



Corporate Report

NO: R150

COUNCIL DATE: July 7, 2003

REGULAR COUNCIL

TO: **Mayor & Council** DATE: **July 3, 2003**

FROM: **General Manager, Planning & Development** FILE: **0510-01**

SUBJECT: **Surrey School Board Resolution: Eligible School Sites Proposal 2004 - 2013**

RECOMMENDATION

The Planning and Development Department recommends that Council:

1. Accept the Surrey School District Eligible School Sites Proposal 2004 - 2013, as documented in an attachment to a letter dated June 13, 2003 from the School District (attached as Appendix "A");
2. Receive, as information, the Surrey School District No. 36 By-law No. 101A, School Site Acquisition Charge Amendment By-law, which increases the School Site Acquisition Charges applicable to residential development in the City (attached as Appendix "B"); and
3. Authorize the City Clerk to forward a copy of Council's resolution to the School District.

PURPOSE

The purpose of this report is to obtain Council acceptance of the School District's Eligible School Sites Proposal 2004 - 2013. This report also advises Council of the School District's decision to increase the School Site Acquisition Charges applicable to residential development in Surrey.

BACKGROUND

Each year the School District is required to submit a five-year capital plan, including an estimate of the number, location and cost of new school sites, to the Provincial Ministry of Education. This is known as the Eligible School Sites Proposal. The Ministry reviews and approves the capital plan, including the Eligible School Sites Proposal, as the basis for funding new schools in the City. The **Education Statutes Amendment Act** requires, that, prior to forwarding the Eligible School Sites Proposal to the Ministry, the School District advise the City and request City Council to either pass a resolution to accept the School Board's resolution regarding the Eligible School Site Proposal or respond in writing to the School District indicating that it does not accept the Eligible School Site Proposal and the reasons for the objection.

In preparing the School District capital plan, the School District utilizes residential growth projections to calculate the number, size and location of new schools that will be required in the City over the next 10 years. The School District then estimates the costs for land acquisition, development and other capital requirements for each new school.

On June 12, 2003 the Board of School Trustees of the School District approved a resolution to incorporate the 2004 - 2013 Eligible School Sites Proposal into the School District's submission to the Ministry of Education (see Appendix "A").

In a letter dated June 13, 2003, the School District notified the City of the School Board resolution and requested that Council consider the 2004 - 2013 Eligible School Site Proposal. Pursuant to Section 937.4(6) of the **Education Statute Amendment Act**, the City must consider the School Board's resolution at a regular council meeting and, within 60 days of receiving the request:

- 937.4(6)(a) pass a resolution accepting the school board's resolution of proposed eligible school site requirements for the school district, or*
- (b) respond in writing to the school board indicating that it does not accept the school board's proposed school site requirements for the school district and indicating*
 - (i) each proposed eligible school site requirement to which it objects, and*
 - (ii) the reasons for the objection.*

According to legislation, if the City fails to respond within 60 days of receiving such a request (i.e., by August 11, 2003), it is deemed to have agreed to the proposed eligible school site requirements for the School District, as set out in the School Board's resolution.

DISCUSSION

School Board Resolution - Eligible School Sites Proposal

The School District's Eligible School Sites Proposal 2004-2013 documents the projected growth in the number of school-aged children that will occur over the next 10 years in the City, the number of new schools that will be needed to accommodate this growth, the general location and area of land required for each new school and the acquisition costs for the school sites. The School District utilizes the City's residential growth projections as the basis for projecting the growth in student population and the allocation of this growth geographically across the City to establish where and when additional school

capacity will be required. With assistance from the City of Surrey Engineering Department (Realty Services Division), the School District then estimates the total acquisition costs for the proposed new sites.

The Eligible School Sites Proposal 2004-2013 was based on the following:

- New residential development of 37,623 housing units across the City over the next 10 years;
- An increase of 15,072 in the population of school-aged children in Surrey School District No. 36 over the next 10 years;
- That the new student population over the next 5 years will require 12 new school sites and 2 school expansions;
- That the 14 new/expanded school sites will require the acquisition of 38 hectares (94 acres) of land; and
- That the new school sites to be purchased within 5 years, at current land prices, will cost approximately \$37.2 million to acquire.

City staff has determined that the School District's calculations for growth in student population and the related demand for new schools/sites, are generally consistent with the City of Surrey's residential growth estimates for the 10-year period, from 2004 to 2013. It has also been determined that the School District's land cost estimates are consistent with the City's evaluation of land costs. On this basis, the School District's Eligible School Sites Proposal is considered to be reasonable.

School Site Acquisition Charge ("SSAC") Amendment By-law

On June 12, 2003 the Board of Trustees of School District No. 36 enacted a by-law to amend School District By-law No. 101, School Site Acquisition Charge. By-law No. 101 was originally enacted on May 22, 2001. This amendment revises the school site acquisition charge rates that are applicable to new residential development within the City of Surrey. Amendments to School District By-laws do not require acceptance by Surrey Council.

The SSAC rate increase is due to inflation of approximately 20% in the price of serviced land over the past 2 years. This has resulted in a significant difference between estimated site costs and estimated SSAC revenues. Site costs are reviewed each year during the Eligible School Sites Proposal School District Capital Plan process and are based on an appraisal of serviced land costs for properties identified in the School District's Capital Plan. The most recent appraisal was prepared by Coastland Engineering and Surveying in consultation with the City of Surrey. The School District advises that there has been no change in the original 21 eligible school sites included in the 2001 Eligible School Sites proposal.

Calculation of the SSAC rates is based on a 10-year period that includes the original 21 eligible school sites identified in the 2001 Eligible School Sites proposal. Since 2001, provincial funding, totalling \$16.2 million for the acquisition of 7 sites, has been approved. The estimated cost for acquiring the sites over the next 10 years is \$57.3 million. The current 5 year capital plan estimate of \$37.2 million in serviced land cost is included within this \$57.3 million (10 year) total. To date, revenues generated through the SSACs have amounted to \$846,478.

Although land prices may change from year to year, the School District anticipates that review and possible revision of the SSAC rates will occur every third year or as required by the School Board or Ministry of Education. The SSAC rates are set to recover 35% of the costs of land acquisition for new and expanded school sites.

The table below compares the current SSAC rates with the newly adopted SSAC rates.

Residential Density School Site Charge per Unit

Eligible Development Category	Current SSAC	Amended SSAC	Increase
Low (< 21 units per hectare)	\$517.15	\$647	\$130
Medium Low (21 - 50 units per hectare)	\$465.43	\$582	\$117
Medium (51 - 125 units per hectare)	\$413.72	\$518	\$104
Medium High (126 - 200 units per hectare)	\$362.00	\$453	\$91
High Density (> 200 units per hectare)	\$310.29	\$388	\$78

The SSACs payable, with respect to each residential project, are based on the density of the project and is calculated on a per dwelling unit basis.

Implementation of the Revised School Site Acquisition Charge

New SSAC rates will come into effect 60 days after the adoption date of the related by law. Since the School Board adopted the by-law on June 12, 2003, the new rates will take effect on August 11, 2003. Any applications received prior to August 11, 2003 will be classified as "in-stream applications" and will have a period of 12 months within which to be approved and be subject to the old SSAC rates. If an in-stream application does not complete within the 12-month period (or by August 10, 2004) it will be subject to the new SSAC rates.

Surrey collects the SSACs on behalf of the School District and remits these charges to the School District on a regular basis each year.

CONCLUSION

The Eligible School Sites Proposal 2004-2013 is consistent with established methods of planning for school enrolment and related school sites and with the City of Surrey's residential growth projections. It is recommended that City Council accept the Surrey School District Eligible School Sites Proposal and authorize the City Clerk to forward a copy of Council's resolution to the School District.

Original signed by

Murray Dinwoodie
General Manager
Planning and Development

TH/kms/saw

Attachment

Appendix "A" – Eligible School Sites Proposal - Letter from School District dated June 13, 2003

Appendix "B" – School Site Acquisition Charge Amendment - Surrey School District No. 36 By-law #101A

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APPENDIX A











APPENDIX "B"















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