Corporate Report

NO: R080

COUNCIL DATE: April 5, 2004

REGULAR COUNCIL

TO: **Mayor & Council**

DATE: **March 30, 2004**

FROM: **General Manager, Engineering**

FILE: **5400-01**
CLERK'S **5420-01**
REF.# **3150-01**

SUBJECT: **City Centre Servicing Standards**

RECOMMENDATIONS

1. That the previous moratorium be continued in a modified form for 3 years for the following development requirements in City Centre:

   - undergrounding of existing overhead wiring;
   - installation of special City Centre street lights.

2. That the moratorium not apply to the remaining City Centre standards such as special sidewalks, street trees, etc. (interim standards).

3. That where adjacent development is upgrading fronting roads and sidewalks, that the frontage be pre-ducted to allow for future cost-effective undergrounding of overhead wiring and that an interim standard of street lighting be installed.

4. That where a development site is a corner lot or has double frontage, that only one side be required to be brought up to interim City Centre standards.

INTENT

To establish a corporate position on road works requests in City Centre.

BACKGROUND

Last fall, staff submitted a corporate report requesting Council approval to extend the previous 5-year moratorium on the requirement for developers to underground existing overhead wiring. The original moratorium had been established in 1998 as, in certain locations, the cost to underground wiring was making some development projects uneconomic.

When the most recent proposal for a further extension of the moratorium was brought forward to Council, concerns were raised that the lack of undergrounding of wiring would undermine the aesthetics of the City Centre. Staff have subsequently reviewed the economic impacts of undergrounding and have looked at alternative mechanisms for undergrounding of overhead wiring.

Economic Impacts

A. Underground Electrical System

The costs for undergrounding of overhead wiring depends on the extent of the wiring that has to be dealt with. Based on past City undergrounding projects and other input, the costs are estimated to be typically in the range of $2,000 to $2,500 a metre. The impact of these costs has been reviewed on a number of development applications. In one case, for a 50-unit apartment building with a 58-metre frontage, the cost for undergrounding would be in the range of $2,500 to $3,000 a unit. This cost is of the same order as the reduction in DCCs approved by Council.

In another case, for the expansion of a care facility to add 30 beds with a frontage of 150 metres, the costs for undergrounding would add from $12,000 to $13,000 a bed. This cost far exceeds the reductions in DCCs for the City Centre area. Costs in this range for both the residential units and the care facility are very likely to adversely affect the economics of these typical developments. This is particularly the case as these costs often fall to only one side of the road, which then has to compete with the other side of the road which, having no existing overhead wiring, is not subject to this expense.

B. Street Lighting

The City Centre street lighting standards include a decorative style of pole with a double decorative luminaire, requiring heavier bases and closer spacing than the typical “cobra-head” pole street lighting used in other areas of the City. The cost of the City Centre street lighting standard is approximately $350 per meter of frontage.

As in the examples above, the full City Centre standard would contribute about $400 to the cost of an apartment, the interim standard would contribute about $117 per apartment, and the basic system would contribute about $100 per apartment. For the care facility example, the costs would be $1750 per bed for the full standard, $500 for the interim standard, and $425 for a basic system.

Alternative Options

A. Underground Electrical System

The options available are:

1. Require complete undergrounding of all overhead wiring.
2. Require no undergrounding.
3. Some middle ground between 1 and 2 above.

In looking at a middle ground option, there is no aesthetic benefit or cost effectiveness rationale for just undergrounding a component of the overhead wiring (i.e., undergrounding Telus but leaving

electrical and cablevision). There is, however, a cost-effective approach in that where road and sidewalk upgrading is required, then there is a cost saving opportunity to pre-duct in conjunction with these works to allow for future undergrounding. This future undergrounding could be done once complete blocks have had ducts installed, or alternately when B.C. Hydro or the telecommunications companies need to upgrade or replace their facilities. At such time, the undergrounding can be done either at the expense of the utility companies, or as part of a local improvement with charges back to all properties benefiting from the work, or as a City capital beautification project. The last major capital beautification project was carried out in 1998 when the undergrounding of overhead wiring for King George Highway, from 100 to 108 Avenues, was carried out. Such projects are eligible for one-third funding from the utility companies.

B. Street Lighting

The options are:

1. Require full City Centre street lighting standards.
2. Require an interim standard, conducive to future conversion to the full standard.
3. Require a typical standard similar to other areas of the City.

An interim approach would be to put in the heavier bases at the closer spacing needed to be ready for the ultimate City Centre street lights, but in the interim, install the standard cobra-head lights on these bases. In the future, the cobra-head lights could be changed to the more expensive City Centre standard lights.

The cost of the heavier bases and spacing set up for the City Centre standard is approximately $100 per metre of frontage. The cost of a typical standard of street lighting with cobra-head pole, as employed in other areas of the City, is approximately $85 per metre of frontage.

The incremental cost of an interim standard of street lighting, as compared to the basic standard, is not excessive. The interim standard would allow the flexibility to upgrade at minimal cost to full City Centre standard at a future time as part of a local improvement program or capital beautification program. This would also be achieved with no “throw away cost” of a basic system. The interim standard would be optimal from a future cost/benefit perspective.

DISCUSSION

Requiring developers to underground existing overhead wiring and install special City Centre street lights does help towards achieving improved streetscapes in line with the ultimate objectives for the City Centre. However, the high cost of this work will be a disincentive to development in the City Centre. At this time, we feel that in balancing these two objectives, the more urgent is to achieve a strong level of redevelopment and that the improved aesthetics can be pursued in the future using various approaches once a critical mass of redevelopment is achieved. Achieving such a critical mass is optimum over the next few years as market conditions are currently very supportive of this type of redevelopment. However, it is proposed that interim requirements be put in place including the requirement to pre-duct where road and sidewalk upgradings are required and the requirement to install an interim street lighting system. Both of these interim requirements provide a cost-effective step towards the ultimate City Centre standards.

Paul Ham, P. Eng.
General Manager, Engineering

KZ/PH:brb/rdd

g:\wp-docs\2004\transportation\03151209kz.doc
BRB 4/5/04 9:03 AM