



# Corporate Report

NO: R184

COUNCIL DATE: July 19, 2004

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## REGULAR COUNCIL

TO: Mayor & Council                      DATE: July 13, 2004  
FROM: General Manager,  
Engineering                                  FILE: 4704-052  
SUBJECT: Development Cost Charges (DCC) for Highway 99  
Corridor

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## RECOMMENDATION

1. Approve amendments to the Survey Development Charge (DCC) By-law, 2002, No. 14650, to include a new area specific DCC rate for the Highway 99 Corridor, as summarized in this report; and
2. Authorize the City Clerk to bring forward the necessary amendment by-law for the required readings and subsequently, to forward to the Province for approval prior to adoption.

## BACKGROUND

The land use concept plan for the Highway 99 Corridor was adopted by Council on December 8, 2003. Following the adoption of the land use, a Corporate Report (R027) outlining the engineering servicing concepts and financial strategies, was adopted on February 9, 2004. The selected strategy and recommendations directed staff to take the necessary steps in order to create an area specific DCC for the Highway 99 Corridor.

## DISCUSSION

An area specific DCC will be established to fund the roads, sewer, water, drainage and environmental reserve area identified in the corridor servicing plans as DCC items. The area specific DCC has the advantage that the works for the corridor do not increase the DCCs elsewhere in the City.

It also has the advantage for the developers in the corridor in that all DCCs collected in this area will to fund works for the corridor, facilitating the financing of them. Area specific DCC was the approach that the City adopted for the Campbell Heights industrial area for these same reasons.

Since establishing the principle of an area specific DCC, the following steps have been taken:

- Detailed review of the financial basis for the DCCs;
- Preliminary approval from the Province for the environmental reserve DCC component;
- Preparation of a detailed background report for Provincial approval;

- Individual information and feedback letters to all residents of the corridor; and
- Public open house

The DCCs per acre of development for the corridor will be as follows:

	<b><i>Industrial</i></b>	<b><i>Commercial (All Cost Per Acre)</i></b>
Drainage	\$ 6,850	\$ 6,850
Water	6,310	6,310
Sewer	11,730	11,730
Environmental Reserve	12,070	12,070
Arterial	28,970	98,498
Major Collector	<u>6,618</u>	<u>22,502</u>
 Total	 \$72,548	 \$157,960

The DCC calculation includes the current DCC by-law specified City assist factors of 5% for roads and open space (from City general revenue), and 10% for sewer, water and drainage (from City utilities). The rate will be charged for developed area of the lot at time of building permit. The Highway 99 Corridor has a combined DCC rate, individual DCC components above are shown for comparison only.

## **CONCLUSION**

The Highway 99 Corridor Plan area can be serviced on an interim and under ultimate conditions with the area specific DCCs described in this report. Interim works are not, however, included in the DCC program, and have to be funded directly by developers.

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General Manager, Engineering

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