



The Corporation of **THE CITY OF NORTH VANCOUVER**  
**FINANCE & ECONOMIC DEVELOPMENT DEPARTMENT**

**INFORMATION REPORT**

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To: Mayor Linda Buchanan and Members of Council

From: Larry Sawrenko, Chief Financial Officer

Subject: HARRY JEROME COMMUNITY RECREATION CENTRE AND SILVER HARBOUR SENIORS' ACTIVITY CENTRE FUNDING AND FINANCING

Date: March 11, 2026 File No: 02-0800-30-0028/1

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**SUMMARY**

The \$230 million Harry Jerome Community Recreation Centre and Silver Harbour Senior's Activity Centre project ("HJCRC/SH" or the "Project") is being financed from a number of sources, including a low interest \$109 million Municipal Finance Authority loan. This report provides details of the Project's funding sources as stated verbally at Council's March 2<sup>nd</sup> meeting.

**BACKGROUND**

In 2022, Council approved strategy to fund and finance the HJCRC/SH Project that enabled the start of construction and allowed the current Harry Jerome Community Recreation Centre to remain operational during the course of construction.

**DISCUSSION**

A number of different funding sources have been used to advance the Project. Below is a description of each.

**Amenity Levy**

CNV began collecting property taxes dedicated to the Project in 2013 by way of an amenity levy. The annual amount increased from \$400,000 in 2013 to a maximum of \$2.6 million. The amenity levy continued into 2026 and contributed a total of \$31.8 million to the project.

**Harry Jerome Neighborhood Lands Disposition**

The disposition of the Harry Jerome Neighborhood Lands ("HJNL"), the site of the existing recreation centre and Silver Harbour Seniors Activity Centre, is an important

component of the overall project funding. Disposition of the Phase 1 lands, now the location of “Lonsdale Square Apartments” and “Sunrise at Lonsdale Square”, generated \$50.4 million through a pre-paid lease arrangement.

### **Community Amenity Contributions and Density Sales**

A Community Amenity Contribution (“CAC”) is a cash or in-kind contribution provided by a developer to help fund community amenities needed to support growth. A Density Transfer payment is compensation paid by a developer to a land owner (such as CNV) when the land owner’s density is reallocated from its site to the developer’s, as approved by Council under CNV’s Density Bonus & Community Benefits Policy.

Project funding of \$29.9 million was secured from Community Amenity Contributions and Density Sales, including from an \$8.1 million CAC relating to 150 East 8th Street, and a density transfer of \$5.6 million relating to 1441 St. Georges Avenue.

### **Accumulated Surplus**

CNV’s Maintenance and Use of Accumulated Surplus policy specifies that CNV’s unappropriated accumulated surplus be maintained between 5% and 10% of total operating revenues. Excess accumulated surplus may be used to fund capital projects. CNV’s December 31, 2020 accumulated surplus, then at 11.9% of total operating revenues, was in excess of policy requirements. The HJCRC/SH funding and financing strategy allocated \$5.4 million of excess accumulated surplus to fund the Project. This allocation left CNV’s accumulated surplus at 7.5% of operating revenues, within policy.

### **Development Cost Charges – Parks**

Development Cost Charges (“DCCs”) are monies collected from developers to offset some of the costs associated with servicing growth. CNV’s DCC program, updated in 2025, enables DCC funds to be used to fund 49.5% of eligible City-wide parkland development costs. The Project’s funding and financing strategy included using DCCs to fund qualifying HJCRC park improvements, which amounted to \$3.4 million.

### **Municipal Finance Authority Loan**

In 2022, the Province of BC’s Inspector of Municipalities and the Municipal Finance Authority (“MFA”) approved CNV for a loan in the amount of \$109 million to fund the Project. The MFA carries top credit ratings (ie AAA) from each of its three rating agencies (Standard & Poor’s, Moody’s, and Fitch), so the borrowing rates it provides to Municipalities in BC are very competitive. Short-term borrowing rates provided are currently 2.80%. CNV’s \$109 million MFA loan is currently held in the form of a short-term borrowing facility, with the first draw on the loan taken in March 2025. Repayment is initially interest only, however, after 5 years from that first draw, all principal must be either be repaid in full or converted to long term MFA financing. CNV’s Funding and Financing Strategy for the Project has the MFA loan repaid from the proceeds of the remaining parcels of the HJNL (the “Phase 2” disposition). CNV’s January 21, 2022 “Harry Jerome Community Recreation Centre Financial Strategy” Council Report estimated the value of these Phase 2 lands at \$167 million based on then current

market conditions. This Council report also noted that, even if the Phase 2 lands were disposed of at 25% less than valued at the time, there would be sufficient proceeds to retire the MFA debt. Staff are currently preparing for the disposition of the remaining HJNL Phase 2 parcels.

## **FINANCIAL IMPLICATIONS**

The funding sources for the HJCRC/SH Project are summarized in the table below:

<b>Funding Source</b>	<b>millions</b>
Amenity Levy	\$31.8
HJNL Phase 1 Lease payment	50.4
CAC and Density Sale	29.9
Accumulated Surplus	5.4
DCC Parks	3.4
MFA loan	109.0
<b>Total</b>	<b>\$230.0</b>

## **INTER-DEPARTMENTAL IMPLICATIONS**

The successful delivery of the HJCRC/SH Project requires effort and support from all CNV departments, as well as the North Vancouver Recreation & Culture Commission.

## **STRATEGIC PLAN, OCP OR POLICY IMPLICATIONS**

The HJCRC/SH Project supports Council's vision for the city to be the "Healthiest Small City in the World" and multiple objectives of CNV's Official Community Plan, including:

Goal 5.2) Support, enhance and maintain recreation as a vital aspect of a healthy community, and

Goal 5.3) Provide a variety of public spaces for community engagement and stewardship.

RESPECTFULLY SUBMITTED:



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Larry Sawrenko  
Chief Financial Officer