sous-programme CanExport Investissement des communautés du Programme CanExport, et représente l'intégralité de l'accord conclu entre les parties et a préséance sur tous les documents, négociations, ententes, engagements et accords antérieurs se rapportant à l'objet dudit accord, sauf en ce qui concerne les dépenses admissibles figurant dans la demande approuvée du bénéficiaire, tel que susmentionné.

3) Le Ministère se réserve le droit de refuser au bénéficiaire une nouvelle contribution si le bénéficiaire ne respecte pas l'une ou l'autre des dispositions du présent accord de contribution.

31. SIGNATAIRES AUTORISÉS

Chacune des Parties déclare et garantit que les signataires du présent accord de contribution ont été dûment autorisés à signer celui-ci.

SA MAJESTÉ LE ROI DU CHEF DU CANADA, REPRÉSENTÉE PAR LA MINISTRE DU COMMERCE INTERNATIONAL

Signature :

Date :

POUR LE BÉNÉFICIAIRE (signataire autorisé)

Signature :

Date :

**CanExport Community Investments Sub-Program
2023 – SCHEDULE 1**

Project No. 2023-BC-02

(A) Recipient organization name

The Corporation of the City of North Vancouver

**(B) Eligible Costs (in Canadian dollars) for
expenditures incurred by the Recipient between
Project Start Date and Project End Date**

The following table includes CanExport Community Investments Sub-Program approved Component(s) for Project **2023-BC-02**. For clarification of eligible and ineligible costs, please review Schedule 2 of this Contribution Agreement and the eligibility table on the Program website, found at <https://www.tradecommissioner.gc.ca/funding-financement/canexport/community-communaute/index.aspx?>. For a hard copy, please contact your local Investment Trade Commissioner.

Retroactive Eligible Costs for the period covering **January 1, 2023** to the Effective Date of this Contribution Agreement may be considered to be included as eligible expenses and may be reimbursed under the terms and conditions of this Contribution Agreement.

**Sous-programme CanExport Investissement des
communautés 2023 – ANNEXE 1**

N° de projet

A) Nom de l'organisation bénéficiaire

**B) Dépenses admissibles (en dollars canadiens)
engagées par le bénéficiaire entre la date de début et
la date de fin du projet**

Le tableau suivant comprend les composantes approuvées par sous-programme CanExport Investissement des communautés pour le projet. Pour des précisions au sujet des dépenses admissibles et non admissibles, veuillez consulter l'annexe 2 du présent accord de contribution ainsi que le tableau relatif aux activités admissibles sur le site Web du programme <https://www.tradecommissioner.gc.ca/funding-financement/canexport/community-communaute/index.aspx?>. Vous pouvez aussi communiquer avec le délégué commercial responsable de l'investissement dans votre région pour obtenir une copie papier.

Les dépenses admissibles avec effet rétroactif engagées entre **date** et la date d'entrée en vigueur du présent accord de contribution peuvent être considérées comme des dépenses admissibles et être remboursées conformément aux modalités du présent accord de contribution.

Component Category	Approved Amount
FDI Strategic Planning and Analysis	\$10,000.00
FDI Lead Generation and Meetings with Potential Investors	\$5,200.00
Total	\$15,200.00

**(C) Total CanExport Community Investments Sub-
Program Contribution: CAD \$15,200.00**

(D) Other conditions : N/A

**C) Contribution totale sous-programme CanExport
Investissement des communautés : CAD**

D) Autres modalités : N/A

**CanExport Community Investments Sub-Program
2023 – SCHEDULE 2
Eligible and ineligible costs**

Project No. 2023-BC-02

For expenses associated with FDI training:

Eligible expenses

- Training as part of the community's investment attraction and retention strategy for employees of the Community (or economic development agency) at different level of expertise, including FDI customized training.
- Travel costs (only for economic development staff and only in association with an investment training program), including transportation³, airport departure taxes, fees and insurance, and a per diem⁴, which includes accommodation, meals, and incidentals.

Note: when low ratio of staff is requesting customized training, collaboration with regional partners is encouraged.

Ineligible expenses

- Consultants hired to facilitate a session (i.e., moderator/facilitator).
- Conferences and forums.

For expenses associated with FDI strategic planning and analysis:

Eligible expenses

- Research and studies: identification of targets, comparative competitive analyses, development of business cases, business retention and expansion studies, etc.
- Economic data: collection of community and economic data for investment profiles, etc.
- Strategic FDI planning: development of strategic plans, community consultations.
- Translation: translation of documents or website content into either of Canada's official languages or foreign languages.
- Consultant fees¹ and intern salary².

Ineligible expenses

- Research activities not associated with investment attraction, retention and expansion.
- Collection or purchase of statistical data not associated with investment attraction, retention or expansion activities.

For expenses associated with FDI tool and material development:

Eligible expenses

- Promotional material (print or electronic): design and layout only.

**Sous-programme CanExport Investissement des
communautés 2023 – ANNEXE 2
Dépenses admissibles et non admissibles**

N° de projet

Dépenses liées à la formation portant sur l'IDE :

Dépenses admissibles

- Formation pour les employés de la communauté à différents niveaux d'expertise (ou de la société de développement économique) dans le cadre de la stratégie de la communauté pour attirer et retenir des investissements, y compris la formation personnalisée portant sur l'IDE.
- Frais de déplacement (seulement pour le personnel chargé du développement économique qui va suivre un programme de formation en matière d'investissement), y compris le transport³, la taxe d'aéroport, les droits et les assurances, et une indemnité journalière⁴ qui comprend l'hébergement, les repas et les faux frais.

Note : lorsqu'un faible ratio des employés fait demande pour une formation personnalisée, la collaboration avec les partenaires régionaux est encouragée.

Dépenses non admissibles

- Embauche d'experts-conseils pour faciliter une séance (p.ex. animateur).
- Congrès et salons professionnels.

Dépenses liées à l'analyse et à la planification stratégique de l'IDE :

Dépenses admissibles

- Recherches et études : identification de cibles, analyse comparative de la concurrence, élaboration d'analyses ciblées de rentabilité, études sur le maintien et l'expansion des entreprises etc.
- Données économiques : collecte de données sur la communauté et son économie pour dresser des profils d'investissements, etc.
- Planification stratégique de l'IDE : élaboration de plans stratégiques, consultations de la communauté.
- Traduction : traduction de documents ou de sites Web dans l'une des deux langues officielles du Canada ou dans une langue étrangère.
- Experts-conseils¹ et salaire du stagiaire².

Dépenses non admissibles

- Activités de recherche qui ne se rapportent pas à la promotion, le maintien ou l'accroissement des investissements.
- Collecte ou saisie de données statistiques qui ne se rapportent pas à la promotion, le maintien ou l'accroissement des activités d'investissements.

Dépenses liées à l'élaboration d'outils et de matériel portant sur l'IDE :

Dépenses admissibles

- Matériel promotionnel (imprimé ou en format électronique) : seulement la conception et la mise en page.

- Software customization (but not the cost of software license or off-the-shelf add-on modules).
- Website development: development and/or major redesign, addition of significant architecture and functionality.
- Translation: translation of documents or website content into either one of Canada's official languages or foreign languages.
- Cost affiliated with site selection criteria/certification.
- Production of FDI promotional videos.
- Consultant fees¹ and intern salary².

Ineligible expenses

- Regular website maintenance and updating web content, site hosting, software licensing.
- Corporate logo design, costs of printing, pressing CDs or DVDs.
- Design and layout of non-investment ads (promoting tourism, for example), cost of ad placement in any media.
- Branding.
- No presence of political representatives in the recorded video is allowed.

For expenses associated with lead generation and meetings with potential investors:

Eligible expenses

- Meeting room rental abroad.
- Travel costs for maximum of two employees of the organization per trip (economy fare⁵ and per diem⁴).
- Talent attraction mission (includes meeting rooms, material, collection of data).
- Research to target companies.
- Translation: translation of documents or website content into either of Canada's official languages or foreign languages.
- FDI attraction seminar.
- Costs to develop targeted cases for follow-up with potential investors.
- Consultant fees¹ and intern salary².

Ineligible expenses

- Logistics.
- Travel costs incurred by partners or consultants.
- Travel costs incurred by potential investors.

¹ Consultants are expected to have a specific expertise outside of what the community would normally have.

² An intern should be a graduate student, an undergraduate in their last year of studies, or a recent graduate (recent is defined as in the last three years). The mandate of the intern must be FDI specific, with a contract of up to one program calendar year, and a maximum of \$50,000 (CanExport Community Investments Sub-Program covers 50%, therefore a maximum of \$25,000).

³ Travel (transportation) - If a traveller chooses to use bus, car, or train to travel to an event as an alternative to flying, the claimed expense cannot

- Personnalisation de logiciels (excluant le coût des licences d'utilisation de logiciels et des modules complémentaires vendus dans le commerce).
- Création d'un site Web : la création et/ou le changement majeur, l'ajout d'une structure importante et de fonctionnalités.
- Traduction : traduction de documents ou de sites Web dans l'une des deux langues officielles du Canada ou dans une langue étrangère.
- Coûts associés aux critères pour la sélection de sites/certification pour des investisseurs potentiels ou sélecteurs de sites.
- Réalisation de vidéos portant sur la promotion d'IDE.
- Experts-conseils¹ et salaire du stagiaire².

Dépenses non admissibles

- Entretien régulier d'un site Web et mise à jour de son contenu, hébergement d'un site Web, achat d'une licence d'utilisation de logiciel.
- Création d'un logo d'entreprise, coûts d'impression, de gravure de CD ou de DVD.
- Conception et mise en page de publicités qui ne se rapportent pas aux investissements (p. ex. publicité qui fait la promotion du tourisme), coûts de parution d'une publicité dans n'importe quel média.
- Stratégie de marque.
- La présence de représentants politiques dans la vidéo enregistrée ne sera pas premise.

Dépenses liées à la génération de pistes et à des réunions avec des investisseurs potentiels :

Dépenses admissibles

- Location d'une salle de réunion à l'étranger.
- Frais de déplacement pour un maximum de deux employés de l'organisation par voyage (en classe économique⁵ et avec indemnité journalière⁴).
- Missions de recrutement de talents (y compris les salles de réunion, le matériel et la collection de données).
- Études pour le ciblage d'entreprises.
- Traduction : traduction de documents ou de sites Web dans l'une des deux langues officielles du Canada ou dans une langue étrangère.
- Séminaire portant sur l'attraction d'IDE.
- Frais pour la conception d'analyses ciblées pour le suivi auprès d'investisseurs potentiels.
- Experts-conseils¹ et salaire du stagiaire².

Dépenses non admissibles

- Logistique.
- Frais de déplacement engagés par les partenaires et les experts-conseils.
- Frais de déplacement engagés par les investisseurs potentiels.

¹ Veuillez noter que les experts-conseils embauchés doivent avoir une expertise venant compléter celles de la communauté.

² Un stagiaire devrait être un étudiant diplômé, un étudiant de premier cycle en dernière année d'études, ou un diplômé récent (qui a reçu un diplôme au sein des trois dernières années). Le mandat du stagiaire doit être spécifique à l'IDE, avec un contrat d'une durée maximale d'un an suivant l'année calendrier du programme, et d'un maximum de 50 000 \$ (Sous-programme CanExport Investissement des communautés couvre 50 p. 100, donc un maximum de 25 000 \$).

exceed what an equivalent straight route economy class airfare would be expected to cost.

⁴ Travel (per diem) - a per diem of \$500 incurred by travellers for accommodation, meals and incidentals and will therefore reimburse applicants 50% of a per diem incurred.

⁵ Travel (Airfare) - Only the cost of return economy class airfare for the straight route is eligible. Applicants are expected to provide economy airfare estimates in the application that are reasonable, economical and take into account, where possible, advance booking.

APPLICANTS ARE RESPONSIBLE FOR ALL OTHER COSTS.

Ineligible expenses related to all Component types:

- Consultants: Consultant or contractor fees are ineligible where there are indications of an employer-employee relationship (e.g. contractor/consultant shares office space, has business cards of the organization, has a title of responsibility within the organization, has a presence on the website of the recipient, etc.); a contractor or consultant cannot be a representative from a current CanExport Community Investments Sub-Program recipient organization.
- Taxes: GST, PST, HST, VAT or taxes applied by foreign governments.
- Trade show/conference/ forum participation: registration fees at international trade shows or conferences (in Canada and abroad); booth design / purchase / assembly and shipping; design of promotional material specifically for a trade show; overhead costs such as pre-show mailing, stationery and long distance phone calls; consultant costs for organizing outgoing missions (including training participants); cost of developing an advertisement (design and layout) for show specific publications.
- Hospitality: Cost of meals or alcohol; lodging; clothing and uniforms; and all giveaways.
- Activities or projects related to attracting infrastructure for tourism and motion picture industries, e.g.: to develop ski resorts, theme parks and film production facilities.
- Capital costs: infrastructure development; capital expenditures to acquire or enhance assets; software licenses; electronics (computers, fax machines, digital cameras, etc.), and demonstration aids. Capital costs include the direct costs of acquisition, construction, expansion, modification, conversion, transportation, installation and insurance (during construction) of fixed assets, as well as the cost of licensing and franchising fees.
- Overhead and operating costs: Postage, including postage for direct mail campaigns; phone; office space rental; photocopying; salaries and benefits of personnel.
- Miscellaneous: activities to attract investment from inside Canada; costs incurred before the application's approval date; activities for

³ Voyage (déplacement) - Si le voyageur choisit de se déplacer en autobus, en voiture, ou en train pour se rendre à un évènement au lieu de prendre l'avion, le remboursement des dépenses réclamées ne peut être supérieur au coût normal d'un billet d'avion en classe économique pour un itinéraire direct équivalent.

⁴ Voyage (indemnité journalière) - une indemnité journalière de 500 \$ engagée par les voyageurs pour l'hébergement, les repas et les faux frais, et remboursera alors aux demandeurs 50 p. 100 de l'indemnité journalière engagée.

⁵ Voyage (billets d'avion) - Seulement le coût du billet aller-retour en classe économique pour l'itinéraire direct est admissible. On s'attend à ce que les demandeurs fournissent une estimation du coût des billets en classe économique dans leur demande, qui devrait être raisonnable, abordable et tenir compte, le cas échéant, d'une réservation faite à l'avance.

LES DEMANDEURS DOIVENT ASSUMER TOUTES LES AUTRES DÉPENSES.

Dépenses non admissibles liées aux composantes :

- Experts-conseils: L'embauche d'experts-conseils ou de sous-traitants n'est pas admissible lorsqu'il y a indication d'une relation employeur-employé (p. ex. un expert-conseil/sous-traitant qui partage le même espace de bureau, et/ou qui a des cartes d'affaires de l'organisation, un titre de responsabilité au sein de l'organisation, est présent sur le site Web du bénéficiaire, etc.); Un expert-conseil ou un sous-traitant ne peut être un représentant d'une organisation qui bénéficie actuellement sous-programme CanExport Investissement des communautés sous-programme CanExport Investissement des communautés
- Taxes : TPS, TVP, TVH, TVA ou autres taxes imposées par les gouvernements étrangers.
- Foires commerciales, congrès, salons professionnels: Frais d'inscription aux foires commerciales internationales ou aux congrès (au Canada et à l'étranger), conception, achat, assemblage d'un stand et conception de matériel promotionnel spécialement pour une foire commerciale, frais indirects tels que les envois avant la foire commerciale, appels téléphoniques stationnaires et interurbains; embauche d'un expert-conseil pour organiser une mission à l'étranger (ou pour offrir une formation aux participants); frais pour l'élaboration d'une publicité (conception et mise en page) pour une publication destinée à une foire commerciale.
- Hospitality : Coûts de repas ou d'alcool, d'hébergement, de vêtements et d'uniformes, et de tous cadeaux promotionnels.
- Activités et projets visant à attirer les infrastructures de tourisme ou les industries cinématographiques (p. ex. l'établissement d'un centre de ski, d'un parc thématique ou d'une installation pour la réalisation de films).
- Dépenses en immobilisations : Établissement d'infrastructures; dépenses en immobilisations pour acquérir des biens ou les améliorer, licences d'utilisation de logiciels; équipement électronique (ordinateurs, télécopieurs, machinerie, appareils photo numériques, etc.); matériel de démonstration; les dépenses en immobilisations comprennent les coûts d'acquisition, de construction, d'agrandissement, de modification, de conversion, de déplacement, d'installation d'immobilisation et de son assurance (durant la

which one or more partners expect to receive compensation in the form of a commission, finder's fee, or other forms of remuneration; promotion activities related to properties or business investment in which one or more partners receives a personal or corporate financial gain; giveaways (gifts, events/shows/concert tickets, logo items, cups, mugs, pens, etc.).

- Expenses for travel: expenses for travel inconsistent with Canada's travel advisories or those of destination countries at the time of travel.
- Quarantine costs: accommodation, relocation and/or incidental costs resulting from travel disruptions; and
- Medical, product, laboratory, documentation, and/or administration fees associated with COVID-19 requirements (i.e. vaccinations, PCR tests, rapid antigen tests, vaccination certification documentation, etc.)

For clarification on eligible and ineligible Activities, please visit the program website at: <https://www.tradecommissioner.gc.ca/funding-financement/canexport/community-communaute/index.aspx?>

construction), ainsi que les coûts pour les droits de permis et les redevances de franchisage.

- Coûts indirects et coûts d'exploitation : Frais de poste, y compris les timbres pour une compagnie de publicité directe; téléphones; location d'espaces de bureau; photocopies; salaire et bénéfices du personnel.
- Divers : Activités pour attirer des investissements provenant du Canada; frais engagés avant la date d'approbation de la demande; activités pour lesquelles un partenaire ou plus s'attend à recevoir une compensation en forme de commissions, d'honoraires d'intermédiation, ou en d'autres formes de rémunération; activités de promotion liées à des investissements dans des propriétés ou des entreprises où un partenaire ou plus fera un profit personnel ou d'entreprise; cadeaux promotionnels de toutes sortes (cadeaux, billets d'événements, de spectacles ou de concerts, articles avec un logo, tasses, stylos, etc.)
- Dépenses pour les voyages : dépenses pour les voyages non conformes aux conseils aux voyageurs du Canada ou de pays de destination au moment du voyage ;
- Coûts de quarantaine : d'hébergement, de réinstallation et/ou coûts accessoires découlant d'une perturbation de voyage ; et
- Frais médicaux, de produits, de laboratoire, de documentation et/ou d'administration associés aux exigences liées à la COVID-19 (p.ex. vaccinations, tests PCR, tests antigéniques rapides, documents d'attestation de vaccination, etc.)

Pour des précisions sur les activités admissibles et non admissibles, veuillez consulter le site Web : <https://www.tradecommissioner.gc.ca/funding-financement/canexport/community-communaute/index.aspx?>

<p>SCHEDULE 3</p> <p>THIRD PARTY DELIVERY</p>	<p>ANNEXE 3</p> <p>ATTRIBUTIONS À DES TIERS PARTIES</p>
<p>1. Where the Recipient further distributes funds provided by this Contribution Agreement to other Third Party Recipients (for example, institutions, universities, companies and non-government organizations), the Recipient shall have in place a framework that contains the following:</p> <ul style="list-style-type: none"> • a description of the Recipient's accountability and management framework in respect of the Third Party Recipient; • assurance that the public purpose of the program and the need to provide transparent, fair and equitable activities are not lost by delivery to a Third Party Recipient; • a clear, transparent and open decision-making process in respect of Third Party Recipient selection; and • clear provision for audit of financial and program performance which extends to the Third Party Recipient. 	<p>1. Lorsque le bénéficiaire distribue des fonds versés dans le cadre du présent accord de contribution à un tiers bénéficiaire (p. ex., à des institutions, à des universités, à des entreprises et à des organisations non gouvernementales), le bénéficiaire met en place une procédure traitant des points suivants:</p> <ul style="list-style-type: none"> • une description du cadre de responsabilité et de gestion établi par le bénéficiaire à l'égard du tiers bénéficiaire; • l'assurance que l'objectif d'intérêt public du Programme et la nécessité de dispenser des activités transparentes, justes et équitables ne sont pas compromis par l'attribution de fonds à un tiers bénéficiaire; • un processus décisionnel clair, transparent et ouvert concernant la sélection des tiers bénéficiaires; • des modalités claires quant à la vérification des résultats financiers et globaux du programme qui s'appliquent au tiers bénéficiaire.
<p>2. Where the Recipient further distributes funds provided by this Contribution Agreement to Third Party Recipients, the Recipient will ensure the Department has the right to:</p> <ul style="list-style-type: none"> • ensure performance is in line with expectations and that the Recipient exercises due diligence in selecting and managing Projects; • review the Third Party Recipient's operating plans, including annual performance expectations and a description of the process to select and approve Projects; • receive periodic (e.g. quarterly and/or annual) financial and performance reports from the Third Party Recipient, certified by an officer of the Third Party Recipient, including, if appropriate, annual audited financial statements with the external auditor's report and opinion, and any completed evaluations funded in whole or in part by the Contribution; • obtain from the Third Party Recipient, or have ready access to, a copy of all signed agreements with Third Party Recipients; • review program evaluations and audits; and • specify admissible administrative costs that can be applied to the Contribution to the Third Party Recipient by the Recipient, based on an accounting of expenses. 	<p>2. Lorsque le bénéficiaire distribue des fonds versés dans le cadre du présent accord de contribution à des tiers bénéficiaires, le bénéficiaire s'assure que le Ministère conserve le droit:</p> <ul style="list-style-type: none"> • de veiller à ce que le rendement réponde aux attentes et que le bénéficiaire fasse preuve de la diligence nécessaire dans le choix et la gestion des projets; • d'analyser les plans opérationnels du tiers bénéficiaire, y compris les attentes quant au rendement annuel et une description de la méthode de sélection et d'approbation des projets; • de recevoir des rapports financiers et des rapports de rendement périodiques (p. ex., trimestriels ou annuels) du tiers bénéficiaire, attestés par un représentant du bénéficiaire, y compris, au besoin, les états financiers annuels vérifiés et comprenant le rapport et l'opinion du vérificateur externe et toute évaluation financée en tout ou en partie par la contribution; • d'obtenir du tiers bénéficiaire une copie de tous les accords signés avec des tiers bénéficiaires ou pouvoir accéder facilement à ces copies; • d'examiner les évaluations et les vérifications du Programme; • de préciser les dépenses administratives admissibles qui peuvent être appliquées à la contribution au tiers bénéficiaire par le bénéficiaire selon les dépenses comptabilisées.
<p>3. Where the Recipient further distributes funds provided by this Contribution Agreement to Third Party Recipients, the Recipient is to ensure the following provisions are included in its contractual arrangements with the Third Party Recipients:</p> <ul style="list-style-type: none"> • clear and agreed expectations between the Parties; • clear roles and responsibilities, including financial roles and responsibilities; • anti-corruption declarations in accordance with Section 20 above; • departmental right of access to relevant Third Party Recipients (records and premises); and • a description of the redress provisions for Third Party Recipients affected by decisions of the Recipient. 	<p>3. Lorsque le bénéficiaire remet des fonds obtenus dans le cadre du présent accord de contribution à des tiers bénéficiaires, le bénéficiaire veille à ce que les dispositions suivantes soient incluses dans ses accords contractuels avec les tiers bénéficiaires :</p> <ul style="list-style-type: none"> • des attentes claires et convenues entre les parties; • des rôles et des responsabilités claires, dont les rôles et les responsabilités en matière de finances; • déclarations anti-corruption conformément à l'article 20 ci-dessus; • le droit du Ministère d'accéder aux locaux et aux registres des tiers bénéficiaires concernés; • une description des dispositions de recours pour les tiers bénéficiaires concernés par les décisions du bénéficiaire.
<p>4. In the case of reimbursement of expenditures to Third Party Recipients, payment from the recipient shall be made before the Expiration Date of this Contribution Agreement.</p>	<p>4. Dans le cas d'un remboursement des dépenses aux tiers bénéficiaires, le bénéficiaire doit faire le paiement aux tiers bénéficiaires avant la date d'expiration du présent accord de contribution.</p>

MINUTES OF THE REGULAR MEETING OF COUNCIL HELD IN THE COUNCIL CHAMBER AND ELECTRONICALLY (HYBRID) FROM CITY HALL, 141 WEST 14TH STREET, NORTH VANCOUVER, BC, ON **MONDAY, MAY 16, 2022**

CONSENT AGENDA

Moved by Councillor Girard, seconded by Councillor Bell

THAT the recommendation listed within the “Consent Agenda” be approved.

CARRIED UNANIMOUSLY

REPORT

- *3. CanExport Community Investments Contribution Agreement
– File: 13-6750-01-0001/2021

Report: Manager, Economic Development, May 9, 2022

Moved by Councillor Girard, seconded by Councillor Bell

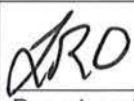


PURSUANT to the report of the Manager, Economic Development, dated May 9, 2022, entitled “CanExport Community Investments Contribution Agreement”:

THAT the Mayor and Corporate Officer be authorized to sign the Contribution Agreement with Global Affairs Canada for the Community Investments Sub-Program;

AND THAT staff be requested to report back to Council on project implementation and outcomes at the conclusion of the Contribution Agreement.

(CARRIED UNANIMOUSLY)



 Department Manager	 Director	 CAO
---	---	--

The Corporation of **THE CITY OF NORTH VANCOUVER**
COMMUNITY & PARTNER ENGAGEMENT DEPARTMENT

REPORT

To: Mayor Linda Buchanan and Members of Council

From: Siobian Smith, Manager, Economic Development

Subject: CanExport Community Investments Contribution Agreement

Date: May 9, 2022 File No: 13-6750-01-0001/2021

The following is a suggested recommendation only. Refer to Council Minutes for adopted resolution.

RECOMMENDATION

PURSUANT to the report of the Manager, Economic Development, dated May 6, 2022, entitled "CanExport Community Investments Contribution Agreement":

THAT the Mayor and Corporate Officer be authorized to sign the Contribution Agreement with Global Affairs Canada for the Community Investments Sub-Program;

AND THAT staff be requested to report back to Council on project implementation and outcomes at the conclusion of the Contribution Agreement;

SUMMARY

The City of North Vancouver applied for and was awarded a financial contribution of \$12,500 to support our investment attraction efforts in 2022 through a program operated by Global Affairs Canada called CanExport (formerly known as the Community Initiatives program implemented by Invest Canada). The Economic Development Division will allocate matching funds to develop a section of the City website providing information and intelligence in an investment-friendly format and identifying growth opportunities within the local business community.

BACKGROUND

As one of the many tools deployed by the Government of Canada to support economic development, the CanExport Community Investments program provides financial support to communities for their foreign direct investment (FDI) initiatives and activities. The program provides support to Canadian communities seeking to improve their capacity to attract, retain and expand FDI in order to create jobs for Canadians, support innovation and increase exports.

For the purposes of the program, FDI refers to international businesses establishing or expanding operations in Canada. The program does not fund initiatives related to mergers and acquisitions, investments from other parts of Canada, trade or export. The program supports non-profit partnerships at the local community level. The initiatives supported by the program must focus on supporting the attraction, retention, and expansion of foreign direct investment through specific types of activities. Non-repayable contributions range from \$3,000 to \$500,000, and agreements are made for a one-year period, from January 1 to December 31. The program provides reimbursement of up to 50% of eligible expenses.

DISCUSSION

This specific project is focused on the development of data-driven, timely, and relevant digital assets to support our Investment Promotion and Attraction activities in 2022. The development of these marketing tools will enhance our community's capabilities to attract FDI based on our industry clusters and in partnership with Invest Vancouver and the North Vancouver Chamber of Commerce. This work will be built on a placemaking vision that leverages regional assets, City clusters, and our skilled workforce to form a cohesive value proposition as part of greater Vancouver.

Selected investment opportunities will target sectors that align with the City's strategic goals of sustainability, resiliency, and inclusion. The City is also part of the broader regional network within metro Vancouver and has benefited from foreign investors establishing operations in North Vancouver due to the proximity of strong clusters in neighbouring municipalities. Efforts will continue to build on that pattern of success. Work will also be undertaken with the North Vancouver Chamber of Commerce to increase awareness of specific investment opportunities within the local business community that the City is not currently aware of. In line with our existing cluster strengths, the City will prioritize building investment profiles for marine-technology, shipbuilding, clean technology, renewable energy and resource technologies, and the arts and cultural industries. The project will result in a comprehensive section of the City website dedicated to information, intelligence, and opportunities for international investors.

Project objectives:

- 1) Provide relevant, user-friendly information and intelligence about growing industry clusters in the City;
- 2) Highlight current, active opportunities for investment;
- 3) Provide useful links to resources with partner organizations;
- 4) Profile anchor companies or unique clusters/ supply-chain linkages

The intended outcomes are:

- 1) Necessary information to support decision-making for potential investors into the City is accessible and relevant;
- 2) Increased awareness of current opportunities in the City for potential investment;
- 3) Simplified wayfinding to supporting people, resources and programs for investment and reduced duplication of information and sources;
- 4) Amplification of the City's investment value proposition and validation of elements for success through business testimonies

FINANCIAL IMPLICATIONS

The Economic Development Division has earmarked the required 50% matching funds through program funding. This financial contribution will double the capacity of our efforts to support the development of investment attraction digital materials.

INTER-DEPARTMENTAL IMPLICATIONS

None

STRATEGIC PLAN, OCP OR POLICY IMPLICATIONS

None

RESPECTFULLY SUBMITTED:



Siobian Smith
Manager, Economic Development