



Corporate *NO: R101*

Report *COUNCIL DATE: April 30, 2001*

REGULAR COUNCIL			
TO:	Mayor & Council	DATE:	April 26, 2001
FROM:	General Manager, Planning & Development	FILE:	0547-001
SUBJECT:	Surrey School Board School Site Acquisition Bylaw		

RECOMMENDATION

It is recommended that Council:

1. Receive this report as information;
2. Approve the administrative processes outlined in this report for the collection and disbursement of the School Site Acquisition Charges ("SSAC");
3. Authorize the City Clerk to forward a copy of this report to the Surrey School District, together with a letter advising the School Board that City Council has resolved that it is prepared to authorize staff to administer the SSAC in accordance with the processes documented in this report, subject to School District agreement; and
4. Authorize the Mayor and City Clerk to sign an agreement, if necessary, regarding the administration of the SSAC as generally documented in this report.

INTENT

The intent of this report is to describe a recommended process for the City to follow in administering the SSAC on behalf of the Surrey School District and to seek Council authorization for staff to advise the School District that the City will administer the SSAC in accordance with the recommended process.

BACKGROUND

At the October 30, 2000, Council-in-Committee meeting, Council received Corporate Report C012 (copy attached) which documented the process by which Bill 35 would be implemented in relation to the Surrey School District. Under Bill 35, the Local Government Act and the School Act were amended to require that the Ministry of Education, school boards and local governments work together in planning for new schools and in administering development charges to assist in funding new school sites. The corporate report described the steps that would be followed by the School District and the City in developing the SSAC Bylaw. Council resolved to:

"Accept the Surrey School Board resolution (August 31, 2000 – Resolution to accept projections for school enrolment and school site needs) subject to agreement by the School District that, prior to School Board approval of the School Site Acquisition Charge Bylaw, the School District will consult with the City of Surrey on the final calculation of the School Site Acquisition Charges and that the School District and the City will enter into an agreement on the administration of the School Site Acquisition Charges."

Since October 30, 2000, the Surrey School District has obtained approval for its 10 year (2001 to 2010) capital plan from the Ministry of Education. The capital plan forms part of the basis upon which the School District has calculated the SSAC. Subsequent to the approval of the School District's capital plan, City staff met with Surrey School District staff to review the details associated with the City's prospective involvement in administering the SSAC. The following provides information about the proposed Surrey School District SSAC and an overview of the recommended involvement by the City.

DISCUSSION

Effective Date(s) for SSAC Bylaw

The Education Statutes Amendment Act states that following the Ministry of Education informing a School District that its capital plan has been approved, the School District has 60 days to adopt a SSAC Bylaw. Surrey School District received approval of its capital plan for 2001 to 2010 on March 22, 2001 and, based upon the approved capital plan, the School District has finalized the calculation of the SSAC rates. It is expected that the Surrey School Board will adopt the SSAC Bylaw at its May 10, 2001 meeting. Section 937.5 (3) of the Local Government Act states that a SSAC Bylaw does not come into effect until 60 days after the day on which the SSAC Bylaw is adopted by the School Board. What this means is that all complete applications for residential land development projects that are received by the City, up to 60 days after the adoption of the SSAC Bylaw by the School Board, will be exempt from paying the SSAC for a period of 12 months plus 60 days from the date of SSAC Bylaw adoption, provided that in the case of single family subdivisions the subdivision plan is executed by the City within that 12 month plus 60 day period or, in the case of multiple family residential developments, the building permits for the dwelling units are issued within that 12 month plus 60 day period.

Section 937.5 (4) states:

"(4) If, after an application for a subdivision of land or for the issuance of a building permit in respect of an eligible development has been submitted to an approving officer or a local government, as the case may be, and the applicable fee has been paid,

- (a) a school site acquisition charge comes into effect with respect to that eligible development, or
- (a) the school site acquisition charge applicable to that eligible development is increased,

the charge or increase does not apply to that eligible development for a period of 12 months after the school site acquisition charge bylaw comes into effect."

Collection of SSAC

Once the SSAC comes into effect, they will apply to eligible residential developments which includes a subdivision of land or the construction/extension of a building that increases the number of dwelling units on a parcel of land. The SSAC Regulation exempts certain categories of dwelling units from the charge including, hotels, care facilities, not-for-profit housing and some other similar residential developments. The SSAC will be collected at the same time as municipal Development Cost Charges are collected (i.e., at the time of subdivision approval in the case of single family residential developments and at the time of issuance of building permits for multi-family residential developments).

The amount of the SSAC as calculated by the School District is based upon the density of the residential development and is calculated on a per dwelling unit basis. The charges to be collected for the various densities of residential development are as follows:

Residential Density	School Site Charge per Unit
High Density (>200 units per hectare)	\$310.29
Medium High (126 – 200 units per hectare)	\$362.00
Medium (51 – 125 units per hectare)	\$413.72
Medium Low (21 – 50 units per hectare)	\$465.43
Low (<21 units per hectare)	\$517.15

A development applicant required to pay SSAC may, in full or in part, provide land in lieu of the charge to the City or to the School Board (Section 937.6), if there is agreement to do so between the City, the School Board and the applicant. Where the land is transferred to the City, the City is required to promptly transfer the land to the School Board. The School Board must reimburse to the City any expenses incurred by the City relating to the transfer of land to the School Board.

The payment of SSAC by way of instalments is permitted where the charge exceeds \$50,000. The City will remit the instalment payments to the School District at the end of the six month period within which they are actually collected by the City.

Remittance of SSAC

According to legislation, a local government is required to remit the SSACs to the School District promptly after collecting them. School District staff agreed that, for ease of administration, the City will remit the SSACs to the School District on the same schedule as the City remits funds to the GVRD, related to Development Cost Charges collected by the City on behalf of the GVRD. On that basis, the City will remit SSACs to the School Board semi-annually (i.e., within 30 days after June 30 and December 31 of each year).

City Administration Fees

The SSAC Regulations permit a local government to charge a fee for administering the SSAC collection and disbursement process which (unless a school board and local government agree otherwise) is a maximum of \$2,000 per year plus 0.1% of the SSAC collected. It is estimated that the City will receive no more than \$4,000 per year on that basis. The School District has agreed that SSAC remitted to the School District by the City will not include any interest the City may earn on the amounts held by the City between the semi-annual remittances to the School District. Staff will monitor the amount of effort required to administer the SSAC process and provide a report to Council if the administration of the SSAC processes suggest the need for a higher administration fee.

Administrative Agreement

At its meeting on October 30, 2000, Council resolved, prior to the School Board's approval of the SSAC Bylaw, that the School Board be requested to consult with the City on the amount of the SSAC to be levied and that the School District and the City enter into an agreement on the administration of the SSAC. It is recommended that Council approve the process for the administration of the SSAC as outlined in this report and, subject to this report being considered and accepted by the Surrey School Board, that it form the agreement between the City and the School District, regarding the administration of SSAC by the City.

CONCLUSION

The Surrey School District's 10 year capital plan was approved by the Ministry of Education on March 22, 2001, and the Surrey School Board has 60 days from that date within which to adopt a School Site Acquisition Charge (SSAC) Bylaw. City staff has met with School District staff to formulate a reasonable approach for the City's involvement in the administration of the SSAC Bylaw. It is recommended that the processes documented in this report be forwarded to the School Board as the basis upon which the City of Surrey is prepared to undertake its administration responsibilities with respect to the Surrey School District SSAC Bylaw.

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General Manager

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