

DATE: January 31, 2019

FILE: 5340-00

TO: Chair and Members
Comox Valley Sewerage Commission

FROM: Russell Dyson
Chief Administrative Officer

Supported by Russell Dyson
Chief Administrative Officer

R. Dyson

RE: Comox Valley Sewerage System DCC Bylaw Amendments

Purpose

To amend the Comox Valley Sewerage System (CVSS) Development Cost Charge (DCC) bylaw to provide improved language and clarity on implementation of the bylaw and charging of DCCs.

Recommendations from the Chief Administrative Officer

1. THAT Bylaw No. 572, being the “Comox Valley Sewerage System Development Cost Charges Bylaw No. 572, 2019”, attached to this staff report as Appendix B, be considered for adoption;

AND FURTHER THAT Bylaw No. 2445, being the “Comox Valley Sewerage System Cost Charges Bylaw No. 2445, 2002” be repealed.

2. THAT Bylaw No. 3008, being the “Comox Valley Sewerage System Capital Improvement Cost Charge Bylaw No. 3008, 2007” be amended as per the revised bylaw attached as Appendix C.

Executive Summary

The staff report serves to update the DCCs and bylaw language by:

- Updating the CVSS DCC technical study to revise the way industrial DCCs are charged to fairly represent the type of industrial development experienced within the CVSS. The updated study is attached as Appendix A to this report.
- Updating the DCC bylaw wording to improve clarity and implementation of the bylaw by improving the list of definitions and interpretations and adding discussion within the bylaw on when and how DCCs will be charged and collected based on the type of development.

The proposed revised DCC bylaw is attached as Appendix B. Additionally, a change to the Capital Improvement Cost Charge (CICC) bylaw is required to reflect the change to the industrial DCC.

Prepared by:

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Concurrence:

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Concurrence:

M. RuttenMarc Rutten, P.Eng
General Manager of
Engineering Services**Background/Current Situation**

The purpose for the DCC bylaw for the CVSS is to provide a mechanism to collect monies from land developers to offset some of the infrastructure expenditures incurred or to be incurred in the future to service the needs of new development and avoid adversely effecting existing users.

The DCC bylaw has been in place since 2002, and the last technical update study was completed in 2017 to update the DCCs within the bylaw. The new DCCs were adopted in January 2018; however, no changes to the language within the bylaw itself was made. The purpose of this report is to update the language within the bylaw to improve clarity and implementation of the bylaw.

A review of the bylaw language was completed by Stewart McDannald Stuart and the changes are summarized below. Due to the number of changes, it is recommended to rescind the current CVSS DCC bylaw and adopt the new bylaw with the proposed changes. The draft bylaw is provided as Appendix B.

- Include more definitions and interpretations to provide clarity, including definitions of DCC categories and units for charges.
- Add additional language on when and how DCCs will be collected and calculated.
- Change charging of industrial DCCs from per hectare of area under development to gross floor area.

As part of the DCC bylaw language review process, it has been identified that a review of harmonization of exemptions between municipalities be completed. Further discussion with municipalities and review is required to determine the effects on the Comox Valley Regional District's (CVRD) sewer DCC revenue prior to completion.

When the CVRD completed the DCC bylaw update in 2017, the CVRD committed to further monitoring and reviewing industrial DCCs based on the feedback received from the development community. At this time the CVRD is recommending changing the way the industrial DCCs are charged from \$126,882 per hectare of area under development to \$21.14 per square meter of gross building area. This change requires an update to the technical study as well as changes to the DCC bylaw. A minor update to the technical DCC update study was made to reflect the changes to the way DCCs are charged for industrial development. The revised report is attached as Appendix A to this report. The reason for these changes are:

- The current DCC is based on per hectare of area under development. Land area under development is considered to be all area on a property that is being modified, not just buildings that are being constructed.
- The majority of industrial development we see within the CVSS is storage units, etc., which have modest impact on the sewer capacity and are being charged for all developed area. Reducing the DCC to gross floor area under development will help to reduce charges in this area for developers, while not having an adverse effect on the sewer system.

An amendment to the CVSS CICC bylaw is also required to reflect the above change to industrial DCCs.

Policy Analysis

Bylaw No. 2445, being the “Comox Valley Sewerage System Development Cost Charges Bylaw No. 2445, 2002”, allows for the CVRD to develop DCCs for the purpose of providing funds to assist the regional district to pay the capital cost of providing, altering or expanding the sewerage system infrastructure to service directly or indirectly development, in respect of which the charges are imposed.

The *Local Government Act* (RSBC 2015 c.1) (LGA) determines the requirements for establishing and amending DCCs.

Options

The Comox Valley Sewage Commission has the following options:

1. To change the industrial DCCs and adopt the updated DCC and CICC bylaws.
2. To not change the industrial DCCs but adopt the updated DCC bylaw, leaving industrial DCCs to be charged on a per hectare of developed area basis.
3. To not adopt the changes.

The proposed changes to industrial DCCs are to fairly represent the type of industrial development experienced within the CVSS. Additionally, the current DCC bylaw language does not provide clear and consistent direction on how DCCs will be charged and collected. The purpose of this amendment is to improve clarity and implementation of the bylaw for the public. As such only option No. 1 above is recommended.

Financial Factors

The DCC bylaw helps to ensure that development pays for its share of growth-related projects and helps reduce future borrowing costs in the sewer service if DCCs are collected as projected.

Legal Factors

DCC bylaws require the approval of the Inspector of Municipalities prior to final adoption, and as such the amended bylaw for sewer DCCs, along with applicable engineering and staff reports, will be sent to the Inspector of Municipalities following third reading of the bylaw. Once the inspector has approved the amendment, the revised bylaw can be submitted for fourth and final reading.

Regional Growth Strategy Implications

DCCs are collected for the purpose of providing funds to assist the regional district to pay the capital cost of providing, altering or expanding the sewerage system infrastructure to service directly or indirectly development, in respect of which the charges are imposed.

Intergovernmental Factors

The CVSS DCCs are applied throughout the City of Courtenay and the Town of Comox.

Interdepartmental Involvement

The Engineering Services branch is leading this work, with support and review from the Legislative Services and Planning and Development Services branches.

Citizen/Public Relations

The proposed changes to the bylaw are to improve the bylaw to make it more user friendly in determining and interpreting DCCs. A letter has been sent to the development community informing them of the proposed changes to the industrial DCC category.

Attachments: Appendix A – “Development Cost Charger Technical Report, Koers and Associates dated July 20, 2018”
Appendix B – “Comox Valley Sewerage System Cost charges Bylaw No. 572, 2019”
Appendix C – “Redline Draft of Bylaw No. 3008”



**DEVELOPMENT COST CHARGE
BYLAW No. 2445, 2002
UPDATE**

TECHNICAL REPORT

July 2018



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ENGINEERING LTD.**
Consulting Engineers



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July 20, 2018
1645-06

Comox Valley Regional District
600 Comox Rd
Courtenay, BC V9N 3P6

Attention: Mr. Kris Larose, P. Eng
Sr Manager of Water and Wastewater Services

Re: Comox Valley Sanitary Sewer System
Development Cost Charge Bylaw 2445 Update, - FINAL Technical Report Rev 4

We are pleased to submit a pdf copy and three bound copies of our final report entitled Comox Valley Sewerage System, Development Cost Charge Bylaw 2445 Update, Technical Report Revision 4.

This is an update to the previous report submitted on April 3, 2017, which was a major update to the Comox Valley Sanitary Sewer System Development Cost Charge Study. A minor amendment was carried out in the spring of 2013.

The DCC land-use categories are unchanged from the current five;

- Single Family,
- Multi-Family,
- Congregate Care,
- Commercial/Institutional, and
- Industrial & Public Use

The capital projects are derived from the Cape Laze Outfall Capacity Assessment, April 2016, the CVWPCC Capacity Assessment, August 2016, and the CVWPCC Odour Control Options, December 2016, reports completed by ISL Engineering and Land Services as well as the CVRD 10 year capital plan.

The DCCs are based on the development growth projections over the coming 10 years utilizing the projections published in the recent City of Courtenay and Town of Comox DCC updates.

We would be pleased to meet with you, at your convenience after your review, to discuss the findings in detail. The final report will be issued upon receipt of your comments.

Yours truly,

KOERS & ASSOCIATES ENGINEERING LTD.



Mitchell Brook, P. Eng
Project Engineer



Jul. 20 2018
Chris Downey, P. Eng
Project Manager



COMOX VALLEY REGIONAL DISTRICT

**DEVELOPMENT COST CHARGE
BYLAW No. 2445, 2002, &
Update**

**FINAL TECHNICAL REPORT
July 2018**

TABLE OF CONTENTS

	<u>Page</u>
Letter of Transmittal	
TABLE OF CONTENTS	i
1 INTRODUCTION	1
1.1 Background	1
1.2 Acknowledgements	2
2 BYLAW DEVELOPMENT & IMPLEMENTATION OVERVIEW	3
2.1 Purpose of DCCs	3
2.2 Exemptions, Waivers & Reductions	4
2.2.1 Exemptions	4
2.2.2 Waivers & Reductions	5
2.2.3 Exemptions and Waiver Imposed by the CVRD	5
2.3 Bylaw Approval Process & Stakeholder Input	6
2.4 Service Area & Time Frame	6
2.5 Recoverable Costs	6
2.6 Municipal Assist Factor	7
2.7 Bylaw Administration	7
2.7.1 Time of Collection	7
2.7.2 Separate Accounts	7
2.8 Grace Period & In-Stream Applications	8
2.8.1 Subdivision Applications	8
2.8.2 Building Permit, Development Permit, and Rezoning Applications	8
2.9 Credits, Rebates & Latecomers Agreement	8
2.9.1 Credits	9
2.9.2 Rebates	9
2.9.3 Latecomers Agreement	9
2.10 Amendment Process (Minor vs Major)	9

3	DEVELOPMENT GROWTH PROJECTION	11
3.1	Service Area & Time Frame	11
3.1.1	Service Area	11
3.1.2	Time Frame	11
3.2	Growth Projections By Land-Use	11
3.2.1	Residential (Single Family, Multi-Family & Congregate Care)	11
3.2.2	Commercial & Institutional	12
3.2.3	Industrial	12
4	PROJECT COST ALLOCATION	14
4.1	Introduction	14
4.2	Project Costs	14
4.3	Government Grants	14
4.4	Benefit to Existing Users	15
4.5	Municipal Assist Factor	15
4.6	DCC Reserve Funds	15
5	DCC CALCULATION	16
5.1	Common Unit Calculation Method	16
6	SANITARY SEWER DCCs	17
6.1	Proposed Sanitary Sewer Works	17
6.2	Calculation Unit	17
6.3	Cost Charge Calculations	17
6.4	Costs to Existing Users	18
6.5	Comparison to Current DCC Rates	18
7	SUMMARY OF DCCs	20
7.1	Summary	20

TABLES

Table 1 - Relevant Infrastructure & Planning Documents	2
Table 2 - Projected Growth of Residential Units	11
Table 3 - Projected Growth of Commercial and Institutional Development.....	12
Table 4 - Projected Growth of Industrial Development.....	13
Table 5 - Projected Growth by Land-Use.....	13
Table 6 - Sanitary Sewer Equivalent Population Demand Summary.....	17
Table 7 - Sanitary DCCs.....	17
Table 8 – Existing User & Development Charges by Project Year	18
Table 9 – Summary of DCCs by Land-use	19

APPENDICES

A	Existing DCC Bylaw 2445, 2002 Consolidated to Include DCC Amendment Bylaws No. 2942, 2006 and No. 218, 2013
B	Ministry Submission Summary Checklist

1 INTRODUCTION

1.1 Background

The Comox Valley Regional District (CVRD) owns and operates the Comox Valley Sewerage System (CVSS), serving all lands within the municipal boundaries of the City of Courtenay and Town of Comox. The CVSS provides sewage treatment at the Comox Valley Water Pollution Control Centre (CVWPCC) with its deep ocean outfall off Point Holmes and offsite composting facility at the Comox Valley Waste Management Centre, together with major pump stations, forcemains, and some trunk gravity sewer sections, all leading from the municipality sanitary sewer collection systems and delivering sewage to the CVWPCC.

The Regional District's original Sewerage System Development Cost Charge (DCC) Bylaw (Bylaw No. 2445, 2002) was passed and adopted on July 29th, 2002. The Bylaw has been updated and consolidated to include the DCC Amendment Bylaws No. 2942, 2006 and No. 218, 2013. It covers the sanitary sewer municipal function for which DCCs are permitted by the provincial government. A copy of the existing bylaw is presented in Appendix A.

Findings detailed in this report result from the Regional District's need for a major update of its DCCs after a 3 year period from the last update of the bylaw. This report reviews current applicable projects for a 10 year period within the present Regional District Sewerage System boundaries, with up-to-date cost estimates, estimates growth in each of the various development types, and calculates required amended charges in each DCC category.

As stated in the Regional District's DCC bylaw:

“the development cost charges imposed by this bylaw are for the purpose of providing funds to assist the Regional District to pay the capital cost of providing, altering or expanding the sewerage system infrastructure to service directly or indirectly, development in respect of which the charges are imposed; (amendment Bylaw 2445, 2002)”

It should be noted that a development in one area of the Regional District Sewerage System Area may contribute to the need for upgrading, expanding or construction of new infrastructure in another area of the Regional District.

DCCs represent a part of the funding required to construct the capital projects. The remainder of the required funding will come from the Regional District at large (tax payers) and possibly from senior government by way of infrastructure grant funding programs, if or when they are available and for which the Regional District's project(s) qualify for and are approved. The Regional District's contribution portion takes into account the benefit to the existing users of the municipal systems and also provides an additional assistance factor to the development's share of the project costs as per the provincial government DCC Best Practise Guide.

Since adoption of the latest amendment to the DCC Bylaw in 2013, several relevant infrastructure and planning documents have been completed, as listed in [Table 1](#).

The Regional District desires to incorporate the findings and recommendations of these reports in to a major update of their DCC Bylaw.

The updating of the DCCs is to be based on growth for a 10 year period and the resulting capital works required.

Table 1 - Relevant Infrastructure & Planning Documents

Document	Date
Town of Comox DCC Bylaw Update	February 2016
City of Courtenay DCC Update	January 2016
Cape Lazo Outfall Capacity Assessment – ISL Engineering and Land Services	April 2016
CVWPCC Capacity Assessment – ISL Engineering and Land Services	August 2016
CVWPCC Odour Control Options – ISL Engineering and Land Services	December 2016

1.2 Acknowledgements

We gratefully acknowledge with thanks the assistance provided by the following Regional District staff during the course of data collection, analyses, and report preparation:

- Mr. Kris La Rose, P.Eng
- Ms. Zoe Berkey, EIT

2 BYLAW DEVELOPMENT & IMPLEMENTATION OVERVIEW

2.1 Purpose of DCCs

Development Cost Charges (DCCs) are intended to facilitate development by providing a method to finance capital projects related to roads, drainage, sewerage systems, waterworks, and parks. They are enacted by local government bylaw, pursuant to the *Local Government Act*, RSBC 2015, c. 1. Sections 558 through 570 which are under Part 14 – Planning and Land Use Management and Division 19 – Development Cost Recovery.

Section 559 (2) of the Local Government Act allows local governments to use DCC to assist in the payment of capital projects associated with providing, constructing, altering, or expanding sewage, water, drainage and highway facilities, other than off-street parking facilities, and for providing and improving parkland.

DCCs are monies collected from developments to offset some of the infrastructure expenditures incurred to service the needs of the development while not adversely affecting existing users. The remainder of the required funding will come from the District users (tax payers) and possibly from senior government by way of infrastructure grant funding programs, if or when they are available and for which District project(s) qualify for and are approved.

DCCs allow monies to be pooled from many developments so funds can be raised to construct the necessary services in an equitable manner. Those who will use and benefit from the projects should pay infrastructure costs. Recognizing that costs should be shared amongst benefiting parties, a breakdown between existing users and new development should be provided.

The 'Development Cost Charge - Best Practices Guide' (BPG), 3rd Edition 2005 is a publication by the BC Ministry of Community Services. The objective of the BPG is to standardize general practices in the formation and administration of DCC bylaws, while allowing flexibility to meet specific needs as allowed by the Local Government Act. The BPG consists of the following two sections:

Section 1 A guidebook for councillors and administration staff responsible for developing and adopting policies.

Section 2 A technical manual detailing procedures and calculations for the technical personnel who will carry out the DCC calculations and prepare the bylaw.

DCC bylaws must be approved by the provincial government's Ministry of Community, Sport and Cultural Development. The Ministry has indicated that expedient approval of DCC bylaws will be received when prepared in accordance with the BPG. To assist Ministry staff in the review of the proposed DCC bylaw, a Ministry Submission Summary Checklist is included in the BPG. A copy of the checklist is included in this report in Appendix B. It requires finalization before attaching it to the bylaw approval package to be submitted to the Inspector of Municipalities.

DCCs are to be developed in accordance with the LGA. The BPG is based on six principles which are recommended to be followed in the development of a DCC Bylaw:

- 1) **Integration** – A DCC program is subordinate to the broader goals of a community.
- 2) **Benefiter Pays** – Infrastructure costs should be paid by those who will use and benefit from the installation of such systems.
- 3) **Fairness and Equity** – Costs should be distributed between existing users and new development in a fair manner.
- 4) **Accountability** – All information on which DCC's are based on should be accessible and understandable by stakeholders.
- 5) **Certainty** – The DCC program should provide both stable charges and orderly construction of infrastructure
- 6) **Consultative Input** – Must provide adequate opportunity for meaningful and informed input from the public and other interested parties.

Maintenance & Rehabilitation Projects

Maintenance and rehabilitation of existing infrastructure (e.g., street repairs; watermain flushing; and storm and sanitary main cleaning or repairs), and replacement due to age are not included in DCCs as per the BPG.

2.2 Exemptions, Waivers & Reductions

The LGA describes circumstances when a development can be exempt from paying (Section 561) or can have DCCs waived or reduced (Section 563). A brief overview of each is presented below.

2.2.1 Exemptions

Section 561 of the Local Government Act describes circumstances when development is exempt from paying DCCs. These specific cases are:

1. Where a building permit authorizes the construction, alteration, or extension of a building, or part of a building which is solely for public worship, such as a church.
2. If a development cost charge has previously been paid for the same development unless, as a result of further development, new capital cost burdens will be imposed on the municipality.
3. If the development does not impose new capital cost burdens on the municipality, with the exception of a development cost charge imposed for the purpose referred to in section 559 (3) [*resort region employee housing*].
4. A development authorized by a building permit that authorizes the construction, alteration or extension of a building that will, contain fewer than 4 self-contained dwelling units, and be put to no other use other than the residential use in those dwelling units. It should be noted that a **local government may**, in a development cost charge bylaw, provide that a development costs charge is payable under these circumstances.
5. The construction, alteration or extension of self-contained dwelling units in a building authorized under a building permit if
 - a. each unit is no larger in area than 29 square metres, and

- b. each unit is to be put to no other use other than the residential use in those dwelling units.
6. Where the value of the work covered by the building permit does not exceed \$50,000.

It should be noted that under Section 563 the local government has the ability to modify the minimum area and costs associated with the items listed above in the DCC bylaw, pending ministry approval.

2.2.2 Waivers & Reductions

In 2008 with the passage of Bill 27 (Local Government – Green Communities), the provincial government enacted legislation that allowed for the waiver or reduction of DCCs. This is now Section 563 of the LGA which provides municipal governments with the ability to waive or reduce DCCs within a broad range of one or more of the following classes of “eligible developments”:

- i. not-for-profit rental housing, including supportive living housing
- ii. for-profit affordable rental housing
- iii. a subdivision of small lots that is designed to result in low greenhouse gas emissions
- iv. a development that is designed to result in a low environmental impact

Council may adopt further bylaw(s) that provide specific detail of the type of development that qualify(s), the amount of the waiver or reduction, and requirements that must be met in order to obtain a waiver or reduction.

The BPG states “the intent of the legislation is that the cases where the DCC is waived or reduced, the amount waived is to be entirely supported by the existing development.” By providing a waiver or reduction, council is signaling that this specific type of development is encouraged and financially supported by the local community.

2.2.3 Exemptions and Waiver Imposed by the CVRD

The CVRD has elected to impose the following exemptions and waivers as part of the DCC Bylaw:

- a. Waive development cost charges for secondary suites that are 29 m² and under in accordance with provincial policy contained in Bill 27;
- b. Waive development cost charges for all secondary suites provided that the secondary suite is no larger than 90 m² and includes all of the following:
 - i. High efficiency appliances
 - ii. Low flow faucets/shower heads
 - iii. A maximum of one bath/shower unit per suite
 - iv. A maximum of one toilet per suite (4.8 lpf or less)
 - v. That the home must be water meter ready

2.3 Bylaw Approval Process & Stakeholder Input

When a DCC bylaw is implemented or amended, developers or those parties paying DCCs will be affected by the new charges. The BPG recommends a suitable period of notification before the new or amended DCC bylaw is in effect. This is known as a “Grace Period” (see Section 2.8 for further discussion). Newspaper articles and notices, information circulars, and verbal communications should be provided to the residents, taxpayers, and land developers, so they are aware of the proposed update, the anticipated charges, and the approximate timing of the new/amended bylaw’s implementation.

The BPG recommends opportunities for stakeholder input be provided at two points during DCC bylaw development:

- i. before first reading by the Council
- ii. before third reading by the Council

In addition, a public information meeting is recommended between the second and third readings of the bylaw, such that stakeholders can be involved in any revision(s) of the bylaw, and concerns arising from the public meeting can be considered in any revision(s).

2.4 Service Area & Time Frame

DCC are to be charged on either a ‘**municipal wide**’ or ‘**area specific**’ basis. The composition of the DCC program and the resulting charges can vary significantly between the two options, which can be summarized as follows:

- i. A **municipal wide** DCC applies the same rate for a particular type of land use regardless of the location of any specific development.
- ii. An **area specific** DCC divides the District into separate areas based on specific features such as geographic boundaries or a municipal service boundary.

When developing the bylaw, an appropriate time frame for the DCC program has to be considered. The DCC can be established on either a “**build out**” or “**revolving**” basis. These are defined as:

- i. **Build out** applies to the construction of all necessary infrastructure to accommodate development to the full extent of the Official Community Plan, which generally has a long-term time horizon of 20 to 25 years.
- ii. **Revolving** applies to construction of the necessary infrastructure to accommodate development for a defined period of time, such as five, 10 or 15 years. A number of revolving time windows would be required to reach the OCP build-out.

2.5 Recoverable Costs

The BPG states recoverable DCC costs should be clearly identified in the DCC documentation and must be consistent with Ministry provisions.

Ministry policy does not consider inflation and long term debt financing eligible for DCC recovery. However, Section 566(2)(d) of the Local Government Act does allow funds in

DCC reserve accounts to be used to pay for the interest and principal on a debt resulting from DCC project costs.

2.6 Municipal Assist Factor

Section 559 (2) of the Local Government Act states the purpose of DCCs is to provide funds to “assist” local government in paying the costs of infrastructure. By not allowing 100% of the growth related costs to be charged to new developments, the legislation implicitly requires an “assist factor”. This assist factor is separate from the allocation of project costs between new development and existing users, which is considered on a project specific basis.

The assist factor chosen reflects the District’s Council desire to encourage development, and is largely a political decision. Most DCC bylaws use assist factors in the 1% to 10% range. The Local Government Act requires a minimum 1% assist.

2.7 Bylaw Administration

Once the Inspector of Municipalities has granted statutory approval of the DCC bylaw and the Board has adopted it, ongoing administration will be required. This will involve collection of charges, monitoring and accounting, credits and rebates, and the process for bylaw amendment.

2.7.1 Time of Collection

Section 559 (1) of the Local Government Act states DCCs are payable at either the time of subdivision approval or at issuance of building permit. The BPG recommends charges be applied as follows:

- i. **Single Family** – at the subdivision approval stage, per building parcel being created, and upon the issue of building permit authorizing the construction, alteration or extension of a building that will contain fewer than four residential units.
- ii. **Multi-Family** - either at the subdivision approval stage for each dwelling unit permitted to be constructed pursuant to zoning, or upon issue of building permit per dwelling being built.
- iii. **Commercial/Institutional** - upon issue of building permit based on square metre of gross building area.
- iv. **Industrial** - upon issue of building permit based on hectares of lot area under development.

Article 1 and Schedule A of the Regional District’s DCC Bylaw Amendment No. 2445 defines when DCC are due and follows the recommendations of the BPG.

2.7.2 Separate Accounts

Section 566 (1) of the Act stipulates DCCs shall be deposited in a separate special DCC reserve fund. The monies collected (together with reserve fund interest) shall then be used to pay for the capital projects within the DCC program. DCC accounts should be set up in a manner that allows easy reporting of:

- i. how much money has been collected from DCCs

- ii. the amount of government grants, if any, received towards the capital DCC projects
- iii. amounts designated as DCC “credits” or “rebates”
- iv. the amount of funds representing the District’s share of project costs in the DCC program
- v. interest earned
- vi. under/overages
- vii. identification of completed projects

2.8 Grace Period & In-Stream Applications

When a DCC bylaw is implemented or amended, it affects those parties paying DCCs. The BPG recommends a suitable period of notification before a new DCC bylaw is in effect. This is known as a “Grace Period”.

The “Grace Period” should not be confused with “In-Stream Protection”. The “Grace Period” serves to allow enough time for people to be notified of the new DCC rates as related to building permit applications. “In-Stream Protection” seeks to provide stability for developers with an application in process during the introduction or amendment of DCCs provided the application meets certain time criteria as noted below.

2.8.1 Subdivision Applications

Section 511 of the Local Government Act provides “In-Stream Protection” for a subdivision application for a 12 month period after the DCC Bylaw is adopted if:

- i. An application for a subdivision of land within a municipality has been submitted to a designated municipal officer and the applicable subdivision fee has been paid before the bylaw was adopted.

unless the applicant agrees in writing that the bylaw should have effect.

2.8.2 Building Permit, Development Permit, and Rezoning Applications

Section 568 of the LGA provides “In-Stream Protection” for building permits as well as for “precursor applications” for a building permit, a development permit and a rezoning application if:

- i. A building permit authorizing that construction, alteration or extension is issued within 12 months of the date the DCC bylaw is adopted.
- ii. A precursor application to that building permit is in-stream on the date the DCC bylaw is adopted.

unless the applicant for that building permit agrees in writing that the bylaw should have effect.

2.9 Credits, Rebates & Latecomers Agreement

There are no specific references to “DCC credits” or “DCC rebates” in the Local Government Act. The intent of Clause (8) of Section 933 is that developers providing trunk services beyond the local servicing needs of the development shall have those costs deducted from the applicable DCCs payable. To implement the provisions of the

legislation, the concepts of a “DCC Credit” and a “DCC Rebate” are introduced. Policies regarding when the Regional District should offer a credit versus a rebate should be carefully considered. In either case, the DCC accounting system should allow credits and rebates to be monitored and tracked.

2.9.1 Credits

The DCC program is compiled to service new development in an orderly manner. A situation is likely to arise where a developer desires to proceed with a development before the required trunk services are installed in that area. This type of development can be considered to be “out of sequence”. If the Regional District cannot afford the financial burden of additional infrastructure requirements, the Approving Officer would decline the development for the present time. Alternatively, the developer can construct the necessary trunk services, in advance of the proposed timing. In this case, the “out of sequence” development would be offered a DCC credit, where the cost of constructing the required trunk works is deducted from the amount of DCCs that would have otherwise been payable. The DCC credit cannot exceed the amount of DCC payable. Should the developer submit a development by phases, each phase will be reviewed independently.

2.9.2 Rebates

The DCC program allows for facility oversizing for cost recovery, that is the difference in the capital cost between a local service and a trunk service that is ‘oversized’ to service lands/facilities beyond the services for each phase required for the local development area(s). Should a developer wish to proceed with a development before the trunk services fronting his property are installed, the Regional District may allow the developer to construct the necessary portion of the works to a trunk. The Regional District would then offer a DCC rebate for the incremental portion of the cost beyond the local requirement. The incremental cost portion is the cost for the ‘oversizing’ of the service. The rebate cannot exceed the amount of the DCC payable. Should the developer submit a development by phases, each phase will be reviewed independently.

2.9.3 Latecomers Agreement

Where a development constructs trunk works which benefit other development(s), the oversizing costs may be considered for inclusion in a Latecomers Agreement if the project is not a DCC project because it is not within the service area for which DCCs are applied. The agreement would be in accordance with the provisions of the Local Government Act. In this scenario, the development would be responsible for setting up the agreement and the costs associated to do so. The agreement would be administered by the Regional District.

2.10 Amendment Process (Minor vs Major)

The average cost of a typical unit of development should not change significantly over time except for the effects of inflation or changes in standards, provided development projections are accurate. However, periodic revision(s) of the OCP, the Regional District’s financial situation, changing infrastructure needs, and other factors affecting new development that are beyond the Regional District’s control, will require amendments to the DCC Bylaw. In general there are two levels of amendments; **minor** and **major**.

A **minor amendment** is generally associated with an updating based on changes in construction costs and inflationary effects. This type of bylaw amendment requires provincial statutory approval, but due to its nature is anticipated to receive expeditious

Ministry approval. This amendment should be carried out no more than once a year and perhaps once every two to three years.

A **major amendment** involves a full review of the DCC methodology, including:

- ii. Underlying DCC assumptions
- iii. Broad policy considerations
- iv. Updated development projections
- v. DCC program costs
- vi. Timing of proposed capital works
- vii. Addition of new projects to the DCC program, when necessary
- viii. Removal of completed projects or that are no longer required

In accordance with the BPG recommendation, the major amendment to the DCC bylaw should be completed once every five years.

3 DEVELOPMENT GROWTH PROJECTION

3.1 Service Area & Time Frame

3.1.1 Service Area

The Regional District's current DCC Bylaw applies DCCs to sanitary sewer projects related to the on a '**municipal wide**' basis. This means the same rate is applied for a particular type of land-use regardless of its location within the Regional District. The proposed Bylaw will continue to apply on a '**municipal wide**' across the Regional District.

3.1.2 Time Frame

The Regional District's current DCC Bylaw calculates DCCs on a '**revolving**' basis. This means DCCs are based on the construction of the infrastructure needed to accommodate development over the next 10 years. The proposed Bylaw will continue to operate on a 10 year '**revolving**' basis for this DCC update.

3.2 Growth Projections By Land-Use

Non-residential land uses are categorized separately from residential land use for DCC bylaws. In order to keep the number of designated land uses at a practical level, it is normal practice to consider the groupings under residential, commercial/industrial, and institutional categories.

3.2.1 Residential

The current bylaw has three residential categories (Single Family, Multi-Family, and Congregate Care). In addition there is a section for secondary suites, although in the existing bylaw DCCs are not charges for this category. The number of units to be constructed in the next 10 years for the City of Courtenay and the Town of Comox, based on information listed in the recent DCC Bylaw updates for each municipality, is shown in **Table 2**.

It should be noted that the recent City of Courtenay DCC update covered a 20 year period. As this update reflects a 10 year period, the values from the Courtenay DCC were reduced to match the required timeframe.

Table 2 - Projected Growth of Residential Units

DCC Category	Number of Units		Equivalent Population		Total Population
	Courtenay	Comox	Courtenay	Comox	
Single Family	660	466	1,584	1,096	2,680
Multi-Family	957	232	1,818	501	2,319
Congregate Care	0	54	0	57	57
Total	1,617	752	3,402	1,654	5,056

3.2.2 Commercial & Institutional

Commercial use includes service commercial, office commercial, mixed commercial/residential development.

Institutional use includes government offices, recreational facilities, public and private schools, colleges and universities, and hospitals including private care facilities.

The BPG recommends commercial and institutional development be charged on the basis of building floor space expressed in square metres. The Regional District has selected to charge on the basis of gross building area expressed in square metres.

Where land uses on a site are mixed, it is intended that applicable DCCs be charged on the basis of all actual uses on a site. This may include a residential and a commercial component or some other combination.

The anticipated commercial and institutional development growth in the next 10 years for the City of Courtenay and the Town of Comox, based on information listed in the recent DCC Bylaw updates for each municipality, is shown in **Table 3**.

Table 3 - Projected Growth of Commercial and Institutional Development

Municipality	Commercial Development	Institutional Development
	Total Gross Floor Area (m ²)	Total Gross Floor Area (m ²)
Courtenay	31,208	550
Comox	6,710	250
Total	37,918	800

3.2.3 Industrial

Industrial use includes: light, medium or heavy industrial uses, warehouses, mini-storage, minor repair, fabrication and storage facilities or space, and fuel storage areas.

Public utility use includes: BC Hydro, Fortis BC Gas, telephone, cable, and similar utility storage, distribution and plant facilities.

For industrial and public utility uses, which are predominantly single storey development, the BPG prefers charging on the basis of gross site area measured in hectares. The CVRD has elected to proceed with charging on the basis of gross building area to have the charges more in line with the commercial and institutional charges. It is assumed industrial/public utility developments would have an average site coverage of 60% by building area.

The anticipated industrial development growth in the next 10 years for the City of Courtenay and the Town of Comox, based on information listed in the recent DCC Bylaw updates for each municipality is shown in **Table 4**.

Table 4 - Projected Growth of Industrial Development

Municipality	Industrial Development, ha	
	ha of gross site area	m ² of building area
Courtenay	5.5	33,000
Comox	0.2	1,200
Total	5.7	34,200

A summary of the projected growth for each land use category for build out is presented in **Table 5**.

Table 5 - Projected Growth by Land-Use

Land Use	Anticipated Growth
	Total
Single Family	1,126 lots
Multi Family	1,189 units
Congregate Care	54
Total Dwellings	1,467 units
Commercial/Institutional/Industrial	
Commercial	37,918 m ²
Institutional	800 m ²
Industrial	34,200 m ²

4 PROJECT COST ALLOCATION

4.1 Introduction

With the establishment of a list of capital projects and their estimated construction costs, the portion of the project cost attributed to development is calculated using the equation:

$$\text{DCP} = \text{PC} - \text{GG} - \text{BEU} - \text{AF} - \text{RF}$$

Where:

DCP	=	Development Cost Portion
PC	=	Project Cost
GG	=	Government Grants
BEU	=	Benefit to Existing Users
AF	=	Assist Factor
RF	=	Reserve Funds

A discussion on each category and the amounts used in this study is presented below. The Regional District's contribution to the DCC projects consists of:

- i) total capital cost attributed to existing users (BEU)
- ii) assist factor (AF)
- iii) portion of costs associated with developments exempt from DCCs (see previous discussion under Section 2.2)

4.2 Project Costs

Project construction costs in this report are preliminary, order of magnitude, estimates based on previous studies completed for the Regional District and updated to reflect 2016 dollars.

No preliminary or detail engineering design work has been completed, and as such, the costs are Class D estimates. They are suitable for project control budgets, for program planning, and to obtain approval in principle. The estimates include allowances for engineering design, tendering and construction services and construction contingencies.

No allowance has been made for Regional District internal management or legal costs. There is no allowance for long-term financing or future inflation as this is not allowable under the Local Government Act. The impact of inflation should be reviewed regularly as time and projects proceed, and project costs adjusted accordingly as part of a minor amendment to DCCs.

Costs are Class D estimates and are exclusive of GST. They are in 2016 dollars as of when the Engineering News Record Construction Cost Index (ENR CCI) was 10,182.

4.3 Government Grants

Government grants, including Federal/Provincial infrastructure funding programs and Provincial revenue sharing programs, can no longer be relied upon to provide significant funding for all types of capital improvement projects. Some grants are available for

projects, particularly those which contribute towards improved public health and water quality considerations, but sporadically for other priorities. When awarded, senior government grants can provide:

- A significant portion of study cost recovery.
- Provincial government funding up to 80% of a project cost.
- A total of 2/3rds combined assistance under Infrastructure Funding Programs supported through joint Federal/Provincial agreements.

In recent years given the financial constraints of the federal and provincial government and the demand on the gas tax revenue program administered by the Union of BC Municipalities these grants are becoming more difficult to obtain. However, the Regional District should continue to make every effort to obtain financial assistance toward key eligible projects as funding programs become available. In order to include some appropriate allowance for financial assistance from grants, the calculations have assumed that a two third grant (66.7% funding) will be available for one project in ten, on average, for which an averaged 6.67% amount is shown against each project under the government grant column of the spreadsheet.

4.4 Benefit to Existing Users

Capital costs for DCC calculations must be net costs. It is recognized that most improvements within the system provide a benefit to the existing residents and users.

The percentage benefit to existing users estimated for each project has been made. The cost for each project applicable to existing users is then deducted from the project cost, after government grants are deducted, to calculate the allowable DCC recoverable portion of the project.

4.5 Municipal Assist Factor

Section 559 (2) of the Local Government Act states the purpose of DCCs is to provide funds to “assist” local government in paying the costs of infrastructure. By not allowing 100% of the growth related costs to be charged to new developments, the legislation implicitly requires an “assist factor”. This assist factor is separate from the allocation of project costs between new development and existing users, which is considered on a project specific basis.

Most DCC bylaws use assist factors in the 1% to 10% range. Under certain conditions, the assist factor is adjusted to maintain DCC rates within a perceived affordable level. When the economy is slow, a higher assist factor, such as 10%, can be used to encourage new development. With a very healthy development climate, a low assist fact, such as 1% is considered appropriate.

A 1% assist factor has been chosen for all projects.

4.6 DCC Reserve Funds

The reserve funds are the total amounts that have been collected from development and not yet spent on DCC projects. These amounts are deducted in the calculation of each DCC function. To date the CVRD DCC reserve fund balance is \$7,015,319.73.

5 DCC CALCULATION

5.1 Common Unit Calculation Method

The BPG recommends DCCs be calculated using a common unit basis for each municipal service. To meet this requirement, the following common unit was applied to each land use for each municipal service:

Sanitary Sewer - Costs are related using an equivalent population demand, which is based on average densities and usage for each land-use category.

6 SANITARY SEWER DCCs

6.1 Proposed Sanitary Sewer Works

The proposed water work projects are taken from the findings of the:

- Sanitary Sewerage Master Plan – McElhanney Consultant Services Ltd. May 2011
- Cape Lazo Outfall Capacity Assessment – ISL Engineering and Land Services April 2016
- CVWPCC Capacity Assessment – ISL Engineering and Land Services August 2016
- CVWPCC Odour Control Options – ISL Engineering and Land Services December 2016

Sanitary Sewer DCCs are to be imposed on a municipal wide basis, in keeping with the BPG.

6.2 Calculation Unit

Sanitary sewer DCCs were calculated based on the common unit of equivalent population served for each land-use category.

Table 6 shows the equivalent population data used for the sanitary sewer DCC calculations.

Table 6 - Sanitary Sewer Equivalent Population Demand Summary

Land Use Category	Anticipated Growth		Equivalent Population Factor		Equivalent Population
	Comox	Courtenay	Comox	Courtenay	
Single Family	466 lots	660 lots	2.35	2.4	2,680
Multi Family	232 units	957 units	2.16	1.9	2,319
Congregate Care	54 units	0 units	1.05	0	57
Commercial	6,710 m ²	31,208 m ²	0.015	0.007	319
Institutional	250 m ²	550 m ²	0.014	0.007	7
Industrial	1,200 m ²	33,000 m ²	0.0073	0.0073	248
Total Equivalent Population					5,630

6.3 Cost Charge Calculations

The project cost estimates are based on the CVRD's 10 year capital plan.

Table 7 - Sanitary DCCs lists all applicable projects and costs, and the resulting net DCC recoverable amount after subtraction of the DCC Reserve fund balance.

The DCC per sanitary sewer Equivalent Population Demand (EPD) is calculated by dividing the DCC recoverable amount by the Total Equivalent Population of 5,630.

TABLE 7
Comox Valley Sewer System
Sanitary Project List and Land-Use DCC Calculation

Project No. (Year - #)	Project Description	Project Cost Estimates (2016)	Government Grant		Net Expenditure D = (A-C)	Benefit to Existing Users		New Development G = (D-F)	Municipal Assist Factor H = (G*%)	Existing User Costs I = (F*H)	Recoverable DCC J = (D-I)
			% B	\$ C = (A*B)		% E	\$ F = (D*E)				
2017-01	Greenwood Trunk	4,133,000	6.67%	275,671	3,857,329	0%	3,857,329	38,573	38,573	3,818,756	
2017-02	Hudson Trunk	2,374,000	6.67%	158,346	2,215,654	0%	2,215,654	22,157	22,157	2,193,498	
TOTAL 2017		6,507,000								6,012,253	
2018-01	Biosolids Composting Expansion	9,000,000	6.67%	600,300	8,399,700	25%	2,099,925	62,998	2,162,923	6,236,777	
2018-02	CWVPC - Phase 1 Capacity Upgrades	8,083,600	6.67%	539,176	7,544,424	50%	3,772,212	37,722	3,809,934	3,734,490	
2018-03	Odor Control System	2,180,000	6.67%	145,406	2,034,594	50%	1,017,297	10,173	1,027,470	1,007,124	
2018-04	CFB Comox Pump Station Upgrades	400,000	6.67%	26,680	373,320	0%	-	3,733	3,733	369,587	
TOTAL 2018		19,663,600							7,004,060	11,347,978	
2019-01	Comox No. 2 Pump Station and Foremain to CWVPC	11,750,000	6.67%	783,725	10,966,275	60%	6,579,765	43,865	6,623,630	4,342,645	
2019-02	Effluent Quality Upgrades	10,554,600	6.67%	703,992	9,850,608	70%	6,895,426	29,552	6,924,978	2,925,631	
2019-03	Minor-DCC Update	10,000	-	-	10,000	0%	-	100	100	9,900	
TOTAL 2019		22,314,600							13,548,708	7,278,176	
2022-01	Colby Pump Station	100,000	6.67%	6,670	93,330	0%	-	933	933	92,397	
2022-02	Major DCC Update	20,000	-	-	20,000	0%	-	200	200	19,800	
TOTAL 2022		120,000							1,133	112,197	
2023-01	Jane Place Upgrades	1,200,000	6.67%	80,040	1,119,960	0%	-	11,200	11,200	1,108,760	
TOTAL 2023		1,200,000							11,200	1,108,760	
2025-01	Minor DCC Update	10,000	-	-	10,000	0%	-	100	100	9,900	
2025-02	CWVPC Phase 2 Upgrades	6,610,000	6.67%	440,887	6,169,113	0%	-	61,691	61,691	6,107,422	
TOTAL 2025		6,620,000							61,791	6,117,322	
TOTALS		\$56,425,200			\$3,760,893		\$20,364,625	\$322,997	\$20,687,621	\$31,976,686	
Development Cost Carry Over to Future 10 Year Revolving Period (50% of project 2018-01, 02, 03, and 2025-02)		\$12,936,800		\$862,885	\$12,073,915		\$3,444,717	\$6,629,198	\$66,292	\$3,531,009	\$8,542,906
TOTALS (this 10 Year Period)		\$43,488,400		\$2,898,008	\$40,590,392		\$16,919,908	\$23,670,484	\$236,705	\$17,156,613	\$23,433,779

Notes:
Cost estimates for the above noted projects are based on the CVRD's 10 Year Capital Plan

Development Cost Charge per Equivalent Person	
Total DCC Recoverable Costs	\$23,433,779
DCC Reserves (Current to Dec 31 2016)	\$7,015,320
Net Development Costs	\$16,418,459
Total Equivalent Population	5,630
DCC per Equivalent Person	\$2,916.25

Land-Use Category	Development Growth Projection			Total	Equivalent Population Density	Total Equivalent Population
	Town of Comox	City of Courtenay				
Single Family Residential, units	466	660		1,126	2.4	2,680
Multi-Family Residential, units	232	957		1,189	1.95	2,319
Congregate Care Facility, units	54	0		54	1.05	57
Commercial, m ²	6,710	31,208		37,918	0.0084	319
Institutional, m ²	250	550		800	0.0092	7
Industrial / Public Utility, m ²	1,200	33,000		34,200	0.0073	248
TOTALS				34,200	0.0073	5,630

Land-Use Category	Equiv. Pop Density	DCC Charge Calculation	
		DCC per Equiv Pop Density	DCC Charge
SF Res	2.38	\$2,916.25	\$6,941 per residential unit
MF Res	1.95	\$2,916.25	\$5,687 per residential unit
Cong Care	1.05	\$2,916.25	\$3,062 per residential unit
Commercial	0.0084	\$2,916.25	\$24.50 per m2 of gross building area
Institutional	0.0092	\$2,916.25	\$26.80 per m2 of gross building area
Indus/Public Util	0.0073	\$2,916.25	\$21.14 per m2 of gross building area

The Sanitary Sewer DCC per land-use is arrived at by multiplying the DCC unit cost per EPD by the Equivalent Population Demand for each land-use.

The proposed CVWPCC Upgrades service development growth beyond the present proposed 10-year revolving DCC period. As identified in the DCC function table, development costs for the portions of these projects beyond the 10-year period are clearly shown (assumed to be 50%), and removed from the costs recoverable in the initial 10 year period. As shown, a total value of \$12,936,800 without project funding, relative to these works is to be carried over to future 10-year revolving periods. These costs would require financing, with the projects continuing to be identified in future DCC updates, and to be funded by future DCCs.

6.4 Costs to Existing Users

Table 8 provides a summary of the annual cost of the DCC program to existing system users. This covers the capital works projects' percentage benefit to existing users plus the 1% municipal assist factor applied against the developers' portion of the costs. These are the total funds the Regional District needs to provide in order to carry out the DCC projects listed in the tables.

Table 8 – Existing User & Development Charges by Project Year

Year	Cost by Project Year	
	Existing Users	Development
2017	\$60,730	\$6,012,253
2018	\$3,503,897 ⁽¹⁾	\$5,858,782 ⁽¹⁾
2019	\$13,548,708	\$7,278,176
2022	\$1,133	\$112,197
2023	\$11,200	\$1,108,760
2025	\$30,946 ⁽²⁾	\$3,063,611 ⁽²⁾
Total Cost	\$17,156,614	\$23,433,779
Average Cost per Year	\$1,715,661	\$2,343,378

Notes:

(1) Costs include allowance for 50% of total project costs associated with the CVWPCC upgrades (project 2018-01, 02 and 03) to be carried forward to future 10- year revolving DCC period.

(2) Costs include allowance for 50% of total project costs associated with the CVWPCC upgrades (2025-02) to be carried forward to future 10- year revolving DCC period.

6.5 Comparison to Current DCC Rates

Table 9 details of the proposed DCC rates, by land-use, as well as the current DCC rates to provide a comparison of the proposed rate changes.

Table 9 – Summary of DCCs by Land-use

Land-Use	Proposed DCCs	Current DCCs
Single Family	\$6,941 per unit	\$5,980
Multi-Family	\$5,687 per unit	\$4,984
Congregate Care	\$3,062 per unit	\$2,492
Commercial	\$24.50 per gross floor area, m ²	\$34.90
Institutional	\$26.80 per gross floor area, m ²	\$34.90
Industrial & Public Utility	\$21.14 per gross floor area, m ²	\$59,804 per ha

7 SUMMARY OF DCCs

7.1 Summary

To receive expedient approval of the amended DCC bylaw, the Ministry of Community Services publication *Development Cost Charge - Best Practices Guide* should be followed in amending the bylaw preparation, including stakeholder consultation and public notifications.

The completed 'Ministry Submission Summary Checklist' a copy of which is presented in Appendix A, should be completed and forwarded with the amended bylaw for the Ministry's review and approval.

The DCCs are established on a "10 year revolving" basis.

The CVRD has elected to impose the following exemptions and waivers as part of the DCC Bylaw:

- a. Waive development cost charges for secondary suites that are 29 m² and under in accordance with provincial policy contained in Bill 27;
- b. Waive development cost charges for all secondary suites provided that the secondary suite is no larger than 90 m² and includes all of the following:
 - vi. High efficiency appliances
 - vii. Low flow faucets/shower heads
 - viii. A maximum of one bath/shower unit per suite
 - ix. A maximum of one toilet per suite (4.8 lpf or less)
 - x. That the home must be water meter ready

A major bylaw amendment with a full review of the DCC methodology should be completed once every five years. This report and the proposed DCC are a major amendment.

A minor bylaw amendment should be carried out once every two to three years to accommodate inflationary costs and changes in construction costs.

In-stream protection is to be provided to a completed subdivision application, and for "precursor applications" for a building permit, a development permit and rezoning applications.

Section 563 of the LGA provides municipal governments with the ability to waive or reduce DCCs within a broad range of "eligible developments".

When a DCC bylaw is implemented or amended, those parties paying DCCs will be affected by the new or amended charges. As project funding is generally arranged in the early stages of a development, sometimes even in advance of obtaining rezoning, cost increases can have a significant impact on a project's viability. As such a "grace period" is recommended before new or amended DCCs are brought in. The "grace period" is a

length of time providing notification before the new or amended DCCs are adopted. The “grace period” is provided by the municipality as an acknowledgement to the development industry the impact DCCs may have on their business.

Table 7 provides a summary of the proposed DCC for each land-use category.

Table 8 provides a summary of the annual cost of the DCC program to existing system users.

APPENDIX A

Existing DCC Bylaw 2445, 2002 Consolidated to Include DCC Amendment Bylaws No. 2942, 2006 and No. 218, 2013

The following is a consolidated copy of the Comox Valley sewerage system development cost charges bylaw no. 2445, 2002 and includes the following bylaws:

Bylaw No.	Bylaw Name	Adopted	Purpose
2445	Comox Valley Sewerage System Development Cost Charges Bylaw No. 2445, 2002	July 29, 2002	To develop DCC's for the purpose of providing funds to assist the Regional District to pay the capital cost of providing, altering or expanding the sewerage system infrastructure to service directly or indirectly, development in respect of which the charges are imposed
2942	Comox Valley Sewerage System Development Cost Charges Bylaw No. 2445, 2002, Amendment No. 1	October 30, 2006	To assist in funding the required trunk sewer and sewerage treatment upgrading improvements of the Comox Valley sewerage system; repeals and replaces section 1 and replaces Schedule A.
218	Comox Valley Sewerage System Development Cost Charges Bylaw No. 2445, 2002, Amendment No. 2	March 26, 2013	To add definitions, replace section 1 (b), add sections 3-6 and replace Schedule A to reflect increased development cost charges (DCCs).

This bylaw may not be complete due to pending updates or revisions and therefore is provided for reference purposes only. Titles and whereas clauses may be different than in original bylaws to make this consolidated version more clear and identify historical changes and conditions. THIS BYLAW SHOULD NOT BE USED FOR ANY LEGAL PURPOSES. Please contact the corporate legislative officer at the Comox Valley Regional District to view the complete bylaw when required.

COMOX VALLEY REGIONAL DISTRICT

BYLAW NO. 2445

A bylaw to impose development cost charges for the Comox Valley sewerage system

WHEREAS under section 933(9) of the *Local Government Act*, where a board has the responsibility of providing a service in a participating municipality, the board may, by bylaw, under section 933(1) of the *Local Government Act*, impose a development cost charge that is applicable within that municipality and the municipality, under section 933(1) shall collect and remit the development cost charge to the board in the manner provided for in the bylaw;

AND WHEREAS by supplementary Letters Patent dated January 11, 1979, the Regional District of Comox-Strathcona was empowered to acquire, construct, equip, operate and maintain sewage interception, treatment and disposal facilities for the purpose of providing the service of wastewater collection, treatment and disposal (the "sewerage system") to the City of Courtenay and to the Town of Comox;

AND WHEREAS the City of Courtenay and the Town of Comox are the participating members ("participating municipalities") in this service;

AND WHEREAS the Comox Valley Regional District was established in February 2008, following the restructure of the Comox Strathcona Regional District, and the newly formed Comox Valley Regional District was empowered to assume all the same functions of the sewerage systems under this service;

AND WHEREAS the development cost charges imposed by this bylaw are for the purpose of providing funds to assist the regional district to pay the capital cost of providing, altering or expanding the sewerage system infrastructure to service directly or indirectly, development in respect of which the charges are imposed;

AND WHEREAS the regional district is authorized to construct the facilities for which development cost charges are imposed under this bylaw;

AND WHEREAS the board of the regional district has taken into consideration:

- a) future land use patterns and development; and
- b) the phasing of the sewerage system infrastructure

within the participating municipalities;

AND WHEREAS the board of the regional district considers that the development cost charges imposed by this bylaw:

- a) are not excessive in relation to the capital cost of prevailing standards of service; and
- b) will not deter development; and
- c) will not discourage the construction of reasonably priced housing or the provision of reasonably priced serviced land

within the participating municipalities;

AND WHEREAS this bylaw requires the approval of the Inspector of Municipalities prior to adoption;

AND WHEREAS the regional district has adopted a capital expenditure program bylaw;

NOW THEREFORE, the board of the Regional District of Comox-Strathcona in open meeting assembled, enacts as follows:

218

Definitions

- a) “Dwelling unit” means a self-contained residential unit consisting of one or more habitable rooms designed, occupied or intended for occupancy as a separate household of only one person or family with a separate entrance and sleeping, sanitary and cooking facilities, with not more than one kitchen room.
- b) “Single family residential” means a detached free-standing building or mobile home containing one *dwelling unit* used or intended for residential use, but excludes a recreational vehicle and/or tent.
- c) “Single family residential second dwelling” means a detached free-standing building or mobile home containing one *dwelling unit* used or intended for residential use that is in addition to the first *single family residential* building or mobile home on the property and acts as a separate single family residential dwelling, but excludes a recreational vehicle and/or tent.
- d) “Secondary suite” means a *dwelling unit* of less than 90 m² or 40% of the habitable floor space of the main dwelling unit, whichever is less, which is located within a *single family residential* building, which is self-contained and accessory to the principal use being made of the lot upon which the *secondary suite* is located, with a separate entrance and exit, and with the following water efficient features:
 - i. High efficiency appliances
 - ii. Low flow faucets/shower head
 - iii. A maximum of one bath/shower unit per suite
 - iv. A maximum of one toilet per suite (4.8 lpf or less)
 - v. A meter-ready water connection for the lot
- e) “Multi-family residential” means a building or series of buildings containing two or more separate *dwelling units* used or intended for residential use on a single property.
- f) “Congregate care facility” means a building, or part thereof, or series of buildings with four or more sleeping units containing permanent residential accommodation and living facilities intended for persons age fifty-five (55) or older which has a common living area, common kitchen and dining area where meals are provided, housekeeping, and a common area where health care, skilled nursing, cultural, social and other services may be provided through a central management structure/service.
- g) “Commercial / institutional” means a building or series of buildings, or structure, intended to house a commercial OR institutional use such as, but not limited to, service commercial, office commercial, government use, hall, library, recreational facilities, public and private schools, colleges, universities, hospitals and private care facilities, as permitted under the authority of the *participating municipalities’* zoning bylaws.
- h) “Industrial / public utility” means a building or series of buildings intended to house an industrial operation OR public utility such as, but not limited to light, domestic, or heavy industrial use, manufacturing, warehouses, mini-storage, minor repair, fabrication, fuel storage, electrical power, natural gas, telephone, cable vision/systems, and similar utility use, supply, storage, distribution, utility service building, and plant facilities, as permitted under the authority of the *participating municipalities’* zoning bylaws”

1. Every person who obtains, in the participating municipalities
 - (a) An approval of the subdivision of a parcel of land under the *Land Title Act* or the *Strata Property Act*, or;
 - (b) A building permit authorizing the construction, alteration or extension of a buildingexcept as provided under section 3 below;

must pay, at the time of approval of the subdivision or the issue of the building permit, as the case may be, applicable development cost charges prescribed in schedule ‘A’ to this bylaw to the participating municipality where the land being subdivided or the building or structure being be constructed, altered or extended is located.
2. Where a charge is collected under Section 1 of this bylaw by a Participating Municipality, the Participating Municipality shall by the twentieth (20th) business day of the following month, pay the development cost charges imposed and collected under this Bylaw to the Regional District and the Participating Municipality shall, at the time of payment to the Regional District, provide the Regional District with an accounting of the source and amount of the development cost charge.
3. A development cost charge is not payable if any of the following applies in relation to a development authorized by a building permit;
 - (a) the permit authorizes the construction, alteration or extension of a building or part of a building that is, or will be, after the construction, alteration or extension exempt from taxation as a place of public worship under the community charter.
 - (b) the permit authorizes the construction, alteration or extension of a building or part of a building that will, after the construction, alteration or extension contain fewer than two self-contained dwelling units and be put to no other use other than residential use in that dwelling unit, pursuant to section 933(4.1)(a) of the *Local Government Act* unless the building named in subsection 1(b) authorizes a *single family residential second dwelling* on the property.
 - (c) the value of the work authorized by the permit does not exceed \$50,000.
 - (d) the permit authorizes the construction, alteration or extension of self-contained dwelling units in a building if each unit is no larger in area than 29 square metres and each unit is to be put to no other use other than the residential use in those dwelling units.
 - (e) the permit authorizes the construction, alteration, or extension of a building for a *secondary suite*, which is hereby established under section 933.1 (3) of the *Local Government Act* as an eligible form of “for profit affordable rental housing”.
 - (f) if a development cost charge for the Comox Valley sewerage system was previously paid for the same development, at the same floor area or number of units as the current building permit.
4. For a building permit which authorizes the addition to an existing building or part thereof or construction of a new building, with or without demolition, the development cost charges will be assessed on that portion of the gross floor area that exceeds the gross floor area of the existing building or that portion of the gross development area of the existing development, whichever is applicable.
5. Where development to which development cost charges apply contains two or more uses, the charge to be paid will be calculated separately for each use within the development and

the total charge to be paid will be the sum of the development cost charges for all uses in the development.

6. Long-term financing costs related to the Comox Valley water pollution control centre expansion projects are included in the eligible project costs as an exceptional circumstance, to avoid the development cost charge reserve fund being in a negative cash flow position as a result of these projects, in accordance with section 932 of the *Local Government Act*.”
7. This Bylaw may be cited for all purposes as “Comox Valley Sewerage System Development Cost Charges Bylaw No. 2445, 2002”.

Schedule ‘A’
Comox Valley Sewerage System Development Cost Charges Bylaw No. 2445

1. Development cost charges payable under this bylaw are:

	Type of Development	Upon Subdivision	Upon Issue of Building Permit
a.	Single family residential	\$5,980 per building lot being created	Not applicable
b.	Single family residential (second home)	Not applicable	\$5,980 per unit
c.	Secondary suite	Not applicable	Not applicable
d.	Multi-family residential	\$4,984 per dwelling unit permitted to be constructed under zoning; or	\$4,984 per unit
e.	Congregate care facility	Not applicable	\$2,492 per unit
f.	Commercial / institutional	Not applicable	\$34.90 per square metre of gross floor area
g.	Industrial / public utility	Not applicable	\$59,804 per hectare or part thereof of lot area under development

APPENDIX B

Ministry Submission Summary Checklist

**MUNICIPALITY/REGIONAL DISTRICT
MINISTRY OF COMMUNITY SERVICES
SUBMISSION SUMMARY CHECKLIST**
(to be completed by local government)
DCC BYLAW(S) NO.(S)

- Is this bylaw a New DCC Bylaw
 Major DCC Bylaw Amendment
 Minor DCC Bylaw Amendment

Please complete checklist by marking the appropriate boxes, and providing references to background material and other requested information. If DCCs are established on a basis other than the DCC Best Practices Guide, provide a brief explanation for the approach used. If space is insufficient, reference pages in submission where this is covered or append additional pages.

	DCC RECOMMENDED BEST PRACTICE	Submission Page Reference
1	Did the development of this DCC bylaw include: <input type="checkbox"/> a full public process? <input type="checkbox"/> input from stakeholders? <input type="checkbox"/> Council input only?	(CVRD to confirm)
	Why? (CVRD to confirm this will be done)	
2	Are the Road DCCs established: <input type="checkbox"/> on a municipal-wide basis? <input type="checkbox"/> on an area specific basis?	Not applicable
	Why?	Not applicable
3	Are the Storm drainage DCCs established: <input type="checkbox"/> on a municipal-wide basis? <input type="checkbox"/> on an area specific basis?	Not applicable
	Why?	Not applicable
4	Are the Sanitary sewer DCCs established: <input checked="" type="checkbox"/> on a municipal-wide basis? Yes <input type="checkbox"/> on an area specific basis?	Page 11
	Why? In accordance with the BPG.	Not applicable

	DCC RECOMMENDED BEST PRACTICE	Submission Page Reference
5	Are Water DCCs established: <input type="checkbox"/> on a municipal-wide basis? Yes <input type="checkbox"/> on an area specific basis?	Not applicable
	Why?	Not applicable
6	Are Parkland and parkland improvement DCCs established: <input type="checkbox"/> on a municipal-wide basis? Yes <input type="checkbox"/> on an area specific basis?	Not applicable
	Why?	Not applicable
7	Is the DCC time frame: <input checked="" type="checkbox"/> a revolving program (<u>10</u> Years)? Yes <input type="checkbox"/> a build out program (_____ Years)? <input type="checkbox"/> other?	11
	Why? DCC program is tied to population growth projections for the next 10 years and infrastructure required to accommodate the growth based. The service area of the Comox Valley Sewer System includes the City of Courtenay and Town of Comox which have OCPs with varying time frames.	11-13
8	Are residential DCC categories established on the basis of: <input checked="" type="checkbox"/> density gradient? Yes <input type="checkbox"/> building form? <input type="checkbox"/> other?	11
	Why? This is the traditional approach, with established records of average population per unit available to assist in the projection estimates.	11
9a	Are residential DCCs imposed on the basis of: <input checked="" type="checkbox"/> development units? Yes <input type="checkbox"/> floor space? <input type="checkbox"/> other? If single-family residential DCCs are imposed on the basis of floor space, does the local government have a bylaw in place allowing DCCs to be levied at the building permit stage on fewer than 4 self-contained dwelling units?	11
	Why? Unit projection information is available.	11

	DCC RECOMMENDED BEST PRACTICE	Submission Page Reference
9b	Are commercial and institutional DCCs imposed on the basis of: <input checked="" type="checkbox"/> floor space? Yes, per m2 of gross building floor space. <input type="checkbox"/> other?	12
	Why? Unit projection information is available.	12
9c	Are industrial DCCs imposed on the basis of: <input type="checkbox"/> gross site area? <input checked="" type="checkbox"/> other? Yes, per m2 of gross building floor space.	12-13
	Why? Unit projection information is available.	12-13
10	Is the DCC program consistent with: <input checked="" type="checkbox"/> the <i>Local Government Act</i> ? Yes <input type="checkbox"/> Regional Growth Strategy? <input checked="" type="checkbox"/> Official Community Plan? Yes <input type="checkbox"/> Master Transportation Plan? <input type="checkbox"/> Master Parks Plan? <input checked="" type="checkbox"/> Liquid Waste Management Plan? <input type="checkbox"/> Affordable Housing Policy? <input type="checkbox"/> Five Year Financial Plan?	3-10 n/a 6,9 n/a n/a 17 n/a n/a
	Why not? Other plans are not applicable to this Sewer DCC bylaw.	
11	Are DCC recoverable costs, consistent with Ministry policy, clearly identified in the DCC documentation: <input checked="" type="checkbox"/> Cost allocation between new and existing? Yes <input checked="" type="checkbox"/> Grant Assistance? Yes <input checked="" type="checkbox"/> Developer Contribution? Yes <input checked="" type="checkbox"/> Municipal assist Factor? Yes <input type="checkbox"/> Interim Financing? <input checked="" type="checkbox"/> Other: No allowance for long-term debt. No allowance for inflation.	14,15 14 14,15,18 15 14
	Why? Conforms with BPG.	
	Is capital cost information provided for: <input type="checkbox"/> Roads? <input type="checkbox"/> Storm Drainage? <input checked="" type="checkbox"/> Sanitary Sewer? Yes <input type="checkbox"/> Water? <input type="checkbox"/> Parkland? <input type="checkbox"/> Parkland improvements?	n/a n/a 17-18, Table 7 n/a n/a n/a

	DCC RECOMMENDED BEST PRACTICE	Submission Page Reference																								
12	<p>Are DCC recoverable costs which include interest clearly identified in the DCC documentation as follows:</p> <p><input checked="" type="checkbox"/> Interest on long-term debt is <i>excluded</i>? Yes <input type="checkbox"/> For specific projects, interest on long-term debt is <i>included</i>? <input type="checkbox"/> Other?</p> <p>If interest on long-term debt is included for specific projects, does the DCC submission include:</p> <p><input type="checkbox"/> A council/board resolution authorizing the use of interest? <input type="checkbox"/> Confirmation that the interest applied does not exceed the MFA rate <u>or</u> if borrowing has already been undertaken, the actual rate providing it does not exceed the MFA rate? <input type="checkbox"/> Confirmation that the amortization period does not exceed the DCC program time frame? <input type="checkbox"/> Evidence that the current DCC reserve fund balance is insufficient for the work in question? <input type="checkbox"/> Demonstration that the project is an exceptional circumstance (fixed capacity, out-of-sequence, or Greenfield)? <input type="checkbox"/> Evidence of public consultation and disclosure in the financial plan and DCC report regarding inclusion of interest?</p>	14																								
13	<p>Does the municipal assist factor reflect:</p> <p><input checked="" type="checkbox"/> the community's financial support towards the financing of services for development? Yes <input type="checkbox"/> other?</p>	15, Table 7																								
	<p>Why? Assist factor is considered appropriate at this time.</p>	15																								
	<p>Has a municipal assist factor been provided for:</p> <table style="width: 100%; border: none;"> <tr> <td style="width: 40%;"><input type="checkbox"/> Roads? n/a</td> <td style="width: 20%;">Assist factor</td> <td style="width: 20%; text-align: right;">_____%</td> <td style="width: 20%;"></td> </tr> <tr> <td><input type="checkbox"/> Storm Drainage? n/a</td> <td>Assist factor</td> <td style="text-align: right;">_____%</td> <td></td> </tr> <tr> <td><input checked="" type="checkbox"/> Sanitary Sewer? Yes</td> <td>Assist factor</td> <td style="text-align: right;">_____1_____%</td> <td></td> </tr> <tr> <td><input type="checkbox"/> Water? n/a</td> <td>Assist factor</td> <td style="text-align: right;">_____%</td> <td></td> </tr> <tr> <td><input type="checkbox"/> Park land? n/a</td> <td>Assist factor</td> <td style="text-align: right;">_____%</td> <td></td> </tr> <tr> <td><input type="checkbox"/> Park land improvements? n/a</td> <td>Assist factor</td> <td style="text-align: right;">_____%</td> <td></td> </tr> </table>	<input type="checkbox"/> Roads? n/a	Assist factor	_____%		<input type="checkbox"/> Storm Drainage? n/a	Assist factor	_____%		<input checked="" type="checkbox"/> Sanitary Sewer? Yes	Assist factor	_____1_____%		<input type="checkbox"/> Water? n/a	Assist factor	_____%		<input type="checkbox"/> Park land? n/a	Assist factor	_____%		<input type="checkbox"/> Park land improvements? n/a	Assist factor	_____%		15, Table 7
<input type="checkbox"/> Roads? n/a	Assist factor	_____%																								
<input type="checkbox"/> Storm Drainage? n/a	Assist factor	_____%																								
<input checked="" type="checkbox"/> Sanitary Sewer? Yes	Assist factor	_____1_____%																								
<input type="checkbox"/> Water? n/a	Assist factor	_____%																								
<input type="checkbox"/> Park land? n/a	Assist factor	_____%																								
<input type="checkbox"/> Park land improvements? n/a	Assist factor	_____%																								
14	<p>Are DCCs for single family developments to be collected:</p> <p><input checked="" type="checkbox"/> at the time of subdivision approval? Yes <input checked="" type="checkbox"/> other?</p>	7																								
	<p>Why? Recommended by BPG. Collection at subdivision approval creates an orderly flow of funds to allow for completion of the required works in a timely manner.</p>	7																								
	<p>Redevelopment over \$50,000 value to be collected at Building Permit stage.</p>	4																								

	DCC RECOMMENDED BEST PRACTICE	Submission Page Reference
15	<p>Are DCCs for multi-family land uses to be collected:</p> <p><input type="checkbox"/> at the time of subdivision?</p> <p><input checked="" type="checkbox"/> at the time of building permit issuance? Yes</p> <p>Why? Recommend by BPG. Charges related to floorspace and the exact number of units are easily calculated at the Building Permit stage.</p>	7 7
16	<p>Is a DCC monitoring and accounting system to provide a clear basis for the tracking of projects and the financial status of DCC accounts:</p> <p><input checked="" type="checkbox"/> in place? Yes</p> <p><input type="checkbox"/> to be set up?</p> <p>Why?</p>	15
17	<p>Is a suitable period of notification before a new DCC bylaw is in effect, known as a grace period:</p> <p><input checked="" type="checkbox"/> provided for? Yes</p> <p><input type="checkbox"/> other?</p> <p>Why not?</p>	6
18a	<p>Does the DCC bylaw set out the situations in which a DCC credit or rebate are to be given?</p> <p><input checked="" type="checkbox"/> Yes</p> <p><input type="checkbox"/> No</p>	8-9
18b	<p>If no, has Council adopted a policy statement that clearly identifies situations in which a DCC credit or rebate should be given or would be considered by Council?</p> <p><input type="checkbox"/> Yes</p> <p><input type="checkbox"/> No</p> <p>If yes, a copy of the policy statement is included with this submission.</p> <p>If no, why not?</p>	Ref. _____

	DCC RECOMMENDED BEST PRACTICE	Submission Page Reference
19	Has a process to provide for minor routine amendments to the DCC bylaw to reflect changes in construction and other capital costs: <input checked="" type="checkbox"/> been established? Yes <input type="checkbox"/> not considered necessary? <input type="checkbox"/> other?	9-10
	Why? To reflect changes in inflation or construction costs.	9-10
20	Has a process to provide for major amendments to the DCC bylaw, involving a full review of DCC issues and methodology, to be completed not more than once every five years: <input checked="" type="checkbox"/> been established? Yes <input type="checkbox"/> not considered necessary? <input type="checkbox"/> other?	9-10
	Why? To review DCC assumptions, and account for updates to infrastructure studies; development patterns and projections; changes in reserve funds and other funding sources; update project timing and costs.	9-10
	Contact _____ Position _____ Phone _____ *Signed by _____ Position _____ (*Signature of the Head of engineering, finance or planning for the local government.) Signed by (second signature optional) _____ Position _____ Date _____	

MUNICIPALITY
SUMMARY OF DCCs - BYLAW NO(S).

DCC Function	Residential Single Family (per dwelling)	Residential Multi-Family (per unit)	Congregate Care (per unit)	Commercial (per m²)	Institutional (per m²)	Industrial (per m² of building area)
Roads						
Storm Drainage						
Sanitary Sewer	\$6,941	\$5,687	\$3,062	\$24.50	\$26.80	\$21.14
Water						
Park Land						
Park Land Improvements						
Total						

Note: If not on a municipal-wide basis, please indicate minimum and maximum charges.

For amendment bylaw, please indicate nature of change	Existing Bylaw (No.2445, 2002 Amendment 2)	Proposed Bylaw
• New DCC service added	Sanitary Sewer	No Change
• Time horizon	10 Years	No Change
• Capital costs	\$43,916,849	\$43,488,400
• Weighting of types of development (residential, commercial, industrial, etc.)	SF, MF = Dwelling Units Congregate Care = Units Commercial = gross floor area Institutional = gross floor area Industrial = gross site area	No change No change No change No change Industrial = m ² of building area
• Potential development	SF, MF, Commercial, Institutional, Industrial	No Change
• Allocation of benefit between existing and potential units of development	Yes, varies by function and project	Yes, varies by function and project
• Assist factor	1%	No Change
• Inclusion of Specific Interest Charges	No	No Change
• Provide that a charge is payable where there is fewer than 4 self-contained dwelling units	Yes	No Change
• Establish an amount higher than the \$50,000 minimum provided for in the <i>Local Government Act</i> .	No	No Change
• Is a suitable period of notification before a new DCC bylaw in effect, known as a grace period?	Yes	No Change
Other: (please list) • •		

COMOX VALLEY REGIONAL DISTRICT BYLAW NO. 572

**A Bylaw to Impose Development Cost Charges for
the Comox Valley Sewerage System**

WHEREAS under section 559(6) of the *Local Government Act*, where the board of a regional district has the responsibility of providing a service in a participating municipality, the board may by bylaw under section 559(1) of the *Local Government Act* impose a development cost charge that is applicable within that municipality for the purpose of providing funds to assist the Regional District to pay the capital costs of providing, constructing, altering or expanding facilities required to service, directly or indirectly, the development for which the charge is being imposed;

AND WHEREAS the City of Courtenay and the Town of Comox (the “Participating Municipalities”) are participating areas in the service of sewage interception, treatment and disposal provided by the Comox Valley Regional District under the authority of *Comox Valley Sewerage Service Establishment Bylaw No. 2541, 2003*;

AND WHEREAS in setting the development cost charges under this Bylaw the Board of the Comox Valley Regional District has considered the following:

- a) future land use patterns and development;
- b) the phasing of works and services;
- c) how development designed to result in a low environmental impact may affect the capital costs of infrastructure referred to in section 559(2) and (3) of the *Local Government Act*;
- d) whether the development cost charges under this Bylaw are excessive in relation to the capital cost of prevailing standards of service in the Regional District; and
- e) whether the development cost charges under this Bylaw will deter development, discourage the construction of reasonably priced housing or the provision of reasonably priced serviced land, or discourage development designed to result in a low environmental impact in the Participating Municipalities.

NOW THEREFORE the Board of the Comox Valley Regional District, in open meeting assembled, enacts as follows:

PART 1 - CITATION

1. This bylaw may be cited as the “Comox Valley Sewerage Service Development Cost Charges Bylaw No. 572, 2019”.

PART 2 - SCHEDULE

2. The following Schedule is attached to and forms an integral part of this Bylaw:
 - a) Schedule “A” – Development Cost Charge Calculation.

PART 3 – DEFINITIONS

3. In this Bylaw the following words have the following meanings:
 - a) “Building permit” means a permit issued by a Participating Municipality authorizing the construction, alteration or extension of a building or structure;
 - b) “Carriage house” has the same meaning as under the City of Courtenay Zoning Bylaw No. 2500, 2007, as amended or replaced from time to time;
 - c) “Coach house” has the same meaning as under the Town of Comox Zoning Bylaw 1850, as amended or replaced from time to time;
 - d) “Commercial” means a building or structure intended to accommodate a commercial use such as, but not limited to, service commercial, office commercial, or other commercial use as permitted under the authority of the zoning bylaw of the Participating Municipality, as applicable to the land where the development is located;
 - e) “Comprehensive development” means any development that includes two or more residential uses, non-residential uses or a combination of residential and non-residential uses;
 - f) “Congregate care facility” means a building containing four or more sleeping units providing permanent residential accommodation and living facilities intended for persons age fifty-five (55) or older which has a common living area, common kitchen and dining area where meals are provided, housekeeping, and a common area where health care, skilled nursing, cultural, social and other services may be provided through a central management structure or service;
 - g) “Dwelling unit” means a self-contained residential unit consisting of one or more habitable rooms designed, occupied or intended for occupancy as a separate household of only one person or family with a separate entrance and sleeping, sanitary and cooking facilities;

- h) "Gross floor area" means the sum total of the gross horizontal area of each floor of a building or structure as measured from the inside surface of the outermost exterior walls;
- i) "Industrial / utility" means a building intended to house an industrial operation or utility such as, but not limited to light, domestic, or heavy industrial use, manufacturing, warehouses, mini-storage, minor repair, fabrication, fuel storage, electrical power, natural gas, telephone, cablevision systems, and similar utility use, supply, storage, distribution, utility service building, and plant facilities, as permitted under the authority of the zoning bylaw of the Participating Municipality, as applicable to the land where the development is located;
- j) "Institutional" means a building or structure intended to accommodate an institutional use such as, but not limited to government use, hall, library, recreational, public or private schools, colleges, universities, hospitals and private care facilities, or other institutional use as permitted under the authority of the zoning bylaw of the Participating Municipality, as applicable to the land where the development is located;
- k) "Multi-family residential" means a building or series of buildings containing two or more separate dwelling units (other than a secondary suite) used or intended for residential use on a single parcel;
- l) "Regional District" means the Comox Valley Regional District;
- m) "Secondary suite" means a self-contained dwelling unit of less than 90 m² or 40% of the habitable floor space of the main dwelling unit, whichever is less, which is located within a single family residential building, and is accessory to the principal use being made of the lot upon which the secondary suite is located, with a separate entrance and exit, and with the following water efficient features:
 - a. high efficiency appliances;
 - b. low flow faucets and shower heads;
 - c. a maximum of one bath or shower unit per suite;
 - d. a maximum of one toilet per suite, which must be a low-flush toilet (4.8 liters per flush or less); and
 - e. a meter-ready water connection for the lot on which the secondary suite is situated;

- n) "Single family residential" means a detached free standing building or manufactured home containing one dwelling unit that is used or intended for residential use, but excludes a recreational vehicle or tent;
- o) "Single family residential second dwelling" means a second detached, free-standing building or manufactured home containing one dwelling unit used or intended for residential use that is in addition to the first single family residential building or mobile home on the property, and for certainty includes a coach house or carriage house, but excludes a recreational vehicle or tent;
- p) "Sleeping unit" means, in reference to a congregate care facility, a private or semi-private living area containing a bed provided for the use of a resident of the facility;
- q) "Structure" means a construction of any kind, whether fixed to, supported by or sunk into land or water; and
- r) "Subdivision" means a subdivision of land under the *Land Title Act* or the *Strata Property Act*.

PART 4 - APPLICATION

- 4. This Bylaw applies to all applications for subdivision or issuance of a building permit for parcels of land located within the Participating Municipalities.

PART 5 - DEVELOPMENT COST CHARGE PAYABLE

- 5. A person who obtains a building permit or approval of a subdivision within a Participating Municipality must pay the applicable development cost charge under this Bylaw to the Participating Municipality, at the time of the issuance of the building permit or approval of the subdivision.

PART 6 - CALCULATION OF DEVELOPMENT COST CHARGE

- 6. Development cost charges imposed under this Bylaw shall be calculated in accordance with the rates prescribed in Schedule "A", and as provided in sections 7 to 9.
- 7. Development cost charges payable upon approval of subdivision for single family residential use shall be calculated by multiplying the development cost charge prescribed in Schedule "A" by the number of parcels being created.
- 8. Development cost charges payable upon issuance of a building permit shall be calculated by multiplying, as applicable:

- a) for a single family residential second dwelling, the number of dwelling units by the per unit development cost charge specified in Column 3 of the table in Schedule "A";
 - b) for a building to be used for a commercial or institutional use, the gross floor area of the building to be constructed by the development cost charge specified in Column 3 of the table in Schedule "A";
 - c) for a multi-family residential building, the number of dwelling units by the per unit development cost charge specified in Column 3 of the table in Schedule "A";
 - d) for a congregate care facility, the number of sleeping units in the facility by the development cost charge specified in Column 3 of the table in Schedule "A"; and
 - e) for a building to be used for an industrial / utility use, the gross floor area of the building to be constructed by the development cost charge specified in Column 3 of the table in Schedule "A".
9. Where land is to be developed for a comprehensive development, the development cost charge shall be calculated separately for each use within the development and the total charge to be paid shall be the sum of the development cost charges for all uses in the development.

PART 7 – COLLECTION AND REMITTANCE OF DEVELOPMENT COST CHARGES

10. Each Participating Municipality shall collect the development cost charge imposed under this Bylaw at the applicable time set out in Schedule "A".
11. Where a development cost charge is collected by a Participating Municipality under this Bylaw, the Participating Municipality shall by the twentieth business day of the following month:
- a) remit to the Regional District the development cost charges imposed and collected under this Bylaw; and
 - b) provide the Regional District with an accounting of the source and amount of the development cost charge.

PART 8 - EXCEPTIONS AND EXEMPTIONS

12. A development cost charge is not payable if any of the following apply in relation to a development authorized by a building permit:
- a) the permit authorizes the construction, alteration or extension of a building or part of a building that is, or will be, after the construction, alteration or extension

exempt from taxation under the *Community Charter* as a place of public worship;

- b) the permit authorizes the construction, alteration or extension of a building or part of a building, other than a single family residential second dwelling on the property, that will, after the construction, alteration or extension, contain fewer than two self-contained dwelling units and be put to no other use than residential use in that dwelling unit, pursuant to section 561(6) of the *Local Government Act*;
- c) the value of the work authorized by the permit does not exceed \$50,000;
- d) the permit authorizes the construction, alteration or extension of self-contained dwelling units in a building if each unit is no larger in area than 29 square metres and each unit is to be put to no other use other than the residential use in those dwelling units;
- e) the permit authorizes the construction, alteration, or extension of a secondary suite, which is hereby established under section 563 of the *Local Government Act* as an eligible form of “for profit affordable rental housing”; or
- f) if a development cost charge for the Comox Valley Sewerage System was previously paid for the same development, unless as a result of further development, new capital cost burdens will be imposed on the Regional District.

PART 9 - SEVERABILITY

- 13. If any part of this bylaw is determined to be invalid by a court of competent jurisdiction, that part of the bylaw may be severed from the remainder of the bylaw and this shall not affect the validity of the remainder of the bylaw.

PART 10 - EFFECTIVE DATE AND REPEAL

- 14. This Bylaw comes into full force and effect upon adoption.
- 15. *Comox Valley Sewerage System Development Cost Charges Bylaw No. 2445, 2002* is hereby repealed.

Introduced and read three times this ___ day of _____, 2019.

Received the approval of the Inspector of Municipalities this ___ day of _____, 2019.

Adopted this ___ day of _____, 2019.

Board Chair

Corporate Officer

DRAFT

Schedule 'A'
Comox Valley Sewerage System Development Cost Charges Bylaw No. 572

Calculation of Development Cost Charges Payable

Type of Development	Upon Subdivision Approval	Upon Issue of Building Permit
Single family residential	\$6,941 per building lot being created	Not applicable
Single family residential second dwelling	Not applicable	\$6,941 per unit
Multi-family residential	Not applicable	\$5,687 per dwelling unit
Congregate care facility	Not applicable	\$3,062 per sleeping unit
Commercial	Not applicable	\$24.50 per square metre of gross floor area
Institutional	Not applicable	\$26.80 per square metre of gross floor area
Industrial / utility	Not applicable	\$21.14 per square metre of gross floor area

Appendix C



Comox Valley Sewerage System Capital Improvement Charge Bylaw

The following is a consolidated copy of the Comox Valley Sewerage System Capital Improvement Cost Charge Bylaw No. 3008, 2007 and includes the following bylaws:

Deleted:

Bylaw No.	Bylaw Name	Adopted	Purpose
3008	Comox Valley Sewerage System Capital Improvement Cost Charge Bylaw No. 3008, 2007	March 1, 2007	To impose capital improvement cost charges for the Comox Valley sewerage service.
242	Comox Valley Sewerage System Capital Improvement Cost Charge Bylaw No. 3008, 2007, Amendment No. 1	March 26, 2013	To change the rates in Schedule A to be consistent with the DCC rates, and to remove Schedule B and references to “in-stream” applications.
499	Comox Valley Sewerage System Capital Improvement Cost Charge Bylaw No. 3008, 2007, Amendment No. 2	January 23, 2018	To amend the capital improvement cost charges for the Comox Valley sewerage system
573	Comox Valley Sewerage System Capital Improvement Cost Charge Bylaw No. 3008, 2007, Amendment No. 3		To amend the industrial capital improvement cost charges as listed in Schedule A.

This bylaw may not be complete due to pending updates or revisions and therefore is provided for reference purposes only. Titles and whereas clauses may be different than in original bylaws to make this consolidated version more clear and identify historical changes and conditions. THIS BYLAW SHOULD NOT BE USED FOR ANY LEGAL PURPOSES. Please contact the corporate legislative officer at the Comox Valley Regional District to view the complete bylaw when required.

COMOX STRATHCONA REGIONAL DISTRICT
BYLAW NO. 3008

A bylaw to impose capital improvement cost charges for the Comox Valley sewerage service

WHEREAS the Comox Strathcona Regional District established the Comox Valley sewerage service for the purpose of sewage interception, treatment and disposal in the Town of Comox and the Corporation of the City of Courtenay by way of Bylaw No. 2541 being "Comox Valley Sewerage Service Establishment Bylaw No. 2541" adopted on the 26th day of May 2003;

AND WHEREAS by Bylaw No. 2445, being "Comox Valley Sewerage System Development Cost Charges Bylaw No. 2445, 2002", the board imposed development cost charges on the participating municipalities for the purpose of providing funds to assist the regional district to pay the capital costs of providing, altering or expanding sewerage facilities to service directly or indirectly, development in respect of which the charges are imposed;

AND WHEREAS section 363 of the *Local Government Act* authorizes a board to, by bylaw, impose a fee or charge in respect of all or part of a service of the regional district;

AND WHEREAS the board desires that any expansion of the Comox Valley sewerage service boundaries will require each additional parcel to pay a capital improvement cost charge equivalent to the development cost charge in order that the service can be provided to those additional customers in addition to any other fees and charges that may be applicable;

AND WHEREAS the board has determined that specific parcels in electoral areas that are currently being considered for a boundary extension by the member municipalities shall pay capital improvement cost charges at a reduced rate when those parcels are included in the municipal boundaries;

NOW THEREFORE the board of the Comox Strathcona Regional District in open meeting assembled enacts as follows:

Capital improvement cost charge

1. (a) Every parcel owner whose parcel is added to a municipality through a boundary extension subsequent to the enactment of this bylaw must pay to the member municipality to which the parcel is added the applicable charge set out in column 2 of schedule 'A' of this bylaw.
- (b) The charge imposed under subsection (a) must be paid to the member municipality prior to the parcel being connected to the Comox Valley sewerage system.
- (c) Where a charge is collected under subsection (a) of this bylaw by a member municipality, the member municipality shall by the twentieth (20th) business day of the following month, pay the capital improvement cost charges imposed and collected under this bylaw to the regional district and the member municipality shall, at the time of payment to the regional district, provide the regional district with an accounting of the source and amount of the capital improvement cost charge.

Citation

2. This Bylaw No. 3008 may be cited for all purposes as "Comox Valley Sewerage System Capital Improvement Cost Charge Bylaw No. 3008, 2007."

Schedule 'A'

Capital improvement cost charges payable under this bylaw are:

Column 1	Column 2
Type of property	Capital improvement cost charge
Single family residential	\$6,941 per unit
Multi-family residential	\$5,687 per unit
Congregate care facility	\$3,062 per unit
Commercial	\$24.50 per square meter of gross building area
Institutional	\$26.80 per square meter of gross building area
Industrial/public utility	\$21.14 per square meter of gross floor area

Deleted: 126,882 per hectare of lot area under development