



AGENDA

PUBLIC WORKS AND ENGINEERING COMMITTEE MEETING

June 14, 2017, 4:30 PM

Board Room, Service and Resource Centre,
411 Dunsmuir Street, Nanaimo, BC

Pages

1. **CALL THE MEETING OF THE PUBLIC WORKS AND ENGINEERING COMMITTEE TO ORDER:**
2. **INTRODUCTION OF LATE ITEMS:**
3. **ADOPTION OF AGENDA:**
4. **ADOPTION OF MINUTES:**

a. **Minutes**

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Minutes of the Public Works and Engineering Committee Meeting held 2017-MAY-10 at 4:30 p.m. in the Board Room, Service and Resource Centre, 411 Dunsmuir Street, Nanaimo, BC.

5. **PRESENTATIONS:**

a. **Meeting Procedures**

Sheila Gurrie, Corporate Officer, to provide a presentation regarding meeting procedures.

6. **REPORTS:**

a. **Development Cost Charge Bylaw**

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Purpose: To update the Public Works and Engineering Committee regarding the status of the current development cost charge review and to introduce the draft rates and framework for a new bylaw.

Presentation:

1. Dale Lindsay, Director of Community Development, to provide a presentation regarding Development Cost Charge Bylaw.

Recommendation: That the Public Works and Engineering Committee support, in principle, the framework for a new Development Cost Charge Bylaw as outlined in the report titled Development Cost Charge Bylaw, dated 2017-JUN-14.

7. OTHER BUSINESS:

a. Public Works and Engineering Committee 2017 Initiatives

Public Works and Engineering Committee to discuss and outline committee initiatives for 2017, to be put forward to Council.

8. QUESTION PERIOD:

9. ADJOURNMENT:

MINUTES
PUBLIC WORKS AND ENGINEERING MEETING
BOARD ROOM, SERVICE AND RESOURCE CENTRE
411 DUNSMUIR STREET, NANAIMO, BC
WEDNESDAY, 2017-MAY-10, AT 4:30 P.M.

PRESENT: Councillor J. Hong, Chair

Members: Councillor J. A. Kipp
Leon Cake
Mike Donnelly
Mike Herold
Mike Leach (entered 4:32 p.m.)
Russ Irish
Will Milligan
Wally Wells

Absent: Councillor W. L. Bestwick
B. Dashti

Staff: B. McRae, Chief Operations Officer
J. Elliot, Senior Manager of Public Works
P. Rosen, Senior Manager Engineering
S. Griffin, Steno
J. Vanderhoef, Recording Secretary

1. CALL THE PUBLIC WORKS AND ENGINEERING COMMITTEE MEETING TO ORDER:

The Public Works and Engineering Meeting was called to order at 4:30 p.m.

2. INTRODUCTION OF LATE ITEMS

- (a) Mike Herold advised that he would be bringing forward an item under Agenda Item 7 - Other Business, regarding discussion about roundabouts and the sprinkler bylaw.

3. ADOPTION OF AGENDA:

It was moved and seconded that the Agenda, as amended, be adopted. The motion carried unanimously.

M. Leach entered the Boardroom at 4:32 p.m.

4. ADOPTION OF MINUTES:

It was moved and seconded that the Minutes of the Regular Meeting of the Public Works and Engineering Committee held in the Service and Resource Centre, 411 Dunsmuir Street, Nanaimo, BC, on Wednesday, 2017-APR-12 at 4:30 p.m. be adopted as circulated. The motion carried unanimously.

5. PRESENTATIONS:

(a) Structure and Overview of Engineering Group

Poul Rosen, Senior Manager Engineering, provided an update on the Structure and Overview of the Engineering Group.

It was moved and seconded that the Public Works and Engineering Committee receive the presentation from Poul Rosen, Senior Manager Engineering, regarding the structure and overview of the Engineering Group. The motion carried unanimously.

Councillor Kipp requested that links to presentations be referenced in the minutes.

(b) Structure and Overview of Public Works

John Elliot, Senior Manager of Public Works, provided an update on the Structure and Overview of Public Works.

It was moved and seconded that the Public Works and Engineering Committee receive the presentation from John Elliot, Senior Manager of Public works, regarding the structure and overview of Public Works. The motion carried unanimously.

6. REPORTS:

(a) Terms of Reference

It was moved and seconded that Public Works and Engineering Committee adopt the Terms of Reference as provided in the agenda dated 2017-MAY-10. The motion carried unanimously.

7. OTHER BUSINESS:

(a) Public Works and Engineering Committee 2017 Initiatives

It was moved and seconded that the Public Works and Engineering Committee defer the Public Works and Engineering Committee 2017 Initiatives to the next scheduled meeting on 2017-JUN-14. The motion carried unanimously.

[Note: due to time constraints the following items will be deferred to the next Public Works and Engineering Committee to be held 2017-JUN-14.

- Discussion Regarding Roundabouts; and,
- Discussion Regarding Sprinkler Bylaw.]

9. ADJOURNMENT:

It was moved and seconded at 6:54 p.m. that the meeting terminate. The motion carried unanimously.

CHAIR

CERTIFIED CORRECT:

CORPORATE OFFICER

DATE OF MEETING June 14, 2017

AUTHORED BY DALE LINDSAY, DIRECTOR, COMMUNITY DEVELOPMENT

SUBJECT DEVELOPMENT COST CHARGE BYLAW

OVERVIEW

Purpose of Report

To update the Public Works and Engineering Committee regarding the status of the current development cost charge review and to introduce the draft rates and framework for a new bylaw.

Recommendation

That the Public Works and Engineering Committee support, in principle, the framework for a new Development Cost Charge Bylaw as outlined in the report.

BACKGROUND

The City of Nanaimo first introduced development cost charges (DCCs) in 1982 in order to allow for the collection of monies to assist with the cost of infrastructure required for new growth. The current DCC bylaws were implemented on 2009-MAR-11. These bylaws currently require the payment of fees for new development, which is deemed to result in a capital cost burden on the community's infrastructure. The current bylaws collect DCCs for six categories: roads, sewer, storm, water distribution, water supply, and parks. For each category, bylaw rates are established based on the proposed use. As per the legislation, DCCs can be collected at subdivision or at building permit stage. The present bylaws require a single family DCC payment for the subdivision of most single dwelling residential land with the remaining charges applicable upon the issuance of a building permit for commercial, institutional, industrial, and multi-family use.

In order to assist with the review and development of a new DCC bylaw, an internal DCC Steering Committee comprised of staff from Engineering and Public Works, Finance, Community Planning, and Parks was established. The committee has now completed the work required in order to establish the framework for a new DCC bylaw including:

- projecting the types and amount of new development contemplated for the next 25 years,
- identification of the level of service and associated new projects and/or upgrades required to support this anticipated growth, and
- equitably distributing the cost of infrastructure improvements between existing taxpayers and new development (benefitting factor).

Further information with respect to this work and the associated framework for a new DCC bylaw is available on the City Website (<http://www.nanaimo.ca/EN/main/municipal/public-engagement>).

DISCUSSION

The draft framework prepared by staff maintains payment triggers for the same infrastructure categories as in the existing bylaws with the general triggers for payment (subdivision or building permit). In addition to revised rates, the proposed DCC framework includes the following substantive changes over the existing bylaws.

Varied Roads DCCs Based on Location

The current Official Community Plan, Transportation Master Plan and the Community Sustainability Action Plan all recognize that future residential development in the community should be concentrated in and around the established urban nodes. These combined policies are intended to better utilize the existing infrastructure and to encourage mixed-use walkable communities that can support alternative transit. With the exception of the downtown core, the existing roads DCC bylaw does not reflect these policy goals nor does the bylaw differentiate between developments within a designated growth node versus development elsewhere in the community. In order to address this issue, the draft DCC framework anticipates the establishment of different multi-family roads DCC rates based on the location of the development. The proposal is to create four areas, with different DCC rates in each area in order to better reflect the capital cost burden of development, with lowest rates in the established mixed-use urban nodes.

New Approach to the Collection of Storm Water DCCs

At present, the current DCC storm water bylaw establishes a rate for each square meter of floor area for a proposed use. As such, a one-storey building with 1,000m² of floor area pays the same rate as a 10-storey building with the same floor area, despite the fact the taller building covers less ground and results in less impervious surface. In order to address this issue, the new DCC framework proposes to collect storm water DCCs based on the footprint of the building.

New Category for Small Lot Development

Since the implementation of the existing DCC bylaws in 2009, amendments have been made to the City's Zoning Bylaw with respect to the development of small lots and the addition of a new housing form - row housing. At present, the DCC bylaws have a single rate for a single family lot regardless of the size of the property. The draft DCC framework is proposing a new category of DCC be established with a rate reflective of the capital cost burden created by a smaller property. For the purposes of the new bylaw, small lot is suggested to include a lot less than 370m² or a row housing lot.

Introduction of DCCs in Downtown

As noted above, current DCC bylaws do not apply to development within the downtown. The DCC framework is proposing to no longer exempt the downtown core, but instead move towards a model which also recognizes the other urban nodes in the community. Roads / transportation DCCs are proposed to be the lowest in the downtown core as new development in this area is anticipated to have a lower capital cost burden.

Assist Factor

The *Local Government Act* states that the purpose of DCCs is to assist local governments in paying the cost of new infrastructure required for growth. As such, the legislation requires that 100% of the cost cannot be charged to new development and that the local government must establish an “assist factor”. There is no regulation on the level of assistance required. The existing DCC bylaws were established with the minimum assist factor of 1% for all infrastructure types with the exception of water supply which has a 25% assist factor. The proposed DCC framework has been drafted anticipating that the assist rates will remain unchanged.

Ultimately, the assist factor reflects Council’s desire to encourage development and, as noted in the *Best Practices Guide*, is largely a political decision. If DCC rates are considered to be too high, Council could adjust the rates to one or more infrastructure types by increasing the assist factor. While such an increase would reduce DCC rates, project balances would need to be funded through general revenue and as such put further pressure on taxation and/or user rates.

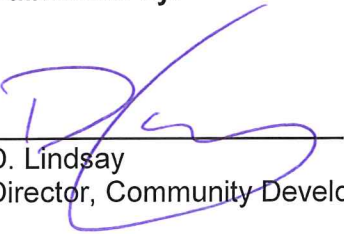
OPTIONS

1. That the Public Works and Engineering Committee support, in principle, the framework for a new Development Cost Charge Bylaw as outlined in the report.

SUMMARY POINTS

- The DCC steering committee has completed the work necessary to establish the framework for a new DCC bylaw.
- A proposed framework including projected DCC rates have been established.

Submitted by:



D. Lindsay
Director, Community Development