

**Planning & Development Department
Development Advisory Committee
Meeting Notes for September 24, 2009**

Members:

Andy Aadmi
Clarence Arychuk
Steve Forrest
Jake Friesen
Deana Grinnell
Avtar Johl
Steve Kurrein
Bill Kruger
Michael Mortensen
Scott Olson
David Porte
Gopal Sahota
Greg Sewell
Amy Spencer-Chubey
Luciano Zago

City Council:

Councillor Marvin Hunt

City Staff:

Mark Allison
Monty Hurd
Sam Lau
Anna Mathewson
Judy McLeod
Fay Keng Wong

Regrets:

Jeff Fisher
Ragbir Gurm
Jean Lamontagne

1. Acceptance of Previous Minutes

The minutes of the meeting of June 25, 2009 were received as circulated.

2. Sustainability Charter's Indicators and Targets Task Force – Anna Mathewson

Anna Mathewson, the City's Sustainability Manager, was introduced to the Committee.

Anna advised that one of the commitments of the Sustainability Charter is to develop indicators to determine whether the City is making progress in meeting its sustainability objectives. A Task Force has been formed to assist in the development of Targets and Indicators to help track the City's efforts. She invited members of the DAC to join the Surrey Sustainability Charter's Indicators and Targets Task Force.

A handout was distributed to the DAC members (a copy is attached) showing the 2009 meeting schedule and a draft Task Force membership list. The Task Force's first meeting will be held on September 29, 2009 and it will continue to meet each month until early next year depending on how the progress goes. The Task Force will be critical in measuring the City's success in implementing the Sustainability Charter. Jeff Fisher and Amy Spencer-Chubey have already volunteered to sit on the Task Force as representatives of UDI and Vancouver Homebuilders. Kevin Shoemaker also volunteered to represent the DAC on this Committee.

- Steve Kurrein asked if the Task Force has been given a capital budget. Anna commented that the Task Force does not have its own budget, but every department will have a role in implementing sustainability so each will use its own budget.
- Clarence Arychuk suggested that someone from the City's Transportation Committee be on the Task Force.

3. Engineering Bulletin - Material Testing – Monty Hurd

Monty Hurd presented Engineering's Bulletin on Materials Testing. He advised that consistent with the city's evolving practice, it will divest itself from testing and quality assurance and instead will take on the role of monitoring. Currently, developers' engineering consultants are required to provide all materials testing involved in land development projects with the exception of concrete and asphalt testing. In an effort to provide consistency, effective January 1, 2010, all testing, including tests required for concrete and asphalt, will be under the control and coordination of the developer and the engineering consultant. The cost of these tests will be borne by the developer. This new requirement will allow the developers' engineering consultants to be in the loop for all testing. The engineering consultant's review of the materials testing reports is a critical element for the Engineer's certification of compliance for the works.

- Bill Kruger commented that the consultant currently pays for the costs of materials testing, which are passed onto the developer as part of their fees.
- Greg Sewell asked if there has been any consideration given to reducing the costs of materials testing. He expects the City to do more work than in the past, in terms of coordination, and it has to be reflected in consultant fees. Monty commented that any reduction in costs would not represent a significant percentage decrease. With the developers' consultants now taking on the concrete and asphalt testing, he does not see where there would be an increase in coordinated effort with the consultant. Bill added that increased coordination would be nominal and will not be significant. Clarence commented that consulting budgets are smaller than City fees.
- DAC members requested a memo from the City's Engineering Department on the status of the shovel-ready capital projects, including funding commitments from the various levels of government. Engineering will provide this information to the DAC.

4. Sustainable Development Checklist – Mark Allison

Mark provided an update on the status of the Sustainable Development Checklist. A copy of his presentation is attached. A copy of the draft Sustainable Development Checklist distributed to the DAC members is attached. The aim is to consult with the City's various committees in October 2009.

- Jake Friesen asked if the Sustainable Development Checklist will apply to single family developments. Mark commented that this Checklist is intended for larger development proposals with more than 20 units or more than 2 acres. A further checklist will be provided for small subdivisions.
- Jake commented that the developer and builder are often different and that the developer may not be in a position to answer all questions. He asked that caution be used in how the information is reported out to the public. The reporting needs to be constructive so that points will not be used to discredit applications.
- Steve Kurrein suggested that rather than being reported on an application specific basis, the city could assemble the statistics and report the trends every couple of months. Mark answered that Indicators and Targets are currently being developed by the City's Sustainability Office and hopefully trends would be reported, but that a brief summary of each project should be reported with the application.
- Avtar Johl asked if the purpose of the Checklist is to clarify the developer's intentions. Mark commented yes, the Checklist is intended to clarify the developer's intentions and is not a covenant. The market is finding that sustainable development (e.g. energy efficiency) is becoming more attractive to buyers. Avtar suggested that staff needs to "walk through" a couple of sample applications.
- Deana Grinnell commented that we should be careful about the positioning of the document to prevent it from being used against particular development applications.
- Clarence asked if the Checklist will be part of the condition of approval or not. Mark commented that he currently does not see the Checklist as a condition of approval. Council will be given a copy of it for their consideration, but the Checklist cannot be compared to, for example, a tree report because tree reports are required by by-law. The Checklist will be policy.
- Avtar asked if the Checklist will have to be signed by an architect. Mark responded that that has not been determined yet.
- Amy Spencer-Chubey asked what the estimated time of arrival is for the short version of the Checklist (the two-pager).
- Kevin asked what the next steps are and if there will be more opportunity for input. Mark said some DAC members will be on the Indicators & Targets Task Force and on the City committee consultation committee. David Porte and Steve K. volunteered to be part of the City committee consultation committee.
- Michael Mortensen asked about the extent in which specific requirements will be put in the Checklist. There are a lot of existing standards and at least the minimums should be included. As a company, Grosvenor requires itself to go through a LEED process corporately. Judy McLeod commented that on the Checklist, the requirements can be hot linked as they are listed.
- Scott Olson commented that it seems like the City wants to have statistics. Mark commented that the Checklist will promote Best Practices and will let us know if we are providing enough specific types of units (special needs, social housing).

- Scott added that in order to get support for the Checklist, the City should provide incentives. The Checklist may seem intimidating for smaller projects and should be made user-friendly. Mark commented that filling out the Checklist will be voluntary. Judy commented that the Checklist is intended for larger developments and City staff may be able to provide assistance for smaller projects. Mark added that if the development application is for a house, for example, the developer would likely only have to fill out the two-pager version of the Checklist.
- Kevin commented that the Checklist could work if it is not a pass/fail process and if its intent is to meet sustainability objectives by identifying where the gaps are.
- Steve K. suggested that the Checklist come in at second reading so the developer has some assurance that their project will go through and that it is less of a wish list. Mark commented that requiring the Checklist at the time of development application would be useful for the developer to give them an idea of some things that they may have to change.
- Kevin asked if the Checklist will have to be filled out multiple times.
- Clarence commented that the Checklist has little effect until it goes with the land use report. Mark commented that it has been shown that if you want people to get involved in sustainability, you have to get them started thinking about it in the beginning.
- Kevin suggested that applicants should be able to update their Checklist response during the process. Judy commented that we could have a writable PDF version of the Checklist that applicants would always have access to in order to update their responses. Michael and Clarence commented that it would be interesting to see analysis on a small sample of the Checklist responses.
- Kevin asked if the look of the Checklist will be improved and if it would be possible to have a look at it after it is done. Mark said yes.
- Steve K. asked if the Checklist will be submitted to other departments during the application process. Mark responded that the planner dealing with the application will handle the Checklist and will consult with other departments as needed.

5. Comments on the Market – All DAC Members

- Michael Mortensen commented that things are picking up. Grosvenor's High Street development is still experiencing sales and has about a third left of its commercial units to lease.
- Steve K. commented that the market has picked up. The problem is finding land. City fees are going up. Progressive Construction cannot pay more than \$70,000/acre. Supply is restrictive.
- Kevin commented that the market is good. Polygon opened a couple of phases in South Surrey. Its Richmond development has recently had a lot of interest among buyers from mainland China.

- Amy commented that housing starts are up a bit.
- Avtar commented that the housing market is up. There is not a lot of supply. Townhouse sales are up.
- Andy commented that the housing market seems to be up, but it is getting harder for the lower-income to afford housing. Supply has decreased.
- Gopal Sahota commented that the announcement of the federal stimulus package increased the confidence of buyers. Tradesmen who are migrating into the province are purchasing, as well. Inventory is plenty right now. Potential business owners are reluctant to start a business because existing businesses that are locking into leases are trying to renegotiate. If these businesses cannot renegotiate, they will sublease to help them out over the next year.
- Clarence commented that the market has picked up since spring. Hunter Laird Engineering has experienced an increase in the number of files they are working on. The company use to do more work in Surrey, but now are doing more work in other communities. There has not been much increase in single family or multi-family starts. The expectations out there for DCC's do not meet reality.
- David commented that there has not been much demand for industrial land. Porte Realty owns four buildings in Campbell Heights. Leasing in this area has been very slow. Only a third of Porte Realty's property has been leased. In the last three weeks, they have received more interest in their building tours. Other Campbell Heights owners have probably experienced something similar.
- Scott distributed the Fraser Valley Real Estate Board's August 2009 Monthly Statistics Package, Housing Market statistics, and Market Snapshot. A copy of these handouts is attached.
- Bill commented that sales are starting to increase likely because of low prices. Finding land and financing are currently problems for CitiWest Consulting's clients. New applications are not likely. Scott commented that banks are still being cautious. Clarence added that a lot of the banks' head offices are in Toronto where the market is not doing as great as in Vancouver. As a result, banks seem to be asking for more back-up documents (e.g. memos from municipalities regarding tree bonding costs) before providing financing.
- Luciano Zago commented that Mosaic Homes had a very good year and sold just about everything they had. Finding the right priced land has been challenging.
- Jake commented that the City cannot keep up with inspections. If you cannot get final approval, one cannot get financing. Kevin added that staffing has been a problem.
- Deana commented that Parklane Homes experienced a lot of sales in July and August, but September has been slower than other Septembers. She believes that this is a blip and not a trend. Consumer confidence and lower prices have helped people enter the market. Parklane Homes is optimistic. Bank terms and conditions have been interesting. City initiatives have been good. HST will come into play. Ontario had very little time to prepare for their HST. Amy added that the Federal government has not released their transition rules. Kevin commented that no one has any idea how the HST

will affect dealing with costs. Jake commented that BC's experience may follow Ontario's and there is no certainty. Avatar added that HST and increased interest rates together will be a problem.

6. Other Business

- Judy McLeod asked the DAC if they have any suggestions for the discussions for future DAC meetings. Suggestions were as follows:
 - An update on the status of NCPs.
 - A summary of monies completed for DCC's (fire, library, parks).
 - The possibility of a window in AMANDA for developers to be able to track their development applications.
 - Having Jim Cox of the Surrey City Development Corporation come to DAC meetings on a quarterly basis.

7. Next Meeting (October 22, 2009)

The meeting adjourned at 4:31 pm.