

Corporate Report

NO: R178

COUNCIL DATE: July 24, 2003



REGULAR COUNCIL

TO: Mayor & Council DATE: **July
22,
2003**

FROM: General Manager,
Engineering FILE: 3150-01

SUBJECT: DCC Adjustment – City Centre

RECOMMENDATIONS

1. That Council give the first three readings to the DCC By-law amendment which will reduce DCCs in the City Centre for high density residential units.
2. That the by-law be forwarded to the Province for approval.

BACKGROUND

At the Regular Council meeting of May 12, 2003, Council endorsed the Whalley Enhancement Strategy. The strategy is intended to enhance this area of the City by improving its image, stimulating private sector development or redevelopment, and building a greater sense of pride within the community for those who live, work at, and visit Whalley.

One of the key components in stimulating private sector development is significant reduction in DCCs for higher density residential units for a 2-year period.

Since the endorsement by Council of this DCC reduction concept, we have been working with the Ministry of Community, Aboriginal and Women's services on mechanisms to achieve this reduction. Such a reduction on a two-year 'pilot project' approach is unique and outside of normal practice. We have, however, been able to work with the Ministry to achieve an approval in principle of our proposed approach to implementing this reduction.

DISCUSSION

DCC Reduction Summary

The DCC reduction for higher density residential units in the City Centre is based on eliminating the park DCC for a two-year period and adjusting downwards the arterial and non-arterial road DCCs to reflect the much better availability of transit. All areas of the defined City Centre are within walking distance of a SkyTrain station, plus this area of the City has the best access to bus service. Applying these reductions results in the DCC changes summarized as follows:

	<u>Existing DCC (\$/sq.ft.)</u>	<u>Proposed DCC (\$/sq.ft.)</u>	<u>Reduction</u>
RM-30	\$10.06	\$7.51	25%
RM-45 & RM-70	\$8.32	\$4.11	51%
RM-B135 & RM-150	\$6.87	\$2.86	60%

(There are also similar reductions in the rates for Seniors Apartments, a copy of the full revised DCC schedule is attached with the revisions marked in red.)

Impact on Development

The lower DCC's will reduce the costs of development which is anticipated to lead, ultimately, to increased multi-family residential activity in Surrey City Centre. The lower DCC rates would also place Surrey in a more favourable position in relation to other municipalities, resulting in an improved perception of the City as a place in which to do business.

Since the initial announcement of Council's intention to reduce residential DCC's in City Centre, the City has received numerous inquiries from potential developers seeking information on the breadth of these DCC reductions and on the anticipated implementation date. The development community has indicated that reduced residential DCC's, coupled with other recently announced Council initiatives to enhance the Whalley area, will impact positively their decision to invest and develop in Surrey City Centre.

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