

MINUTES

Development Advisory Committee

File: 360-20 (DAC)
Date: November 26,
2015
Time: 2:30 p.m.
Location: 3W Meeting Room
A, Surrey City Hall

Members:

Clarence Arychuk
Ted Dawson
Jeff Fisher
Steve Forrest
Dwight Heintz
Adrien Herberts
Nathan Hildebrand
Roger Jawanda
Ross Moore
Mark Sakai
Charan Sethi
Kevin Shoemaker

City Staff:

Jeff Arason
Jaime Boan
Owen Croy
Megan Fitzgerald
Laura Hardiman
Markus Kischnick
Jean Lamontagne
Sam Lau
Don Luymes
Mehran Nazeman
Judith Robertson
Fraser Smith
Ted Urich

Regrets:

Fay Keng Wong

1. Previous Minutes

The notes of the October 22, 2015 meeting were accepted as distributed.

2. Parking Update: Requirements for Specific Land Uses (Philip Bellefontaine, Transportation Planning Manager; Megan Fitzgerald, Transportation Planner)

- Megan Fitzgerald provided an update on potential updates to parking rates in Part 5 “Off-Street Parking and Loading/Unloading” of the Zoning By-law. A copy of her presentation is attached.
- This is a joint Planning-Engineering review.
- At the September 24, 2015 DAC meeting, Transportation Engineering presented the scope of the current parking review and potential changes to parking dimensions. At the October 22, 2015 DAC meeting, Transportation Engineering presented on land uses that are being considered for deletion in Part 5.C. “Required Off-Street Parking Spaces” of the Zoning By-law in an effort to streamline the parking section of the Zoning By-law. Today’s presentation focuses on potential amendments to minimum parking rates for select land uses, that staff will be taking to Council in 2016. A summary of proposed changes will also go to the Transportation and Infrastructure Committee (TIC) on December 9, 2015.
- As a reminder, the primary focus of this round of updates is housekeeping edits and updates for parking facilities. Over the last few months Planning and Engineering staff have been going through the current requirements and looking at cleaning up the text, by introducing new definitions where needed, simplifying language to improve clarify, and deleting or combining redundant land use categories.
- The changes that will be brought forward to Council in early 2016 will help set the stage for future updates, including future discussions around transit supportive development and LRT. There are also at least half a dozen land uses that City staff are still in the process of reviewing, and so Transportation Engineering will come back to DAC in Spring 2016 as part of an ongoing conversation.

- Minor Proposed Changes. Staff are considering recommending changes to minimum parking rates for land uses. There is an opportunity to adjust minimum parking rates either by:
 - a) simplifying “cumulative” requirements (which would result in a slight decrease in the number of parking spaces provided); or
 - b) modifying the base rate (e.g. for care facilities, using bedrooms to determine the number of required spaces rather than basing it in on a more complicated formula based on the number of doctors and beds).

Some of the recommendations are pretty straightforward (based on common sense) while others are more complex and based on consultant studies that were prepared for the City including counts (e.g. offices).

- Farm-Based Wineries. A farm-based winery means a provincially licensed wine-making establishment within the ALR operated under the conditions specified in the Agricultural Land Commission Act. (For the purposes of this By-law, cider-making is included.) Current and proposed space requirements were reviewed.
 - Current:
 - 1 space for every 100 m² of wine processing Gross Floor Area (GFA); and
 - Minimum 3 spaces for retail use; and
 - Minimum 3 spaces for food and beverage service lounge.
 - Proposed:
 - 1 space for every 100 m² of wine production area; or
 - 5 spaces per 100 m² of retail sales area and indoor/outdoor food and beverage service lounge, whichever is greater.

The City’s current requirements are heavily focused on processing, but much of the parking demand comes from people visiting the winery. Production is more likely to occur during weekdays and people tend to visit wineries on weekends. Therefore, the proposed rate is based on either wine production OR area used for tasting and sales, whichever is greater, meaning the proposed rate is slightly lower.

- Gasoline Service Stations.
 - Current:
 - 2 spaces for every 100 m² of GFA; and
 - 1 space for every car wash bay; and
 - 3 spaces for every vehicle service bay; and
 - 1 space for every electric vehicle (EV) charging station connector.
 - Proposed:
 - 2 spaces for every 100 m² of retail uses; and
 - 1 space for every car wash bay; and
 - 2 spaces for every vehicle service bay; and
 - 1 space for every EV charging station connector.

The proposed rate for gasoline service stations are essentially a housekeeping change. A few years ago, the City reduced the rate for service bays, but did not update the requirement in the gas service stations zone. Also, the rate of 2 spaces per 100 m² applies to GFA, meaning it should also be applied to car wash areas and service bays. (GFA means all the area of the floor enclosed by the outside edge of the exterior walls of a building). In effect, it would be double counting since the current requirement has an additional requirement for the car wash bay and vehicle service bay. Recommendation: the 2 spaces per 100 m² should only apply to retail, not all floor area.

- Automotive Sales.

- Current:
 - Office Component
 - 3 spaces for every 100 m² of office space; and
 - 1 space for every vehicle owned, leased or operated by the business.
 - Vehicle Sales and Rentals
 - 1 space for every 100 m² GFA, with a minimum of 3 spaces; and
 - 3 spaces per vehicle service bay.
- Proposed:
 - 3 spaces for every 100 m² used for display, retail & office uses; and
 - 2 spaces per vehicle service bay.

For automotive sales, the current rate structure is quite complex so the City is considering a more streamlined rate. Currently, there is an office component and vehicle sales component. 3 spaces per 100 m² of floor area is used for display, retail, and office uses, which falls in line with the regional average, and is the same rate used by Richmond and the City of Langley. Some are a bit higher (Maple Ridge at 3.3 spaces per 100 m² GFA) while others use a slightly different rate based on outdoor sales area. City staff contacted a number of other municipalities and the general feedback was that rates around 3.0 per 100 m² were appropriate. City staff are also proposing to do away with the requirement of 1 space for every vehicle owned or leased by the business, as this is market driven. Businesses will ensure they have sufficient parking for operations and for their customers.

- Golf Courses.
 - Current:
 - (i) 3 spaces for each par-3 fairway; and
 - (ii) 6 spaces for every par-4 or par-5 fairway; and
 - 10% of the requirements under (i) and (ii); and
 - Parking requirements for all accessory uses.
 - Proposed:
 - 4 spaces for each hole; and
 - Parking requirements for all accessory uses.

The current rate structure for golf courses is overly complicated (precise but not necessarily accurate). The rate depends on the type of fairway, whether it is par 3, par 4 or par 5, plus a 10% mark-up which is presumably for staff. City staff are proposing a rate based on number of holes on the green: 4 spaces per hole. The rate for golf courses is quite varied across the region. Richmond is at the upper end at 8 spaces per whole, plus parking for accessory uses; whereas Maple Ridge is only 3 per tee. Looking at parking demand at local golf courses, 4 spaces per tee was the number that made the most sense. A good example is the Northview Golf & Country Club.

- Golf Driving Ranges.
 - Current:
 - 1 space per tee; and
 - 2 spaces for employees; and
 - 1 space for each vehicle owned, operated or leased for golf course operations; and
 - Parking requirements for all accessory uses.
 - Proposed:
 - 1 space per tee; and
 - Parking requirements for all accessory uses.

The current rate structure for golf driving ranges is complicated: 1 stall per tee plus parking for employees and for golf course vehicles. Surrey's rate is also quite a bit higher than neighbouring municipalities. Most municipalities require 1 space per tee or stall, plus parking for accessory uses, which is what City staff are proposing.

- Churches.
 - Current:
 - 7.5 spaces for every 100 m² of GFA of a church.
 - Proposed:
 - 8.0 spaces for every 100 m² of GFA where max. occupancy is ≤ 450 people; or
 - 11.0 spaces for every 100 m² of GFA where max. occupancy is > 450 people.

Churches (a broad term for all places of worship) is one of the more complex land uses. In 2009, the City hired Opus consulting to review rates, including counts at more than a dozen places of worship, and formulate recommendations. These recommended rates have been used since then, without any issue, so essentially these rates would be formalized by including them in the By-law. Opus found that there was a strong relationship on maximum occupancy and observed parking demand, based on their counts. A smaller church like Port Kells Church shown in the picture will primarily function as a church, whereas a larger place of worship is more likely to have other functions, including large events. It may also serve as a cultural centre, school, etc. Therefore, Opus recommended a higher rate for these larger places of worship.

- Care Facilities.
 - Current:
 - 1 space for every 3 beds for employee parking excluding doctors; and
 - 1 space for every 2 doctors; and
 - 1 space for each 4 beds for visitor parking; and
 - 2 spaces for drop off.
 - Proposed:
 - Independent & Assisted Living:
 - 0.5 spaces for every dwelling unit; or
 - 0.4 spaces for every dwelling unit in City Centre or where private transportation services are provided.
 - Residential Care:
 - 0.4 spaces for every bed; or
 - 0.3 spaces for every dwelling unit in City Centre or where private transportation services are provided.

Opus also looked at different types of care facilities, including independent living, assisted living, and residential care. The City's current rate structure takes a one-size-fits-all approach, but, through counts, Opus found that the demand for parking decreased with the level of care provided (e.g. residents were more likely to own a car in an independent living facility versus residents in residential care; on the other hand, there are more staff at residential care so there is only a slight difference in rate). Overall, the proposed rate is much cleaner and is substantiated by detailed data and analysis.

- Office Uses.
 - Current:
 - Outside City Centre:
 - 3 spaces for every 100 m² of GFA of the ground floor and below; and
 - 2 spaces for every 100 m² of the floors above ground.

- Proposed:
 - Outside City Centre:
 - 2.5 spaces for every 100 m² of GFA.

City staff also looked at parking rates for offices outside of City Centre (City Centre rates is something City staff will be looking at in 2016). The observed demand for office parking outside of City Centre is a little bit lower than what the City's current rate requires, which is 3 spaces per 100 m² for ground floor and 2 spaces per 100 m² for above ground floor. Unlike other municipalities, Surrey has a different rate depending on floor. The reasoning was that buildings with more than one floor are more likely to be in urban areas and therefore better served by transit. The downside is that it makes for a more complicated rate, and does not necessarily reflect the true demand for parking. Based on counts and further analysis, Bunt is recommending a single, harmonized rate of 2.5 spaces per 100 m², which is in line with observed demand. This will result in a slight increase in office buildings that are 3 or more floors, so that is where counts were an important part of the process in terms of testing and confirming demand.

- Medical Office.
 - Current:
 - 4 spaces for every 100 m² of GFA.
 - Proposed:
 - 3.5 spaces for every 100 m² of GFA.

Bunt also looked at medical offices. The rate in other municipalities ranges from 2.7 per 100 m² (Victoria) to 4.5 per 100 m² (Edmonton). As with regular offices, Bunt did counts for medical offices both in and outside City Centre. The observed demand was noticeably higher than regular offices, but still less than the current requirement which is 4 per 100 m². Based on counts and other research, 3.5 per 100 m² seems like an appropriate rate.

- Transportation Industries.
 - Current:
 - Office Component:
 - 3 spaces for every 100 m² of office; and
 - 1 space for every vehicle owned, leased or operated by the business.
 - Vehicle Sales (> 5,000 kg G.V.W.):
 - 1 space for every 100 m² of GFA, with a min. of 3 spaces; and
 - 3 spaces per vehicle service bay.
 - Proposed:
 - 1 space for every 100 m² of floor area used for warehousing & distribution; and
 - 3 spaces for every 100 m² of floor area used for display, customer service and office uses; and
 - 2 spaces for each vehicle servicing bay.

City staff reviewed the current rates for transportation industries. Transportation industries include truck sales as well as warehouses and distribution centres and any industry related to transporting, distributing, and storing of goods and materials. The current rates do not reflect this broader category of uses, so in the proposed rate City staff have tried to break out some of the different components you might find in this type of development (e.g. in Campbell Heights).

- Next Steps. City staff are currently in the process of drafting an update for Part 5 of the Zoning By-Law. We are targeting the February 1, 2016 Council Meeting and would specifically be seeking approval for general housekeeping changes to Part 5, removal of redundant land uses, and rate changes discussed at DAC/TIC. We will be presenting

recommendations and DAC feedback at the December 9, 2015 Transportation and Infrastructure Committee. In the mean time, City staff will be undertaking further analysis for some of the more complex land uses (e.g. light industrial business parks), having more counts done for select land uses to better understand parking demand, and working with Opus on a shared parking study, which is currently underway. This is a “living document”. The changes we have discussed over the past few months will help set the stage for a bigger discussion on more complex issues such as parking in City Centre and near future station areas, shared parking, etc. February 1, 2016 Council Meeting is more of a milestone than the “project finished” date.

Comments:

- Clarence Arychuk asked about visitor parking in care homes. There is not a lot of visitor parking provided. In Morgan Heights, for example, people are scrambling and parking on roads. Megan Fitzgerald responded that this is more of a parking label issue, as our bylaws do not require labeling of visitor parking stalls.
- Charan Sethi mentioned that more involvement is needed for City Centre parking requirements. There are a lot more empty parking stalls. A lot of new residents are getting rid of their cars in City Centre for transit or walking. Jamie Boan responded that some locations are adding parking and some are reducing, and City staff will review and allow for more perspective. Jean Lamontagne commented that some businesses may be able to rent their stalls to buildings.
- Jeff Fisher commented that BOSA and Concord Pacific could be contacted for information on their experience.

3. East Fraser Heights Land Use Concept (Don Luymes, Community Planning Manager)

- Don Luymes provided an update on the East Fraser Heights Land Use Concept Plan, which will now be renamed Abbey Ridge Local Area Plan based on resident survey.
- East Fraser Heights is approximately 430 acres (175 hectares) of land north of Hwy 1, between the established Fraser Heights neighbourhood to the west and the Port Kells Industrial Area to the east.
- There are a number of existing developments, some RF (Single Family Residential Zone) and RF-G (Single Family Residential Gross Density Zone), and established acreages such as along Abbey Dr. East Fraser Heights also includes a number of older acreages with older homes.
- Council directed City staff to prepare a comprehensive plan including a servicing strategy, parks plan, and possibly a school.
- Two well attended public meetings were held with some pushback on urban development and concerns about higher density. One CD Zone for townhouse and apartments has caused tension. Additional highway construction as well.
- This area identifies modest density. There are transitions of densities from suburban to urban. There are some places where higher densities (RM-15) are anticipated such as along Barnston Dr and south of 100 Ave. Three townhouse pockets in the south as well as one site along the north overlooking industrial. Some areas of RF-12 are proposed along the freeway and along the eastern edge, grading up from RH-G. A number of existing established neighborhoods were knit together.

- Many kids in this area go to the independent school, Pacific Academy, so no school site is proposed within the plan area.
- It is anticipated that the Stage 1 Corporate Report will go to Council on December 14, 2015 and Stage 2 will be initiated in the New Year.

Comments:

- Clarence Arychuk suggested status quo areas may want to develop in the future. Can we consider if consolidated? Don Luymes responded that some acreage properties may want to develop in the future. The Plan does not anticipate growth, but the servicing strategy will anticipate pipe growth. As higher rates come in, people do change their mind.

4. Servicing Summary (Jeff Arason, Utilities Manager)

- Jeff Arason provided a servicing summary. There are 2 servicing issues including sanitary sewer. The Big Bend trunk sewer is at capacity to the Big Bend pump station, which needs to be located because it is susceptible to flooding. The trunk sewer is a challenge due to it being in many rear yards with a 3 m right-of-way. Opportunities to twin are challenges.
- Two options:
 - Re-divert flows and entirely new force mains to bypass Port Kells. The problem may be too little flow. So maybe will look at the northern portion of Anniedale-Tynehead to add flow, and re-evaluate the Anniedale-Tynehead NCP.
- The study area will require two water pressure zones, higher evaluations, if the Anniedale-Tynehead NCP was in place, but in absence servicing higher pressure is a challenge:
 - Two Scenarios: if the Anniedale-Tynehead NCP comes forward, and if it does not.

Comments:

- A DAC Member asked if there is any capacity at current levels. Jeff Arason responded no, there is no capacity. The City has done some minor upsizing but largely there is no capacity. So, this opportunity to divert flows is a great opportunity. Metro Vancouver has a north-south interceptor and wants to twin north of Fraser. The plan from Metro Vancouver comes out next year. If flows from Maple Ridge come across the Fraser River to North Langley, then we could look at pumping from Port Kells. Currently, no flows from Surrey are treated in northwest Langley.

Comments:

- Nathan Hildebrand asked how long it will take for the South Fraser Perimeter Road to be completed, from Hwy 15 to Golden Ears Way. Don Luymes and Jaime Boan commented it may be longer than 2 years. Note: After the DAC meeting, the City was informed that the Ministry of Transportation will be removing this portion of Hwy 17 (between Hwy 15 to Golden Ears Way) from the South Fraser Perimeter Road. This portion of the road may be converted to a City arterial.

5. Development Cost Charges Update (Jeff Arason, Utilities Manager; Ted Uhrich, Park Planning, Research & Design Manager)

- Jeff Arason and Ted Uhrich provided an update on Development Cost Charges (DCCs) to provide background information on the City’s DCC program and to receive Council feedback on proposed updates to the DCC Program. A copy of their presentation is attached. Note that this presentation is DRAFT and is FOR DISCUSSION ONLY.
- DCCs By-law Overview. In 2006, there was a major assumption review and 10-Year Servicing Plan Update. The first of two significant rate increases was introduced. In 2007, the second significant rate increase was introduced. In 2010, a slight rate reduction (construction cost adjustment) was introduced. In 2012, there was a minor update to the 10-Year Servicing Plan and a small DCC rate increase. In 2013, there was a minor update to the Park Plan and a small DCC rate increase. In 2014, there was a minor update to the 10-Year Servicing Plan and a small DCC rate increase.
- The City has now reviewed every project.
- Parks DCC – Current Challenges include:
 - Land cost escalation
 - Declining park provision
 - Park Development Funding on a city wide basis.
- In Surrey’s OCP, there are 4 categories of parkland, with following target ratios:
 - City – 3 acres/1000 residents (Holland Park, Green Timbers Urban Forest).
 - Community – 2.5 acres/1000 residents (Cloverdale Athletic, Unwin Parks)
 - Neighbourhood – 3 acres/1000 residents (Oliver, Starr, Panorama Parks)
 - Nature Preserve and Habitat Corridor (North Creek, Hyland Creek Parks) – 2 acres/1000 residents
- Compared to other municipalities in the region, Surrey’s parkland ratio standard is in the middle.
- Land Cost Escalation. Since 95% of Surrey’s Park DCC is used for parkland acquisition, it is subject to the pressure of escalating land costs. For example, the Realty Division has estimated land costs in Grandview Heights have escalated from \$750,000/acre in 2005 to close to \$2,000,000/acre in 2015 or an increase of 167%. The City continues to acquire some lands in undeveloped areas but must prioritize acquisition in NCP areas where development is rapid and park acquisition is required in a timely manner.
- Overall, the City is surpassing the target goal for all parkland ratio classifications except Neighbourhood parks, which is currently at 2 acres/1000 residents instead of the target ratio of 3 acres/1000 residents.
- Urbanization and Parkland Provisions Ratios. As cities grow in population and densify, parkland provision ratios tend to decline. In Metro Vancouver, New Westminister, Burnaby, and Vancouver provide less parkland per 1000 residents than Surrey. With a high amount of greenfield development, opportunities still remain for Surrey to acquire parkland at a moderate cost compared to densely populated urban centres. Surrey has 325 acres of Rural and Agricultural land in its acquisition program. Surrey’s parkland provision will decline in the next ten years. In the future, there are opportunities to reinforce the City Park category by adding the existing Regional Parks into that category.
- Declining Park Provision. With the growth of 87,634 residents, Surrey would need to acquire 920 acres of parkland to match growth over the next ten years in the following categories:

	Target	Existing
○ City	263 acres	164 acres

○ Community	219 acres	133 acres
○ Neighbourhood	263 acres	199 acres
○ <u>Nature Preserve and Habitat</u>	<u>175 acres</u>	<u>117 acres</u>
○ Total	920 acres	613 acres

- The future parkland ratio will continue to exceed the target ratio for City, Community, and Nature Preserve and Habitat classifications, but will decline even further for the Neighbourhood classification.
 - Parks staff have reviewed the program and 40 acres of parkland can be removed from the City, Community, and Nature Preserve and Habitat categories and reallocated to Neighbourhood. However, the average cost per acre is higher for the Neighbourhood category. An additional 24 acres of neighbourhood parkland would need to be added to the current program to keep the Neighbourhood Park classification from declining further.
 - Map on “Parkland Development through DCCs” slide. Areas in black are funded through NCP amenity fees. Areas outside of those in black are funded through DCC’s, Operating and Sundry sources.
 - Parkland Development DCCs. Parkland acquisition in NCPs is 60% of Surrey’s program where park development is funded through NCP Amenity Contributions. However, 40% of population growth is outside of NCPs and the City collects approximately \$1.5 million per year to fund development of that parkland through DCCs. Increasing the park DCC attributed to park development from 5% to 10% would provide \$3 million for new park development outside of NCP areas. By comparison, Richmond allocates 30% of the Park DCC to park development.
 - Scenario 1. Park DCC increase to address escalation in land values. For example, for an RF lot, the rate would increase by \$962.
 - Scenario 2. Address the shortfall due to land cost escalation; reallocate some City, Community, and Nature Preserve and Habitat acquisitions to Neighbourhood; increase funding to neutralize the deficit in neighbourhood parkland; and increase percentage available for Park Capital Development. For example, for an RF lot, the rate would increase by \$3476.
 - The figures for the Engineering Infrastructure investments over the past 10 years and the figures for the DCC Program based on the 10-Year Servicing Plan exclude area specific, Greater Vancouver Transportation Authority (GVTA), and external funding.
 - Engineering. Significant New Projects in the Proposed Plan include:
 - Arterial widening in and around the City Centre;
 - Interchange Ramps along Hwy 99 at 152 St
 - 4 new Pedestrian / Cycle bridges; and
 - Various sanitary sewer and water system improvements to support growth in and around the City Centre, West Clayton, and Semiahmoo Town Centre.
- A list of projects to be included in Proposed Plan is available at: <http://www.surrey.ca/city-services/3135.aspx> (google “surrey 10-year”).
- Engineering. Between the Proposed Plan and the Current Plan, there is a difference of about \$43 million, which includes the costs for arterial, collector, drainage, sewer, and water, but not including the value of area specific programs.
 - DCC Growth Projections:
 - 2014: 90,755 population
 - 2016: 82,438 population
 - Difference: -9.2%

Growth forecasts are continually improving and being refined. Current growth projections are slightly less than past projections. Some areas such as the Anniedale-Tynehead NCP and Grandview Heights were double counted.

- DCCs Dwelling Unit Population. Statistics Canada indicates that the average population per dwelling unit is 3.0. The City's projections result in an average of 2.4. Increasing the population per dwelling unit (for single family and for townhouse) can help to increase the average closer to the Statistics Canada average (2.9). The difference is likely due to impacts of secondary suites in RF zones and a shift to larger families in townhouses.
- DCCs Dwelling Unit Area. The dwelling unit areas were adjusted. The 2013-2015 Actuals are based on issued Building Permits over the past 2.5 years. Townhouses and low rise apartments are still relatively large, especially compared to other parts of the region. Apartments in the City Centre have fallen in size similar to the fall in size in other parts of the region.
- DCCs Municipal Assist Factor (MAF) was assessed. 10% of current MAF is funded from general revenue. Annual MAF Cost is 10-Year Plan MAF contribution divided by 10 years. Across the region, the MAF is typically 1%. The average annual cost of MAF for Surrey is almost \$6.5 million (including sewer, water, drainage, transportation, and parkland).
- DCCs Rate Pressures. There have been upward pressures of:
 - Decreasing Growth Projections,
 - Decreasing Dwelling Unit Area,
 - Increasing Servicing Plan,
 - Increasing Land Costs, and
 - Increasing program demands (Biodiversity Conservation Strategy, City Centre Road Allowances).

Construction Costs pressure has been neutral.

Given all of the upward pressures, revising all of the inputs result in significant rate increases that are likely too high to consider in a single rate increase.

- Under Scenario 2, the 40% increase in the RF DCC rate is based on the projected reduction in population. The increase for apartments is not as much because they are smaller in size and population reductions.
- DCCs Regional Rate Comparison. Surrey's proposed DCCs rates would be the highest in Metro Vancouver.
- DCCs Proportion of Sale Price. Sale price is of all units sold through MLS in the Fraser Valley. Sale price of new construction is likely higher than the average sale price reported. MLS does not break down sale price between low rise and high rise. The average selling price of new units in the City Centre is around \$400 per square foot, which equates to an average sale price of \$280,000. The proposed DCC equates to 4.1% of the total cost at \$280,000.
- DCC Options to Mitigate Rate Increases:
 - Reduce Engineering and Park Programs to reduce rate increases. This is not as easy as it may sound. It passes the burden to the development community to fund (Development Works Agreements, etc.).
 - Shift burden to general revenue and utility rates by solely funding projects or increasing the MAF. Maybe possible for sewer, water, and drainage. Not as easy for transportation.
 - Shift burden by increasing engineering subdivision requirements
 - Phase in Rate increases over a set period of time (i.e. 2-3 years).
- These are initial ideas but looking for feedback.

- Next Steps:
 - Obtain suggestions to review from DAC Members by December 8;
 - Develop further Options to Mitigate Rate Increases for consideration;
 - Report back to Council with industry comments and options for consideration;
 - Reconvene at a Special Meeting of the DAC on January 14;
 - Host Public Meeting on January 21;
 - Bring forward 10-Year Plan and DCC Bylaw to Council for their consideration in February; and
 - Implement Bylaw following Provincial Approval (likely April).
- Additional information may be sent to the DAC members in time for review, a week or so in advance. Send comments to Jeff Arason.

Comments:

- A DAC Member commented that the City needs to acquire parks in NCPs. The City has to buy the land early before land use is approved. Look forward to area plans. What may be more valuable may be looking at existing green spaces to urbanize amenities and make them useful. If people want to gather, they need to gather in an area that has more than green fields and trees. Jean Lamontagne commented that Vancouver has moved to referendums for parks. Jeff Fisher responded that the standard per population is not going to work in the urban containment boundary. As we build more, the parks are going to be more intensified as new towers are built. As a region we need to assess how we evaluate parks. Is it more about distance to park rather than people to park?
- Clarence Arychuk commented that one consideration on parkland provision is flat land versus steep land. Areas with mountains seem to provide more undevelopable lands. Surrey is more like Richmond and Langley, compared to Coquitlam and Abbotsford. Are developers funding new growth, or is it something that was missed in the past? We have heard about past failures. How does development “fix”? Policy changes such as secondary suites and all day kindergarten have increased demand. Is there enough being paid by secondary suites? Not sure if the arithmetic is correct? Ted Urich responded that if we look at growth, we do not correct past errors, we just flat line. Jeff Arason commented that the City is looking at utility costs.
- Clarence Arychuk commented that new single family homes are being built, but there is no DCC component for larger multi-suite sites. We need to find a way to collect through Building Permits in existing zones for larger homes. Review legislation as opposed to rezoning. There are more demolitions than new homes. We are funding more structures on half the revenue. Jeff Arason suggested paying at subdivision, not based on house size. Some municipalities charge by single family square foot. Clarence Arychuk identified that this current way does not work, and what is needed is a hybrid of square footage of new dwellings.
- Clarence Arychuk commented that wider roadways are now used by the public as walking space and for recreation. We need to factor additional roadway areas that are used.
- Fraser Smith commented on the capital cost for new square footage requirements. Some municipalities have charged by square foot, double charge.
- Clarence Arychuk asked what would happen if he knocked down an apartment and built a larger apartment. Jeff Arason responded that redevelopment honours existing unit or building size charge.

- Jeff Fisher suggested that if building is doubling it should be assessed and not a double charge.
- Mark Sakai asked why the City would continue to acquire community and city parks when the City's ratios are over the amount targeted. Ted Uhrich responded that was a good question and that in some areas the City is declining toward the norm, but the City is always going to be declining. The rate of decline is what we should be considering. Future Councils may consider counting regional parks as city park functions but regional parks would not help neighbourhood parks.
- Dwight Heintz commented on the Nature Preserve and Habitat parkland category. There has been a lot of pushback.
- Clarence Arychuk commented that previous surveys done through CitySpeaks included comments about the desire for walking trails and natural areas with public access.
- Jeff Fisher commented that the immediate problem will lead to a future parkland increase such as what has occurred in Coquitlam. Ted Uhrich responded that Surrey's parkland DCCs are some of the lowest in the region. Owen Croy commented that we have gone more than 13 years without a significant parkland increase even though there has been tremendous growth over the last 10 years. The City would like to land bank but every year, the entire budget is used and we need to prioritize purchases for immediate needs.
- Fraser Smith commented that for large infrastructure projects, the City could not include works in the program. Development service agreements could be suggested, but experience has suggested this may not work and Council still suggests that development should still pay for development.
- Kevin Shoemaker asked if any general revenues are used for this. Could the 10% MAF be changed? Jeff Arason responded that the current MAF is 5% for parkland and 5% for transportation. Don Luymes mentioned that roads, for instance, may have a percentage from general and some area specific for costs.
- Clarence Arychuk asked how much growth is occurring outside NCP areas. Ted responded 40% of growth is projected as infill outside NCP areas.
- Dwight Heintz asked if the amount of units projected changed because the unit size decreased. Jeff Arason responded yes, the growth was less than expected. Don Luymes mentioned that our population may be higher than expected but within a small unit and square footage than expected or anticipated.
- Jeff Fisher commented that parks inside and outside the urban containment boundary may help. It is great that the City has moved to an annual review, to ensure rates are always reviewed and do not become out of sync with reality. Jeff Arason responded that the 10-Year Plan annual review has helped, as well as the City's query system in Planning & Development which shows actual review.
- Clarence Arychuk commented that two things not shown are multi-use pathways in road rights-of-way and drainage ponds such as Sunnyside heights. Jeff Arason responded that drainage costs do not have associated inflation costs and we need to review this approach. Owen Croy commented that NCPs that have added to greenways have significantly increased multi-use pathways, but add much value.
- Clarence Arychuk commented that, like arterials, greenways should be a community benefit, not for specific land owners. Kevin Shoemaker commented that some pathways are used as public space. Ted Uhrich responded that outdoor amenity spaces on private lands are not counted as park spaces.
- Clarence Arychuk also commented that single family is providing 5%.

- Dwight Heintz asked if there is an option to delay or provide a phasing over 2-3 years. Jeff Arason responded yes, there is a possibility.
- Dwight Heintz asked what is the effective date, as it has pushed both City and consultant development staff for submissions.
- Jeff Fisher commented that you have 1 year if application is complete or permit has been issued. Where is a phasing?
- Dwight Heintz asked if phasing should be done in areas that are not developing for many years. Surrey projects are more complex and bigger, so how grandfathering works should be reviewed. Tends to penalize phased projects. Jeff Arason responded that areas not likely to develop in many years such as longer range NCP areas would be reviewed. Legislation changes to increase the 1 year delay came from Surrey.
- Dwight Heintz commented that Development Works Agreements are very difficult. How many has the City done over the years and what are the capital costs? Sam Lau responded that we have done about one per year. They average between \$500,000 to \$2 million. Campbell Heights was 5-10 years ago and was about \$10 million.
- Nathan Hildebrand commented that Development Works Agreements are difficult even for larger development firms. Development Works Agreements may work but only if owners are willing to put money in. Even a 50% area petition is difficult. Jeff Arason commented that the DCC is a more cooperative approach than the Development Works Agreements approach.

6. Scheduled Meetings

- Special Meeting (DCC Discussion) – January 14, 2016 at 3:00 pm, on 1st Floor East, in Committee Room B.
- Regular Scheduled Meeting – February 25, 2016.
- This meeting adjourned at 4:32 p.m.