



City of Surrey

Development Advisory Committee

Meeting Notes for January 26, 2006

File: 360-20 (DAC)
Date: January 26, 2006
Time: 2:30 PM
Location: Planning Room #1,
Surrey City Hall

Attendees:

Council Liaison:

Councillor Marvin Hunt

Councillors:

Members:

Andy Aadmi
Norm Coultie
Raghibir Gurm
Avtar Johl
Bill Kruger
Steve Kurrein
Greg Sewell
Kevin Shoemaker
Ben Taddei

City Staff:

Murray Dinwoodie (Planning and Development)
Nicholas Lai (Planning and Development)
Judy McLeod (Planning and Development)
Carrie Baron (Engineering)
Vincent Lalonde (Engineering)
Jeff Arason (Engineering)
Adrian Kopystynski (Planning and Development)

Consultant:

Rachel Jones

1. Review of Market Conditions

The following is a summary of some of the matters discussed:

- Raghibir Gurm commented that the market is very interesting. He described properties being removed from the market and re-listed at higher prices, after offers had been made in excess of the original asking price. He noted that land prices are expected to rise and noted that some RF lots are being sold at a price of \$360,000;
- Ben Taddei advised lot prices continue to rise. Good product absorption is expected over 2006, and demand will likely be fuelled by in-migration;
- Bill Kruger advised that some expected client activity did not materialize. Financing for clients is become a challenge because of the steadily rising land and construction prices. One example from Victoria was cited that a developer returned deposits to buyers and did not proceed with a development project due to inflation in construction costs eliminating the profit margin on the project. Others noted knowledge of at least one additional similar occurrence;
- Ben Taddei commented about reducing a developer's risk as tied to pre-marketing and conditional approval (e.g. Third Reading);
- Norm Coultie commented that sales are up, construction costs are up, however final products are less and less affordable to typical buyers, and sales are more complicated due to difficult sites, longer and more detailed reviews and approvals;
- Kevin Shoemaker agreed with comments regarding the rise in land prices. He also advised that inexperienced developers buy lands at prices too high and are eliminating the more seasoned developers from the market. He also concerns about declining quality of final products due to a combination of factors, including the rapid pace of construction and lack of experienced tradesmen;

- Greg Sewell advised he detected reluctance by the more experienced developers to acquire land at current prices for development. He commented about the effects of the greater asking prices by owners and high initial servicing cost to open up new areas. He concluded that land supply might become an issue;
- Avtar Johl advised that the multiple family sector is still strong. There is some reduction in the amount of product, but not enough to affect prices;
- Steve Kurrein commented that he is less bullish about the market due to a number of factors, such as: a potential out migration from the GVRD. He also questioned the feasibility of marketing lands at the excessive asking prices and continuing rise in land costs;
- Andy Aadmi commented about the availability of more reasonably priced lands for development in some parts of Vancouver;
- Murray distributed the monthly lot creation and building permit statistics for the City, commenting on some of the trends as they related to land supply.

2. Riparian Area Setbacks Pilot Project (Carrie Barron and Nicholas Lai)

Following a presentation by Carrie Barron about the implementation of the Riparian Area Regulations (RAR) in Surrey, there followed a discussion. Some of the comments made include the following:

- Issues that may influence the required setbacks along creeks include the location of the top of bank, flood risk requirements, geo-technical considerations and fisheries considerations;
- Considerations during construction include temporary roads, ditches in habitat areas and disturbance in setback areas associated with construction processes and what approvals may be necessary;
- Habitat Alteration or Destruction Approvals under Fisheries regulation are necessary in some circumstances;
- Effects of tree cover and the quality of the vegetation in the vicinity of riparian areas has an effect on setback requirements under RAR;
- The role of qualified consultants was discussed in the context of the preparing and filing of the required reports under RAR;
- Use of back yards located within protective fenced areas; and
- Implementation of the new RAR regulations for in-stream applications: Some of the changes might be beneficial to some development proposals. Therefore, the process the members favoured was for in-stream application to proceed with the developer having the option of using either the existing or the new regulations. The new regulations would apply to application submitted to the City following approval of the new regulations.

The presentation slides were posted on the Surrey ftp site (<ftp.surrey.ca>) for further review by committee members. Alternatively, the presentation may be requested in hard print or by fax by calling Adrian Kopystynski at 604 591 4485.

Action: Members are asked to direct any additional comments to Carrie Barron at their earliest convenience.

3. New Development Cost Charge Rates (Vince Lalond)

Vince Lalonde presented the current and proposed DCC rates to be recommended to Council. He explained the background concerning how the charges for services are determined and applied to various development categories. Vince handed out a draft of the proposed DCC rates for the various zones and requested that the DAC members review the rates and provide feedback to him. He also noted that a report on the new rates would be presented to Council in February seeking Council approval to proceed with a formal public consultation process.

Action: This item will be considered further at the next DAC meeting.

4. Industrial Land Supply (Bob Laurie)

This item was deferred to the next meeting.

5. City Website

Suggestions about updating the City Website can be forwarded to Adrian Kopystynski, for consideration at future DAC meetings.

6. Future Agenda Items

- Discussion regarding Building Schemes.

Other suggestions for agenda items can be directed to the Adrian Kopystynski at the Planning and Development Department.

7. Other Business

No items were raised under other business.

8. Next Meeting and Adjournment

The next Committee meeting is scheduled on Thursday, February 23, 2006.

The meeting was adjourned at 5:00 p.m.