

MINUTES

Development Advisory Committee

File: **360-20 (DAC)**
Date: **January 26, 2017**
Time: **2:30 p.m.**
Location: **3W Meeting Room
A, Surrey City Hall**

Members:

Molly Harris
Dwight Heintz
Nathan Hildebrand
Roger Jawanda
Marc MacCaull
Phil Magistrale
Jamie Squires

City Staff:

Jeff Arason
Doug McLeod
Doug Merry
Matt Osler
Judith Robertson
Fay Keng Wong

Regrets:

Jean Lamontagne
Greg Sewell

1. Previous Minutes

The notes of the November 24, 2016 meeting were accepted as distributed.

2. Surrey Coastal Flood Adaptation Strategy (Matt Osler, Project Engineer, Drainage Engineering)

- Matt Osler provided an update on the Surrey Coastal Flood Adaptation Strategy (CFAS). Attached is a copy of his presentation.
- In 2011, the Province published Provincial Guidelines on sea level rise, which outlined expected sea level rise and flood protection requirements. A 2012 report estimated the cost to adapt flood protection to meet the rise in sea level by 2100 will be \$9.5 billion for the Lower Mainland. The estimated works for Surrey will be \$1.5 billion. Cost estimates include the cost of seismic dyke upgrades and land acquisition.
- Multiple Surrey plans and initiatives recognize the challenge of sea level rise. Surrey's Coastal Flood Adaptation Strategy (CFAS) is a product of this work and the next step. The CFAS is also continuing Surrey's commitment to community-driven, participatory planning. The CFAS is meeting an identified challenge, building on past work, and linked to current work. Launched in Fall 2016, the CFAS is anticipated to complete by the end of 2018. The CFAS is a large study area with many communities, stakeholders, and partners.
- The study area involves many residential areas and neighbourhoods; the Semiahmoo First Nation; over 1500 residents; approximately 20% of Surrey's land area; farmers and the agricultural community; businesses; community groups; environmental and recreational groups; and infrastructure operators and owners. The study area includes destination regional and City parks; beaches and recreation areas; and critical foreshore, coastal, and riparian areas. The study area's economy includes over 700 jobs, over \$100 million in annual farm gate revenue, over \$1 billion in assessed property value, and almost \$25 billion in annual truck and rail freight traffic. The study area's infrastructure includes over 10 km of Provincial highways, over 200,000 vehicle trips a day, and over 30 km of railway (freight, passenger).
- The CFAS process has 5 phases:
 - 1) Education, awareness building, and community values (Summer 2016 – Spring 2017)
 - 2) Exploring adaptation options (Spring 2017 – Summer 2017)
 - 3) Developing adaptation strategies (Summer 2017 – Fall 2017)
 - 4) Detailing preferred strategies (Fall 2017 – Spring 2018)
 - 5) Final reporting (Spring 2018)

- Surrey's coastal floodplain is a natural floodplain that regularly experiences coastal flooding such as ocean-driven flooding (storm surges, king tides) and river-driven flooding (rain storms, rapid snow melt).
- Coastal cities around the world are facing the same challenges. The Province directed municipalities to plan for at least a 1 m sea level rise by 2100. In Surrey and elsewhere most drainage systems are not designed for projected changes. Sea level is expected to rise by 100 cm over the next 100 years in Surrey, impacting about 20% of Surrey's land area.
- Flood frequency in the river system. Climate change is affecting the intensity and frequency of storms and flood events. Today's 1-200 year flood is becoming more frequent from sea level rise alone. The chances of a 1-200 year flood are 0.5% today, 16% in 2040, 33% in 2070, and 50% in 2100.
- Barrier islands, sea barrier, and raising sea and river dykes are protective measures.
- CFAS Engagement. Primary avenues for participation include:
 - Project Committees and Working Groups
 - Steering Committee
 - Advisory Group
 - Existing City Committees and Stakeholder Groups
 - Involving existing City committees and stakeholder working groups
 - General Engagement and Outreach
 - General outreach activities and events
- Advisory Group. Membership includes representatives from key partner and stakeholder organizations and agencies. Depending on interest and need, themed sub-group meetings and workshops may be organized. Some groups may be more involved in later phases of the project. The role of the advisory group is to participate in providing input into the project's decision process.
- Matt Osler asked if a representative of DAC would be interested in joining the Advisory Group or attending an upcoming focus group. The Advisory Group will likely meet at the end of the first phase (around April). How would the DAC like to be kept engaged/involved in the CFAS project? What are the best ways to engage the development community?
- More information can be found on the City website at www.surrey.ca/coastal or by e-mailing coastal@surrey.ca.

Comments:

- Dwight Heintz asked if the CFAS is in addition to existing dykes. Matt Osler responded that this project is focusing on what will be affected by sea level rise.
- Roger Jawanda asked about elevation. Matt Osler responded that the Province has directed municipalities to plan for at least a 1 m sea level rise by 2100.
- Dwight Heintz asked if income from the carbon tax goes to these projects. Jeff Arason responded not right now. The Fraser Basin Council, in addition to this project, works with the provincial and federal governments to figure out options for senior levels of funding. The City has been asked to build a dyke that will withstand a flood of 1 in 200 years to meet seismic guidelines. Will infrastructure still be protected with the probability of an earthquake and flood combined?
- Judith Robertson commented that railways along the shores will be affected. Jeff Arason responded, yes, the railways are an important investment.

3. Development Cost Charges (Jeff Arason, Utilities Manager)

- Jeff Arason provided an update on Development Cost Charges (DCCs). A copy of his presentation is attached.
- The City developed a 3 Year Phased Implementation to reach 10-Year Servicing Plan and Parkland Acquisition targets. The revised parkland acquisition program prioritizes the Neighbourhood Park category. Park Development DCC Allocation has also been adjusted.
- Overview of 2016 DCC By-law. 2016 – Year 1 has been completed. It Introduced 3-year (2016-2018) phased implementation to reach the targeted program. 2016 DCC rates increased upwards of 13% for residential land uses. Council endorsed the DCC By-law and 10-Year Servicing Plan. The Province approved the DCC By-law. The DCC Bylaw was subsequently adopted (effective date of May 16, 2016).
- Phased Implementation. 2017 – Year 2 (Proposed) will include:
 - adjusting the acquisition program to stabilize the provision of Neighbourhood Parks at 2.0 acres/1000 residents for new growth;
 - updating the Parks, Recreation and Culture 10-Year Strategic Plan and revisiting provision ratios;
 - adjusting the Parkland Municipal Assist Factor (MAF) from 4% to 3%; and
 - adding in infrastructure to support development in recently completed NCPs (e.g. Abbey Ridge and City Centre).
- The figures in slide 5 of the presentation exclude area specific, Greater Vancouver Transportation Authority (GVTA) and external funding.
- City Centre Finer Grid Network. Development delivers all roads frontages. Provisions to reduce impact include density based on gross site area, and new strategic property acquisition fund for full takes. To achieve 80 m – 100 m block sizes, Council approved a road and plaza network, including new road connections with development and new pedestrian connections with development.
- City Centre Strategic Property Acquisition delivers a road network where full takes are required. It also provides certainty, avoids consolidation areas, and provides robust analysis and an equitable strategy.
- Refer to slides 12-16 in the presentation to view the proposed DCC rates. The rates are in line with what was proposed at the October 2016 DAC meeting.
- Phased Implementation. 2018 – Year 3 (Planned) will include:
 - reassessing the acquisition program based on the approved Parks, Recreation and Culture Strategic Plan;
 - adjusting the percentage of the DCC for capital projects based on approved projects from the Strategic Plan;
 - adding in NCP areas completed in 2017 (e.g. Redwood Heights); and
 - adjusting the Parkland MAF from 3% to 2%.
- Next Steps include bringing forward a 10-Year Servicing Plan to Council for Council's consideration and the DCC Bylaw for 1st, 2nd, and 3rd Readings on February 6th; seeking Provincial Approval (February to April); and Final Reading of the Bylaw (May). In stream applications would have 1-year to complete from final reading of the Bylaw in order to qualify for current DCC rates. The effective date will be May 16, 2017.

Comments:

- Roger Jawanda and Jamie Squires commented that the proposed DCC rates seem like a big increase. Jeff Arason responded that the DAC were consulted at the October 2016 DAC meeting and others have also been consulted.
- Roger Jawanda asked if a few years back, the City promoted less DCCs. Jeff Arason responded that in 2008, for projects of a certain value (at least \$25 million) in the City Centre, the City looked at slight reductions. Only 1 project met the requirements so the incentive was repealed in 2011. Doug McLeod commented that City staff presented at UDI and there was consensus that this strategy is much more equitable (pooling all the funding together) and most developers were okay with this. Originally, the community amenity contribution was looked at but it was found that it would not be effective.
- Roger Jawanda asked how Surrey's proposed DCC rate increase compares with other cities. Jeff Arason commented that Surrey's is one of the highest. Richmond is doing more work on this. Surrey has been diligent, looking at it every 1-2 years.
- Roger Jawanda asked if the DAC could be advised of the Council meeting date in advance of the adoption of the updated DCC By-law. Jeff Arason responded that it is not the date that the by-law is adopted. For example, the by-law would not take into effect until May 16th even if Council approves it in, say, March. It is with issuance of building permits. The grandfathering is tied with building permit or subdivision.

4. Comments on the Market

- Molly Harris is attending this meeting in lieu of Jeff Fisher. No comments at this time.
- Jamie Squires. Fifth Avenue had a great start to the year. All projects have hit the ground running. No negotiations on prices. Single family may go up because of limited supply. \$400/sq. ft for condos in Langley.
- Roger Jawanda. Been a busy year but after the 15% tax on foreign buyers came in, a lot of people had to adjust their pricing. However, it has still been busy on the consulting side. Single family houses are taking a little longer to sell.
- Nathan Hildebrand. Canadian Horizons does not have any product yet. Neighbouring developers have been selling but are not expecting as high demand as last year. Prices have not necessarily gone down but are not expected to go up. Waiting for Abbey Ridge, to start selling in Spring. The Province announced that it is committing \$217 million for capital projects (5,200 new student seats in Surrey) over the next three years to be planned and led with the Surrey School District.
- Dwight Heintz. Townline has a rental project in Cloverdale. Townline put its City Centre site on hold because concerned about the market. Generally, looking for land. Land prices have gone up, not dropping at all. Everybody is trying to work out what is happening in the market.
- Phil Magistrale. Dawson + Sawyer does not have any projects right now. Seems like multi-family is still steady but single family is trickling down.
- Marc MacCaull. Multi-family seems to be doing well. Land values and DCCs going up pushes down affordability. A lot of people are frustrated but think it will go up in the spring. Land values are creeping up.
- Judith Robertson shared some stats. The Planning and Development Department had its second highest number of reports to Council in 2016 (342 reports, not including LUCs which

would bring the number up to 460). The highest number of reports since 2004 (357 reports). These numbers include DVPs, but DVPs still take up staff time. Area Planning has had some staff resignations so staff is pretty stretched.

5. Next Scheduled Meeting – March 23, 2017

- The meeting adjourned at approximately 3:41 p.m.