



Committee of the Whole Report

For the Meeting of May 24, 2018

To: Committee of the Whole **Date:** May 15, 2018
From: Susanne Thompson, Director of Finance
Subject: Development Cost Charges – Proposed Rates for Sewer and Parks

RECOMMENDATION

That Council direct staff to engage the development community on the proposed rate changes

EXECUTIVE SUMMARY

The City levies development cost charges on new development to assist in recovering growth-related costs for upgrading or providing infrastructure, and for acquiring and developing parkland to support new development. To reflect newly available engineering and planning information, a review to update DCC rates for parks and sewage was initiated in March, 2018. This review follows the comprehensive update that was completed in the spring of 2017.

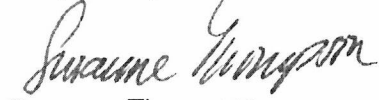
The DCC program has been revised to reflect new information from the updated sewer master plan and various parks planning initiatives including the Parks and Open Spaces Master Plan and the draft Ship Point Master Plan. In addition, already completed projects have been removed.

The resulting overall rates have been slightly reduced by 1-5% (rates increased for parks but decreased for sewer). The parks DCCs have been increased to reflect updated costing and population growth information. The current DCC program for sanitary sewer was developed before the master plan was completed. The new program reflects the updated master plan, which includes a computer model used to analyze the impact of future development flows. The new model is more accurate in predicting the flow capacity of sewer pipes and the master plan also considered optimizing the management of sewage flows through the system. This resulted in reducing the scope of required improvements to support development growth.

The City's consultant, Urban Systems, has prepared the attached report outlining background and comparative information from other municipalities. It also shows the resulting draft development cost charges rates would remain comparatively low. The main reason for the comparatively lower rates is that the City is an infill community and only a small portion of infrastructure costs can be attributed to growth.

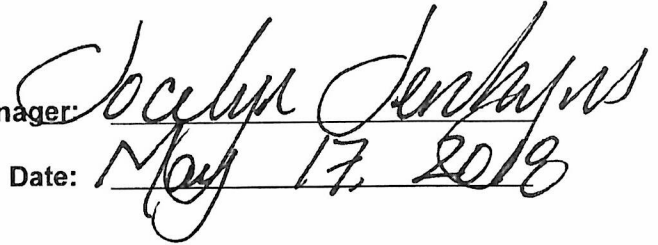
Should Council direct staff to move forward, the next step would be to consult with the development community. Following the consultation, staff will report back to Council with recommendation for changes, if any, and will bring the DCC rates bylaw for consideration of first three readings before submitting for approval by the Inspector of Municipalities as is required by legislation.

Respectfully submitted,



Susanne Thompson
Director of Finance

Report accepted and recommended by the City Manager:



Date:

May 17, 2018

List of Attachments

Appendix A: Report from Urban Systems