



City of Surrey
Development Advisory Committee
Meeting Notes for March 23, 2006

File: 360-20 (DAC)
Date: March 23, 2006
Time: 2:30 PM
Location: Planning Room #1,
Surrey City Hall

Attendees:

Council Liaison:

Councillor Marvin Hunt

Councillors:

Members:

Andy Aadmi
Scott Baldwin
Norm Coultie
Jake Friesen
Raghbir Gurm
Bill Kruger
Matt Nugent
James Patillo
Jas Sandhu
Greg Sewell

City Staff:

Murray Dinwoodie (Planning and Development)
Nicholas Lai (Planning and Development)
John McKenzie (Planning and Development)
Remi Dube (Engineering)
Vincent Lalonde (Engineering)
Dave Mihalech (Engineering)
Adrian Kopystynski (Planning and Development)

1. Review of Market Conditions

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

- Greg Sewell advised that his firm is seeing many new applications, probably being driven to be submitted before the impending DCC increases.
- Andy Aadmi commented the market remains strong, however the condominium market in Vancouver is showing evidence of a decline.
- Raghbir Gurm advised that the market “is getting even hotter,” with certain products still increasing in prices, and others have peaked and are not moving as well as in previous months.
- Bill Kruger advised that the profit of developers is becoming marginal; and at some cases developers are at “the break even point.”
- There was a discussion about future population growth in the region and the expectation that Surrey will continue to absorb about 20 – 20% of that growth, about 3 – 4,000 dwelling units per year. The discussion continued about the amount of multiple family housing in Surrey in the future, the sufficiency of the NCP area land supply, and land that may become available through redevelopment.
- Scot Baldwin advised that the multiple residential market is strong and that construction costs and City development fees are making the price of housing less affordable.
- There followed a discussion about how affordability could be improved. MD noted the City has a “Home Ownership Program” allowing some first time buyers to secure a mortgage-like grant from the City. The homelessness issue and ongoing efforts such as the task force established by the Mayor’s Office was also discussed.
- Recent reports were noted that the average price of housing in Surrey is around \$500,000. therefore there is a necessity for two household incomes to accommodate the resulting mortgage.

- Jake Friesen commented that the market is good and remains strong. He also noted that there is some flipping of raw land, but not as much of housing product. Raghbir Gurm noted multiple family lands are also being flipped.
- Bill Kruger advised business is busy; clients are having difficulty to find lands that make economic sense to develop.
- Jas Sandhu indicated that the demand is high for investment property in practically all categories. Industrial prices are appreciating; compared to recent years, retail space is not readily available; and there is strong development interest in Whalley/Surrey City Centre. The rise in construction costs is a concern.
- Norm Couttie commented about the current paradox of low interest rates and a good market versus a tight land supply, shortage in trades and increasing construction cost. He commented that it is hard to see the buyer continuing to accept higher and higher prices for final products. The market is still trying to satisfy pent up demand for housing.
- Murray Dinwoodie distributed the monthly lot creation and building permit statistics for the City. He commented staff is at capacity and more hiring is need to keep up with applications being submitted to the City.

2. Erosion and Sedimentation Control By-law (Remi Dube)

Remi Dube made a presentation on the status of reviewing this by-law, how staff addressed some of the concerns and suggestions raised by DAC at previous meetings (e.g. securities, water sampling, water clarity standards and education), and the next steps to be undertaken. He also showed water samples corresponding to various levels of sedimentation.

In the discussion that followed, some of the point made included:

- A review of the methodology used respecting the visual assessment siltation control measures and resulting siltation, monitoring of sites and the contributing factors for sites failing to maintain a good benchmark.
- The efforts in Langley and Abbotsford.
- Shifting sign off on siltation control matters from the developer to the building.
- Contracting out the monitoring of siltation control to an inspection service to obtain economies of scale.

***Action:** Matt Nugent, representing UDI, requested a copy of the presentation materials and Engineering was asked for a status report once the draft by-law was completed and before it would be forwarded to Council.*

3. Sales of City Lands (Dave Mihalech)

Dave Mihalech described the practices used by the City to sell City lands. He trace part of this process back to a 1999 Council decision to sell surplus City lands to generate revenue. The two main benefits of this process include revenues of about \$150,000,000 over the last 5 years and opening up a significant amount of industrial land for development. He commented that the Local Government Act enables public offerings (the preferred City practice) and sale to adjacent owners in sale of lands. The City has a full range of realty services.

In the discussion that followed some of the matters raised included these:

- Advertising practices, placing ads in various newspapers and referrals through UDI, NAOP and other association.
- The City role as realtor and broker.
- Making City land more attractive and valuable by undertaking pre-servicing, environmental enhancement, heritage protection and pre-zoning.
- Possible future sale of detention pond sites no longer required and not serving a park function.
- In some instances, the strategy has been not to pre-zone lands, and have developers make applications and provide necessary requirement.

4. Report from Subcommittee on Building Schemes (Nicholas Lai & Jake Friesen)

This was deferred to the next meeting.

5. Update on DCC Changes (Vince LaLonde)

Vince LaLonde expressed appreciation for the thoughtful suggestions made by members of DAC. He further commented that the consultation process for DCC changes in the future would begin sooner and include a wider number of development interest groups.

Among the comments made in the brief discussion that followed was a suggestion by Norm Couttie to consider updating some engineering standards to reduce some DCC costs.

6. Other Business, Next Meeting & Adjournment

Murray Dinwoodie requested any suggestions about the City web site or items for the next agenda be forwarded directly to Adrian Kopystynski.

The next meeting is scheduled for Thursday, April 20, 2006.

The meeting ended at 4:45 p.m.