

## Welcome!

Welcome to the Town of Ladysmith Development Cost Charge open house!

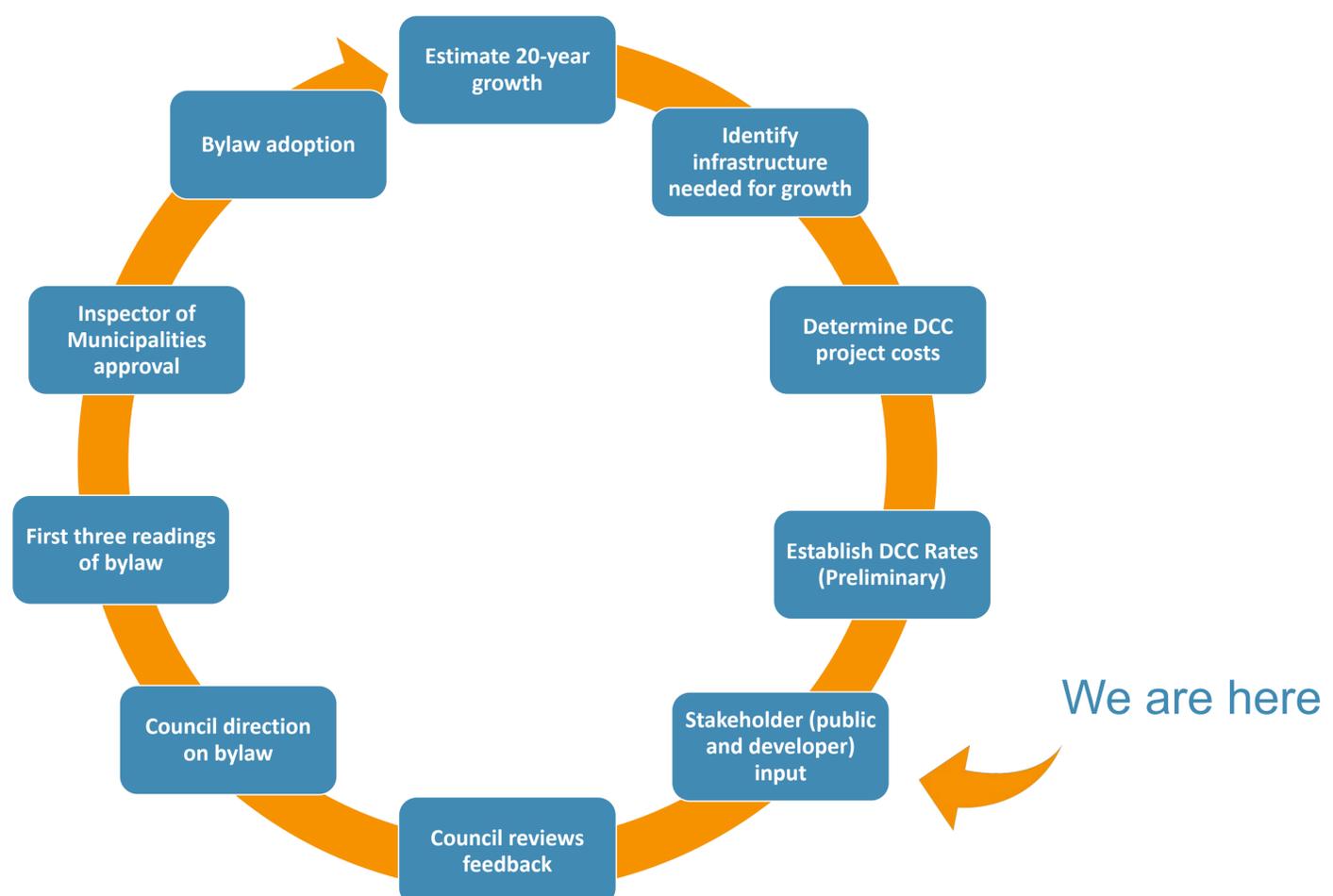
### Purpose

- Share the proposed Town of Ladysmith updated DCC rates
- Provide information on how the rates are calculated and levied
- Answer questions related to the DCCs
- Obtain feedback regarding DCCs and the proposed rates

### We invite you to ...

- Review the presentation boards
- Discuss your questions and views with the consultants (Leftside Partners Inc.) and staff
- Fill out a feedback form to provide comments

Don't forget to fill out a feedback form!



## What are Development Cost Charges?

Development Cost Charges (DCCs) are one tool used by municipalities to recover the costs of infrastructure needed for growth

### **DCCs only apply to specific services:**

- Roads
- Sanitary sewer
- Water
- Drainage
- Parkland (acquisition and improvement)

### **Who pays them?**

Developers, builders and anyone applying for a building permit or subdivision.

### **Exceptions include:**

- Churches and exempt buildings
- Apartment units less than 29 m<sup>2</sup>
- Projects valued at less than \$50,000

### **Why charge new development?**

To enable growth, municipalities need to provide new infrastructure, such as sewer mains, road improvements to address traffic, trunk water services, new parks and playgrounds.

DCCs provide an option to have growth pay for infrastructure built to grow the community. DCCs promote a user pay approach – growth pays for growth.

## What can DCCs pay for?

### ROADS

- Road improvements and extensions
- Pedestrian and cycling (active transportation) infrastructure, including sidewalks and bike lanes
- Traffic signals and intersection improvements
- Bridges
- DCC roads program review

### SANITARY SEWER

- Sanitary pump stations
- Sewer main extension and upgrades
- Sanitary sewer treatment plant
- DCC sewer review

### DRAINAGE

- Storm sewer upsizing and drainage improvements
- Culvert upgrades
- Stormwater management plan
- DCC program review

### PARK

- Parkland acquisition
- Improvements:
  - trails
  - sports fields, washrooms
  - landscaping, irrigation

### What don't DCCs pay for?

- Police stations
- Fire halls
- Recreation centres
- Libraries
- Turf fields
- Tennis & basketball courts
- Operational costs
- Annual maintenance

### WATER

- Water supply
- Water storage
- Filtration
- Water main extension and upgrades (upsizing)

## How are DCCs Calculated?

DCCs are calculated by determining the Town's growth, and the cost of the infrastructure needed to service the growth.

### This is done in 5 steps:

1. Estimate future growth
2. Determine infrastructure required to meet growth
3. Estimate infrastructure project costs
4. Determine eligible portion of project costs
5. Apply an assist factor



### 1. GROWTH

Calculate the expected growth for the community over 20 years

- Growth is broken down into the growth anticipated in the different land uses and dwelling types, including
  - Single-family dwellings
  - Multi-family residential units
  - Commercial floor area
  - Institutional floor area
  - Industrial floor area

### 2. INFRASTRUCTURE REQUIRED

Determine the infrastructure needed to accommodate the increased population and development over that same time period

- Water
- Drainage
- Sanitary sewer
- Transportation
- Parks (including new parkland, and development of parkland)

## How are DCCs calculated?

### 3. PROJECT COST

Prepare or update cost estimates for the infrastructure

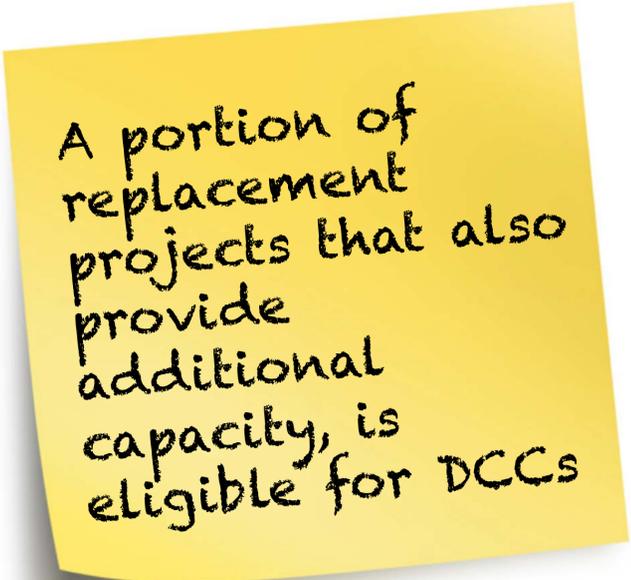
- Any grants received for a project are deducted from cost estimates

### 4. ELIGIBLE COSTS – BENEFIT TO EXISTING POPULATION

Determine how much of each project or infrastructure type is attributable to growth

- Some projects are only needed if the community is to grow, and would be considered 100% eligible for the DCC program
- Other projects may serve or benefit both the existing population AND new growth. Only a portion of these projects can be added to the DCC program.
- For example:

- Construction of a concrete reservoir to store water to service new development = 100% eligible
- Replacement of a deteriorating sewer line that serves an existing community with a larger pipe that provides extra capacity to enable growth = partially eligible (based on the extra capacity to accommodate growth)

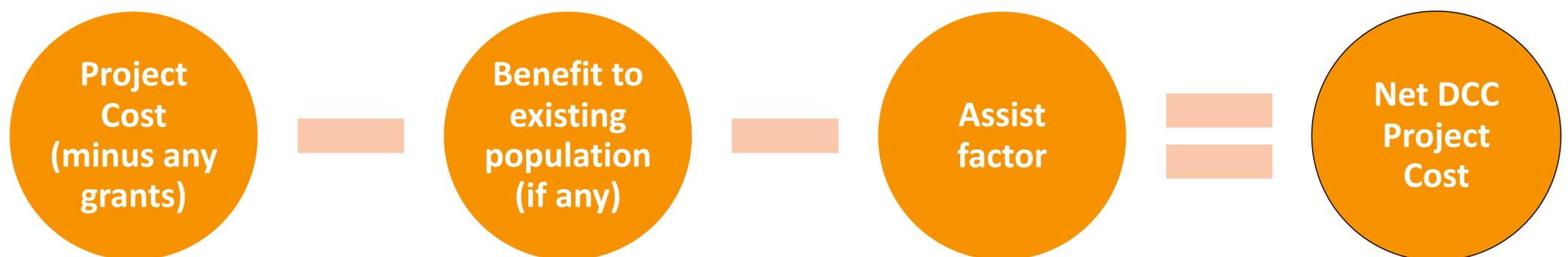


A portion of replacement projects that also provide additional capacity, is eligible for DCCs

## How are DCCs calculated?

### 5. ASSIST FACTOR

- Assist factor is money provided through other municipal sources
- Minimum of 1% (consistent with philosophy that growth should pay its own way)
- Anything greater than 1% requires those funds to be provided from other sources, such as taxpayers or grants
- Council determines the assist factor
  - Council can adjust the assist factor to shift the cost burden to development (growth) or municipal sources



## Ladysmith's Proposed DCCs

### Why change the DCCs now?

- The Ladysmith DCC Bylaw was adopted in 2011. Construction costs have increased and growth estimates need to be revisited.
- The Town's DCC Bylaw Review Policy states that a major review of the DCC Bylaw will take place every five years, or earlier.
- The DCC Best Practices Guide published by the Province recommends a review at least every 5 years.
- An updated DCC makes sure the projects reflect accurate and up to date costs, and that sufficient funds will be available for the necessary projects.

### What has changed since the last DCC Bylaw?

- Some projects in the current program have been completed
- New projects have since been identified
- Growth patterns and unit types have changed

### How do the new DCCs differ?

- Removed the small-lot single family residential category
- Rates updated to reflect current infrastructure needs and costs
- Growth estimates updated to reflect current growth trends

## Proposed DCC Program – What type of projects are included?

### Roads

- Collector roads
- Intersection improvements
- Holland Creek crossing (20%)
- Heart Creek crossing (20%)
- Roundabout at Ludlow and Rocky Creek Road
- Bike lanes
- Sidewalks

### Storm

- Sections of drainage pipes & culverts throughout the Town
- Stormwater Management Plan

### Sanitary

- Wastewater treatment plant (debt)
- Wastewater treatment plant upgrades
- Pump station upgrades
- South Ladysmith sewer extension

### Water

- Water filtration
- Water supply upgrades (mains and intake)
- Water storage/reservoir expansion
- South Ladysmith water extension

### Parks

- Acquisition of 3 acres of parkland
- Lot 108 improvements (ball field, trails, facilities)
- Trail improvements (Rocky, Holland and Heart Creek, Sterling Nature Park)
- Playground equipment at Davis Road Community Park
- Trail improvements and drainage work at Waterfront Park



## Growth

Growth projections for the community are based on census population and household size numbers, and are projected forward based on a growth rate of approximately 1.5% over a 20-year period.

Growth must be broken down into the various land use categories, and expressed as a number of units (for residential) or gross floor area for non-residential uses.

### 2019 – 2039 Growth

Residential Land use	Units	%	Persons
Single family	628	49%	1,572
Multi-family	641	50%	1,282
Multi-family downtown	31	1%	62
<b>Total</b>	<b>1,300</b>	<b>100%</b>	<b>2,916</b>

Non-residential Uses	Beds	Gross Floor Area (m <sup>2</sup> )
Commercial		6,800
Downtown Commercial		3,000
Industrial		13,700
Institutional - Care Facility	72	
Institutional		166
<b>Total Non-residential Use</b>		<b>23,666</b>

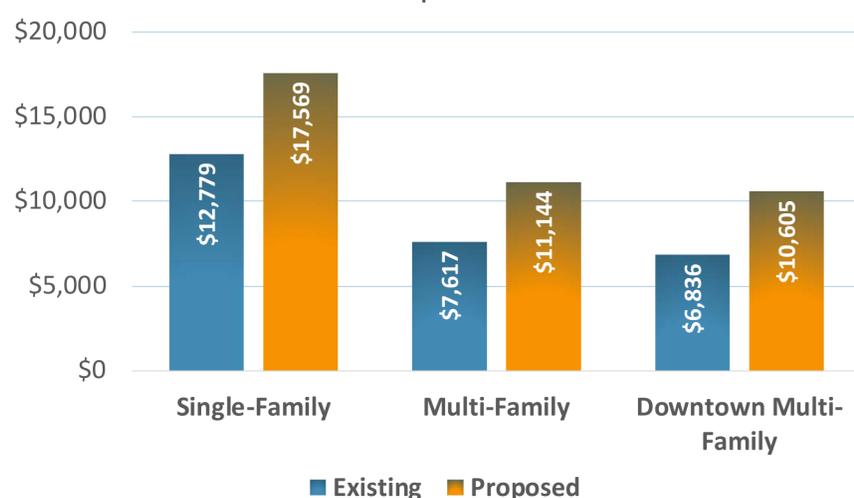
## Proposed Rates

	Single Family (per unit)		Multi-Family (per unit)	Downtown Multi-Family (per unit)	Commercial (per m <sup>2</sup> )	Downtown Commercial (per m <sup>2</sup> )	Industrial (per m <sup>2</sup> )	Institutional A (per bed)	Institutional B (per m <sup>2</sup> )
Roads	\$2,319		\$1,420	\$916	\$54.53	\$36.35	\$16.48	\$645	\$36.11
Storm	\$647		\$175	\$140	\$2.43	\$1.46	\$2.08	\$86	\$5.10
Sanitary	\$3,898		\$2,490	\$2,490	\$6.50	\$3.90	\$5.52	\$1,353	\$14.73
Water	\$9,347		\$5,972	\$5,972	\$15.58	\$9.35	\$13.24	\$3,246	\$35.31
Parkland	\$1,358		\$1,086	\$1,086	\$0.00	\$0.00	\$0.00	\$679	\$0.00
<b>Total</b>	<b>\$17,569</b>		<b>\$11,144</b>	<b>\$10,605</b>	<b>\$79.03</b>	<b>\$51.05</b>	<b>\$37.32</b>	<b>\$6,009</b>	<b>\$91.24</b>

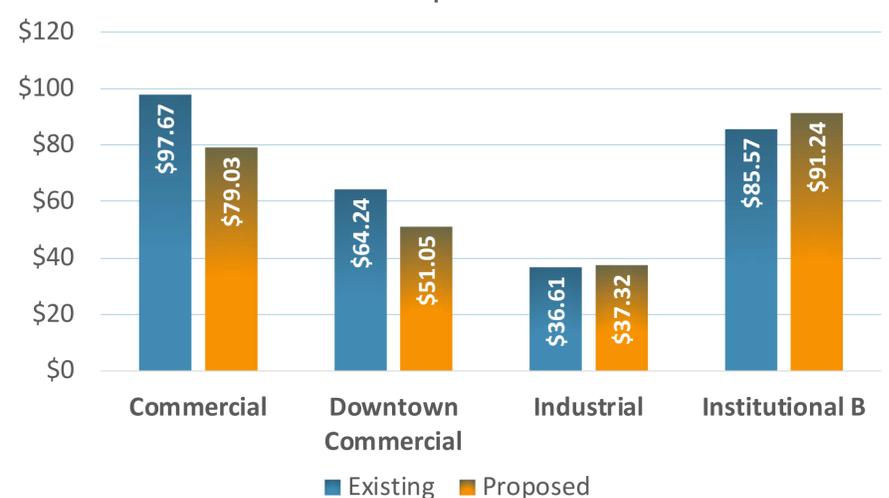
## Existing Rates

	Single Family (per unit)	Small lot (per unit)	Multi-Family (per unit)	Downtown Multi-Family (per unit)	Commercial (per m <sup>2</sup> )	Downtown Commercial (per m <sup>2</sup> )	Industrial (per m <sup>2</sup> )	Institutional A (per bed)	Institutional B (per m <sup>2</sup> )
Roads	\$3,598	\$3,238	\$2,184	\$1,421	\$84.59	\$56.39	\$25.39	\$1,000	\$56.16
Storm	\$342	\$154	\$93	\$74	\$1.28	\$0.77	\$1.10	\$46	\$2.69
Sanitary	\$3,925	\$2,453	\$2,180	\$2,180	\$6.54	\$3.92	\$5.61	\$1,363	\$14.81
Water	\$3,156	\$1,973	\$1,754	\$1,754	\$5.26	\$3.16	\$4.51	\$1,096	\$11.91
Parkland	\$1,758	\$1,582	\$1,407	\$1,407	\$0.00	\$0.00	\$0.00	\$879	\$0.00
<b>Total</b>	<b>\$12,779</b>	<b>\$9,400</b>	<b>\$7,617</b>	<b>\$6,836</b>	<b>\$97.67</b>	<b>\$64.24</b>	<b>\$36.61</b>	<b>\$4,383</b>	<b>\$85.57</b>

Residential Comparison - Existing & Proposed



Non-residential Comparison – Existing & Proposed



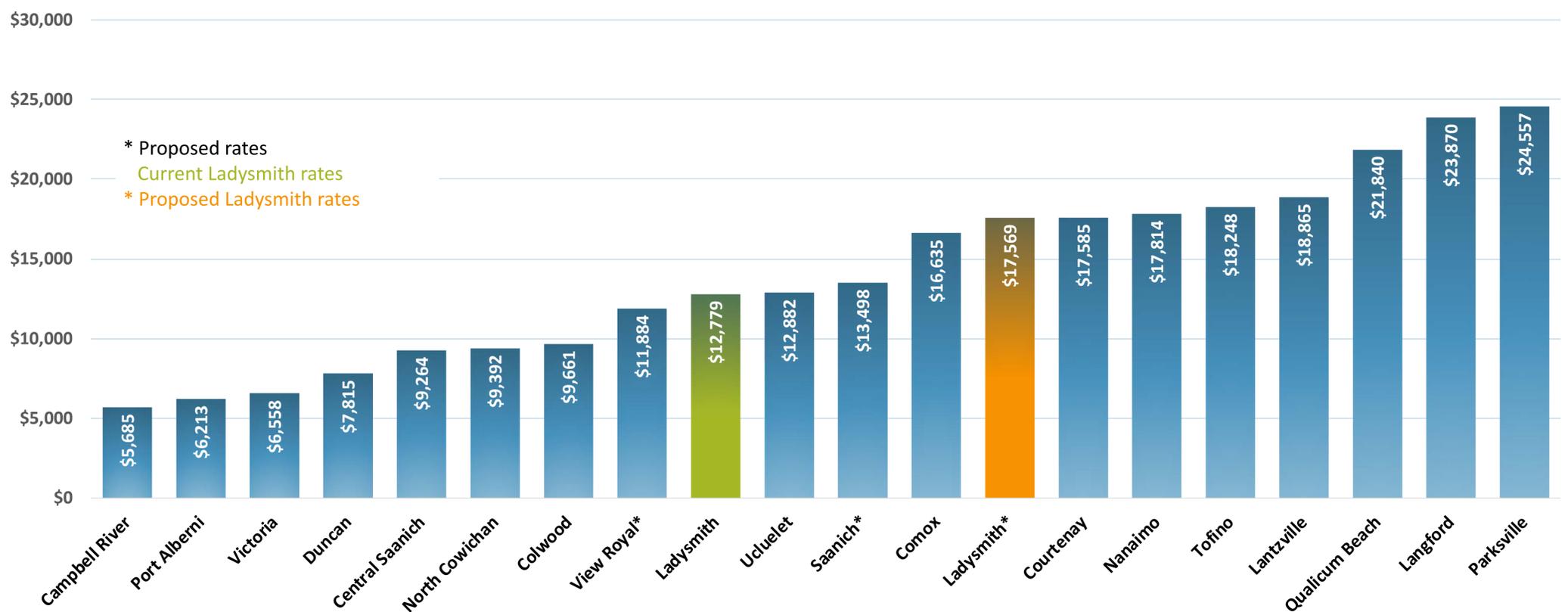
## DCC Comparisons

Development cost charges are based upon the specific infrastructure needs and challenges in each community.

Accordingly, rates are different in each community, and it is difficult to compare the needs or growth of one community to another.

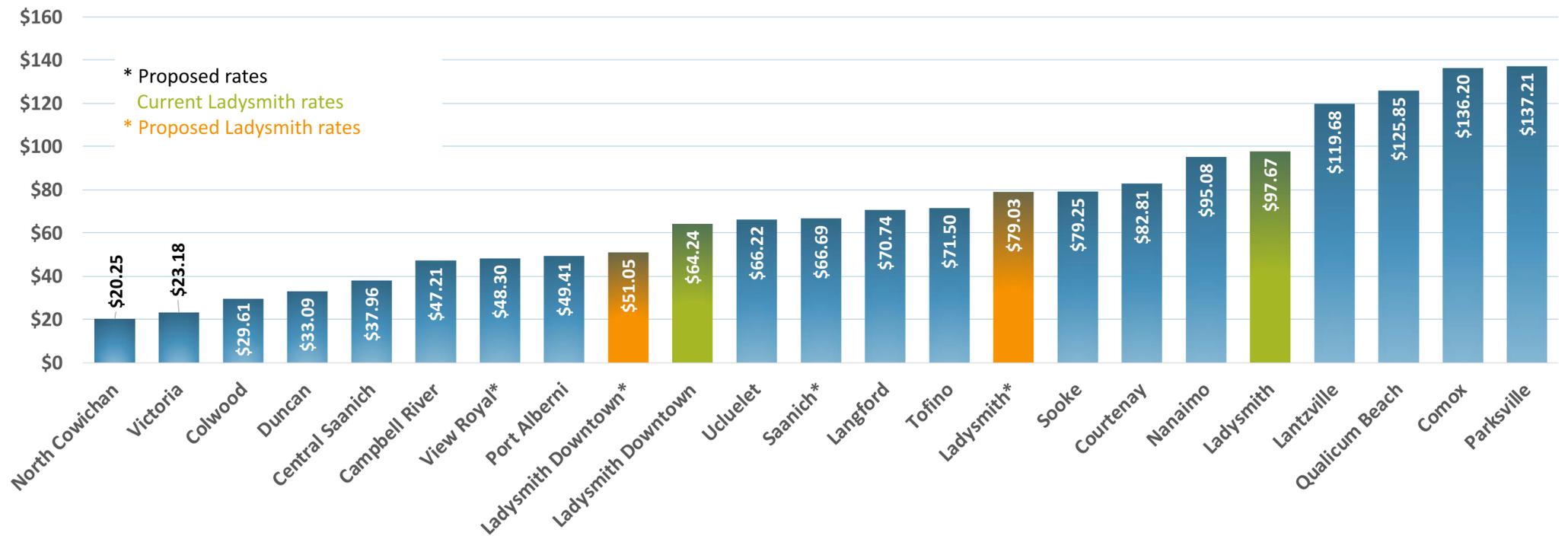
Regardless, there is the desire to ensure that the rates are not prohibitive compared with neighbouring communities.

Single-family Dwelling Rate Comparison

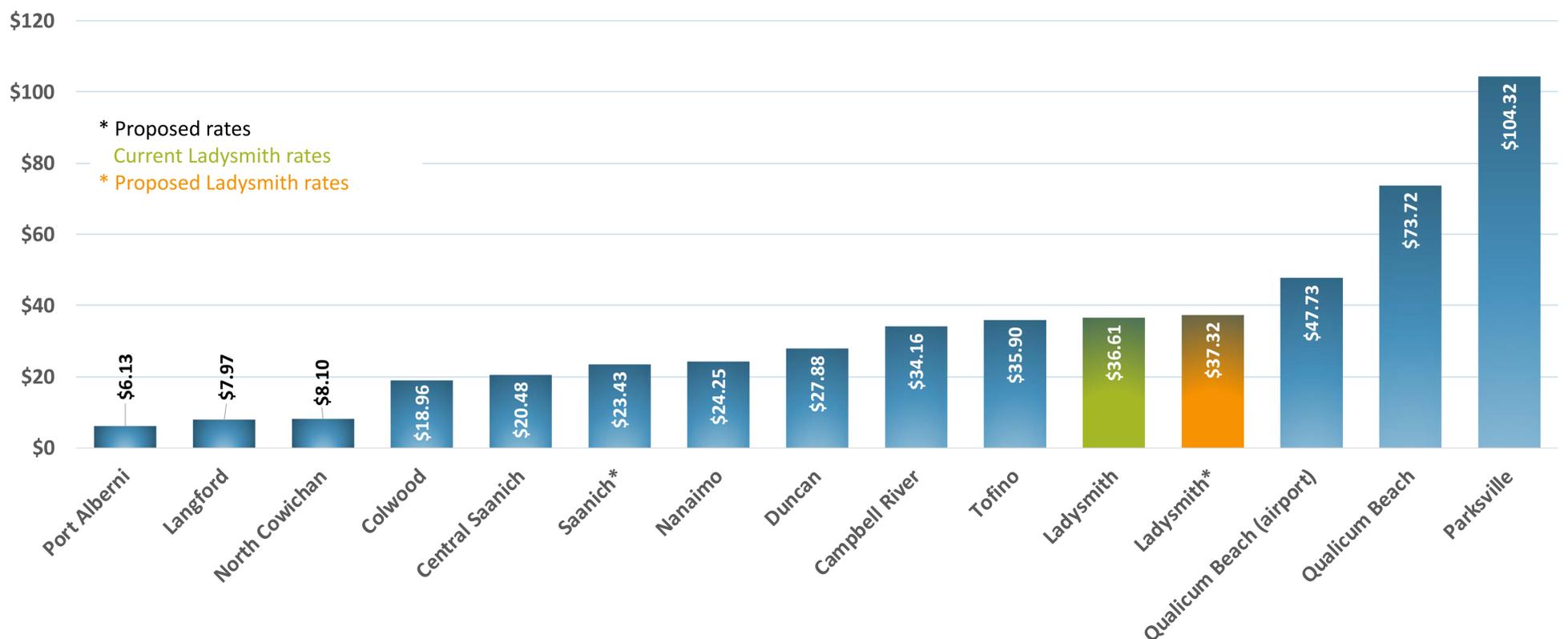


# DCC Comparisons

## Commercial Rate Comparison



## Industrial Rate Comparison

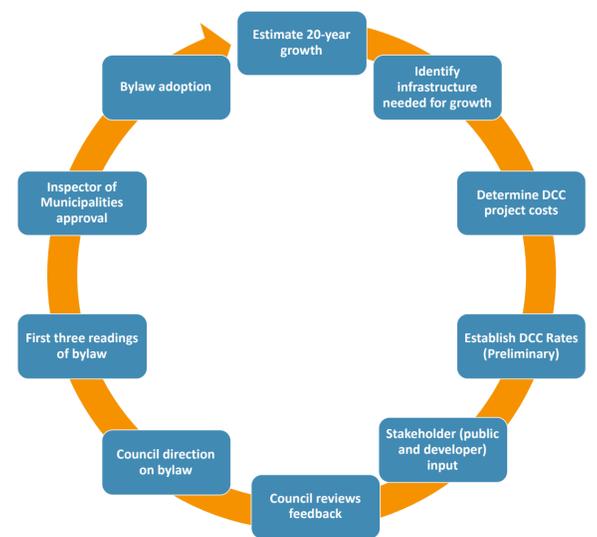


\* Note that several municipalities levy their industrial DCCs based on a rate per hectare of land, making it difficult to compare to rates levied on gross floor area. The per hectare rates are not included in this chart

## Next Steps

### What are the next steps?

- Share feedback from open house with Council
- Council finalizes rates
- Bylaw prepared and 3 readings by Council
- Bylaw and background report submitted to Ministry
- Ministry (Inspector of Municipalities) approval
- Adoption by Town (fourth reading of bylaw)



### When do new rates take effect?

Rates are effective at the date of adoption of the bylaw. However, projects that are in-stream have a one-year period where the old DCC rates will continue to apply.

The one-year exemption of new rates applies to:

- Subdivisions in process (and with complete applications and fees paid at the time of bylaw adoption)
- Building permits, rezonings and development permits (with complete applications and fees paid at the time of bylaw adoption)

Submit your feedback prior to March 8 to ensure your comments are considered by Council!

In-stream projects that are not at building permit or subdivision approval stage 1 year after bylaw adoption will be levied the new rates.

## Update on Development Application Process Review 2018

Thank you to those developers and applicants who participated in the Builders' Forums and Developers' Forum. Your input is important to us.

The following process improvements have been completed. Stay tuned as there is more to come!

- ✓ Created building permit checklists and tip sheets for new residential construction and renovations
- ✓ Authority delegated from Council to the Director of Development Services for the issuance of two additional types of DPs – Hazard Land and Riparian, in addition to Façade and DP amendments
- ✓ Streamlined DVP process by eliminating the two-stage Council review
- ✓ Changed the requirement for a neighbourhood information meeting – now only required if an OCP amendment is proposed
- ✓ Application review to start once applications are complete
- ✓ Removed the Sustainable Development Checklist as an application requirement
- ✓ Combined 3 committees (ADP, APC and HRAC) into one to streamline the review process
- ✓ Conceptual building design underway for a combined Public Works/ Engineering/Building/Planning office at the current Public Works location
- ✓ Subdivision and planning guides and checklists – *coming soon*
- ✓ Building Bylaw review – *coming soon*

Town selected as a finalist for the BC Small Business Roundtable 2019 Open for Business awards – medium sized communities