

NO: **R274**

COUNCIL DATE: **December 19, 2016**

REGULAR COUNCIL

TO: **Mayor & Council**

DATE: **December 15, 2016**

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

FILE: **0510-01**

SUBJECT: **Surrey School District Eligible School Sites Proposal 2017 – 2021 Capital Plan**

RECOMMENDATION

The Planning & Development Department recommends that Council:

1. Receive this report as information;
2. Endorse, in principle, the Surrey School District's Eligible School Sites Proposal 2017 – 2021 Capital Plan, attached as Appendix "I" to this report;
3. Instruct the City Clerk to forward a copy of this report and related Council resolution to the Surrey School District.

INTENT

The purpose of this report is to provide information to Council on the Surrey School District's Eligible School Sites Proposal for their 2017 - 2021 Capital Plan.

BACKGROUND

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

Prior to forwarding the Eligible School Sites Proposal to the Ministry, the *Local Government Act, R.S.B.C. 1996, c. 323*, as amended, requires that the School District advise the City of the Proposal, and request Council to either:

1. pass a resolution to accept the School District's resolution regarding the Eligible School Sites Proposal; or
2. respond in writing to the School District indicating that it does not accept the Eligible School Sites Proposal, and documenting the reasons for the objection.

In preparing the School District Capital Plan, the Surrey School District (“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 November 17, 2016, the Board of Education of School District No. 36 (“School Board”) approved the Eligible School Sites Proposal (“Proposal”) incorporated into the School District’s 2017 – 2021 Capital Plan submission to the Ministry of Education. This Proposal is attached to this report as Appendix “I”.

Pursuant to Section 937.4(6) of the *Local Government Act*, 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.

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.

The Proposal indicates the following:

- New residential development is estimated to be 36,511 residential development units over the next 10 years (including Surrey and White Rock; 42,554 units including suites).
- This new residential development will result in an increase of 10,896 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 four new school sites and two school expansions over the next 10 years.
- The new and expanded school sites, which will be purchased within 10 years and based on current serviced land prices, will cost an estimated \$68,305,000.00.

City staff has determined that the School District's calculations for growth in student population and the related demand for and proposed location of new school sites are generally consistent with the City's residential growth estimates for the 10-year period from 2016 through 2025. As documented in Appendix "I", four new elementary schools and two school site expansions are included in the Proposal.

Council is not required to provide a resolution to the School District on the Proposal; however, according to legislation, if the City fails to respond within 60 days of receiving the School Board resolution regarding the Proposal, the City is deemed to have agreed to the Proposal as set out in the School Board's resolution.

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*. The regulation came into effect on January 28, 2000. The *Local Government Act* empowers school districts to adopt a by-law establishing SSACs that are to be paid for each dwelling unit in new residential developments within the district. The rates are calculated to provide revenues to cover 35% of the acquisition costs and servicing costs for new school sites and school site 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 applicable to residential development in Surrey have already reached the maximum amount allowed by the Provincial School Site Regulations, pursuant to the *Local Government Act*. As such, there will be no increase in the SSACs in 2017 as a result of the Eligible School Sites Proposal 2017 – 2021.

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

Prescribed Category of Eligible Development (BC Regulation 17/00)	School Site Acquisition Charge Rates <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

In the past, Council has voiced concerns with the introduction of the SSAC legislation for a variety of reasons, and has also voiced concerns that the SSAC legislation is not applied equitably across all school districts in the Province.

Corporate Report R224: Provincial School Funding Opportunities in Surrey

At its Regular Meeting on October 3, 2016, Council received a report on “Provincial School Funding Opportunities for Surrey” (R224; 2016). This report explored potential options for improving the funding and delivery of new schools in Surrey, specifically within high growth areas of the City.

Council authorized the Mayor to send a letter to the Premier and to the Minister of Education, along with a copy of the report, so that the Province may consider those options. Following this request, Mayor and Council met with the Premier and the Minister of Education and were able to have a good dialogue on the importance of timely funding for new schools in Surrey that will help alleviate school overcrowding and reduce the use of portable classrooms. Both the Premier and the Minister of Education indicated that they were interested in developing a process that would help the School District to deliver schools in an accelerated process.

The planning and securing of land for future school sites is one way that the School District is able to accelerate the delivery of new schools in Surrey, and oftentimes this is done at a lower cost than if undertaken well into the development of new neighbourhoods.

SUSTAINABILITY CONSIDERATIONS

The City desires to support access to diverse, high quality learning opportunities for all residents, and to collaborate with its public partners to provide a comprehensive educational system for students.

The resolution to support the School District’s Proposal relates to the City’s Sustainability Charter 2.0 in the following ways:

Education and Culture

Desired Outcome 2: Surrey children and youth have access to a high quality comprehensive and inclusive educational system, and opportunities that include experiences in and out of school.

Desired Outcome 5: Surrey's educational institutions and libraries are integrated into the community, and have sufficient capacity to accommodate residents as well as attract people from other areas.

Strategic Direction 1: Support the expansion of education opportunities, including increased space and schools for students and niche programs only available in Surrey.

Strategic Direction 7: Promote collaboration between public partners, educational institutions, arts and heritage groups, and the community.

CONCLUSION

Based on the information and discussion above, it is recommended that Council:

- Receive this report as information;
- Endorse, in principle, the Surrey School District's Eligible School Site Proposal 2015 – 2019 Capital Plan, attached as Appendix I to this report;
- Instruct the City Clerk to forward a copy of this report and related Council resolution to the Surrey School District.

Original signed by
Jean Lamontagne
General Manager,
Planning & Development

/ss

Attachment:

Appendix "I" - Letter from School District No. 36 (Surrey) Dated November 23, 2016
Re: Eligible School Site Proposal



2016 11 23

File No. 3100-02

Mr. Vincent Lalonde
City Manager
City of Surrey
13450 - 104 Avenue
Surrey, BC V3T 1V8

Dear Mr. Lalonde:

Re: Eligible School Site Proposal

Please be advised that at its public meeting of 2016-11-17 the Board of Education of School District No. 36 (Surrey) approved the 2016/2017 Eligible School Site Proposal. As you are aware, the Eligible School Site Proposal is a required component of the annual capital plan submission and 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 2016/2017 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 36,511 (42,554 including suites) development units constructed in the school district over the next 10 years (Schedule 'A' – Table 2); and
- These 42,554 new development units will be home to an estimated 10,896 school age children (Schedule 'A' – Table 3); and
- The School Board expects 4 new school sites 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 13.5 hectares (approx. 33.4 acres). These sites should be purchased within ten years and, at current serviced land costs, the cost is estimated at \$68,305,000.

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.

(continued)

LEADERSHIP IN LEARNING

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 Ms. Emily Watson, Manager of Demographics and Facilities Planning, by telephone at 604-595-5193 or by email at watson_e@surreyschools.ca should you require any further information.

Yours truly,



D. Greg Frank, CPA, CA
Secretary-Treasurer

Enclosures (2)

cc: Emily Watson, Manager, Demographics and Facilities Planning, Surrey School District
Stuart Jones, Senior Planner, Planning and Development Department, City of Surrey
Elisa Campbell, Director, Regional Planning, Metro Vancouver

DGF/dg

LEADERSHIP IN LEARNING

Excerpt from the 2016-11-17 Regular Board Meeting Minutes

3 (h) Eligible School Sites Proposal – 2017-2021 Capital Plan

It was moved by Trustee Laurae McNally, seconded by Trustee Garry Thind:

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 36,511 (42,554 including suites) development units constructed in the school district over the next 10 years (Schedule 'A' – Table 2); and

THAT these 42,554 new development units will be home to an estimated 10,896 school age children (Schedule 'A' – Table 3); and

THAT the School Board expects 4 new school sites 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 13.5 hectares (approx. 33.4 acres). These sites should be purchased within ten years and, at current serviced land costs, the cost is estimated at \$68,305,000; and

THAT the 2016/17 Eligible School Sites Proposal be forwarded to Local Government for acceptance; and

THAT pending Local Government acceptance, the 2016/17 Eligible School Sites Proposal, be submitted to the Ministry of Education.

CARRIED

Certified as a True Copy:



D. Greg Frank, CPA, CA
Secretary-Treasurer

DGF/dg 2016-11-21



LEADERSHIP IN LEARNING

**Administrative Memorandum
Regular Board Meeting**

Date: November 17, 2016
Topic: Eligible School Sites Proposal – 2017-2021 Capital Plan

Background:

A School Site Acquisition Charge (SSAC) is imposed on new eligible development units for the purpose of providing funds to assist school boards in paying the capital cost of eligible school sites.

Pursuant to the Local Government Act, 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. The estimated number of school aged children is then used to estimate the number of school sites required to accommodate that demand.

Schedule B of the attached document outlines the draft 2016/17 ESSP, which identifies six properties, for the Board's consideration. The six properties are as identified in the district's 2016/17 Five-Year Capital Plan submission to the Provincial Government on September 30, 2016.

The SSAC bylaw rate is currently set at the maximum allowed by the Local Government Act and Provincial Regulations and the 2016/17 ESSP does not trigger a rate adjustment. Therefore, no change is required to the School Site Acquisition Charge (SSAC) bylaw rate applied to new development units, based on calculations consistent with Provincial School Site Acquisition Charge Regulations.

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.

Eligible School Sites Proposal – 2017-2021 Capital Plan

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 2016/17 to 2025/26 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 2016/17 to 2025/26 has been revised based on the new 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 36,511 (42,554 including suites) development units constructed in the school district over the next 10 years (Schedule 'A' – Table 2); and

THAT these 42,554 new development units will be home to an estimated 10,898 school age children (Schedule 'A' – Table 3); and

THAT the School Board expects 4 new school sites 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 13.5 hectares (approx. 33.4 acres). These sites should be purchased within ten years and, at current serviced land costs, the cost is estimated at \$68,305,000; and

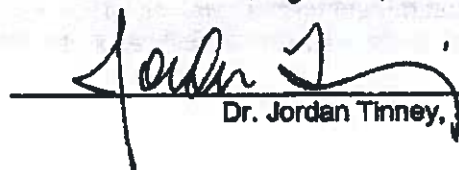
THAT the 2016/17 Eligible School Sites Proposal be forwarded to Local Government for acceptance; and

THAT pending Local Government acceptance, the 2016/17 Eligible School Sites Proposal, be submitted to the Ministry of Education.

Submitted by:


D. Greg Frank, Secretary-Treasurer

Approved by:


Dr. Jordan Tinney, Superintendent

2016/17 - Eligible School Site Proposal



SCHEDULE 'B' Capital Projects Requiring New Sites

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

School Site #	#173	#013	#216	Un-numbered	#208	Un-numbered	TOTALS
Basis of Costs	Estimate	Estimate	Estimate	Estimate	Estimate	Estimate	Estimate
Type of Project	Expansion	Expansion	New	New	New	New	
Grade Level	Elementary	Elementary	Elementary	Elementary	Elementary	Elementary	
General Location	Bothwell Elementary	Clayton Elementary	South Port Kell's Centre Area	Grandview Area	Grandview Centre Area	South Newton	
Existing Capacity	315	180	0	0	0	0	475.0
Long Term Capacity	600	605	605	605	605	605	3,585.0
Increase in Capacity	245	445	605	605	605	605	3,110.0
Standard Site Size (ha)	2.8	3	3	3	3	3	17.8
Existing Site Area (ha)	1.7	1.8	0	0	0	0	3.5
Size of New Site (ha)	0.3	1.2	3	3	3	3	13.6
Bare Land Cost/ha	\$5,000,000.00	\$5,000,000.00	\$2,333,333	\$5,033,333.33	\$3,500,000	\$5,010,000.00	\$4,063,704
Serviced cost/ha	\$250,000	\$2,083,333	\$833,333	\$900,000.00	\$900,000	\$900,000	\$975,925.83
Serviced Land Cost	\$1,575,000	\$8,200,000	\$9,500,000	\$17,800,000	\$13,200,000	\$17,730,000	\$68,305,000
Bare Land Cost	\$1,500,000	\$5,000,000	\$7,000,000	\$15,100,000	\$10,500,000	\$15,030,000	\$58,130,000
Cost of servicing land	\$75,000	\$2,500,000	\$2,500,000	\$2,700,000	\$2,700,000	\$2,700,000	\$13,175,000

*City land used as field Area outlined in MCP's 1.2ha

Total proposed acquisition sites (Eligible School Sites) = 6 (including 2 expansions of existing school sites and 4 new elementary school site acquisitions)

Updated November 2016