

DATE: February 12, 2024

TO: Chair and Directors
Electoral Areas Services Committee

FROM: James Warren
Chief Administrative Officer

RE: **Union Bay Water Local Service Area
Development Cost Charge Study**

FILE: 5600-01/UB

Supported by James Warren
Chief Administrative Officer

J. Warren

Purpose

To provide information on implementation of a Development Cost Charge (DCC) study for the Union Bay Water Local Service Area.

Recommendation from the Chief Administrative Officer:

THAT staff be directed to complete a Development Cost Charge study for the Union Bay Water Local Service Area.

Executive Summary

- The Comox Valley Regional District (CVRD) recently completed the Union Bay Water Master Plan, which provided updated growth projections and detailed a number of projects required to directly or indirectly service development in the service area.
- Now that growth related projects are understood, the development cost charge (DCC) bylaw for within the service area, and capital improvement cost charge (CICC) bylaw for when the service area is expanded should be updated to ensure that development related infrastructure costs are captured by future development as identified within the water master plan.
- DCCs are collected at time of subdivision or building permit, CICC's are collected at time of service area expansion when new residential units or commercial or industrial floor area are added to the service. Water DCC and CICC funds are constrained for use only to fund growth related components of water infrastructure projects.
- For uniformity and clarity, the new DCC and CICC will adopt language and structure more consistent with other CVRD DCC and CICC bylaws.
- Staff anticipate the studies will be complete, with associated bylaw amendments to the committee, in late 2024. A high-level project timeline is provided below:

- **June 2024:** Draft background report and proposed rates presented
- **Summer/ early fall 2024:** Public information meeting
- **Fall 2024:** Third reading on DCC and CICC bylaw, submission of bylaw to inspector of municipalities and adoption of bylaws following inspector approval

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Government and Community Interests Distribution (Upon Agenda Publication)

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