

NO: R193

COUNCIL DATE: October 7, 2024

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## REGULAR COUNCIL

TO: **Mayor & Council**

DATE: **October 3, 2024**

FROM: **Acting General Manager, Planning & Development**

FILE: **0510-20 (SD36)**

SUBJECT: **Surrey School District Eligible School Sites Proposal: 2025-2026 Capital Plan**

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## RECOMMENDATION

The Planning & Development Department recommends that Council:

1. Receive this report for information;
2. Accept the Surrey School District's Eligible School Sites Proposal 2025-2026 Capital Plan, attached as Appendix "I"; and
3. Instruct the City Clerk to forward a copy of this report and related Council resolution to the Surrey School District.

## INTENT

The intent of this report is to provide information to Council on the Surrey School District's Eligible School Sites Proposal for 2025-2026 and to seek Council endorsement of the proposal.

## BACKGROUND

Each year, all school districts in British Columbia are required to submit a Capital Plan — including an estimate of the number, location, and cost of proposed new school sites — to the Provincial Ministry of Education (the "Ministry"). This is known as the Eligible School Sites Proposal (the "Proposal"). The Ministry reviews and approves the Capital Plan, including the Proposal, as the basis for funding new schools in each district.

In preparing its Capital Plan, the Surrey School District (the "School District") utilizes the City's residential growth projections to calculate the number, size, and location of new schools that will be required over the next 10 years. The School District then estimates the costs for land acquisition, development, and other capital requirements for each new school.

On September 11, 2024, the Board of Education of School District No. 36 (Surrey) (the "School Board") approved the Proposal incorporated into the School District's 2025-2026 Capital Plan submission to the Ministry. The Proposal is attached as Appendix "I".

Pursuant to Section 937.4(6) of the LGA, the City must consider the School District's resolution at a Regular Council Meeting, and within 60 days of receiving the request, must:

- 937.4(6) (a) *pass a resolution accepting the school board's resolution of proposed eligible school site requirements for the school district, or*
- (b) *respond in writing to the school board indicating that it does not accept the school board's proposed school site requirements for the school district and indicating*
  - (i) *each proposed eligible school site requirement to which it objects, and*
  - (ii) *the reasons for the objection.*

According to legislation, if the City fails to respond within 60 days of receiving such a request, it is deemed to have agreed to the proposed eligible school sites requirements for the School District, as set out in the School Board's resolution. The School District letter requesting comments was dated September 16, 2024 and was received by the City the same day, on September 16, 2024.

## **DISCUSSION**

### **Surrey School District Resolution – Eligible School Sites Proposal**

The School District's Proposal documents the projected growth in the number of school-aged children that will occur over the next 10 years in Surrey, the number of new schools that will be needed to accommodate this growth, the general location and area of land required for each new school, and the acquisition costs for the school sites, including servicing. The School District utilizes the City's residential growth projections as the basis for projecting the growth in student population and the allocation of this growth geographically across the City to establish where and when additional school capacity will be required.

School District staff work in close collaboration with City staff in preparing their student projections. The work begins with School District staff being a full participant in the preparation of land use plans for Surrey's neighbourhoods. This helps establish the need and size of future schools, as well as their proposed locations. This information guides School District land acquisitions. In addition, every quarter, City staff and School District staff meet to review land use plan status, discuss the population projection model for the City that is used by City staff. Finally, every month, School District staff are provided with a summary of residential building permits issued for the month, which include the location, dwelling unit type, and number of dwelling units.

The more detailed student yield projections are based on key reviews. School District staff review current student yield from existing projects, unit type, and location, after which they establish trends and student yield projections that are then used when reviewing development applications. This helps School District staff establish a more precise two-to-five-year enrollment projection per catchment areas, which guides their capital planning process, including future property needs that will host new schools in Surrey.

The Proposal indicates the following:

- New residential development is estimated to be 52,060 eligible residential development units in Surrey and White Rock over the next 10 years.
- This new residential development will result in an estimated increase of 9,187 school-aged children in the School District over the next 10 years.
- In consideration of new schools for which funding has already been committed and the number of students that will be graduating from the School District during the next 10 years, the net increase in the student population will require 21 site acquisitions, 18 new school sites, one replacement site, and two school site expansions over the next 10 years.
- The new and expanded school sites, which are proposed for acquisition within 10 years and based on current serviced land prices, will cost an estimated \$1,272,500,000.

### School Site Acquisition Charge

The School Site Acquisition Charge (“SSAC”) regulation is established through the authority of Sections 937.2 and 937.91 of the *Local Government Act* (“LGA”). The LGA empowers school districts to adopt a bylaw establishing SSACs that are to be paid for each dwelling unit in new residential developments within the district. The SSACs, which are approved through Provincial legislation, are calculated with the intent to provide revenues to cover 35% of the acquisition costs and school site property expansions required within that jurisdiction over a 10-year period.

As required under legislation, the City collects the SSACs on behalf of the School District and remits these charges to the School District each year.

The SSACs are only applicable to residential development, and in Surrey, the SSACs have already reached the maximum amount allowed by the Provincial School Site Regulations, pursuant to the LGA. As such, there will be no increase in the SSACs in 2025 as a result of the Proposal. Based on current land values in Surrey, the SSACs are below 35% of the acquisition costs school site property expansions.

The following table documents the current SSAC rates applicable to residential development in Surrey.

<b>Prescribed Category of Eligible Development (BC Regulation 17/00)</b>	<b>School Site Acquisition Charge Rates</b> <i>(The SSAC rate is capped at maximum allowed pursuant to Provincial regulations)</i>
Low Density (<21 units / ha.)	\$1,000 per unit
Medium Low (21-50 units / ha)	\$900 per unit
Medium (51 -125 units / ha)	\$800 per unit
Medium High (126-200 units / ha)	\$700 per unit
High Density (>200 units / ha)	\$600 per unit

## CONCLUSION

Based on the information and discussion above, it is recommended that Council accept the Surrey School District's Eligible School Sites Proposal 2025-2026 Capital Plan (attached as Appendix "I") and instruct the City Clerk to forward a copy of this report and related Council resolution to the Surrey School District. Additionally, City staff will continue to meet with School District staff to review expected student yields resulting from the future residential units in order to determine if changes to their projections, and subsequently to future Eligible School Sites Proposals, are warranted.

*Original signed by*  
Ron Gill, MA, MCIP, RPP  
Acting General Manager, Planning & Development

Appendix "I" Surrey School District's Eligible School Sites Proposal 2025-2026 Capital Plan

[https://surreybc.sharepoint.com/sites/pdgmadministration/document library/corporate reports/future/surrey school district eligible school sites proposal/surrey school district eligible school sites proposal - 2025-2026 capital plan.docx](https://surreybc.sharepoint.com/sites/pdgmadministration/document%20library/corporate%20reports/future/surrey%20school%20district%20eligible%20school%20sites%20proposal/surrey%20school%20district%20eligible%20school%20sites%20proposal%20-%202025-2026%20capital%20plan.docx)

September 16, 2024  
(by email)

Mr. R. A. Costanzo  
City Manager  
City of Surrey  
13450 – 104 Avenue  
Surrey, BC V3T 1V8

Dear Mr. Costanzo:

**Re: Eligible School Site Proposal**

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Please be advised that at the September 11<sup>th</sup> 2024 public meeting of the Board of Education of School District No. 36 (Surrey), the 2025/2026 Eligible School Site Proposal was approved. As you are aware, the Eligible School Site Proposal is a required component of the annual capital plan submission and is referred to local governments in the district for acceptance pursuant to the *Local Government Act*. Please find attached the certified resolution of the Board of Education of School District No.36 (Surrey) for acceptance by city council. A copy of the administrative memorandum considered by the board is also attached for your reference.

The 2025/2026 Eligible School Site Proposal indicates the following:

- Based on consultation with City of Surrey and the City of White Rock on the Eligible School Sites Proposal (ESSP), the Board of Education of School District No. 36 (Surrey) estimates that there will be 52,060 development units constructed in the school district over the next 10 years (Schedule 'A' – Table 2); and
- These 52,060 new development units will be home to an estimated 9,187 school age children (Schedule 'A' – Table 3); and
- The School Board expects 21 site acquisitions, 18 new school sites, 1 replacement site and 2 site expansions, over the ten-year period, will be required as the result of this growth in the school district and the site acquisitions will be located as presented in Schedule 'B'; and
- According to Ministry of Education site standards presented in Schedule 'B' these sites will require in total 75 hectares (approx. 185 acres). These sites should be purchased within ten years and serviced land cost is estimated at \$1,272,500,000.

LEADERSHIP IN LEARNING

The School Site Acquisition Charge (SSAC) bylaw rate is currently set at the maximum allowed by the Local Government Act and Provincial Regulations. Therefore, no change is required to the SSAC bylaw rate applied to new development units, based on calculations consistent with Provincial SSAC Regulations.

Pursuant to the *Education Statutes Act*, local governments have 60 days to either:

1. *Pass a resolution accepting the proposed eligible school site requirements for the school district;*
2. *Respond in writing to the school board indicating that it does not accept the school board's proposed site requirements for the school district and indicating*
  - *Each proposed school site to which it objects; and*
  - *The reason for the objection.*

If no response is received within 60 days the legislation states that the local government will have been deemed to accept the proposal. Please place the resolution on your Council's agenda to meet this timeline.

Please feel free to contact this office through Mr. Doug Merry, Associate Director, Planning and Demographics Department, by telephone at 604-595-5193 or by email at [merry\\_d@surreyschools.ca](mailto:merry_d@surreyschools.ca) should you require any further information.

Yours truly,



Jon Harding, CPA, CA  
Secretary-Treasurer

Enclosures: 2

cc: Heather McNell, Deputy CAO Policy and Planning, RPH, Regional Planning and Housing Services, Metro Vancouver  
Stuart Jones, Senior Planner, Planning and Development Department, City of Surrey  
Dave Riley, Executive Director, Capital Project Office, Surrey School District  
Doug Merry, Associate Director, Planning and Demographics

JH/dg

**Record of Board Approval**

At its September 11, 2024 Regular Meeting the Board of Education of School District No. 36 (Surrey) approved the following motion:

**2. (f) Eligible School Sites Proposal – 2025/26 Capital Plan**

THAT based on consultation with City of Surrey and the City of White Rock on the Eligible School Sites Proposal (ESSP), the Board of Education of School District No. 36 (Surrey) estimates that there will be 52,060 development units constructed in the school district over the next 10 years (Schedule 'A' – Table 2); and

THAT these 52,060 new development units will be home to an estimated 9,187 school age children (Schedule 'A' – Table 3); and

THAT the School Board expects 21 site acquisitions, 18 new school sites, 1 replacement site and 2 site expansions, over the ten-year period, will be required as the result of this growth in the school district and the site acquisitions will be located as presented in Schedule 'B'; and

THAT according to Ministry of Education site standards presented in Schedule 'B' these sites will require in total 75 hectares (approx. 185 acres). These sites should be purchased within ten years and serviced land cost is estimated at \$1,272,500,000; and

THAT the Eligible School Sites Proposal be forwarded to Local Governments for acceptance.”



Jon Harding, CPA, CA  
Secretary-Treasurer

## **Administrative Memorandum**

### **Regular Board Meeting**

**Date:** September 11, 2024  
**Topic:** Eligible School Sites Proposal – 2025/26 Capital Plan  
**Submitted by:** Jon Harding, Secretary-Treasurer

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#### Background:

A School Site Acquisition Charge (SSAC) is imposed on new eligible development units (residential development) for the purpose of providing funds to assist school boards in paying the capital cost of eligible school sites. To date, 21 eligible school sites (including new sites and site expansions) have been purchased since the inception of the SSAC in 2001.

Pursuant to the School Site Acquisition provisions of the Local Government Act (LGA), an Eligible School Site Proposal (ESSP) must be prepared and approved by the Board of Education annually. Once approved, the ESSP is referred to the City of Surrey and City of White Rock for acceptance.

Development of the ESSP involves extensive consultation with the City of Surrey and the City of White Rock staff. Both local governments provide 10-year projections for residential development consistent with their Official Community Plans, Regional Context Statements and Neighbourhood Concept Plans. That information is then used to project the number of school age children that would be generated by the additional housing units. A review of the distribution of new housing units is used to project enrolment growth at schools and to estimate the general location, size and number of school sites and site expansions required to accommodate student growth.

It must be noted that the projected number of students in Schedule A, Table 3 is for new developments in the District only, and does not include students arriving through migration, immigration, or other avenues. It should also be noted that recent Provincial legislative changes including Bill 44 and Bill 47 will have significant impact on housing development and therefore the projected number of students in the District. The projections in Schedule A do not fully reflect those changes as both the City of Surrey and the City of White Rock have yet to fully determine the scale of change and incorporate those changes into their official projections.

Schedule B of the attached document outlines the draft ESSP, which identifies twenty-one site acquisition proposals, including eighteen new school sites, two site expansions, and one replacement. The twenty-one eligible school site acquisition proposals have been included as capital projects in the District's 2025/26 Five-Year Capital Plan.

The SSAC bylaw rate is currently set at the maximum allowed by the Local Government Act and Provincial Regulations therefore the ESSP does not permit a rate adjustment. It should be noted that section 575 of the LGA uses 35% as the percentage that the SSAC should fund for the purchase of land, with the Provincial Assist Factor funding the remaining 65%. Since 2017, the SSAC has funded approximately 11% of land purchased in the District. It should also be noted that the maximum SSAC has not increased since it was first established by government in 2000.

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Eligible School Sites Proposal – 2025/26 Capital Plan

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Prior to submitting the ESSP to the Ministry of Education, the proposal must formally be referred to the City of Surrey and the City of White Rock who may:

- Pass a resolution accepting the proposed ESSP; or
- Respond in writing to the School District indicating that it does not accept the ESSP, documenting reasons for the objection.

If the Local Government fails to respond within 60 days of receiving such a request, it is deemed to have agreed to the proposed ESSP requirements.

The following information has been considered:

1. The Eligible School Site Proposal projections have been discussed with planning department staff for the City of Surrey and the City of White Rock. Municipal staff have provided updated growth projections for the period 2024/25 to 2033/34 based on the latest demographic data and market trends for housing (Schedule 'A').
2. A projection of the number of additional school age children, as defined in the *School Act*, generated by the projected eligible development units for the period 2024/25 to 2033/34 has been revised based on the projections provided by the City of Surrey and the City of White Rock (Schedule 'A').
3. The approximate size and the number of school sites required to accommodate the number of children projected (Schedule 'B').
4. The approximate location and value of school sites (Schedule 'B').

**It is recommended:**

THAT based on consultation with City of Surrey and the City of White Rock on the Eligible School Sites Proposal (ESSP), the Board of Education of School District No. 36 (Surrey) estimates that there will be 52,060 development units constructed in the school district over the next 10 years (Schedule 'A' – Table 2); and

THAT these 52,060 new development units will be home to an estimated 9,187 school age children (Schedule 'A' – Table 3); and

THAT the School Board expects 21 site acquisitions, 18 new school sites, 1 replacement site and 2 site expansions, over the ten-year period, will be required as the result of this growth in the school district and the site acquisitions will be located as presented in Schedule 'B'; and

THAT according to Ministry of Education site standards presented in Schedule 'B' these sites will require in total 75 hectares (approx. 185 acres). These sites should be purchased within ten years and serviced land cost is estimated at \$1,272,500,000; and

THAT the Eligible School Sites Proposal be forwarded to Local Governments for acceptance.

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## Eligible School Site Proposal - 2025/26 Capital Plan



### SCHEDULE 'B' Capital Projects Requiring New Sites

ELIGIBLE SCHOOL SITES (General Location, Size and Estimated Serviced Land Cost)

Basis of Costs	Type of Project	Grade Level	General Location	Existing Capacity	Long Term Capacity	Increase in Capacity	Standard Site Size (ha)	Existing Site Area (ha)	Size of New Site (ha)	Land Cost/ha	Estimated Cost of Land
Estimate	New	Elementary	Anniedale/ Tynehead West Elementary	0	900	900	3.3	0	4.0	\$4,750,000	\$19,000,000
Estimate	Expansion	Elementary	Grandview Heights Elementary	0	655	655	3.3	0	3.00	\$7,500,000	\$22,500,000
Estimate	New	Secondary	East Newton Secondary	0	2000	2000	6.3	0	6.0	\$11,666,667	\$70,000,000
Estimate	New	Elementary	Clayton Urban Elementary (185 St)	0	655	655	3.3	0	1.0	\$20,000,000	\$20,000,000
Estimate	New	Elementary	Fleetwod Area Elementary (Berkshire Park)	0	655	655	3.3	0	4.0	\$24,710,000	\$98,840,000
Estimate	New	Elementary	King George Boulevard Elementary	0	655	655	3.3	0	4.0	\$12,500,000	\$50,000,000
Estimate	Replacement	Elementary	Hjorth Road Elementary	245	655	410	3.3	1.88	1.2	\$17,500,000	\$21,000,000
Estimate	New	Elementary	City Centre Area Elementary	0	655	655	3.3	0	1.0	\$50,000,000	\$50,000,000
Estimate	New	Secondary	City Centre Area Secondary	0	2000	2000	6.3	0	6.0	\$24,166,667	\$145,000,000
Estimate	New	Secondary	Anniedale Area Secondary	0	2000	2000	6.3	0	6.0	\$16,000,000	\$96,000,000
Estimate	New	Elementary	Fleetwod Area Elementary (Coyote Creek)	0	655	655	3.3	0	4.0	\$24,710,000	\$98,840,000
Estimate	New	Elementary	Pacific/Sunnyside Heights Elementary	0	900	900	3.3	0	4.0	\$11,250,000	\$45,000,000
Estimate	New	Elementary	Clayton Urban Elementary (192 St)	0	655	655	3.3	0	2.0	\$25,935,000	\$51,870,000
Estimate	New	Elementary	Fleetwood Elementary (160 Street)	0	655	655	3.3	0	4.0	\$24,710,000	\$98,840,000
Estimate	New	Secondary	Fleetwood Area Secondary	0	2000	2000	6.3	0	7.7	\$16,038,961	\$123,500,000
Estimate	New	Elementary	Fleetwood Elementary (N of 152nd)	0	655	655	3.3	0	4.0	\$24,710,000	\$98,840,000
Estimate	New	Elementary	Clayton Elementary	190	900	710	3.3	0	4.0	\$12,967,500	\$51,870,000
Estimate	New	Secondary	East Cloverdale Secondary	0	2000	2000	6.3	0	6.0	\$8,833,333	\$53,000,000
Estimate	New	Elementary	Abbey Ridge Elementary	0	360	360	3.3	0	2.3	\$12,347,826	\$28,400,000
Estimate	Expansion	Elementary	Port Kells Elementary	170	655	485	3.3	0	1.0	\$7,500,000	\$7,500,000
Estimate	New	Elementary	Bothwell Elementary	0	655	655	3.3	0	4.0	\$5,625,000	\$22,500,000
<b>Total Estimates</b>				<b>605</b>	<b>20020</b>	<b>19415</b>	<b>81</b>	<b>2</b>	<b>75</b>	<b>\$16,921,543</b>	<b>\$1,272,500,000</b>

Total proposed acquisition sites (Eligible School Sites) = 21 (proposed acquisitions, including 2 site expansion, 1 replacement, 13 new elementary school sites and 5 secondary school sites).

Source: Capital Plan 2025/2026 Report: April 22, 2024. Cushman & Wakefield