

**A SPECIAL MEETING/WORKSHOP OF THE
COUNCIL OF THE TOWN OF LADYSMITH
TO BE HELD IN COUNCIL CHAMBERS AT
LADYSMITH CITY HALL ON
TUESDAY, NOVEMBER 27, 2018
5:30 P.M.**

AGENDA

CALL TO ORDER (5:30 P.M.)

1. AGENDA APPROVAL

2. DEVELOPMENT COST CHARGES WORKSHOP BACKGROUND INFORMATION

- 2.2. June 25, 2018 Minutes of a Special Meeting & Workshop of Council..... 1 - 2
- 2.3. June 25, 2018 Development Cost Charges Review Workshop #13 - 15
(Presentation Handout)
- 2.4. June 28, 2018 Minutes of a Special Meeting & Workshop of Council... 16 - 17
- 2.5. June 28, 2018 Development Cost Charges Review Workshop # 2 18 - 22
(Presentation Handout)

3. PRESENTATION AND DISCUSSION

ADJOURNMENT



MINUTES OF A SPECIAL MEETING & WORKSHOP OF COUNCIL
MONDAY, JUNE 25, 2018
CALL TO ORDER 5:03 P.M.
COUNCIL CHAMBERS, CITY HALL

COUNCIL MEMBERS PRESENT:

Mayor Aaron Stone Councillor Steve Arnett Councillor Cal Fradin
Councillor Joe Friesenhan Councillor Rob Hutchins Councillor Duck Paterson

COUNCIL MEMBERS ABSENT:

Councillor Carol Henderson

STAFF PRESENT:

Guillermo Ferrero Felicity Adams Erin Anderson
Geoff Goodall Joanna Winter

GUESTS PRESENT:

Sherry Hurst, Leftside Partners Inc.

CALL TO ORDER

Mayor Stone called this Special Meeting of Council to order at 5:03 p.m.

AGENDA APPROVAL

CS 2018-218

Moved and seconded:
That Council approve the agenda for this Special Meeting and Workshop of Council for Monday, June 25, 2018.
Motion carried.

PRESENTATION AND DISCUSSION

Development Cost Charges Review 2018 – Part One

Staff and the consultant gave a presentation regarding the Development Cost Charges program and reviewed the proposed DCC program with a list of DCC-eligible projects currently contemplated.

Staff responded to questions from Council.

ADJOURNMENT

CS 2018-219

Moved and seconded:
That this Special Meeting of Council adjourn at 6:20 p.m.
Motion carried.



CERTIFIED CORRECT:

Mayor (A. Stone)

Corporate Officer (J. Winter)

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Development Cost Charges Review 2018

Workshop #1 - June 25, 2018

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Outline

- Workshop #1 – June 25
 - DCC Program overview
 - Project lists
- Workshop #2 – June 28
 - Municipal Assist Factor
- Workshop #3 – August
 - Funding the municipal portion

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Overview of the DCC Program

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Development Cost Charges - Background

- DCCs are collected from developers to contribute to the cost of growth-related infrastructure
- DCCs can be collected for five classes of infrastructure: Road, Storm Drainage, Sanitary Sewer, Water, Parks
- DCCs can be collected Town-wide and by specific area
- DCCs vary by land use
- DCC bylaws must not be adopted until approved by the Inspector of Municipalities (Province)

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Development Cost Charges - Background

- DCC Bylaw 1762
 - Adopted October 4, 2011
- DCC Downtown (Reduction) Bylaw 1781
 - Adopted October 17, 2011
- DCC Not-for-Profit Rental Housing (Reduction) Bylaw 1804
 - Adopted May 22, 2012

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Current DCC rates – Bylaw 1762

Land Use	Rate	
Single Family Residential	\$12,779.26	Per lot
Small Lot Single Family Residential	\$9,399.97	Per lot
Multi-Family Residential	\$7,617.33	Per unit
Downtown Multi-Family Residential	\$6,835.63	Per unit
Commercial	\$97.67	Per m2
Downtown Commercial	\$64.24	Per m2
Industrial	\$36.61	Per m2
Institutional A	\$4,383.39	Per bed
Institutional B	\$85.57	Per m2

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Development Cost Charges – Items to Consider



- DCCs should not be so high as to stifle new development
- Council has ability to adjust rates through municipal assist factor
 - Minimum of 1%
 - The municipal assist factor provides a means for Council to increase assistance and reduce DCCs, though the financial burden is then shared among all property owners.
- The municipal assist factor can vary by infrastructure class

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Development Cost Charges – Items to Consider



- The Local Government Act establishes Council's authority to enact a DCC bylaw
- It establishes the circumstances when a DCC is or is not payable
- New DCCs don't apply to **complete** applications for subdivision and building permits, received before the Bylaw is adopted for a period of 12 months
 - In-stream rezoning and dp applications that result in building permits within the 12-month period following adoption are also protected
- New DCCs may be applied if the applicant agrees in writing

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Development Cost Charges – Other

- The maximum length of a DCC Program is generally 20 years
- However, in the Water DCC Program there are projects that are needed in the next 20 years but will serve the community beyond that time horizon
- The bylaw can be updated annually to adjust construction costs (up to CPI), and for four years without needing municipal approval
- The cost of a DCC program updates can be included in DCC program



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Development Cost Charges – Simplified Math

Step 1: Determine growth numbers
 Step 2: Determine projects and costs
 Step 3: Determine portion attributable to growth (benefit factor)
 Step 4: Determine municipal assist factor for DCC recoverable
 Step 5: Divide DCC recoverable cost by growth

Determines DCC Rate



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Decisions of Council

Council can choose:

- The level of the Municipal Assist Factor
- How to fund the municipal portion
- To continue, amend or end the DCC reduction for the Downtown Specified Area and/or Not-for-Profit Rental Housing
- When to consult with the community and developers

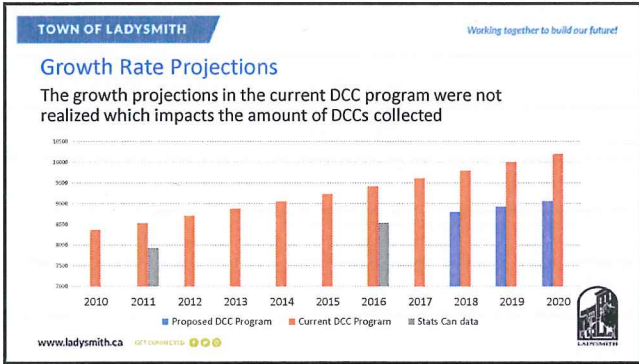
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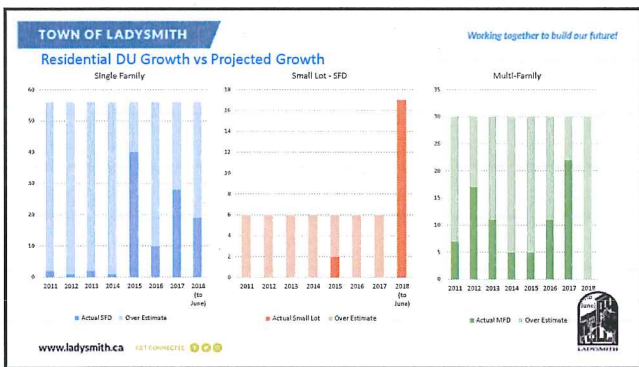
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Growth Projections

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Current DCC Balances

- Sewer \$ 534,000
- Water \$ 554,000
- Roads \$ 497,000
- Parks \$ 684,000
- Storm \$ 379,000



Funds are restricted and held separate from other reserves.

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Town-wide DCC Program - Proposed

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Road DCC Program

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Road DCC Projects



Construction Type	Locations
Bridge Approaches	Holland Creek Bridge - Road Approaches
Collector Road	Retaining Walls
Intersection Improvement	Holland Creek
Bridge	North Davis: Dogwood
Round About	Dogwood: Rollie Rose
Half Road Incl. Sidewalk	4th Ave: Balaira/ Symonds /Christie
Urban Features Upgrade	6th Ave: Malone
Bliss Lane	Heart Creek
Sidewalk	Ludlow and Rocky Road
DCC Project Review	Russell Road - Ridgway- Simpson's
	Russell Rd - 750 Russell & 740
	4th Ave: Balaira to Hambrook
	6th Ave: Symonds - End Jamison
	4th Ave: White - Roberts/ Roberts - Buller / Buller - Symonds
	4th Ave: Cook to Rocky Creek
	4th Ave: Rocky Creek to Alderwood
	4th Ave: Symonds to Cook
	Malone: Colonia - End (North Side)
	Colonia: Malone - Mackie (South Side) & (North Side)
	Malone: Colonia to 6th (south Side)
	South Davis: Hill Road to North Battle
	Davis: Stirling - Louise
	Farrell Road: Stirling to Gales
	South Davis (TCH)

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Roads DCC Program



Roads	Current Program	Promised Program
Total Program	\$ 15,079,000	\$ 16,878,535
DCC Recoverable	10,002,000	5,411,235
Municipal Assist Factor	1%	1%

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Storm Drainage DCC Program

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Storm Drainage DCC Projects

Title	Location
3rd Ave	Roberts - Flume Line
Flume Line	4th-1st
Storm Water Management Plan	Town Wide
Culvert Replacement	Oyster Bay Culvert (Rail)
DCC Project Review	Town-wide
Culvert Replacement	Slack Point Park

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Storm Drainage DCC Program

STORM	Current Program	Proposed Program
Total Program	\$1,292,000	\$1,490,000
DCC Recoverable	856,984	742,500
Municipal Assist Factor	1%	1%

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Sanitary DCC Program

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Sanitary Sewer DCC Projects

Title	Locations
South Ladysmith Inlet Park Extension	Fairrell Rd, Stirling Dr - South Watts
Sewage Treatment Plant Upgrade (debt)	Sewage Treatment Plant
Holland Creek Downstream	Holland Creek Down Stream (off site)
Ludlow Pump Station Upgrade	Ludlow at Marina
Rocky Creek Sanitary Upgrade	Boundary - Ludlow P.S.
Rocky Creek 250mm Main Upgrade	Oyster Bay Road
Post Treatment Disinfection Options	Treatment Plant
Post Treatment Drogue Study	Treatment Plant Outfall
Treatment Plant Upgrades	Treatment Plant
Environmental Impact Study	Treatment Plant
Outfall Extension	Treatment Plant Outfall
Sanitary Pumpstation	South Ladysmith
DCC Project Review	Town wide

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Sanitary Sewer DCC Program

SEWER	Current Program	Proposed Program
Total Program	\$ 19,250,000	\$ 22,558,750
Other Funding		8,000,000
DCC Recoverable	7,307,190	9,085,082
Municipal Assist Factor	1%	1%

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Water DCC Program

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Water DCC Projects

DCC	Expansions
South Ladysmith Ind Park Extension	Farrell Rd, Skirling Dr - South Watts
Loop Connection Upsize (6 to 8)	Craig - Russell Upsize
Stocking Lake Supply main	Stocking Lake Main PRV Station
Stocking Lake Supply Main	Stocking Lake to Thetis
Holland to Stocking Supply main	Holland Lake - Stocking Lake
Water Filtration	Arbutus
Holland Lake Storage Upgrade	Holland Lake
Arbutus Reservoir - Second Reservoir	Arbutus Reservoir
Chicken Ladder Supply Main Replacement	WTP - Chicken Ladder
Chicken Ladder - Upgrade Intake	Chicken Ladder Intake
Flow Instrumentation	Bannon Creek and Holland Dam
Pressure Zone 163 Lower Interconnect	Dogwood: Davis Rd - Belaire
Water Filtration Upgrade	Membrane Expansion
Water Filtration Upgrade	3rd DAF Tank
DCC Project Review	Town wide
Watermain Loop Connection (8 to 10)	Battle to Thetis

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Water DCC Program

WATER	Current Program	Proposed Program
Total Program	\$ 11,627,500	\$47,965,000
Other Funding		8,800,000
DCC Recoverable	6,274,298	16,862,000
Municipal Assist Factor	1%	42%

The level of the Municipal Assist Factor will be important for the Water DCC rate.

Some water projects will support the community and growth over 40 years, but will be needed in the next 20 years.

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Parks DCC Program

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Parks DCC Projects

Title	Location
Rocky Creek Trail Improvements	Rocky Creek
Heart Creek Nature Park Trail Improvements	Holland Creek Area
Ball Fields/Trails/Facilities	Lot 108
Davis Road neighbourhood park	Davis Road
Waterfront Park	Waterfront
DCC Project Review	Town wide
Sterling Nature Park Trail Improvements	South Ladysmith

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Parkland Acquisition & Improvement DCC Program


PARKS	Current Program	Proposed Program
Total Program	\$6,997,500	\$7,610,000
DCC Recoverable	4,641,442	2,948,000
Municipal Assist Factor	1%	33%

Parks DCC are not collected for non-residential land uses.

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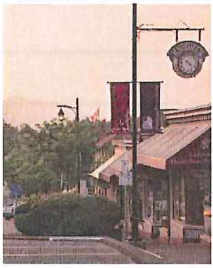
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Workshop #1 - DCC Program Overview

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Reviewed Project Lists


- Roads DCC Program
- Storm Drainage DCC
- Sanitary Sewer DCC
- Water DCC
- Parks DCC

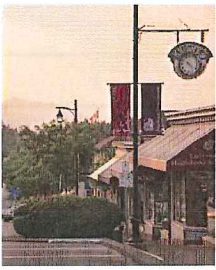
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Workshop #2 - Confirming the Municipal Assist Factor

www.ladysmith.ca (607) 438-1100






Discuss


- Role of the Municipal Assist Factor
- Potential DCC Rate
- DCC Rates in other communities

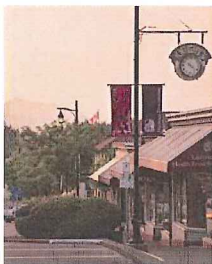
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Workshop #3 – Funding the Municipal Portion

www.ladysmith.ca (607) 438-1100





Discuss

Linking to Capital Plan

Sources for funding the municipal portion

- Taxation
- Grant opportunities
- Borrowing

Continuing of waivers?

- Downtown program
- Not-for-profit rental housing program

**MINUTES OF A SPECIAL MEETING & WORKSHOP OF COUNCIL
THURSDAY, JUNE 28, 2018
CALL TO ORDER 5:04 P.M.
COUNCIL CHAMBERS, CITY HALL**

COUNCIL MEMBERS PRESENT:

Mayor Aaron Stone Councillor Steve Arnett Councillor Cal Fradin
Councillor Joe Friesenhan Councillor Duck Paterson

COUNCIL MEMBERS ABSENT:

Councillor Carol Henderson Councillor Rob Hutchins

STAFF PRESENT:

Guillermo Ferrero Felicity Adams Erin Anderson
Geoff Goodall Joanna Winter

GUESTS PRESENT:

Sherry Hurst, Leftside Partners Inc.

CALL TO ORDER

Mayor Stone called this Special Meeting of Council to order at 5:04 p.m.

CLOSED SESSION

CS 2018-239

Moved and seconded:

That Council retire into closed session at 5:05 p.m. in order to hold a workshop on solid waste management in accordance with section 90(1)(k) of the *Community Charter* (discussions related to the proposed provision of a municipal service).

RISE AND REPORT

Council rose from Closed Session at 6:15 p.m. without report.

AGENDA APPROVAL

CS 2018-240

Moved and seconded:

That Council approve the agenda for this Special Meeting and Workshop of Council for Thursday, June 28, 2018.

Motion carried.

PRESENTATION AND DISCUSSION

Development Cost Charges Review 2018 – Part Two

Staff gave a presentation regarding the Development Cost Charges



program and reviewed the proposed municipal assist and benefit factors for the program.

Staff responded to questions from Council.

CS 2018-241

Moved and seconded:

That the separate Small Lot Single Family Development Cost Charge be removed.

Motion carried.

CS 2018-242

Moved and seconded:

That Council direct staff to draft a development cost charges program with a charge between \$18,000 and \$22,000 per single family lot, and vary the Municipal Assist Factor to achieve this rate.

Motion carried.

ADJOURNMENT

CS 2018-243

Moved and seconded:

That this Special Meeting of Council adjourn at 6:20 p.m.

Motion carried.

CERTIFIED CORRECT:

Mayor (A. Stone)

Corporate Officer (J. Winter)

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Development Cost Charges Review 2018



Workshop #2 - June 28, 2018

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Outline

- Workshop #1 – June 25 - Recap
 - DCC Program overview
 - Project lists
 - Comparison DCCs
- Workshop #2 – June 28
 - Municipal Assist Factor
- Workshop #3 – August
 - Funding the municipal portion


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Workshop #1 – Recap

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Reviewed

- Overview of DCCS
Growth assumptions and land use types
- Projects lists
 - Roads DCC Program
 - Storm Drainage DCC
 - Sanitary Sewer DCC
 - Water DCC
 - Parks DCC
- Comparison Rates


Comparison Rates


	Single Family DCC Rate	Notes	Population	% growth 2011-2016
Nanaimo	\$17,814	2018	90,504	8
Duncan	\$7,815	2017 - No Park DCC	4,944	0.2
North Cowichan	\$9,392	2012	29,676	3
Parksville	\$24,557	2014 (incl. \$10K regional sewer)	12,514	4.5
Qualicum Beach	\$21,840	2006 (incl. \$10K regional sewer)	8,943	2.9
Lantzville	\$18,865	2007	3,605	0.1
Comox	\$16,635	2016 (incl. \$10K regional sewer)	14,028	2.9
Langford	\$14,074	2017	35,342	20.9
Tofino	\$18,248	2011	1,992	3
Ladysmith	\$12,779	2011	8,537	7.8

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Development Cost Charges – Items to Consider

- DCCs should not be so high as to stifle new development
- Council has ability to adjust rates through municipal assist factor
 - Minimum of 1%
 - The municipal assist factor provides a means for Council to increase assistance and reduce DCCs, though the financial burden is then shared among all property owners.
- The municipal assist factor can vary by infrastructure class





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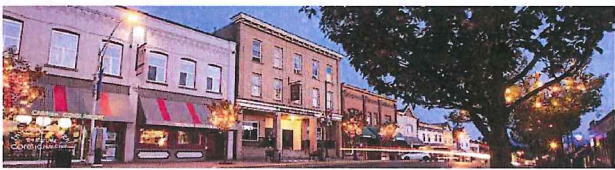
Decisions of Council

Council can choose:



- The level of the Municipal Assist Factor
- To continue the Small Lot Single Family DCC rate
- How to fund the municipal portion
- To continue, amend or end the DCC reduction for the Downtown Specified Area and/or Not-for-Profit Rental Housing
- When to consult with the community and developers

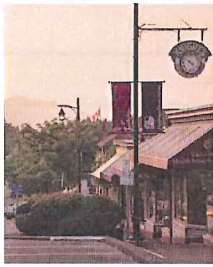
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Workshop #2 - Confirming the Municipal Assist Factor

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Discuss

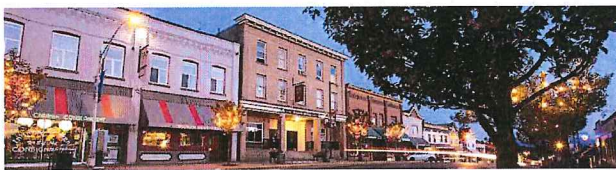
- Role of the Municipal Assist Factor
- Determine for each infrastructure type
- Potential DCC Rate
- Small Lot Single Family DCC

Current DCC rates – Bylaw 1762

Land Use	Rate	
Single Family Residential	\$12,779.26	Per lot
Small Lot Single Family Residential	\$9,399.97	Per lot
Multi-Family Residential	\$7,617.33	Per unit
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Institutional A	\$4,383.39	Per bed
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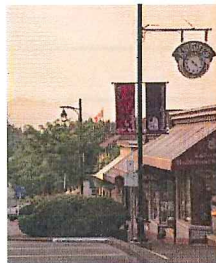
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Workshop #3 – Funding the Municipal Portion

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Discuss

Linking to Capital Plan


Sources for funding the municipal portion

- Taxation
- Grant opportunities
- Borrowing


Continuing of waivers?

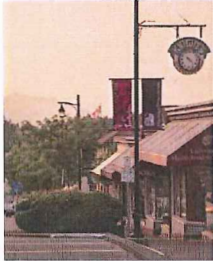
- Downtown program
- Not-for-profit rental housing program

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Consultation – Developers and Community

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Discuss

Timing of consultation
