

City of Maple Ridge

***SPECIAL COUNCIL MEETING AGENDA***

*December 12, 2017*

*Following Council Workshop*

*Blaney Room*

*1<sup>st</sup> Floor, Maple Ridge City Hall*

1.0 ***CALL TO ORDER***

2.0 ***APPROVAL OF THE AGENDA***

3.0 ***REPORTS AND RECOMMENDATIONS***

3.1 **Development Cost Charges Imposition Bylaw**

Staff report dated December 12, 2017 recommending that Maple Ridge Development Cost Charges Imposition Bylaw No. 7320-2017 be given second and third readings and be sent to the Ministry of Community Services for review and approval by the Inspector of Municipalities.

4.0 ***ADJOURNMENT***

Checked by: \_\_\_\_\_

Date: \_\_\_\_\_

**TO:** Her Worship Mayor Nicole Read and Members of Council      **MEETING DATE:** December 12, 2017  
**FROM:** Chief Administrative Officer      **MEETING:** Special Council  
**SUBJECT:** Development Cost Charges Imposition Bylaw

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#### **EXECUTIVE SUMMARY:**

Development Cost Charges (DCCs) are levies collected to assist with funding infrastructure and parks required to service new development or growth. DCCs are a restricted funding source in that they can only be collected for certain types of projects, as set out in legislation, and can only be used for the projects included in the DCC Imposition Bylaw.

This DCC Imposition Bylaw ensures the levies reflect updated infrastructure plans, capital costs and development projections. Due to the extent of the amendment, approval by the Inspector of Municipalities is required, as is public and stakeholder consultation and input. The development of this bylaw further incorporates practices outlined in the DCC Best Practice Guide.

This Bylaw received first reading in July along with direction to proceed with stakeholder consultation. Staff welcomed input or feedback which was sought through the developer's forum, a meeting with the Urban Development Institute and a public open house with invitation both on our website and placed in the local newspaper.

Based on the conversations and comments received, the development community seems to understand DCCs and the cost drivers as well as the need for offsite infrastructure to service development, although no developer is fond of fees increasing. The two main concerns were:

- The timing of the effective date for the new rates and
- The impact of building area charges for larger multi-family units.

Regarding the timing of the rate increase, there is some protection for instream projects included in legislation outlining the circumstances when the previous bylaw rates would apply. In addition, this bylaw has seen a relatively long consultation process with the first reading of the bylaw in early July. An effective date of the bylaw would provide the development community with greater certainty. The effective date definition in the bylaw has been amended to be: "the later of March 14, 2018 or the date of adoption of this bylaw".

To address the concerns of multi-family DCCs changing to a building area basis from a unit basis, the proposed bylaw has been amended to include a maximum on the DCCs of multi-family units. This will prevent a large townhouse unit from paying more than a single family house. It would also limit the increase in DCCs for larger apartments.

In addition to our own DCCs there are regional changes in progress. The Greater Vancouver Sewer and Drainage District is amending their DCC bylaw with the proposed rates for our area tripling. TransLink is in the process of seeking legislative changes to permit the imposition of DCCs with desired implementation in 2020.

## RECOMMENDATION(S):

**That Bylaw No. 7320-2017 be given second and third readings and be sent to the Ministry of Community Services for review and approval by the Inspector of Municipalities.**

## DISCUSSION:

### a) Background Context:

When Council first considered the DCC Imposition Bylaw on July 11, 2017 background on the following items was provided:

- What are DCCs?
- Why is a bylaw update required?
- The process for bylaw update
- Bylaw structure
- Exemptions legislated
- Waivers/Reductions
- Additional development categories
- Proposed rate changes and comparison to other municipalities
- When will the rates be in effect?
- Park improvements
- Future DCC Imposition Bylaw amendments

Direction was also provided at that time as to what the consultation process would include. Staff welcomed input or feedback which was sought through the developer's forum, a meeting with the Urban Development Institute/GVHBC Liaison Committee and a public open house with invitation both on our website and placed in the local newspaper.

The rate changes vary by type of development and previous area basis. Appendix A illustrates the rates that are in effect currently compared to the proposed rates as well as our rates relative to other communities.

Based on the conversations and comments received, the development community seems to understand DCCs and the cost drivers as well as the need for offsite infrastructure to service development, although no developer is fond of fees increasing. The two main concerns were timing of the effective date for the new rates and the impact of building area charges for multifamily for large townhouses or apartments.

Regarding the timing of the rate increase, there is some protection for instream projects included in legislation with specific language around the timing and circumstances in which the previous bylaw rates would apply. In addition, this bylaw has seen a fairly long consultation process with the first reading of the bylaw in early July. An effective date of the bylaw provides the development community with greater certainty. One of the proposed changes to the bylaw is the addition of an effective. The effective date definition in the bylaw has been amended to be: "the later of March 14, 2018 or the date of adoption of this bylaw".

To address the concerns of multi-family rates changing to a building area basis from a unit basis, the proposed bylaw has been amended to include a maximum on the cost of multi-family units. This will prevent a large townhouse unit from paying more than a single family house. It would also limit the increase for larger apartments.

Refinements to the bylaw based on feedback from the Building Department include:

- adjustments to the definition of “Building Area” from “measured to the outer limits of the floor perimeter”, to “measured to the outside surface of exterior walls”,
- the basis for which Institutional rates for all service categories, except drainage, is proposed to change to “Building Area” from “hectare of gross site area”, and
- “Manager of Inspection Services” is being changed to “Chief Building Official, Permits & Inspection Services”.

Regional DCCs, for GVS&DD are in the process of increasing with an effective date of May 1, 2018. The proposed rates are tripling for our area with Single Family Residential units increasing from \$1,731 to \$5,428 and from \$0.811 to \$2.67 per sq. ft. for non-residential. At the regional consultation for these rate increases, the feedback was similar to concerns we heard that timing is the primary concern for developers. Trans Link is in the process of seeking legislative changes to permit the imposition of DCCs with desired implementation in 2020. Proposed rates are about \$2,100 for a single family unit and \$0.50 per sq. ft. for office or industrial and \$1.00 per sq. ft. for retail.

**b) Desired Outcome:**

DCCs that are aligned with the City’s plans for development and infrastructure, are certain, fair and equitable and, to the extent possible, align with the principle that the benefiter pays.

**c) Business Plan/Financial Implications:**

The long term capital program and the Financial Plan Bylaw were updated to reflect the current costs and future infrastructure needs and are in alignment with the calculations in the DCC Imposition Bylaw.

**d) Alternatives:**

There are several policy based decisions in the structure and calculation of this DCC Imposition Bylaw. If Council decides that any of the approaches should be revisited, the Bylaw and associated DCCs could be revised respecting the parameters and best practices and methodologies around the calculation of DCCs. This is not recommended as any significant changes at this point may result in a desire for additional stakeholder consultation.

The existing bylaw could be left unchanged which will result in the risk of not being able to collect sufficient DCCs to fund projects required due to the new development. This will put additional pressures on property taxes to cover these costs or the ability to install the infrastructure required to meet the demands of growth.

## CONCLUSIONS:

DCCs are one of the key funding sources to fund infrastructure required due to new construction or growth. Given the market appreciation of land values in the lower mainland and the fact that many of our strategic infrastructure plans have recently been updated, an update to the DCC Imposition Bylaw is required. The bylaw approval process and the structure of the bylaw reflect DCC Best Practices as outlined in the guide published by the Province.

“Original signed by Trevor Thompson”

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***Prepared by:*** Trevor Thompson  
Manager of Financial Planning

“Original signed by Christine Carter”

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***Approved by:*** Christine Carter  
Director of Planning

“Original signed by Stephen Cote-Rolvink”

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***Approved by:*** Stephen Cote-Rolvink  
Chief Building Official

“Original signed by David Pollock”

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***Approved by:*** David Pollock  
Municipal Engineer

“Original signed by David Boag”

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***Approved by:*** David Boag  
Director of Parks & Facilities

“Original signed by Frank Quinn”

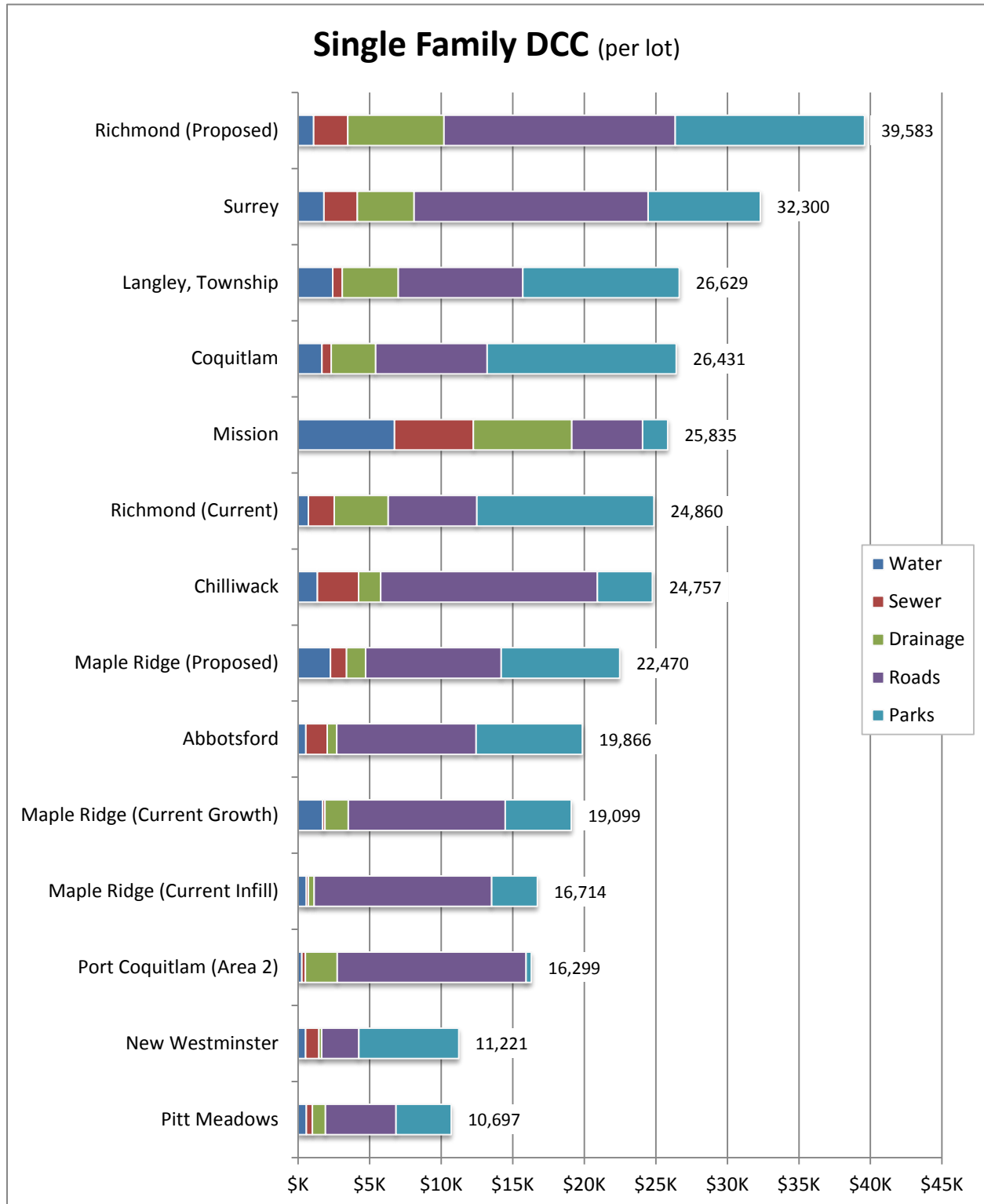
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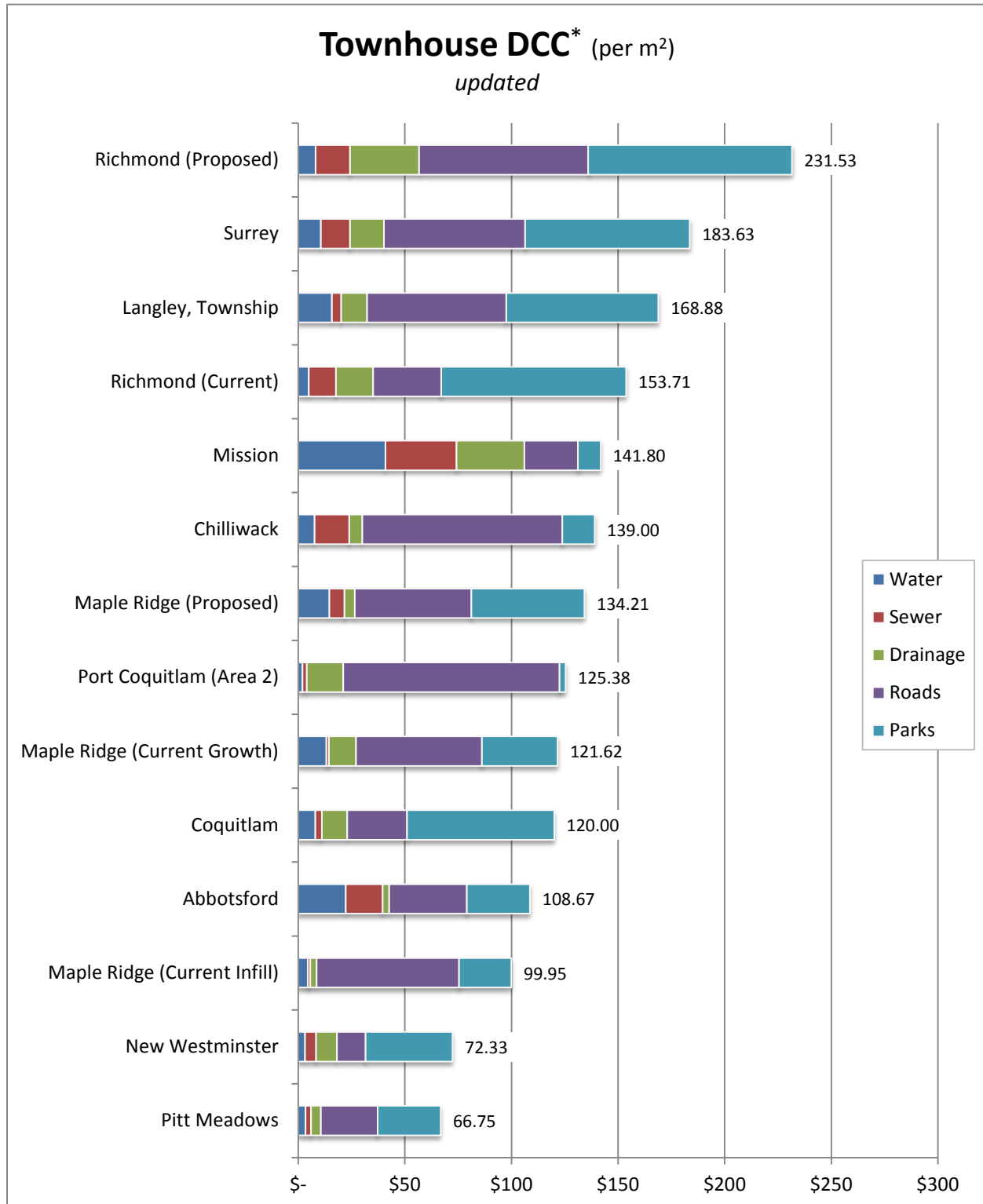
***Approved by:*** Frank Quinn  
General Manager, Public Works & Development

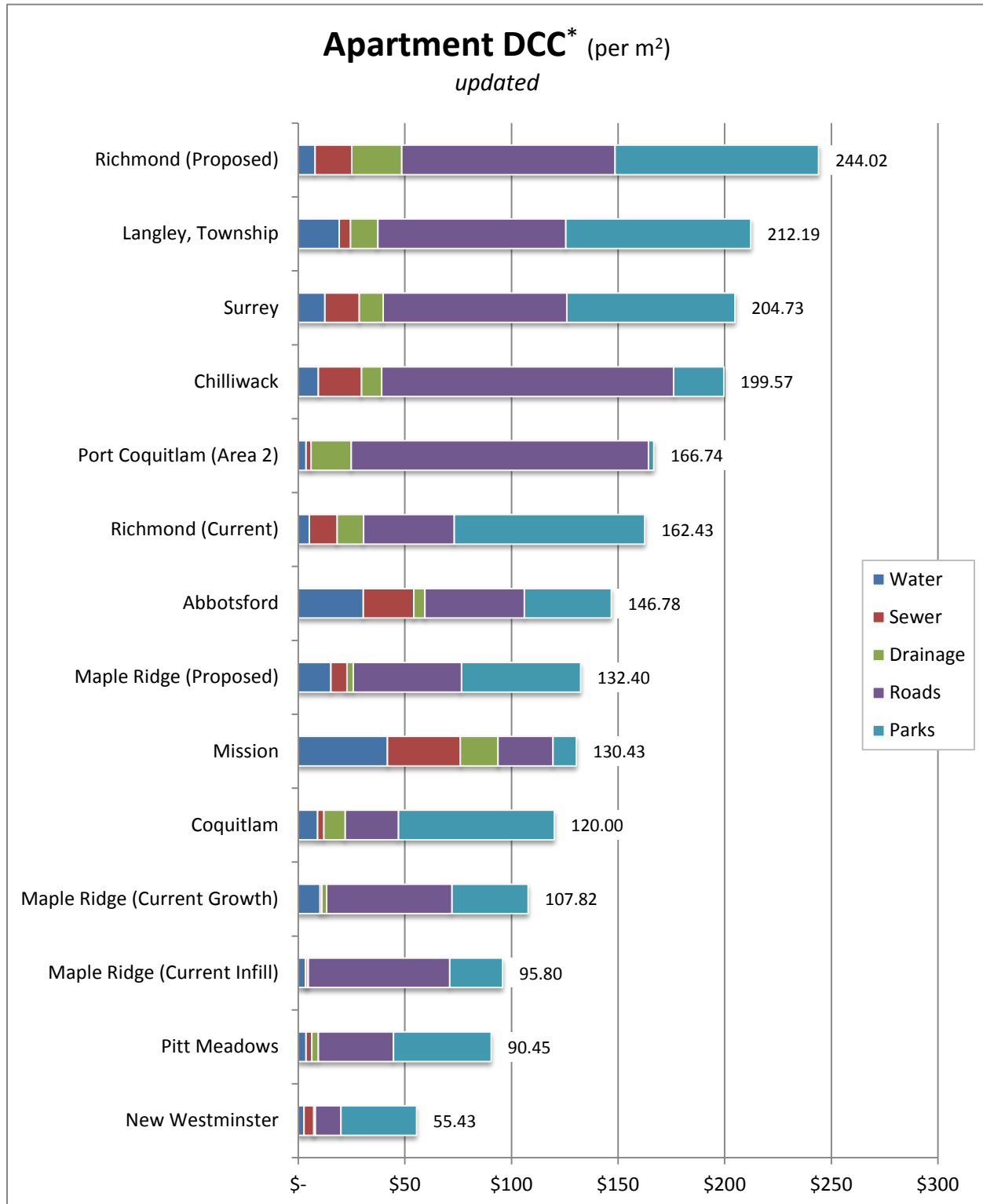
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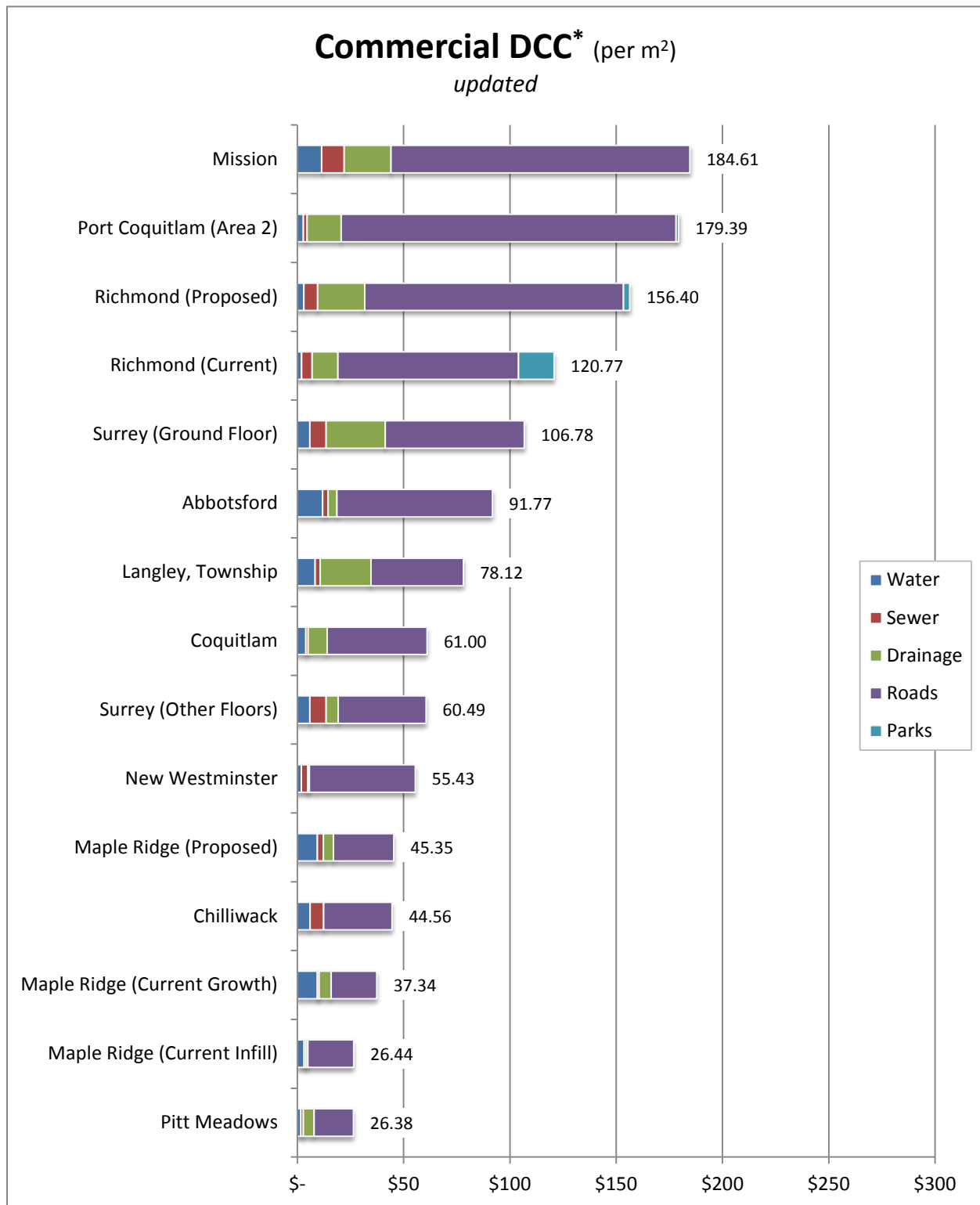
***Approved by:*** Paul Gill  
Chief Administrative Officer

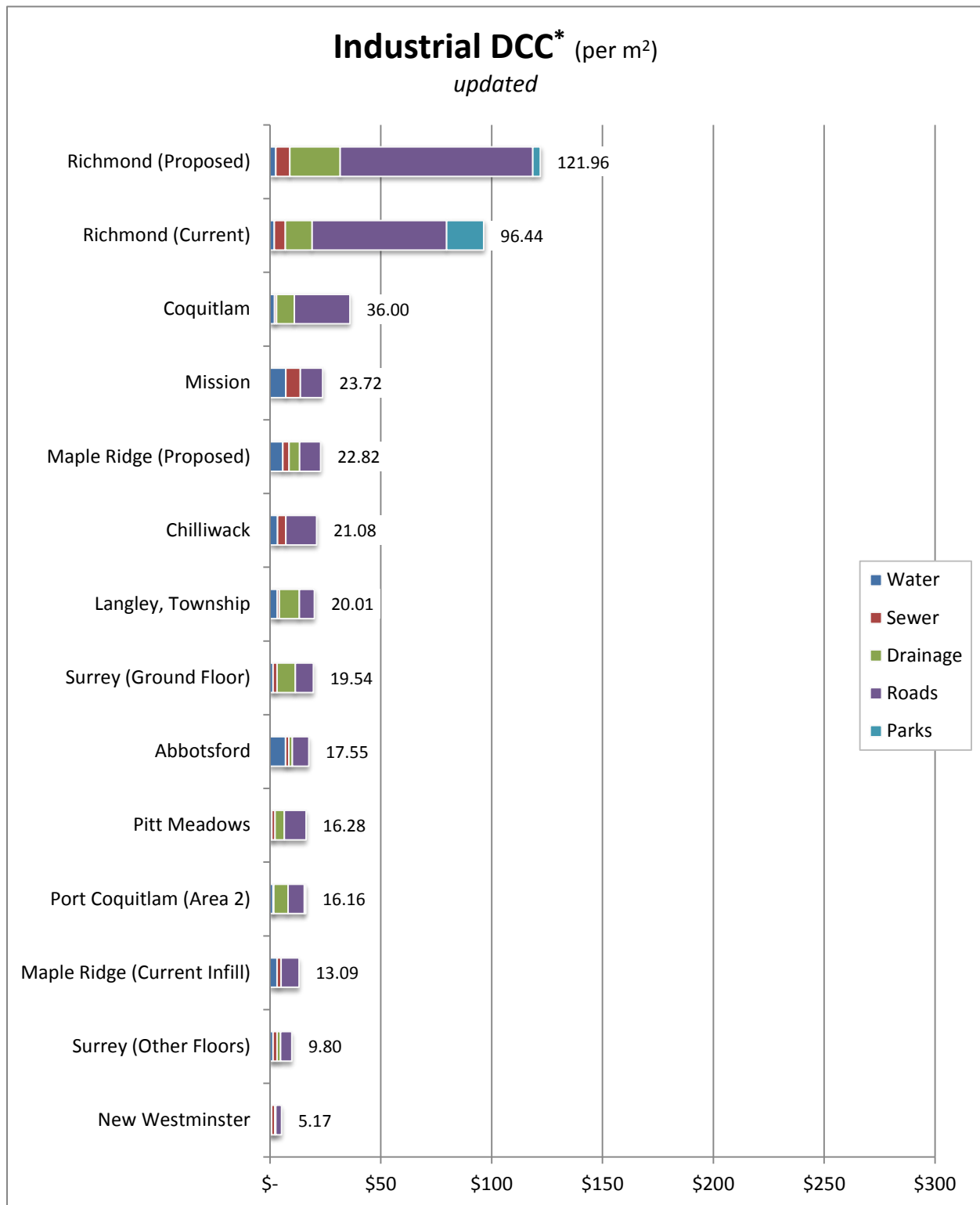


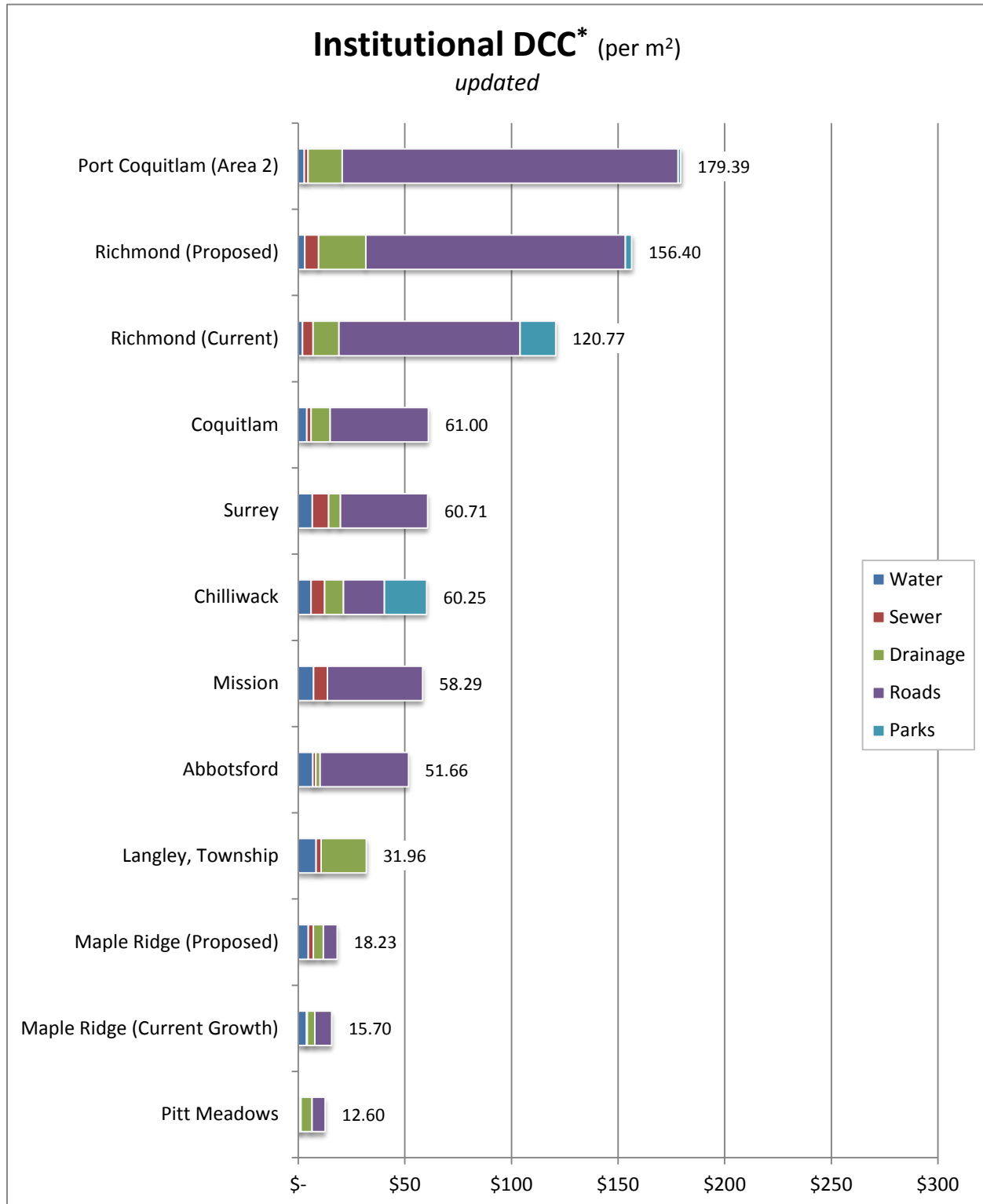












## CITY OF MAPLE RIDGE

### BYLAW NO. 7320-2017

#### A Bylaw to Impose Development Cost Charges

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**WHEREAS**, Council has considered future land use patterns and development, the phasing of works, services and provision of parkland described in the Official Community Plan, and how development designed to result in a low environment impact may affect the capital costs of infrastructure related to Development Cost Charges.

**AND WHEREAS**, Council does not consider the charges imposed by this bylaw:

- a. As excessive in relation to the capital cost of prevailing standards of service;
- b. Will deter development;
- c. Will discourage the construction of reasonably priced housing or the provision of reasonably priced serviced land in the city; or
- d. will discourage development designed to result in low environmental impact.

**NOW THEREFORE**, the Council of the City of Maple Ridge enacts as follows:

**1. Citation**

This Bylaw may be cited for all purposes as “**Maple Ridge Development Cost Charges Imposition Bylaw No. 7320-2017**”

**2. Definitions:**

For the purposes of this bylaw:

**Apartment** means a residential use where the building or buildings on a lot are each used for three or more dwelling units. It does not include Townhouse or Street Townhouse.

**Apartment – Affordable Rental below Market** – affordable means housing cost that is 30 per cent or less of household’s gross income and below market rental housing is housing with rents lower than average in private-market rental housing. For purposes of ensuring the units remain in this use for a minimum of 20 years a Housing Agreement or covenant on the property is required.

**Apartment – High Density** means apartments that are six storeys and above.

**Apartment – Not-for-Profit Rental below Market** means rental housing with rents not in excess of 80% of the average market rate for Maple Ridge as identified or reported in Canada Mortgage Housing Corporation’s most recent rental market survey. For purposes of ensuring the units remain in this use for a minimum of 20 years a Housing Agreement or covenant on the property is required.

**Apartment – Seniors Affordable Rental below Market** means Apartment Affordable below Market rental and seniors means an adult aged 55 or older. BC Housing programs, partners and housing providers may define a senior by a different age.

**Building Floor Area (BA)** means the total combined floor areas of all storeys, including all mezzanine floor areas, measured to the outer surface of the exterior walls, but

does not include any floor area used exclusively for parking. Except for Atriums or other open interconnected floor spaces, the total building floor area will include exit stairs, stair shafts, elevator shafts and all other vertical service spaces that may penetrate one or all of the floors.

**Building Permit** means permission or authorization in writing by the Chief Building Official, Permits and Inspection Services to perform building construction in accordance with applicable statutes and regulations.

**Commercial Development** means development of a parcel for commercial use as described in the Maple Ridge Zoning Bylaw or similar development that is of a commercial nature, including but not limited to uses such as accommodation, automotive, retail, food and beverage, entertainment, office, personal services, recreation, retail and the cultivation, processing, testing, packaging or shipping of marihuana.

**Duplex** means a two family residential use where the building lot is used for two dwelling units.

**Dwelling Unit (DU)** means one or more rooms used for the residential accommodation of only one family when such room or rooms contain or provide for the installation of only one set of cooking facilities.

**Gross Site Area** means the whole or portion of a parcel(s) to be improved as part of the development authorized by a building permit and includes all vehicular and pedestrian circulation areas, loading, parking, storage, works, decorative and landscaped areas appurtenant to the authorized development.

**Highway** means any street, road, land, trail, bridge, viaduct and any other way open to the use of the public.

**Housing Agreement** mean the owner enters into a lease agreement with a Public Housing Body by which the Public Housing Body agrees to sublet and operate the units for at least 20 years.

**Industrial Development** means “industrial use” as defined by Maple Ridge Zoning Bylaw.

**Institutional Development** means any development that is created and exists by law or public authority for the benefit of the public in general, and includes, but is not limited to, public hospitals, public and private schools and churches.

**Instream** is as defined under S.568 of the Local Government Act

**Lot** means additional lot(s) created at subdivision

**Parcel** means any lot, block, strata lot or other area in which land is held or into which land is subdivided, but does not include any portion of a highway.

**Precursor Application** is as defined under S.568 of the Local Government Act

**Public Housing Body** means the Canada Mortgage and Housing Corporation (CMHC), BC Housing Management Commission, and any housing society or non-for-profit municipal housing corporation that has an agreement regarding the operation of

residential property with the government of British Columbia, the BC Housing Management Commission or the CMHC.

**Single Family Residential** means a residential use where the building lot is used for one dwelling unit and other uses as permitted.

**Social Housing** means apartments that have a government or non-profit housing partner that owns and operates them.

**Street Townhouse** means one dwelling unit vertically attached to one or more dwelling units (i.e. triplex or fourplex) with each dwelling unit located on a lot abutting a street. For the purposes of this bylaw, it does not include a Duplex.

**Subdivision** means the division of land into two or more parcels, whether by plan or by metes and bounds description or otherwise, and includes a plan consolidating two or more parcels into a fewer number of parcels.

**Townhouse** means a single building comprised of three or more dwelling units separated one from another by party walls extending from foundation to roof, with each dwelling unit having a separate, direct entrance from grade and does not include Street Townhouse.

**Unit** means additional unit(s) built in support of a building permit.

### **3. Payment of Development Costs Charges**

Every person who obtains approval of a subdivision of a parcel or a building permit must pay Development Cost Charges in accordance with Schedule "A".

For a combined land use development, the Development Cost Charge is calculated as the sum of the Development Cost Charges for all uses.

The Development Cost Charges imposed must be paid:

- a. In the case of the subdivision of a parcel, at the time the subdivision is approved; and
- b. In the case of obtaining a building permit, at the time the building permit is issued.

### **4. Exemptions**

Pursuant to the Local Government Act and subject to regulations by the minister under S.561(11), a Development Cost Charge is not payable if any of the following applies in relation to a development::

- a. the building permit is for a place of worship that will be exempt from taxation under the Community Charter;
- b. the value of the work authorized by the building permit does not exceed \$50,000;
- c. the dwelling unit is no larger than 29 square meters;
- d. the development does not impose new capital cost burdens on the municipality;
- e. the Development Cost Charge has previously been paid for the same development unless, as a result of further development, new capital cost burdens will be imposed on the City.

Pursuant to S.561(6) of the Local Government Act, a Development Cost Charge is payable for work that will, after the construction, alteration or extension, contain fewer than 4 self-contained dwelling units.

**5. Severability**

If any portion of this bylaw is found invalid by a court, that portion be severed and the remainder of the bylaw will remain in effect.

**6. Effective Date**

This bylaw will come into force on the later of March 14, 2018 and the date it is adopted by Council.

**7. Repeal**

Maple Ridge Development Cost Charge Imposition Bylaw No.6462-2007, and all the amendments thereto, is hereby repealed except in the case of:

- a. Precursor applications for subdivision of land that are instream on the effective date and which are completed within one year of the effective date; and
- b. Precursor applications for building permits that are instream on the effective date and which are issuable within one year of the effective date, in which case, Maple Ridge Development Cost Charge Imposition Bylaw No.6462-2007, and all the amendments thereto, shall apply. Maple Ridge Development Cost Charge Imposition Bylaw No. 6462-2007, shall be wholly repealed one year from the effective date.

**8. Schedules**

Schedule "A" attached hereto form part of this bylaw.

**READ** a first time the 11<sup>th</sup> day of July, 2017.

**READ** a second time the \_\_\_\_ day of \_\_\_\_\_ 2017.

**READ** a third time the \_\_\_\_ day of \_\_\_\_\_ 2017.

**APPROVED BY THE INSPECTOR OF MUNICIPALITIES** the \_\_\_\_ day of \_\_\_\_\_ 20

**ADOPTED**, the \_\_\_\_ day of \_\_\_\_\_ 20

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PRESIDING MEMBER

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CORPORATE OFFICER

**SCHEDULE "A" to BYLAW NO. 7320-2017**  
**DEVELOPMENT COST CHARGES**

**Single Family Residential**

*per additional lot*

**Duplex**

*per additional dwelling unit*

Servicing Type	
Road	\$9,483
Drainage	1,329
Water	2,268
Sanitary Sewer	1,119
Open Space	8,272
<b>Total</b>	<b>\$22,471</b>

**Townhouse \***

*per m<sup>2</sup> of BA*

Servicing Type	
Road	\$54.71
Drainage	4.77
Water	14.54
Sanitary Sewer	7.17
Open Space	53.02
<b>Total</b>	<b>\$134.21</b>

**Street Townhouse \***

*per m<sup>2</sup> of BA*

Servicing Type	
Road	\$43.77
Drainage	3.18
Water	14.54
Sanitary Sewer	7.17
Open Space	53.02
<b>Total</b>	<b>\$121.68</b>

**Apartment**

*per m<sup>2</sup> of BA*

Servicing Type	
Road	\$50.80
Drainage	2.95
Water	15.30
Sanitary Sewer	7.55
Open Space	55.80
<b>Total</b>	<b>\$132.40</b>



**SCHEDULE "A" to BYLAW NO. 7320-2017**  
**DEVELOPMENT COST CHARGES**

**Apartment High Density**

(6 Storey and above)

<u>Servicing Type</u>	<i>per m<sup>2</sup> of BA</i>
Road	\$38.10
Drainage	1.11
Water	13.50
Sanitary Sewer	6.66
Open Space	49.24
<b>Total</b>	<b>\$108.61</b>

**Apartment - Affordable Rental Below Market**

<u>Servicing Type</u>	<i>per m<sup>2</sup> of BA</i>
Road	\$38.10
Drainage	2.95
Water	15.30
Sanitary Sewer	7.55
Open Space	55.80
<b>Total</b>	<b>\$119.70</b>

**Apartment - Social Housing, Non-for-Profit Rental Below Market**  
**or Affordable Rental-Seniors**

<u>Servicing Type</u>	<i>per m<sup>2</sup> of BA</i>
Road	\$9.31
Drainage	2.95
Water	9.90
Sanitary Sewer	4.89
Open Space	21.66
<b>Total</b>	<b>\$48.71</b>

**SCHEDULE "A" to BYLAW NO. 7320-2017**  
**DEVELOPMENT COST CHARGES**

<b>Commercial</b>	<b>First Floor</b>	<b>Additional Floors</b>
<u>Servicing Type</u>	<i>per m<sup>2</sup> of BA</i>	<i>per m<sup>2</sup> of BA</i>
Road	\$28.45	\$14.23
Water	9.45	4.73
Sanitary Sewer	2.80	1.40
Open Space	0.00	0.00
Drainage	4.65	0.00
<b>Total</b>	<b>\$45.35</b>	<b>\$20.36</b>

<b>Institutional</b>	<b>Non-Municipal</b>	<b>Municipal</b>
<u>Servicing Type</u>	<i>per m<sup>2</sup> of BA</i>	
Road	\$6.52	\$0
Water	4.73	0
Sanitary Sewer	2.33	0
Open Space	0	0
Plus	<i>per ha. of gross site area</i>	
Drainage	18,604	0

<b>Industrial</b>	
<u>Servicing Type</u>	<i>per m<sup>2</sup> of BA</i>
Road	\$9.48
Water	5.79
Sanitary Sewer	2.86
Open Space	0.00
Drainage	4.70
	<b>\$22.83</b>

Development in certain areas outside the urban boundary, due to the rural development standards, may not have certain services types (Drainage, Water, Sewer) available. DCCs will only be charged for services that are available or will become available in the future.

\* Townhouse DCCs are subject to a maximum of the number of units multiplied by \$20,000.

\*\*Apartment DCCs are subject to a maximum of the number of units multiplied by \$14,000.