

NO: R015

COUNCIL DATE: JANUARY 25, 2021

REGULAR COUNCIL

TO: **Mayor & Council**

DATE: **January 21, 2021**

FROM: **General Manager, Planning & Development**

FILE: **6440-01**

SUBJECT: **Update to the Tier 2 Community Amenity Contributions Program**

RECOMMENDATION

The Planning & Development Department recommends that Council:

1. Receive this report for information;
2. Amend *Surrey Zoning By-law, 1993, No. 12000*, to include Community Specific Community Amenity Contributions, as described in this report and documented in Appendix "I";
3. Amend the existing Corporate Policy No. O-54 "Density Bonus Policy – OCP and Secondary Plan Amenity Contributions", for Major Plan Amendments as described in this report and documented in Appendix "II"; and
4. Authorize the City Clerk to bring forward the necessary bylaw amendments for the required readings and to set a date for the related public hearing.

INTENT

The intent of this report is to receive Council authorization to update the Tier 2 Community Specific fixed rate Community Amenity Contributions (CAC) Program. This is a minor amendment to the current CAC program for areas outside of the town centres. This will replace the negotiated rates approach and will make the CAC process more transparent and predictable, for the development industry and efficient for staff to implement. The recommendations are to change the Tier 2 negotiated 75% land-lift CAC to a fixed rate Tier 2 CAC.

POLICY CONSIDERATIONS

Section 482 of the *Local Government Act [RSBC 2015]* ("LGA") authorizes municipalities to permit zoning density bonuses in exchange for community amenities. Community Amenity Contributions ("CACs") are provided as voluntary contributions when Council grants development rights through rezoning as per Corporate Policy No. O-54 "Density Bonus Policy – OCP and Secondary Plan Amenity Contributions" ("the Density Bonus Policy"). The CACs are provided as cash and, in some circumstances (when negotiated), in-kind contributions can be agreed to by the developer and local government, such as parkland conveyance. These contributions help offset the impacts of growth and help fund new community facilities and services.

BACKGROUND

On November 18, 2019, Council endorsed Corporate Report No. R224; 2019, titled Community Amenity Contribution and Density Bonus Program Update. The Capital Projects Density Bonus Program came into full effect on January 1, 2020 in Schedule G of *Surrey Zoning By-law, 1993, No. 12000* ("the Zoning By-law") and included a two-tier approach for amenity contributions in exchange for density increase: Tier 1 CACs apply to Secondary Plan/*Surrey Official Community Plan Bylaw, 2013, No. 18020* ("OCP") consistent projects citywide, and Tier 2 CACs apply to Secondary Plan/OCP amendment projects.

Tier 2 included two subcategories for charging CACs based on the 75% land lift approach:

(A) **A Flat Rate (per square foot) approach** for projects in Centre Specific Areas (City Centre and Town Centres) for projects that request density increase of no more than 2.0 FAR over Secondary Plan/OCP density; and

(B) **A Negotiated (75% of land-lift) appraisal approach** for Major Plan Amendments in City Centre and Town Centres requesting density over 2.0 FAR, and/or where a project requires a Secondary Plan or OCP amendment outside of City Centre or Town Centres.

DISCUSSION

Since January 2020, the City has successfully implemented its new Capital Project Density Bonus policies to ensure that development adequately contributes towards the funding of capital projects outlined in the Five-Year Capital Financial Plan. After nearly a year of the policy being in place, staff have had an opportunity to evaluate the overall effectiveness and efficiency of the current density bonus program and are proposing recommendations aiming to improve transparency and predictability of the Tier 2 CAC policies.

Tier 2 Negotiated (75% Land-Lift) CAC Review

Over the past year, several development groups have contacted staff and Council with questions and concerns regarding the negotiated approach (based on 75% of land-lift value) for Tier 2 CACs outside of Town Centres. Specifically, the concerns are regarding the complexity and unpredictability of the current Tier 2 land-lift appraisal approach for negotiated (non-fixed rate) CACs, based on land-lift appraisals.

Subsequently, City staff has conducted an analysis of projects where the 75% land-lift approach has been applied, in order to make the program more transparent and efficient by reducing the need for case-by-case negotiated land-lift appraisals. The analysis determined that an appropriate fixed rate, a similar approach to what is being used within the City Centre and Town Centres, could be applied more broadly and would be easier to implement in addition to being a more a transparent and predictable process for the development sector as they prepare their projects pro-forma.

Proposed Community Specific Capital Project CAC Approach

An updated Community Specific CAC fixed rate (\$-per square foot) is proposed for projects citywide inside and outside Secondary Plan Areas. The Community Specific CAC is proposed in eight Community Specific Areas, for the communities of Whalley, South Surrey, Guildford, Newton, Cloverdale, Fleetwood, Clayton, and Grandview.

Table 1 below outlines the proposed contributions for projects that fall outside City Centre or Town Centres where the density proposed is above the approved Secondary Plan and/or OCP designation.

Table 1 - Proposed Community Specific Rate Contributions above Secondary Plan and/or OCP Density (Tier 2)		
Community Contribution Area	Use	Proposed Rate
Whalley	Apartment	\$40/sq. ft.
	Single Family or Townhouse	\$15,000/unit
South Surrey and Grandview	Apartment	\$30/sq. ft.
	Single Family or Townhouse	\$20,000/unit
Guildford	Apartment	\$20/sq. ft.
	Single Family or Townhouse	\$15,000/unit
Newton	Apartment	\$10/sq. ft.
	Single Family or Townhouse	\$15,000/unit
Cloverdale	Apartment	\$5/sq. ft.
	Single Family or Townhouse	\$15,000/unit
Fleetwood and Clayton	Apartment	\$15/sq. ft.
	Single Family or Townhouse	\$15,000/unit

These proposed rate areas intended to be consistent inside and outside of Secondary Plan Areas and could be regularly evaluated and adjusted to ensure that they are in line with and responsive to market conditions.

Tier 2 Apartment CACs

The Tier 2 apartment fixed rate CACs are set at a per square foot rate and are derived from the existing Centre Specific Town or City Centre rate in that community.

Tier 2 Townhouses and Single Family CACs

These fixed rates vary depending on location and are reflective of market conditions for each area of the City. These rates range from \$15,000 per dwelling unit in northern areas of Surrey to \$20,000 per dwelling unit in southern areas of Surrey.

Proposed Adjustments to Negotiated Density Bonus Policies

Including a fixed rate CAC for areas outside of the Town Centres and Secondary Plan Areas will significantly reduce the need for negotiated case-by-case land-lift appraisals. The negotiated approach would only apply to rezonings which require a major OCP amendment.

Major OCP amendments will include amendments from lower intensity designations, such as Agricultural, Rural, Suburban-Urban Reserve, Suburban, Mixed Employment, or Industrial, to higher intensity designations, such as Urban, Multiple Residential, Commercial, Town Centre, or Central Business District. These types of applications have a high degree of variability in land-lift values.

As a result, for these areas it is recommended that the CAC based on land-lift continue to be negotiated on a case-by-case basis. The developer will pay 75% of the estimated land-lift, which is to be based on before- and after-valuation scenarios that include any necessary allocations of value to non-residential components, or CAC exemptions, if applicable.

Inflationary and Market Adjustments to CACs

As per the current CAC policy, review of CAC rates for annual inflationary and market adjustments is anticipated in the future to stay true to market conditions.

Implementation

Phasing of Community Specific CAC Program Amendment Rates

Staff recommendation is to make this change effective at time of bylaw adoption. New rates are proposed to be phased in over two-years as per the adopted CAC charges approved by Council.

The proposed Community Specific CAC phasing for projects that request Secondary Plan or OCP amendments (i.e., Tier 2) are shown in Table 2. The new rates would apply to new and in-process rezoning applications with the proposed phasing.

Community Contribution Areas	Table 2 - Proposed Phasing of Community Specific Flat Rate Contributions above Secondary Plan and/or OCP Density (Tier 2)		
	Use	Phase 1 Rezoning adopted between [date of bylaw adoption], 2021 and December 31, 2021	Phase 2 Rezoning adopted after December 31, 2021
Whalley	Apartment	\$30/sq. ft.	\$40/sq. ft.
	Townhouse or Single Family	\$11,250/dwelling unit	\$15,000/unit
South Surrey and Grandview	Apartment	\$22.50/sq. ft.	\$30/sq. ft.
	Townhouse or Single Family	\$15,000/dwelling unit	\$20,000/unit
Guildford	Apartment	\$15/sq. ft.	\$20/sq. ft.
	Townhouse or Single Family	\$11,250/dwelling unit	\$15,000/unit
Newton	Apartment	\$7.50/sq. ft.	\$10/sq. ft.
	Townhouse or Single Family	\$11,250/dwelling unit	\$15,000/unit
Cloverdale	Apartment	\$3.75/sq. ft.	\$5/sq. ft.
	Townhouse or Single Family	\$11,250/dwelling unit	\$15,000/unit
Fleetwood and Clayton	Apartment	\$11.25/sq. ft.	\$15/sq. ft.
	Townhouse or Single Family	\$11,250/dwelling unit	\$15,000/unit

New and In-Stream Rezoning Projects

Upon adoption of these proposed community specific contributions, new and in-stream rezoning applications will be subject to the new fixed rates CAC before the rezoning application has received Final Adoption. Applications that have received Third Reading approval before the adoption of these amendments, will be exempted from the new fixed CAC. Planning staff will advise in-stream applicants of pending changes to flat rate CACs, as described in this report.

Proposed Policy and Regulation Changes

Proposed Zoning By-law Changes

The intent of the proposed Zoning By-law amendments as identified in Appendix “I” is to expand the area of the Centre Specific Rates into the broader communities of Surrey, outside of City Centre and Town Centers, in Urban, Multiple Residential, Commercial, Town Centre, and Central Business District designated areas, and will apply to the entirety of density bonus floor space for apartments, or dwelling units, in excess of plan proposed for townhouses or single family. All Community Specific density bonus fixed rates and community area maps have been

included in Appendix G of the Zoning By-law, along with exemptions and phasing schedule of proposed rates and related housekeeping amendments to adjust the name of Centre Specific, to Community Specific throughout the Zoning Bylaw.

Changes to the Density Bonus Policy – OCP and Secondary Plan Amenity Contributions

The negotiated land-lift approach will continue to apply, but now only for major Secondary Plan/OCP amendments in areas designated Conservation and Recreation, Agricultural, Rural, Suburban-Urban Reserve, Suburban, Mixed Employment, or Industrial which propose to amend the OCP to higher density. The revised Density Bonus Policy – OCP and Secondary Plan Amenity Contributions is attached as Appendix “II”.

LEGAL SERVICES REVIEW

The City’s Legal Services Division has reviewed this report and has no concerns.

SUSTAINABILITY CONSIDERATIONS

The work of this review and update supports the objectives of the City’s Sustainability Charter 2.0. In particular, this work relates to Sustainability Charter 2.0 theme of Built Environments and Neighbourhoods. Specifically, this work supports the following Strategic Direction (“SD”).

- Neighbourhoods and Urban Design SD5: Leverage, incentivize and enhance community benefits through the planning and construction of new development.

CONCLUSION

The proposed amendments to the Surrey’s Tier 2 CAC Program streamline the method of funding community amenities within each community in Surrey. Revising the current Density Bonus Policy to include fixed rate Community Specific CACs will help fund new citywide amenities, increase transparency of rates, and reduce challenges in determining and negotiating CACs outside City Centre and Town Centers.

Based on the above discussion above, it is recommended that Council approve amendments to the Zoning By-law, and approve revisions to the Density Bonus Policy, and authorize the City Clerk to bring forward the necessary amending bylaws for the required readings and to set a date for the related public hearing.

Original signed by
Jean Lamontagne
General Manager, Planning & Development

PH/MK/ss/

Appendix “I” Proposed Amendments to *Surrey Zoning By-law, 1993, No. 12000*
Appendix “II” Proposed Amendments to Corporate Policy No. O-54 “Density Bonus Policy – OCP and Secondary Plan Amenity Contributions”

Proposed Amendments Surrey Zoning By-law, 1993, No. 12000, as amended

Schedule G Proposed Amendments

The following amendments are proposed to Schedule G of Surrey Zoning By-law, 1993, No. 12000, as amended:

1. In Sections Title “C. Centre Community Specific Capital Projects Contributions”, delete the word “Centre” and replace with the word “Community”.
2. In the table in Section B.4, under the words “**Phase 1**” and before the words “January 1, 2020 and December 31, 2020”, add the words “Subdivision approval or building permit issuance between”.
3. In the table in Section B.4, under the words “**Phase 2**” and before the words “January 1, 2021 and December 31, 2021” add the words “Subdivision approval or building permit issuance between”.
4. In the table in Section B.4, under the words “**Phase 3**” and before the words “December 31, 2021”, add the words “Subdivision approval or building permit issuance after”.
5. In the Section B.8, under replace the words “Building Permit”, with the words “building permit”.
6. In Section C., title, delete the word “Centre” and replace with the word “Community”.
7. In Section C1., delete “The Centre Specific Capital Projects Contributions apply to density increases in the City Centre and Town Centres where:” and replace with “The Community Specific Capital Projects Contributions apply to density increases in the Surrey Communities where:”
8. In Section C1.(b), before the words, “the *Official Community Plan*; and.” delete “proposed increase is no more than 2.0 floor area ratio above the maximum density allowed in a an approved Secondary Plan or”, and replace with: “the *lot* is currently designated Urban, Multiple Residential, Commercial, Town Centre or Central Businesses District, in”.
9. In Section C1.(c), delete the word “Plan” and replace with the word “Community”, and delete the number “14” and replace with the number “16”.
10. Delete Section C2., and replace with “Community Specific Capital Projects Contribution areas and rates are established in Sections C.9 through C.16 of this Schedule. Community Specific Capital Projects Contribution rates are charged on a per square foot basis for apartments and on a per dwelling unit basis for single family and townhouses. Contributions only apply to the increase in density proposed above the maximum density already permitted in the approved Secondary Plan or *Official Community Plan*.”
11. In Section C3., delete the word “Centre” and replace with the word “Community.”

12. Delete Section C4., and replace Section C.4 with: “Notwithstanding Section C.2 of this Schedule, Community Specific Capital Projects Contribution rates shall be introduced based on the following phasing schedule:

Areas identified in Sections C.9-C.16 of this Schedule	Use	Phase 1 Rezoning adopted between [insert adoption date of bylaw], 2021 and December 31, 2021	Phase 2 Rezoning adopted after December 31, 2021
Section C.9 Whalley Community Area	Apartment ¹	\$30/sq. ft.	\$40/sq. ft.
	Townhouse ² or Single Family ³	\$11,250/dwelling unit	\$15,000/dwelling unit
Section C.10 South Surrey Community Area	Apartment ¹	\$22.50/sq. ft.	\$30/sq. ft.
	Townhouse ² or Single Family ³	\$15,000/dwelling unit	\$20,000/dwelling unit
Section C.11 Guildford Community Area	Apartment ¹	\$15/sq. ft.	\$20/sq. ft.
	Townhouse ² or Single Family ³	\$11,250/dwelling unit	\$15,000/dwelling unit
Section C.12 Newton Community Area	Apartment ¹	\$7.50/sq. ft.	\$10/sq. ft.
	Townhouse ² or Single Family ³	\$11,250/dwelling unit	\$15,000/dwelling unit
Section C.13 Cloverdale Community Area	Apartment ¹	\$3.75/sq. ft.	\$5/sq. ft.
	Townhouse ² or Single Family ³	\$11,250/dwelling unit	\$15,000/dwelling unit
Section C.14 Fleetwood Community Area	Apartment ¹	\$11.25/sq. ft.	\$15/sq. ft.
	Townhouse ² or Single Family ³	\$11,250/dwelling unit	\$15,000/dwelling unit
Section C.15 Clayton Community Area	Apartment ¹	\$11.25/sq. ft.	\$15/sq. ft.
	Townhouse ² or Single Family ³	\$11,250/dwelling unit	\$2015,000/dwelling unit
Section C.16 Grandview Community Area	Apartment ¹	\$15/sq. ft.	\$20/sq. ft.
	Townhouse ² or Single Family ³	\$15,000/dwelling unit	\$20,000/dwelling unit

¹ Apartment means a *dwelling unit* primarily accessed via a common corridor within a *multiple unit residential building*.

² Townhouse means a *dwelling unit* in a *multiple unit residential building*, where each *dwelling* has individual direct access to the outside either at ground level or by stairs and is attached to at least one other *dwelling unit* by a shared floor or party wall.

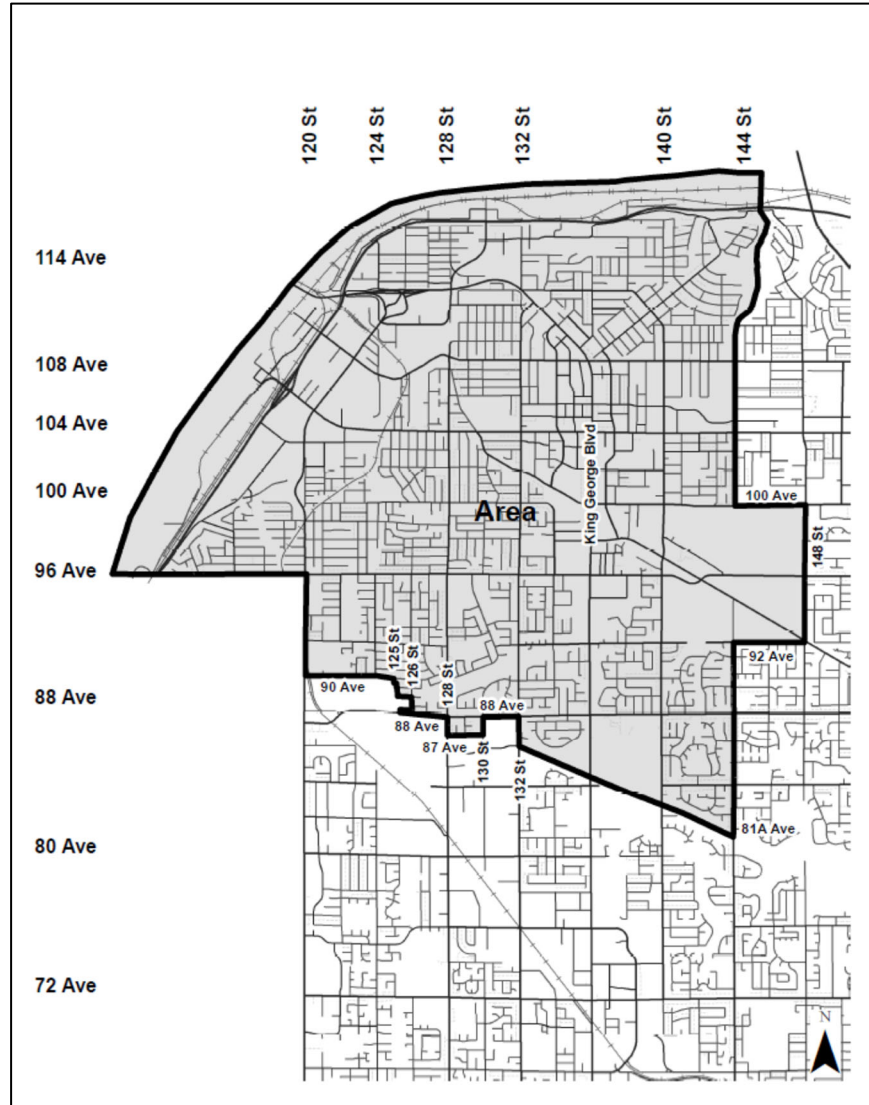
³ Single Family means a detached *building* used for residential purposes that consists of one *dwelling unit* and where permitted by this By-law, one *secondary suite*, or a side by side *Duplex* with each *dwelling unit* located on a separate fee simple *lot*.

13. In Section C5., add the letter “s” after the word “Section”, and delete the word “Centre” and replace with the word “Community.”
14. Delete Section C6., and replace Section C6. with: “Sections C.1 through C.5 of this Schedule come into effect on [insert date of bylaw adoption].”

15. In Section C8., delete the word “Centre” and replace with the word “Community.”
16. Delete Sections C9.,C10.,C11.,C12.,C13. and C14. and replace Sections C9.,C10.,C11.,C12.,C13. and C14. as follows:

9. **WHALLEY COMMUNITY AREA**

- (a) The Community Specific Capital Projects Contribution Area for the Whalley Community shall be identified as follows:



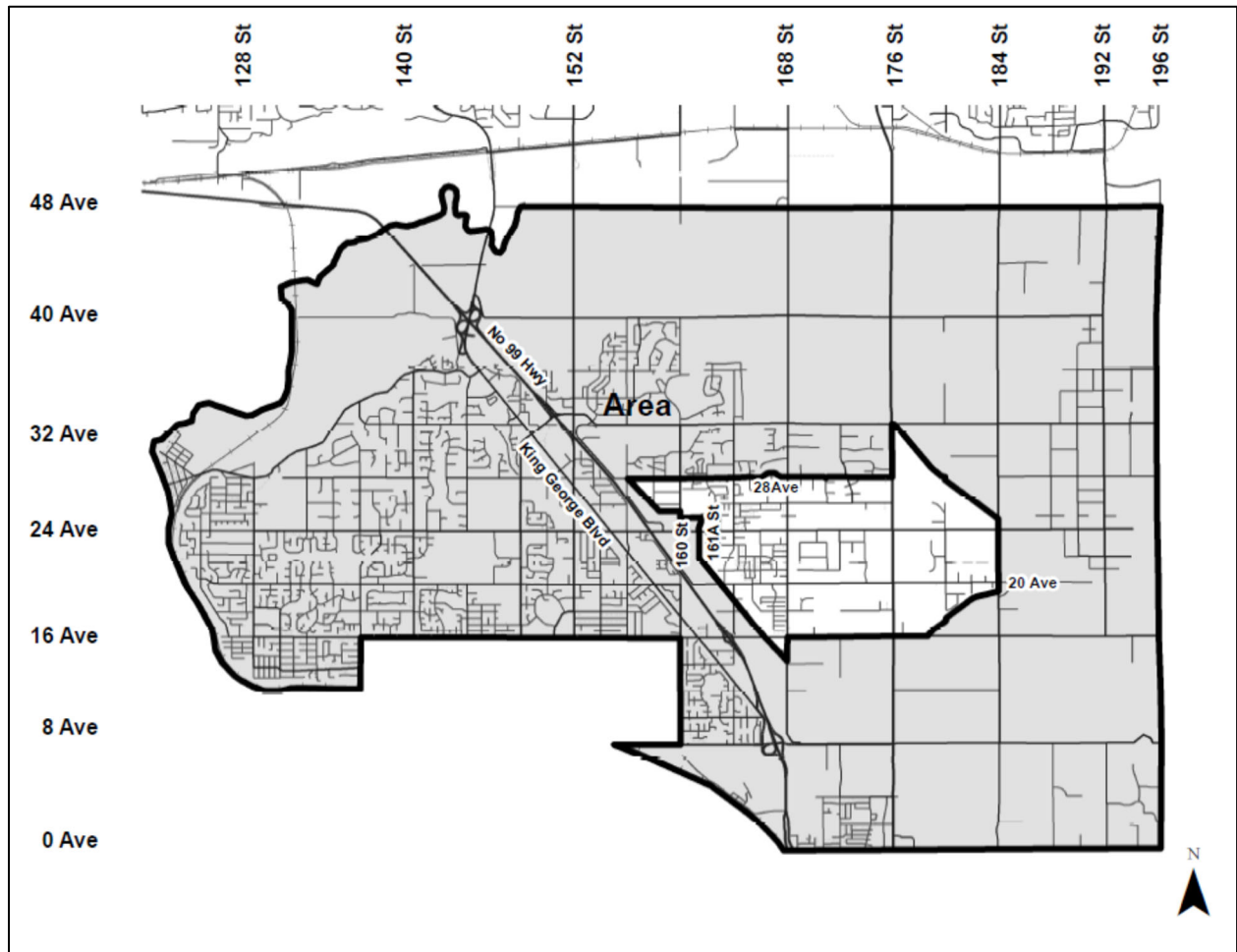
- (b) The Community Specific Capital Projects amenity contributions for the Whalley Community identified in Sub-Section C.9(a) above are as follows:

Use	Amenity Contributions*
Apartment	\$40 per square foot
Townhouse or Single Family	\$15,000 per <i>dwelling unit</i>

* Amenity Contributions listed in this Section are in addition to the amenity contributions listed in Section D and E of this Schedule but only apply to that portion of increased *density* that is above the maximum *density* indicated in an approved Secondary Plan or *Official Community Plan*.

10. SOUTH SURREY COMMUNITY AREA

- (a) The Community Specific Capital Projects Contribution Area for South Surrey Community shall be identified as follows:



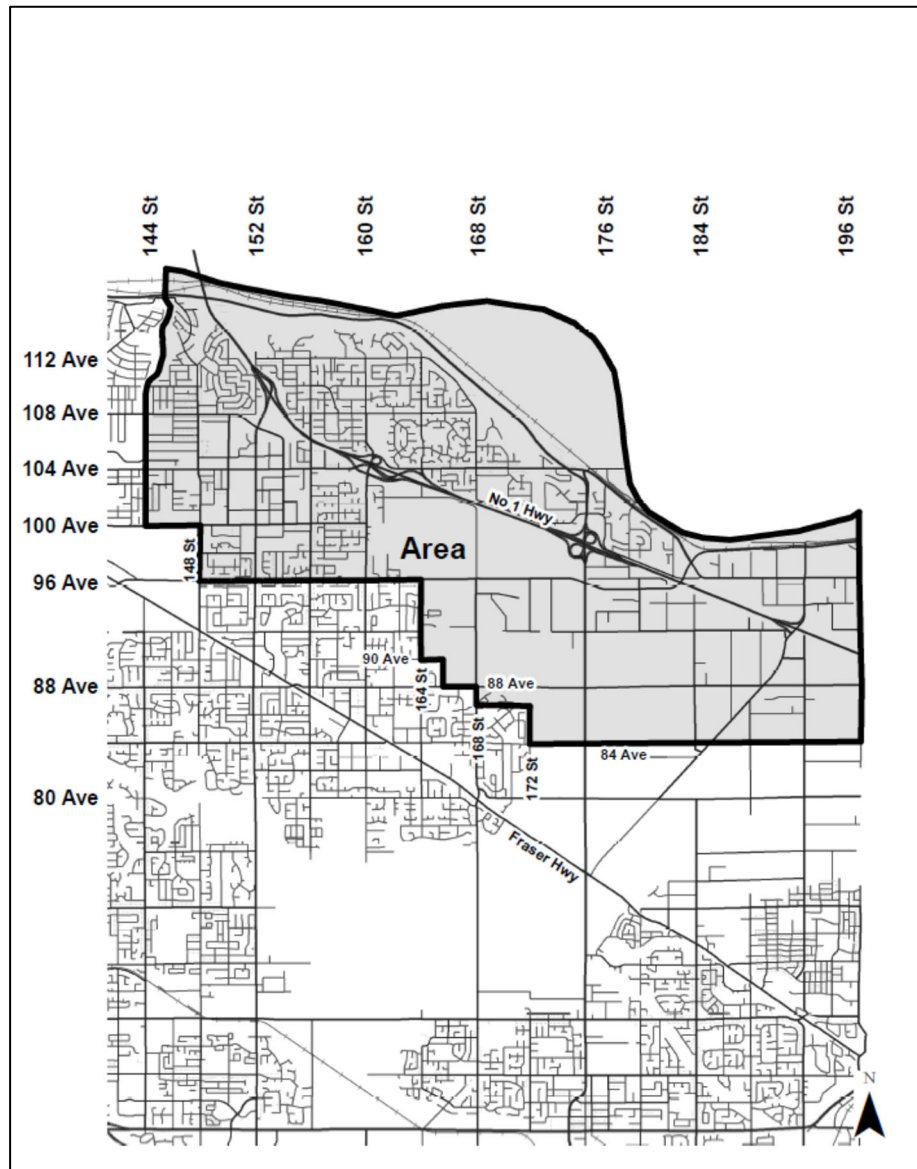
- (b) The Community Specific Capital Projects amenity contributions for the South Surrey Community identified in Sub-Section C.10(a) above are as follows:

Use	Amenity Contributions*
Apartment	\$30 per square foot
Townhouse or Single Family	\$20,000 per <i>dwelling unit</i>

* Amenity Contributions listed in this Section are in addition to the amenity contributions listed in Section D and E of this Schedule but only apply to that portion of increased *density* that is above the maximum *density* indicated in an approved Secondary Plan or *Official Community Plan*.

11. GUILDFORD COMMUNITY AREA

- (a) The Community Specific Capital Projects Contribution Area for the Guildford Community shall be identified as follows:



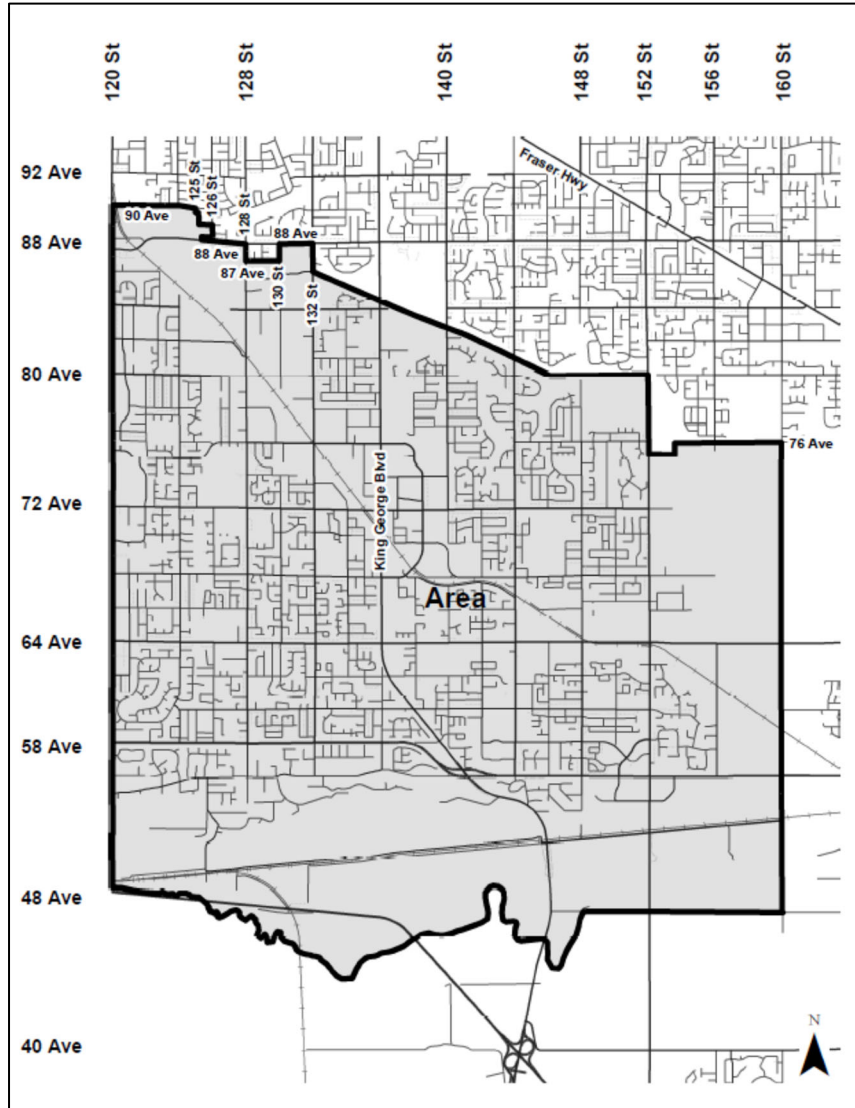
- (b) The Community Specific Capital Projects amenity contributions for the Guildford Community identified in Section C.11(a) above are as follows:

Use	Amenity Contributions*
Apartment	\$20 per square foot
Townhouse or Single Family	\$15,000 per dwelling unit

* Amenity Contributions listed in this Section are in addition to the amenity contributions listed in Section D and E of this Schedule but only apply to that portion of increased *density* that is above the maximum *density* indicated in an approved Secondary Plan or *Official Community Plan*.

12. NEWTON COMMUNITY AREA

- (a) The Community Specific Capital Projects Contribution Area for the Newton Community shall be identified as follows:



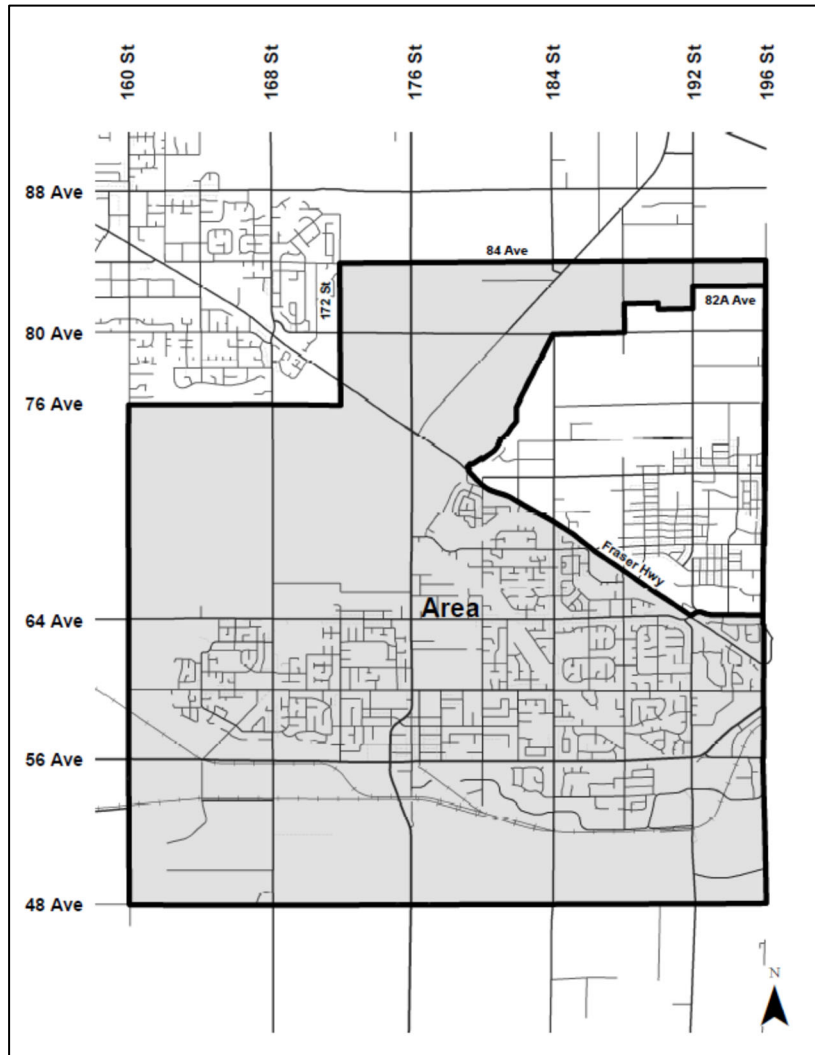
- (b) The Community Specific Capital Projects amenity contributions for the Newton Community identified in Section C.12(a) above are as follows:

Use	Amenity Contributions*
Apartment	\$10 per square foot
Townhouse or Single Family	\$15,000 per <i>dwelling unit</i>

* Amenity Contributions listed in this Section are in addition to the amenity contributions listed in Section D and E of this Schedule but only apply to that portion of increased *density* that is above the maximum *density* indicated in an approved Secondary Plan or *Official Community Plan*.

13. CLOVERDALE COMMUNITY AREA

- (a) The Community Specific Capital Projects Contribution Area for the Cloverdale Community shall be identified as follows:



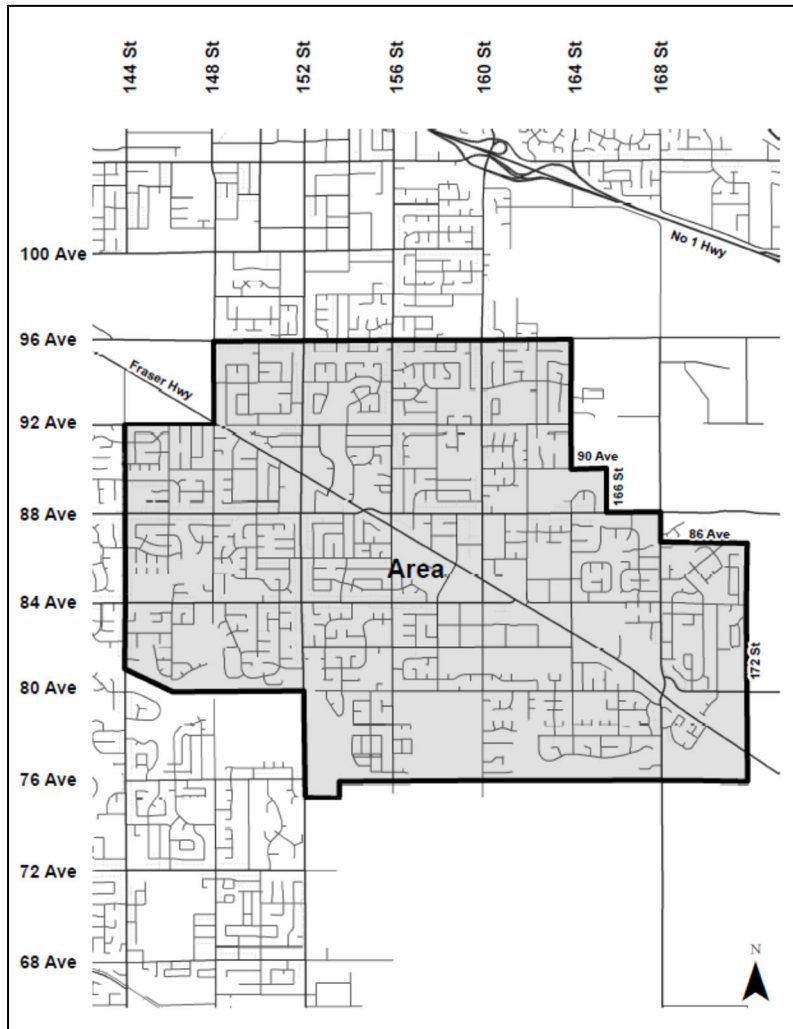
- (b) The Community Specific Capital Projects amenity contributions for the Cloverdale Community identified in Section C.13(a) above are as follows:

Use	Amenity Contributions*
Apartment	\$5 per square foot
Townhouse or Single Family	\$15,000 per dwelling unit

* Amenity Contributions listed in this Section are in addition to the amenity contributions listed in Section D and E of this Schedule but only apply to that portion of increased *density* that is above the maximum *density* indicated in an approved Secondary Plan or *Official Community Plan*.

14. FLEETWOOD COMMUNITY AREA

- (a) The Community Specific Capital Projects Contribution Area for the Fleetwood Community shall be identified as follows:



- (b) The Community Specific Capital Projects amenity contributions for the Fleetwood Community identified in Section C.14(a) above are as follows:

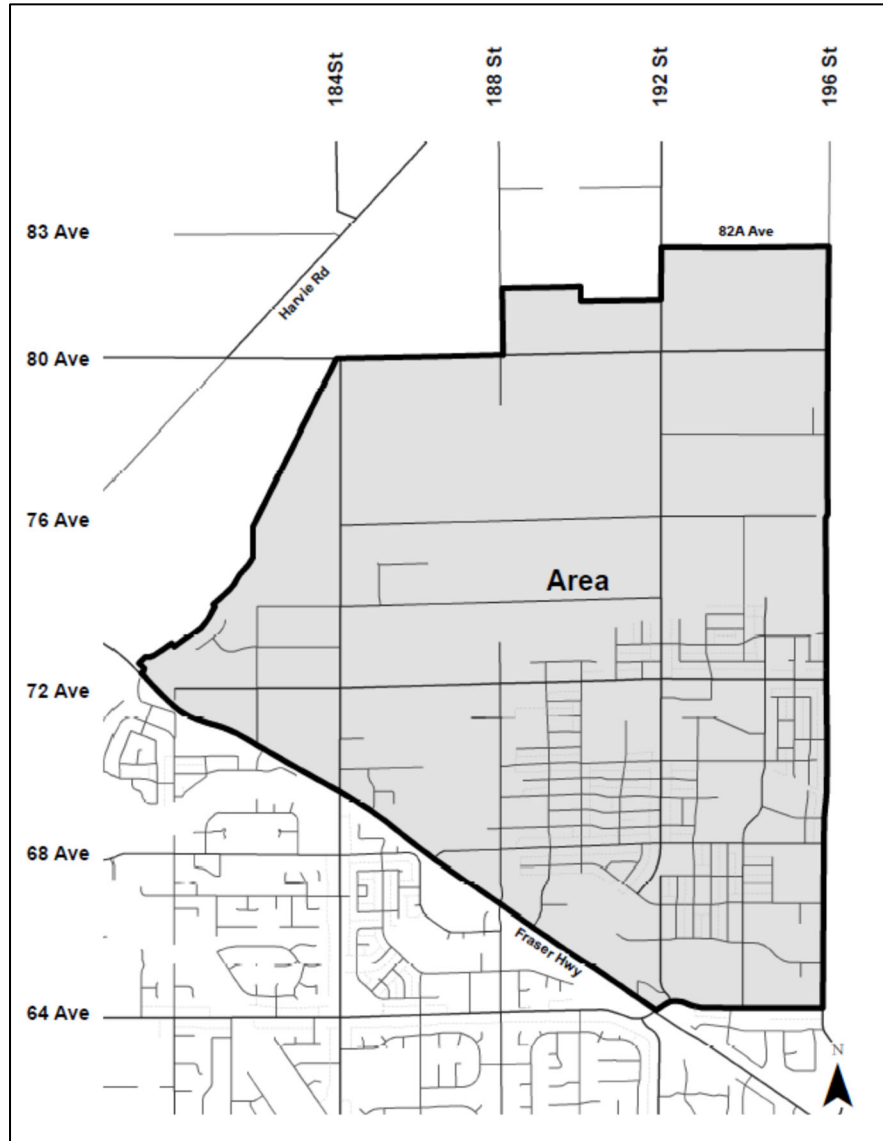
Use	Amenity Contributions*
Apartment	\$15 per square foot
Townhouse or Single Family	\$15,000 per <i>dwelling unit</i>

* Amenity Contributions listed in this Section are in addition to the amenity contributions listed in Section D and E of this Schedule but only apply to that portion of increased *density* that is above the maximum *density* indicated in an approved Secondary Plan or *Official Community Plan*.

17. After Sub-section C.14 insert new Sub-sections C15. and C16., as follows:

15. CLAYTON COMMUNITY AREA

- (a) The Community Specific Capital Projects Contribution Area for the Clayton Community shall be identified as follows:



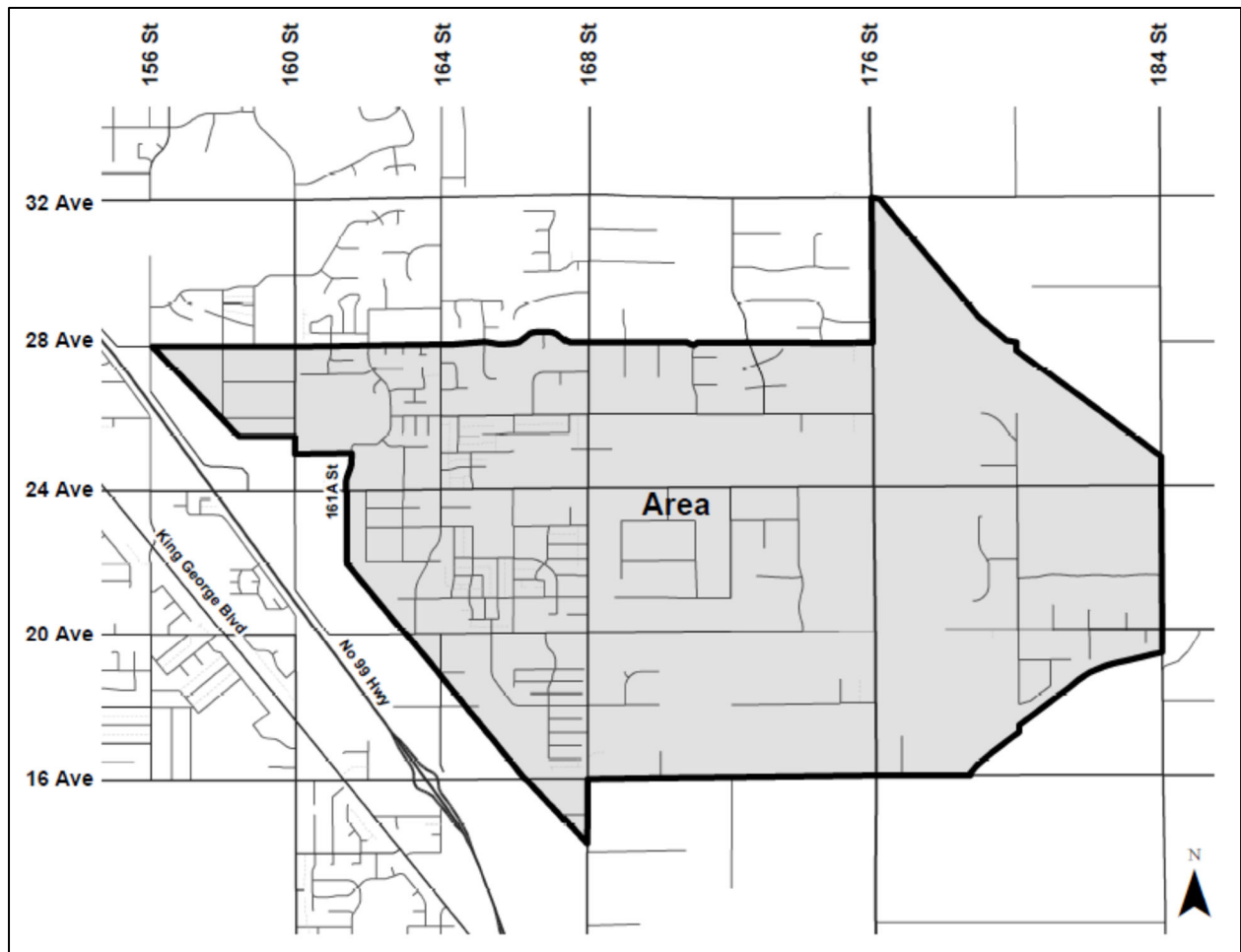
- (b) The Community Specific Capital Projects amenity contributions for the Clayton Community identified in Section C.15(a) above are as follows:

Use	Amenity Contributions*
Apartment	\$15 per square foot
Townhouse or Single Family	\$15,000 per dwelling unit

* Amenity Contributions listed in this Section are in addition to the amenity contributions listed in Section D and E of this Schedule but only apply to that portion of increased *density* that is above the maximum *density* indicated in an approved Secondary Plan or *Official Community Plan*.

16. GRANDVIEW COMMUNITY AREA

- (a) The Community Specific Capital Projects Contribution Area for the Grandview Community shall be identified as follows:



- (b) The Community Specific Capital Projects amenity contributions for the Grandview Community identified in Section C.16(a) above are as follows:

Use	Amenity Contributions*
Apartment	\$20 per square foot
Townhouse or Single Family	\$20,000 per <i>dwelling unit</i>

* Amenity Contributions listed in this Section are in addition to the amenity contributions listed in Section D and E of this Schedule but only apply to that portion of increased *density* that is above the maximum *density* indicated in an approved Secondary Plan or *Official Community Plan*.

Zoning By-law Proposed Amendments

The following proposed amendments to the Zoning Bylaw, are presented and highlighted in the order the sections appear in the bylaw, as follows:

1. Part 12, RA, One-Acre Residential Zone, Section D. Density, as follows:
 - a) sub-section D.1.(c), by deleting the word “Centre” and replacing with the word “Community”.
2. Part 13, RA-G, Acreage Residential Gross Density Zone, Section D. Density, as follows:
 - a) sub-section D.1.(c), by deleting the word “Centre” and replacing with the word “Community”.
3. Part 14, RH, Half-Acre Residential Zone, Section D. Density, as follows:
 - a) sub-section D.1.(c), by deleting the word “Centre” and replacing with the word “Community”.
4. Part 15, RH-G, Half-Acre Residential Gross Density Zone, Section D. Density, as follows:
 - a) sub-section D.1.(c), by deleting the word “Centre” and replacing with the word “Community”.
5. Part 15A, RC, Cluster Residential Zone, Section D. Density, as follows:
 - a) sub-section D.1.(c), by deleting the word “Centre” and replacing with the word “Community”.
6. Part 15C, RQ, Quarter Acre Residential Zone, Section D. Density, as follows:
 - a) sub-section D.1.(c), by deleting the word “Centre” and replacing with the word “Community”.
7. Part 16, RF, Single Family Residential Zone, Section D. Density, as follows:
 - a) sub-section D.1.(c), by deleting the word “Centre” and replacing with the word “Community”.
8. Part 16B, RF-13, Single Family Residential (13) Zone, Section D. Density, as follows:
 - a) sub-section D.1.(c), by deleting the word “Centre” and replacing with the word “Community”.
9. Part 17, RF-G, Single Family Residential Gross Density Zone, Section D. Density, as follows:

- a) sub-section D.1.(c), by deleting the word “Centre” and replacing with the word “Community”.
10. Part 17A, RF-12, Single Family Residential (12) Zone, Section D. Density, as follows:
 - a) sub-section D.1.(c), by deleting the word “Centre” and replacing with the word “Community”.
11. Part 17B, RF-12C, Single Family Residential (12) Coach House Zone, Section D. Density, as follows:
 - a) sub-section D.1.(c), by deleting the word “Centre” and replacing with the word “Community”.
12. Part 17C, RF-10, Single Family Residential (10) Zone, Section D. Density, as follows:
 - a) sub-section D.1.(c), by deleting the word “Centre” and replacing with the word “Community”.
13. Part 17D, RF-10S, Special Single Family Residential (10) Zone, Section D. Density, as follows:
 - a) sub-section D.1.(c), by deleting the word “Centre” and replacing with the word “Community”.
14. Part 17E, RF-9, Single Family Residential (9) zone, Section D. Density, as follows:
 - a) sub-section D.1.(c), by deleting the word “Centre” and replacing with the word “Community”.
15. Part 17F, RF-9C, Single Family Residential (9) Coach House Zone, Section D. Density, as follows:
 - a) sub-section D.1.(c), by deleting the word “Centre” and replacing with the word “Community”.
16. Part 17G, RF-9S, Special Single Family Residential (9) Zone, Section D. Density, as follows:
 - a) sub-section D.1.(c), by deleting the word “Centre” and replacing with the word “Community”.
17. Part 17H, RF-SD, Semi-Detached Residential Zone, Section D. Density, as follows:
 - a) sub-section D.1.(c), by deleting the word “Centre” and replacing with the word “Community”.
18. Part 20, RM-10, Multiple Residential 10 Zone, Section D. Density, as follows:
 - a) sub-section D.5, by deleting the word “Centre” and replacing with the word “Community”.

19. Part 21, RM-15, Multiple Residential 15 Zone, Section D. Density, as follows:
 - a) sub-section D.1.(c), by deleting the word “Centre” and replacing with the word “Community”.
20. Part 21A, RM-23, Multiple Residential 23 Zone, Section D. Density, as follows:
 - a) sub-section D.1.(c), by deleting the word “Centre” and replacing with the word “Community”.
21. Part 22, R-30, Multiple Residential 30 Zone, Section D. Density, as follows:
 - a) sub-section D.1.(c), by deleting the word “Centre” and replacing with the word “Community”.
22. Part 21, RM-15, Multiple Residential 15 Zone, Section D. Density, as follows:
 - a) sub-section D.1.(c), by deleting the word “Centre” and replacing with the word “Community”.
23. Part 22, RM-30, Multiple Residential 30 Zone, Section D. Density, as follows:
 - a) sub-section D.5., by deleting the word “Centre” and replacing with the word “Community”.
24. Part 23, RM-45, Multiple Residential 45 Zone, Section D. Density, as follows:
 - a) sub-section D.5., by deleting the word “Centre” and replacing with the word “Community”.
25. Part 24, RM-70, Multiple Residential 70 Zone, Section D. Density, as follows:
 - a) sub-section D.5., by deleting the word “Centre” and replacing with the word “Community”.
26. Part 25, RM-135, Multiple Residential 135 Zone, Section D. Density, as follows:
 - a) sub-section D.5., by deleting the word “Centre” and replacing with the word “Community”.
27. Part 26, RMC-135, Multiple Residential Commercial 135 Zone, Section D. Density, as follows:
 - a) sub-section D.6., by deleting the word “Centre” and replacing with the word “Community”.
28. Part 27, RMC-150, Multiple Residential Commercial 135 Zone, Section D. Density, as follows:

- a) sub-section D.5., by deleting the word “Centre” and replacing with the word “Community”.
29. Part 37, C-15, Town Centre Commercial C-15 Zone, Section D. Density, as follows:
- a) sub-section D.3., by deleting the word “Centre” and replacing with the word “Community”.
30. Part 38, C-35, Downtown Commercial C-35 Zone, Section D. Density, as follows:
- a) sub-section D.4., by deleting the word “Centre” and replacing with the word “Community”.

Schedule G Community Amenity Contributions

(BL 13581; 19073; 19995; 20075)

In accordance with Section 482 of the *Local Government Act*, as amended, community amenity contributions may apply to any Zone, including any Comprehensive Development Zone, where an increase in the minimum *density* is granted. The following community amenity contributions apply:

Sections:

- A. Affordable Housing Contributions
- B. Capital Projects Contributions
- C. [Centre-Community](#) Specific Capital Projects Contributions
- D. Secondary Plan and Infill Area Contributions
- E. Secondary Plan and Infill Area Contribution Areas and Rates

Contribution rates established in this Schedule may increase on an annual basis based on either the Consumer Price Index or market condition adjustments, as appropriate.

A. Affordable Housing Contributions

- 1. The Affordable Housing Contributions apply to any Zone that permits a *dwelling unit*.
- 2. For each additional *dwelling unit* permitted in excess of the minimum *density* permitted in that Zone, the Affordable Housing Contribution shall be \$1,000.
- 3. Notwithstanding Section A.1 and A.2 of this Schedule, *secondary suites*, purpose-built rental (with a Housing Agreement), social or non-market affordable housing *dwelling units* or *dwelling units* used as a caretaker's residence, and non-residential uses are excluded from the Affordable Housing Contribution.
- 4. Affordable Housing Contributions for single family and duplexes are required to be paid before final subdivision approval and for all other residential development types, are required to be paid before a Building Permit is issued.

B. Capital Projects Contributions

(BL 20126; 20200)

- 1. The Capital Projects Contributions apply to any Zone that permits a *dwelling unit*.
- 2. For each additional *dwelling unit* permitted in excess of the minimum *density* permitted in that Zone, the Capital Projects Contribution shall be as follows:
 - (a) \$2,000 in all Secondary Plan and Infill Areas identified in Section E of this Schedule;
or
 - (b) \$4,000 in all other areas of the City.
- 3. Notwithstanding Section B.2 of this Schedule, *secondary suites*, purpose-built rental (with a Housing Agreement), social or non-market affordable housing *dwelling units*, *dwelling units* used as a caretaker's residence, one-for-one rental replacement units (with a Housing Agreement), agricultural properties, and non-residential uses are excluded from the Capital Projects Contribution.
- 4. Notwithstanding Section B.2 of this Schedule, Capital Projects Contribution rates shall be introduced based on the following phasing schedule:

Areas	Phase 1 <u>(Subdivision approval or building permit issuance between January 1, 2020 and December 31, 2020)</u>	Phase 2 <u>(Subdivision approval or building permit issuance between January 1, 2021 and December 31, 2021)</u>	Phase 3 <u>(Subdivision approval or building permit issuance After after January 1, 2021 December 31, 2021)</u>
Areas Identified in Section B.2 (a) of this Schedule	\$1,000/dwelling unit	\$1,500/dwelling unit	\$2,000/dwelling unit
Areas Identified in Section B.2 (b) of this Schedule	\$2,000/dwelling unit	\$3,000/dwelling unit	\$4,000/dwelling unit

5. Notwithstanding Section B.2 and B.4 of this Schedule, for any in-stream rezoning applications, that have received Third Reading approval from City Council prior to January 1, 2020, the Capital Projects Contributions will be waived until December 31, 2020. After January 1, 2021, Sections B.2 and B.4 of this Schedule shall apply, for any in-stream rezoning applications.
6. Notwithstanding Section B.1 through B.5 of this Schedule, the Capital Projects Contribution does not come into effect until January 1, 2020.
7. Notwithstanding any phasing and waiving of rates established in Sections B.4 and B.5 of this Schedule, after January 1, 2022, only the rates established in Section B.2 of this Schedule shall apply.
8. Capital Projects Contributions for single family and *duplexes* are required to be paid before final subdivision approval and all other *residential* development types are required to be paid before a Building-building Permit-permit is issued.

C. Centre-Community Specific Capital Projects Contributions

(BL 20126; 20200)

1. The Centre-Community Specific Capital Projects Contributions apply to density increases in the City Centre and Town Centres Surrey Communities where:
 - (a) the proposed increase is greater than the maximum *density* allowed in an approved Secondary Plan or the *Official Community Plan*;
 - (b) the lot is currently designated Urban, Multiple Residential, the Commercial, Town Centre, or Central Business District, in proposed increase is no more than 2.0 floor area ratio above the maximum density allowed in an approved Secondary Plan or the Official Community Plan; and
 - (c) the lot falls within the Plan-Community Areas identified in Sections C.9 through C.14 16 of this Schedule.
2. Centre-Community Specific Capital Projects Contribution areas and rates are established in Sections C.9 through C.14 16 of this Schedule. Centre-Community Specific Capital Projects Contribution rates are charged on a per square foot basis for apartments and on a per dwelling unit basis for single family and townhouses. and Contributions only apply to the increase in floor area density proposed above the maximum density already permitted in the approved Secondary Plan or *Official Community Plan*.
3. Notwithstanding Section C.2 of this Schedule, secondary suites, purpose-built rental (with a Housing Agreement), social or non-market affordable housing dwelling units, dwelling units used as a caretaker's residence, one-for-one rental replacement units (with a Housing

- Agreement), and non-residential uses are excluded from the Centre-Community Specific Capital Projects Contribution.
4. Notwithstanding Section C.2 of this Schedule, Centre-Community Specific Capital Projects Contribution rates shall be introduced based on the following phasing schedule:

<u>Areas identified in Sections C.9-C16</u>	<u>Phase 1 Use</u> (between January 1, 2020 and December 31, 2020)	<u>Phase 21</u> (Rezoning adopted between January 11, 2021 [insert date of bylaw adoption] and December 31, 2021)	<u>Phase 32</u> (Rezoning adopted After after December 31, 2021)
Areas Identified in Section C.9, City Centre Whalley Community Contribution Area	Apartment¹ \$20/sq. ft.	\$30/sq. ft.	\$40/sq. ft.
	Townhouse² or Single Family³	\$11,250/dwelling unit	\$15,000/dwelling unit
Areas Identified in Section C.10, Semiahmoo Town Centre South Surrey Community Contribution Area	Apartment¹ \$15/sq. ft.	\$22.50/sq. ft.	\$30/sq. ft.
	Townhouse² or Single Family³	\$15,000/dwelling unit	\$20,000/dwelling unit
Areas Identified in Section C.11, Guildford Town Centre Community Contribution Area	Apartment¹ \$10/sq. ft.	\$15/sq. ft.	\$20/sq. ft.
	Townhouse² or Single Family³	\$11,250/dwelling unit	\$15,000/dwelling unit
Areas Identified in Section C.12, Newton Town Centre Community Contribution Area	Apartment¹ \$5/sq. ft.	\$7.50/sq. ft.	\$10/sq. ft.
	Townhouse² or Single Family³	\$11,250/dwelling unit	\$15,000/dwelling unit
Areas Identified in Section C.13, Cloverdale Town Centre Community Contribution Area	Apartment¹ \$2.50/sq. ft.	\$3.75/sq. ft.	\$5/sq. ft.
	Townhouse² or Single Family³	\$11,250/dwelling unit	\$15,000/dwelling unit
Areas Identified in Section C.14, Fleetwood Town Centre Community Contribution Area	Apartment¹ \$7.50/sq. ft.	\$11.25/sq. ft.	\$15/sq. ft.
	Townhouse² or Single Family³	\$11,250/dwelling unit	\$15,000/dwelling unit
Areas Identified in Section C.15, Clayton Community Area	Apartment¹	\$11.25/sq. ft.	\$15/sq. ft.
	Townhouse² or Single Family³	\$11,250/dwelling unit	\$15,000/dwelling unit
Areas Identified in Section C.16, Grandview Community Area	Apartment¹	\$15/sq. ft.	\$20/sq. ft.
	Townhouse² or Single Family³	\$15,000/dwelling unit	\$20,000/dwelling unit

¹ Apartment means a *dwelling unit* primarily accessed via a common corridor within a *multiple unit residential building*.

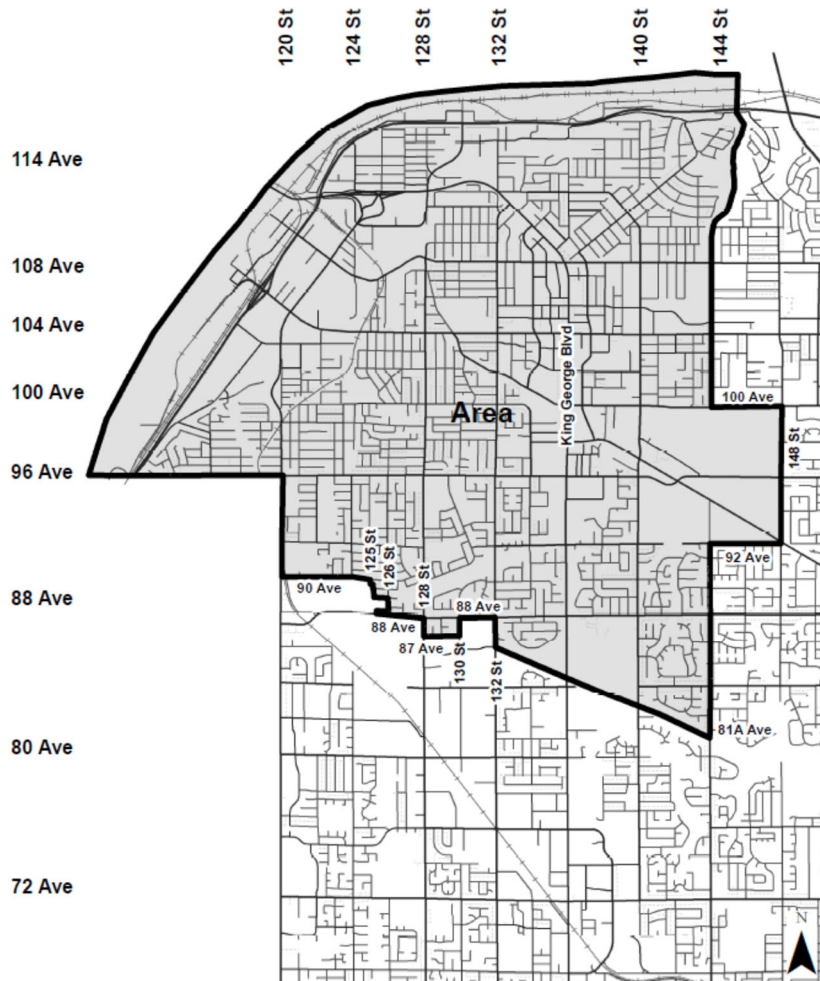
² Townhouse means a *dwelling unit* in a *multiple unit residential building*, where each *dwelling* has individual direct access to the outside either at ground level or by stairs and is attached to at least one other *dwelling unit* by a shared floor or party wall.

³ Single Family means a *detached building* used for residential purposes that consists of one *dwelling unit* and where permitted by this By-law, one secondary suite, or side by side Duplex with each *dwelling unit* located on a separate fee simple lot.

5. Notwithstanding Sections C.2 and C.4 of this Schedule, the Centre-Community Specific Capital Projects Contributions will be waived for any in-stream applications that have received Third Reading approval from City Council prior to January 1, 2020.
6. ~~Notwithstanding~~ The revised Sections C.1 through C.5 of this amended Schedule, ~~the Centre Specific Capital Projects Contribution does not come into effect until on~~ January 1, 2020 insert date of Amending Bylaw adoption.
7. Notwithstanding any phasing and waiving of rates established in Sections C.4 and C.5 of this Schedule, after January 1, 2022, only the rates established in Section C.2 of this Schedule shall apply.
8. Centre-Community Specific Capital Projects Contributions are required to be paid before the rezoning application has received Final Adoption.

9. ~~CITY-CENTRE~~WHALLEY COMMUNITY CONTRIBUTION AREA

- (a) The ~~Centre-Community~~ Specific Capital Projects Contribution Area for the ~~City Centre Plan~~Whalley Community shall be identified as follows:



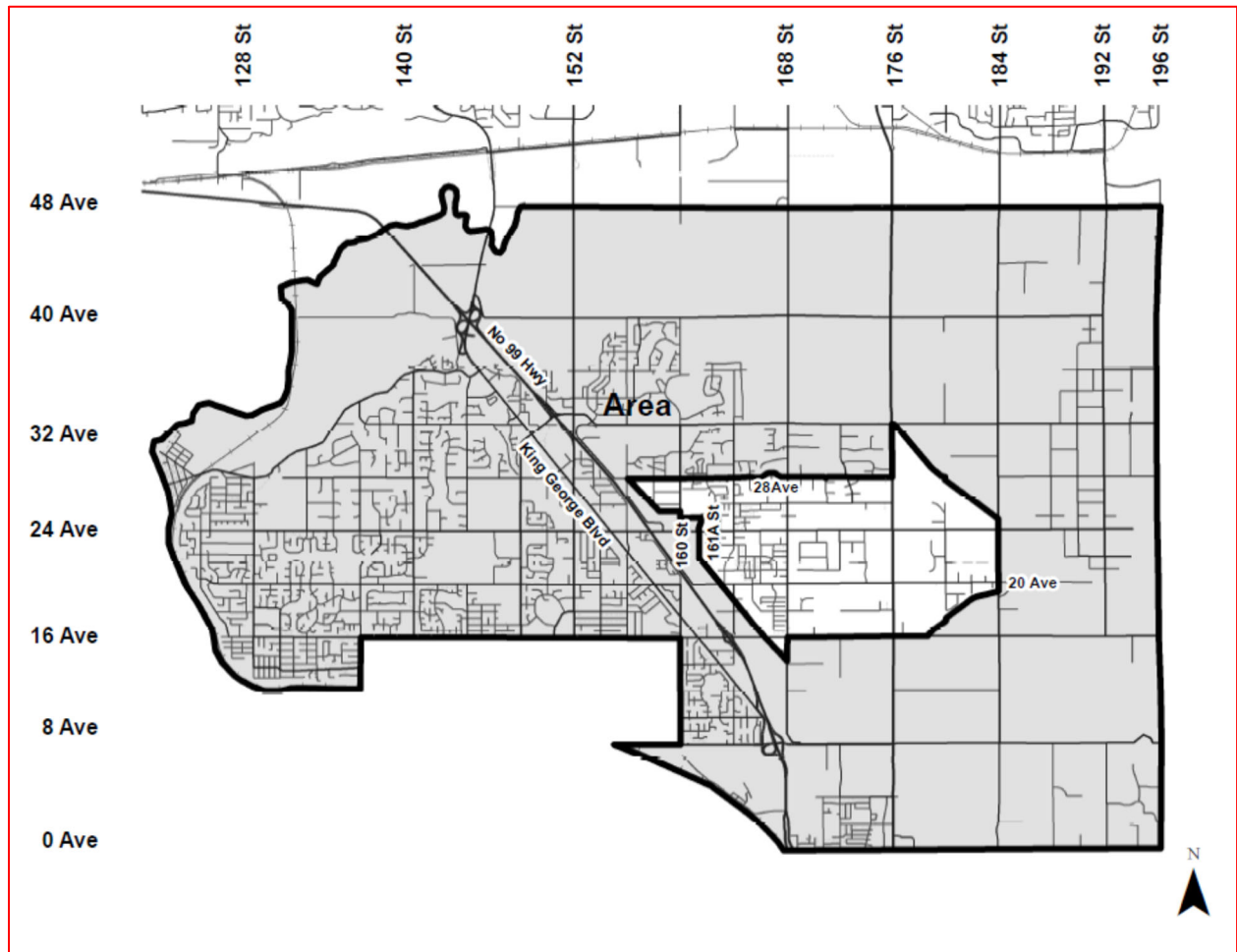
- (b) The ~~Centre-Community~~ Specific Capital Projects amenity contributions for the ~~City Centre Plan~~Whalley Community Area identified in ~~Section C.9 (a)~~ above are as follows:

<u>Use</u>	<u>Amenity Contributions*</u>
<u>Apartment</u>	<u>\$40 per square foot</u>
<u>Townhouse or Single Family</u>	<u>\$15,000 per dwelling unit</u>

* Amenity ~~Contributions-contributions~~ listed in this Section G are in addition to the amenity contributions listed in Sections D and E of this Schedule but only apply to that portion of increased density that is above the maximum density indicated in an approved Secondary Plan or Official Community Plan.

10. SEMIAHMOO TOWN CENTRE SOUTH SURREY CONTRIBUTION AREA

- (a) The Centre-Community Specific Capital Projects Semiahmoo Town Centre Plan Contribution Area for the South Surrey Community shall be identified as follows:



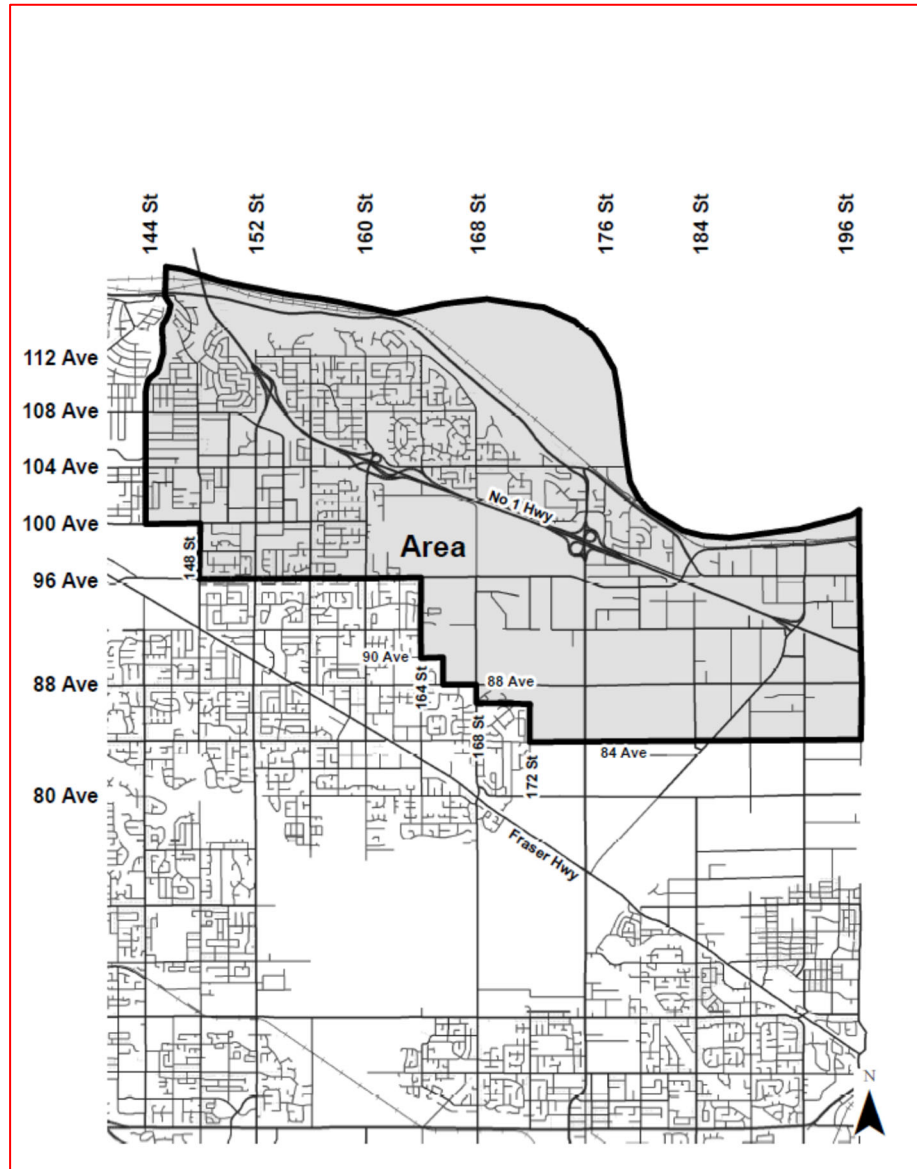
- (b) The Centre-Community Specific Capital Projects amenity contributions for the Semiahmoo Town Centre South Surrey Community Area identified in Section C.10 (a) above are as follows:

<u>Uses</u>	<u>Amenity Contributions*</u>
<u>RESIDENTIAL Apartment</u>	\$30 per square foot
<u>Townhouse or Single Family</u>	<u>\$20,000 per dwelling unit</u>

* Amenity contributions listed in this Section G are in addition to the amenity contributions listed in Section D and E of this Schedule but only apply to that portion of increased *density* that is above the maximum *density* indicated in an approved Secondary Plan or *Official Community Plan*.

11. GUILDFORD ~~TOWN CENTRE COMMUNITY CONTRIBUTION AREA~~

- (a) The ~~Centre-Community~~ Specific Capital Projects Contribution Area for the Guildford ~~Town Centre Plan Community~~ shall be identified as follows:



- (b) The ~~Centre-Community~~ Specific Capital Projects amenity contributions for the Guildford ~~Town Centre Community Area~~ identified in Section C.11(a) above are as follows:

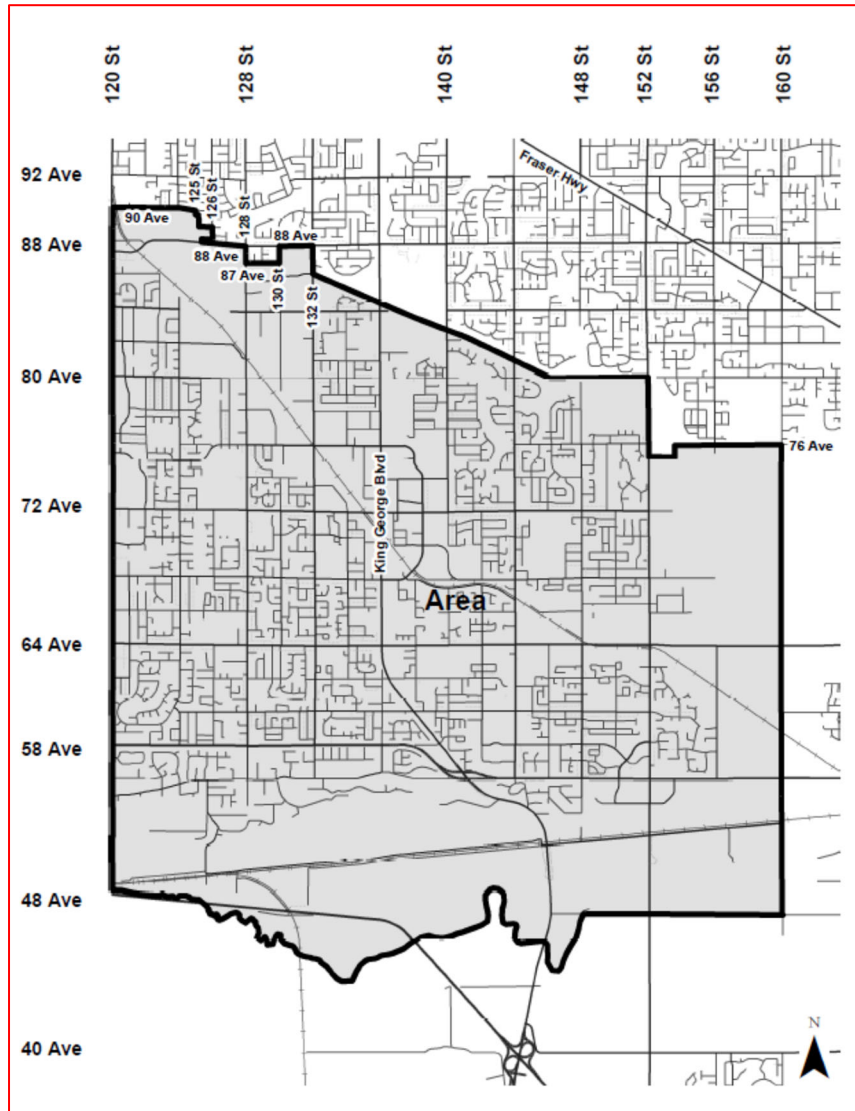
<u>Use</u>	<u>Amenity Contributions*</u>
<u>Apartment</u>	<u>\$20 per square foot</u>
<u>Townhouse or Single Family</u>	<u>\$15,000 per dwelling unit</u>

* Amenity contributions listed in this Section G are in addition to the amenity contributions listed in Section D and E of this Schedule but only apply to that portion of increased *density* that is above the maximum *density* indicated in an approved Secondary Plan or *Official Community Plan*.

12. NEWTON ~~TOWN CENTRE~~COMMUNITY AREA

(BL 20117)

- (a) The ~~Centre-Community~~ Specific Capital Projects Contribution Area for the Newton ~~Town Centre Plan~~Community shall be identified as follows:



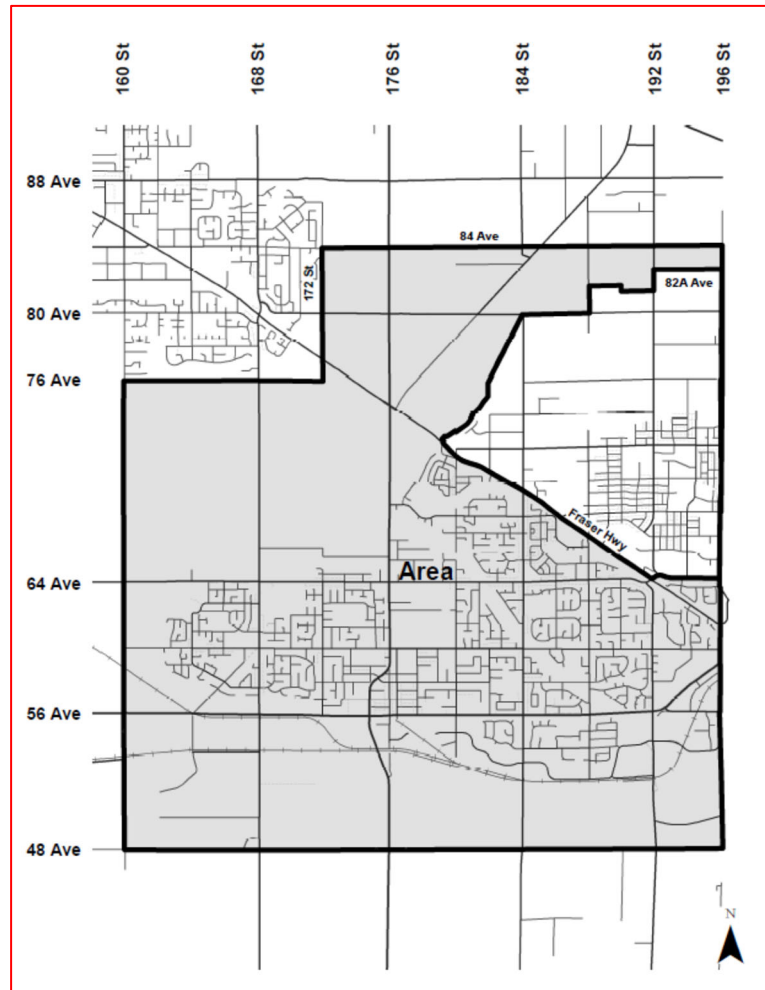
- (b) The ~~Centre-Community~~ Specific Capital Projects amenity contributions for the Newton ~~Town Centre~~Community identified in Sub-section C.12(a) above are as follows:

Use	Amenity Contributions*
Apartment	\$10 per square foot
Townhouse or Single Family	\$15,000 per dwelling unit

* Amenity contributions listed in this Section G are in addition to the amenity contributions listed in Section D and E of this Schedule but only apply to that portion of increased *density* that is above the maximum *density* indicated in an approved Secondary Plan or *Official Community Plan*.

13. CLOVERDALE ~~TOWN CENTRE~~COMMUNITY CONTRIBUTION AREA

- (a) The ~~Centre-Community~~ Specific Capital Projects Contribution Area for the Cloverdale ~~Town Centre Plan~~Community shall be identified as follows:



- (b) The ~~Centre-Community~~ Specific Capital Projects amenity contributions for the Cloverdale ~~Town Centre~~Community identified in ~~Sub-s~~ection C.13(a) above are as follows:

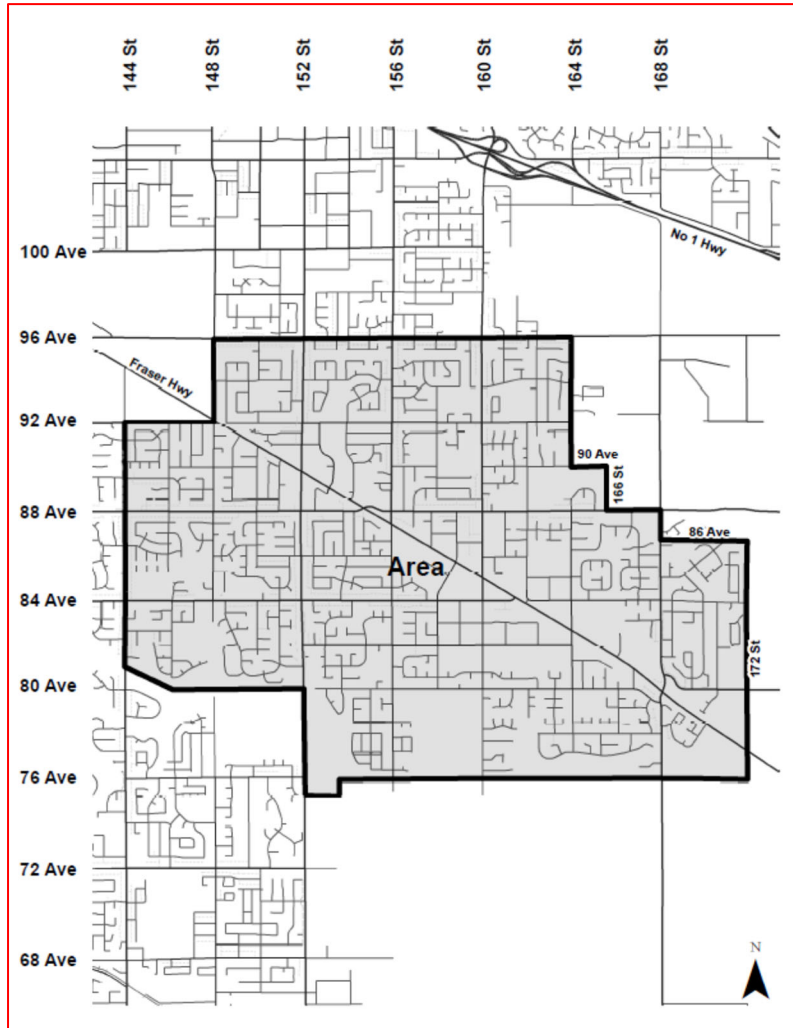
<u>Use</u>	<u>Amenity Contributions*</u>
<u>Apartment</u>	<u>\$5 per square foot</u>
<u>Townhouse or Single Family</u>	<u>\$15,000 per dwelling unit</u>

* Amenity contributions listed in this Section G are in addition to the amenity contributions listed in Section D and E of this Schedule but only apply to that portion of increased *density* that is above the maximum *density* indicated in an approved Secondary Plan or *Official Community Plan*.

14. FLEETWOOD ~~TOWN CENTRE~~COMMUNITY CONTRIBUTION AREA

(BL 20126)

- (a) The ~~Centre-Community~~ Specific Capital Projects Contribution Area for the Fleetwood ~~Town Centre Plan~~Community shall be identified as follows:



- (b) The ~~Centre-Community~~ Specific Capital Projects amenity contributions for the Fleetwood ~~Town Centre Area~~Community identified in Sub-section C.14(a) above are as follows:

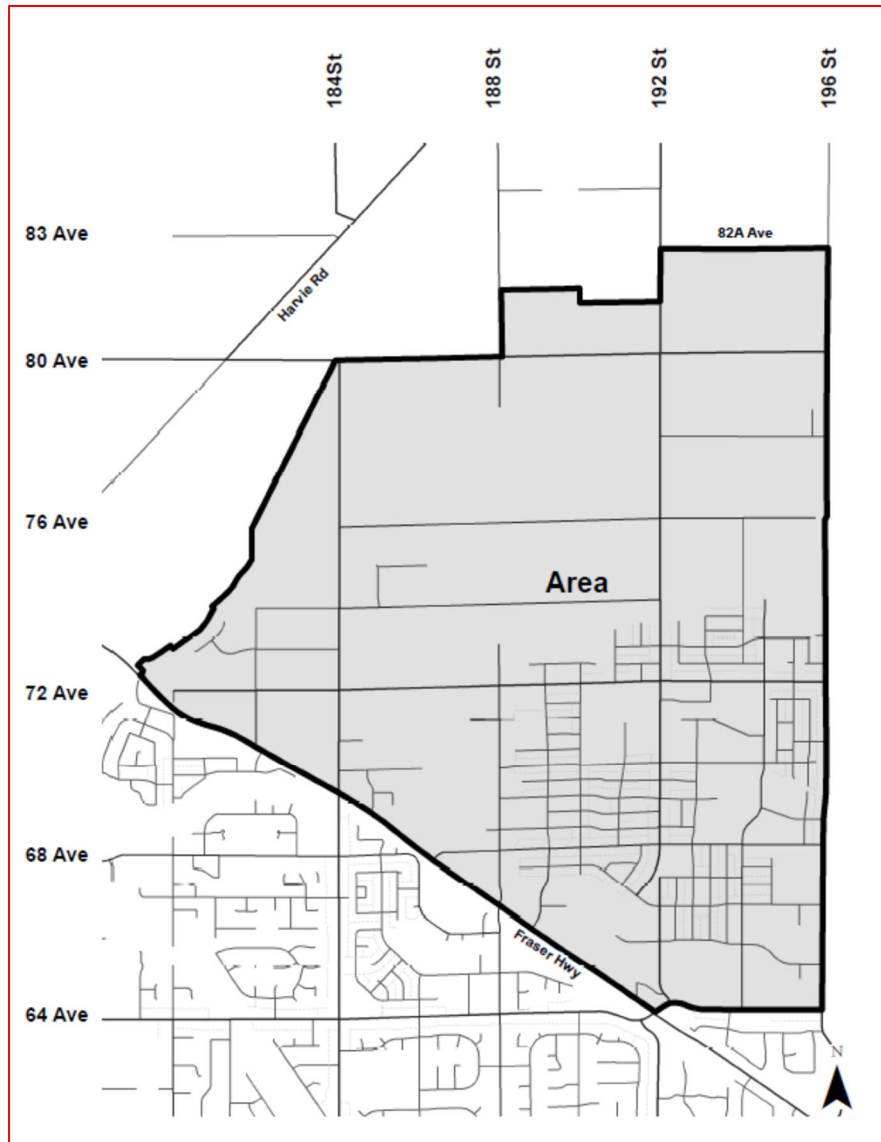
<u>Use</u>	<u>Amenity Contributions*</u>
<u>Apartment</u>	<u>\$15 per square foot</u>
<u>Townhouse or Single Family</u>	<u>\$15,000 per dwelling unit</u>

* Amenity contributions listed in this Section G are in addition to the amenity contributions listed in Section D

and E of this Schedule but only apply to that portion of increased *density* that is above the maximum *density* indicated in an approved Secondary Plan or *Official Community Plan*.

15. CLAYTON COMMUNITY AREA

- (a) The Community Specific Capital Projects Contribution Area for the Clayton Community shall be identified as follows:



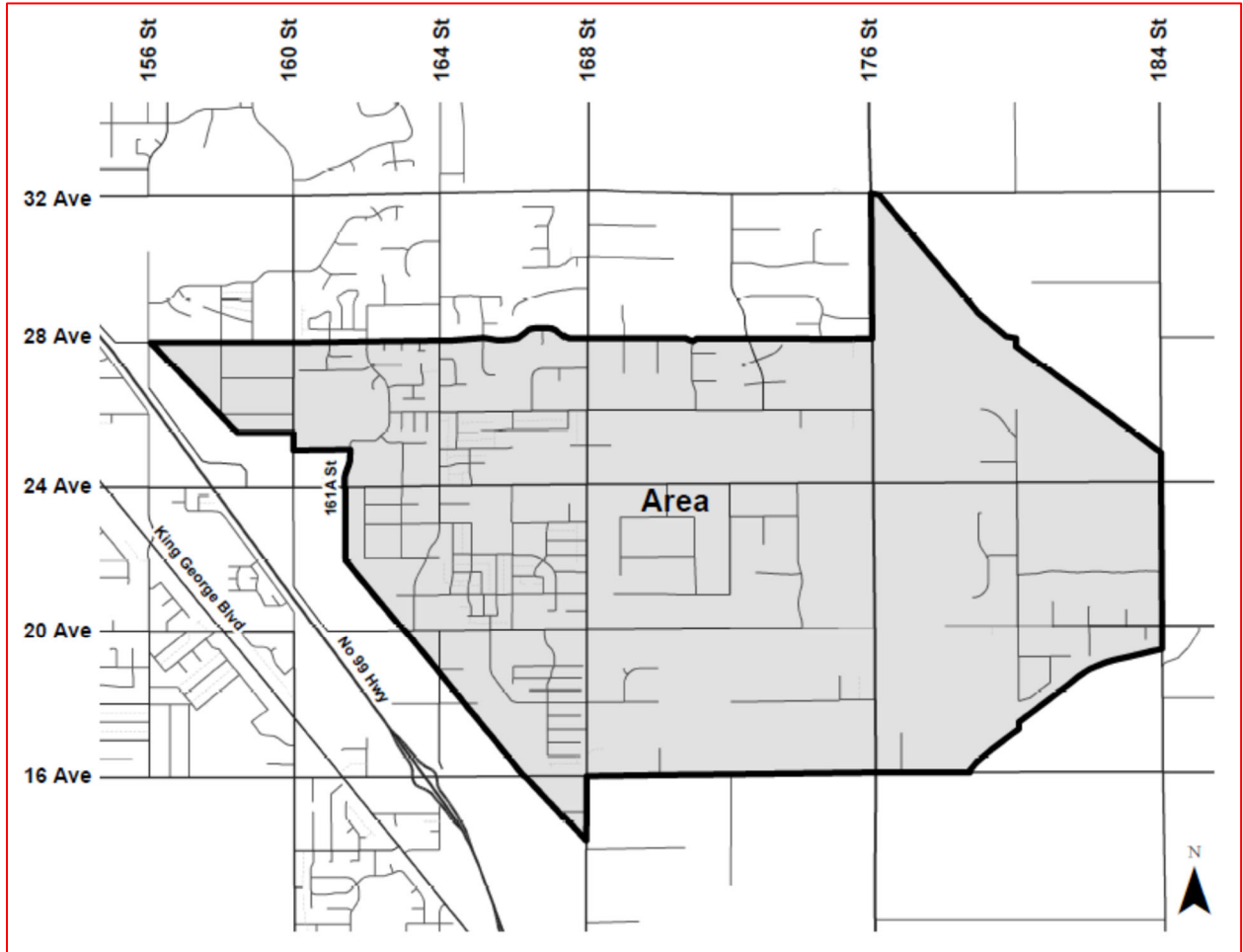
- (b) The Community Specific Capital Projects amenity contributions for the Clayton Community identified in Section C.15(a) above are as follows:

<u>Use</u>	<u>Amenity Contributions*</u>
<u>Apartment</u>	<u>\$15 per square foot</u>
<u>Townhouse or Single Family</u>	<u>\$15,000 per dwelling unit</u>

* Amenity contributions listed in this Section G are in addition to the amenity contributions listed in Section D and E of this Schedule but only apply to that portion of increased *density* that is above the maximum *density* indicated in an approved Secondary Plan or *Official Community Plan*.

16. GRANDVIEW COMMUNITY AREA

- (a) The Community Specific Capital Projects Contribution Area for the Grandview Community shall be identified as follows:



- (b) The Community Specific Capital Projects amenity contributions for the Grandview Community identified in Section C.16(a) above are as follows:

<u>Use</u>	<u>Amenity Contributions*</u>
<u>Apartment</u>	<u>\$20 per square foot</u>
<u>Townhouse or Single Family</u>	<u>\$20,000 per dwelling unit</u>

* Amenity contributions listed in this Section G are in addition to the amenity contributions listed in Section D and E of this Schedule but only apply to that portion of increased *density* that is above the maximum *density* indicated in an approved Secondary Plan or *Official Community Plan*.



City of Surrey Policy

No. O-54

Policy Title:	DENSITY BONUS POLICY -- <u>MAJOR OCP AND SECONDARY PLAN AMENDMENTS AND TIER 2 COMMUNITY AMENITY CONTRIBUTIONS</u>
Approval Date:	<u>2019 NOV 18 (RES. R19-1996)</u> [***Insert Date of RES]
History:	<u>2019 NOV 18 (RES. R19-1996)</u> 2014 MAY 26 (RES. R14-865) 2013 MAY 6 (RES. R13-855) 2009 APR 20 (RES. R09-642) 2008 FEB 25 (RES. R08-433)
Department:	Planning and Development

Policy Statement

This Policy establishes guidelines by which density bonus amenity contributions may be negotiated and collected through rezonings development in accordance with Section 482(2)(b) of the *Local Government Act* and Surrey Zoning Bylaw, 1996 No. 12000, as amended.

1. Intent

This policy is intended to guide the determination of the value of negotiation of amenity contributions derived from density bonuses, that occur received through a rezoning application that increases density above Surrey's Official Community Plans (OCP), and/or approved Secondary Plan densities. The Amenity Contributions provided for will help fund civic amenities to meet the needs of a growing City.

While this Policy provides a general framework for determining and receiving community benefits related to density bonuses rezoning applications, City Council has the legislative authority to adjust or alter any component of this Policy as part of its decision-making process in approving a rezoning application.

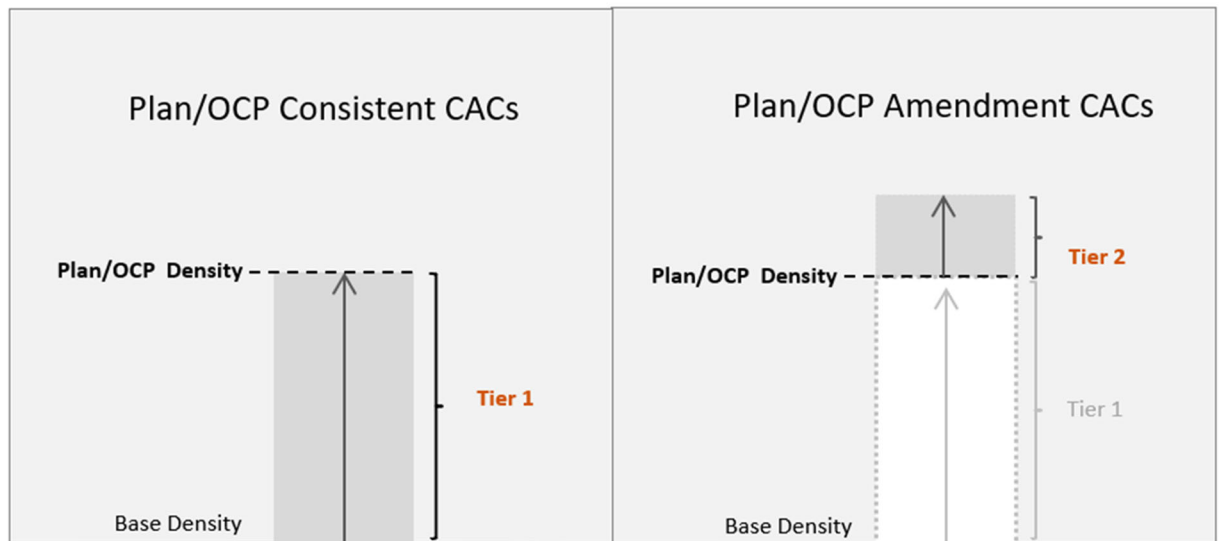
2. Application

This policy applies to Tier 2 density bonus developments in all areas of the City where residential development density increases are proposed greater than those identified in an approved Secondary Plan and/or the Official Community Plan, in exchange for voluntary amenity contributions to the City of Surrey. These rates are negotiated through a rezoning application and will be based on a negotiated 75% of land lift density bonus approach. In addition, this policy provides guidelines on consideration of any in-kind Capital Project

contributions provided for Negotiated or Flat Rate Community Specific contributions identified in the Zoning Bylaw. The Amenity Contributions provided will help fund and develop civic amenities to meet the needs of a growing City.

2. Density Bonus Tiers

Surrey's density bonus provisions are divided into two tiers: those consistent with a Secondary Plan or the OCP and those that are not. Negotiated increases in density that are not consistent with a Secondary Plan or the OCP are the focus of this Policy and are illustrated in Tier 2 Diagram below:



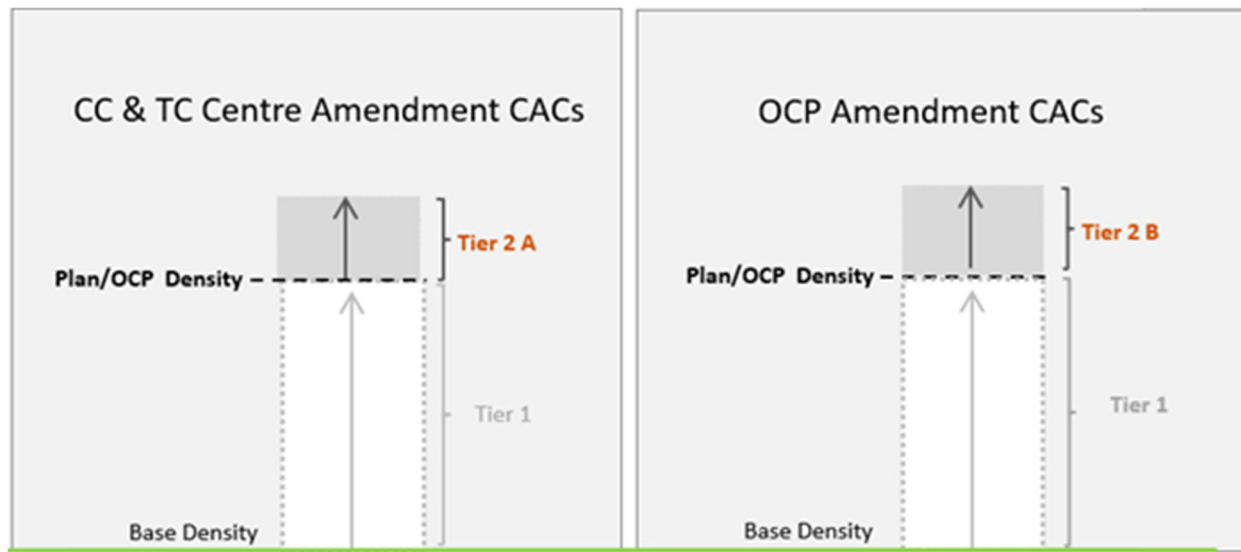
Tier "1" this applies to the portion of proposed density increase that is consistent with the maximum density already permitted in the OCP. This density bonus is charged at a fixed per unit rate and is administered through the Surrey Zoning Bylaw (see Schedule "G" for all Area Specific Contribution Secondary Plan and Infill Areas) and is only applicable to the portion of bonus density that does not exceed the OCP or Secondary Plan designation.

Tier "2" this is applies to the portion of proposed density increase that exceeds the OCP or a Secondary Plan designation.

Tier 2 also includes two subcategories for charging Community Amenity Contributions (CAC) based on a land lift approach (illustrated below) and include:

2. Flat Rate Bonus Density: development projects in City Centre and Town Centres **Tier 2 Density Bonus Approaches;** and

3. Negotiated Rate Bonus Density: development that require a City Centre and Town Centre over 2.0 FAR, and/or OCP density bonus increases.



~~(G) — Flat Rate Density Bonus~~

~~Flat rate density bonuses will apply to areas within an existing City Centre or Town Centre area. These areas and rates for density bonus are charged as a flat per square foot rate and are administered through the Surrey Zoning Bylaw (see Schedule “G” for City and Town Centre Areas). They apply for development projects that propose increasing density above the existing Secondary Plan Density of no more than a 2.0 FAR density bonus. The rates are only applicable to the portion of floor space that is above the approved City Centre, Town Centre or OCP density.~~

~~These rates are based on a 75% lift in land value and have been translated to a flat rate identified in Schedule “G” of the Surrey Zoning Bylaw.~~

~~(M) Negotiated Rate Density Bonus~~

~~—a.) Negotiated 75% of Land-lift Density Bonus~~

~~A Negotiated negotiated density bonus rates applies to rezonings that include a major OCP Amendment and density increases where:~~

- ~~• the proposed increase is greater than the maximum density allowed in the Official Community Plan, and~~
- ~~• the lot is currently designated Conservation and Recreation, Agricultural, Rural, Suburban, Urban, or Medium Density Urban, and the OCP Amendment increases FAR by more than 10% above the Official Community Plan.~~

Negotiated density bonus Capital Projects amenity contribution rates to the City will be based on a 75% lift in land value, above the prescribed density maximums, for the market value of the land.

b.) Community Specific Flat Rate Density Bonus

The Community Specific Capital Projects Contributions apply to rezonings with density increases in Surrey Communities where:

- the proposed increase is greater than the maximum density allowed in an approved Secondary Plan or the Official Community Plan;
- the lot is currently designated Urban, Multiple Residential, Commercial, Town Centre, or Central Business District, in the Official Community Plan; and
- the lot falls within the Community Areas identified in Sections C of Schedule G of Surrey's Zoning bylaw.

Community Specific Capital Projects Contribution rates to the City are identified in Section C of Schedule G of Surrey's Zoning bylaw.

4. Determining 75Percentage % of Land Lift: for Negotiated Density Bonus-

percentage will percentage be will be agreed upon through negotiation between City staff and the development proponent, based on the Estimated lift in value will be determined of lift provided in from a Financial Financial Analysis and Market Report that considers the difference in market value of the land under the following scenarios and with regard to change in density: derived using the following formula-

a.) –
regulations); and

The market value of the land before the density lift (i.e. under existing land use regulations); and

b.) The market value of the land after the density lift, (i.e. under land use controls and densities proposed by the Applicant). $Land\ Lift = Additional\ Floor\ Area\ (resulting\ from\ higher\ FAR) \times Buildable\ Rate^{**}$

$^{**}Buildable\ Rate = Land\ Value^{***} / Base\ Floor\ Area$

$^{***}Land\ Value = the\ current\ market\ value\ of\ the\ land\ (as\ of\ Third\ Reading\ of\ the\ rezoning\ bylaw)$

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5. Market Reports and Financial Analysis: for Negotiated Density Bonus

To assist in determining 75% of market rate, a Market Report and Financial Analysis, paid for by the development proponent, is required to determine the value of the land lift. The Market Report will be prepared by a professional, professional, accredited, licensed by the Appraisal Institute of Canada – British Columbia (AIC BC) and prepared using a comparative analysis and/or residual value analysis, as appropriate. The City of Surrey must approve the professional selected and will provide a Terms of Reference for the Report and may require peer review by a land economist. Acceptance of the Report is subject to review and approval by Surrey's Realty Service Division Manager.

3.6. Capital Project CAC Payments to City

Negotiated Capital Project Density bonus amenity contributions payments will be provided are required to be agreed to and provided to the City of Surrey following final adoption of the Zoning Bylaw before the rezoning application has received final adoption.

4.7. In-Kind Amenity Contributions

In-kind amenities negotiated through rezoning, may be considered by the City of Surrey, in part or in full, as Capital Project contributions. There is no obligation for the City to consider in-kind amenity contributions; however, the City may consider receiving in-kind amenity contributions instead of a density bonus cash contributions. Non-market affordable or special needs housing provided as a density bonus amenity contribution (which are subject to a Housing Agreement under section 905 of the *Local Government Act*), as well as, daycares, public parks, or civic spaces that are conveyed to the City may be considered eligible for in-kind amenity contributions ~~as part of a rezoning application for increased densities.~~

In-kind contributions with valuations greater than the prescribed contribution rates identified in this Policy or as identified in Schedule G of Surrey's Zoning bylaw, will be sought as a priority. In-kind Contributions will be subject to the following conditions:

- Applicants will be responsible for constructing, finishing, furnishing, and equipping the in-kind CAC as well as for payment of all applicable up-front development costs;
- The size, location, of the in-kind CAC will be to the satisfaction of the City and in accordance with applicable plans, policies, and guidelines.
- Any in-kind contributions valuation will be provided through an independent appraisal.
- There is no obligation for the City to consider in-kind amenity contributions.

5.8. Exemptions

Secondary suites, purpose-built rental (with a Housing Agreement), social or non-market affordable housing dwelling units, dwelling units used as a caretaker's residence, supportive housing projects, one-for-one rental replacement units (with a Housing Agreement), ~~agricultural properties~~, and non-residential uses are excluded from the density bonus amenity provisions of this Policy.

6.9. Reserve Fund Allocation of CACS

All funds collected through the use of this Policy will be deposited into the Surrey Capital Projects Reserve Fund Bylaw No. 19958. The funds collected will support projects identified in the City of Surrey's Annual Five-Year Capital Financial Plan.