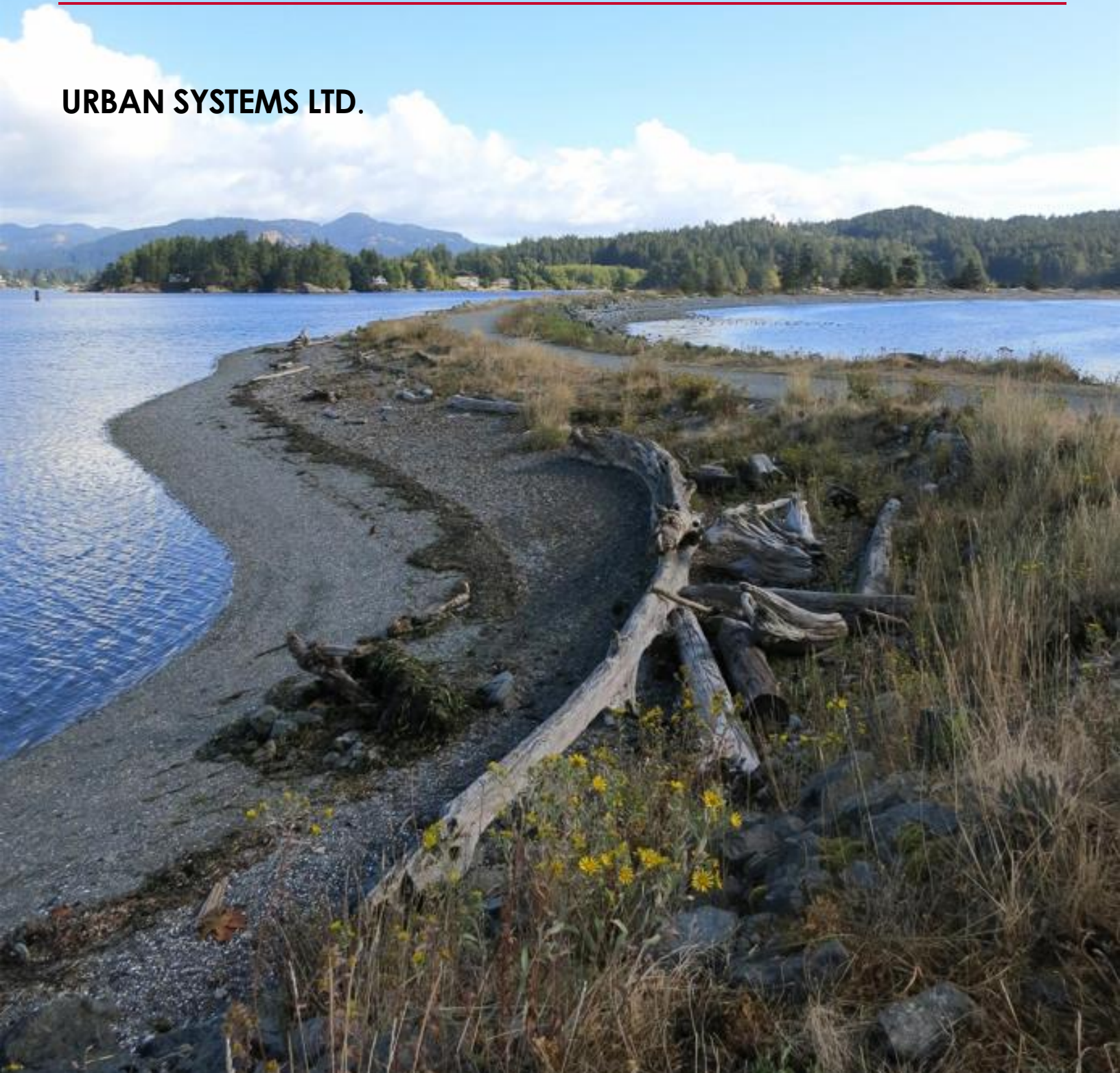


DISTRICT OF SOOKE

FINAL DEVELOPMENT COST CHARGE BACKGROUND REPORT

2021

URBAN SYSTEMS LTD.



DISTRICT OF SOOKE – DEVELOPMENT COST CHARGE UPDATE BACKGROUND REPORT

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September 23rd, 2021

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TABLE OF CONTENTS

EXECUTIVE SUMMARY	1
PART 1. BACKGROUND.....	1
1.1 Background	1
1.2 Purpose of this Report	1
1.3 Legislative and Regulatory Background	2
1.4 Bill 27	2
1.5 Use of DCC Best Practices Guide.....	3
PART 2. PUBLIC CONSULTATION & STAKEHOLDER ENGAGEMENT.....	4
2.1 Public Consultation & Stakeholder Engagement.....	4
PART 3. GUIDING PRINCIPLES AND KEY ELEMENTS.....	5
3.1 Guiding Principles	5
3.2 Relationship to Other Documents.....	5
3.3 DCC Time Frame	6
3.4 DCC Planning Area (Community-wide vs. Area-specific Program)	6
3.5 DCC Recoverable Costs.....	6
3.6 Grant Assistance	7
3.7 Interim Financing	7
3.8 Allocation of Costs	7
3.9 Municipal Assist Factor.....	9
PART 4. GROWTH PROJECTIONS.....	10
4.1 Residential	10
4.2 Commercial, Industrial and Institutional.....	11
PART 5. TRANSPORTATION DCCS.....	12
5.1 Transportation DCC Program	12
5.2 Traffic Generation and Calculation of Road Impact.....	12
5.3 Transportation DCC Calculation.....	13
PART 6. SANITARY SEWER DCCS.....	17
6.1 Sanitary Sewer DCC Program	17
6.2 Sanitary Sewer Demand and Calculation of Equivalent Population.....	17
6.3 Sanitary Sewer DCC Calculation	18
PART 7. STORM DRAINAGE DCCS.....	22
7.1 Storm Drainage DCC Program and Rates.....	22

DCC Background Report

7.2 Calculation of Equivalent Units for Storm Drainage 22

7.3 Storm Drainage DCC Calculation 23

PART 8. PARK DCCS..... 28

8.1 Park DCC Program and Rates 28

8.2 Calculation of Equivalent Units for Parks 28

8.3 Park DCC Calculation 29

PART 9. DCC RATES & IMPLEMENTATION 32

9.1 Summary of Proposed DCC Rates 32

9.2 Bylaw Exemptions 32

9.3 DCC Waivers and Reductions 32

9.4 Collection of Charges – Building Permit and Subdivision..... 34

9.5 Collection of DCCs on Redeveloped or Expanded Developments 34

9.6 In-Stream Applications..... 34

9.7 Rebates and Credits 35

9.8 DCC Monitoring and Accounting 35

9.9 DCC Reviews 36

APPENDICES

Appendix A Existing Bylaw No. 202, *Development Cost Charge Imposition Bylaw, 2004*

Appendix B Proposed 2021 Development Cost Charge Bylaw No. _____

Appendix C Council Reports and Open House Materials

EXECUTIVE SUMMARY

This report presents a proposed update to the District's Development Cost Charge (DCC) program. It consists of the following parts:

- **Part 1** – outlines the purpose of the DCC investigation and includes information on the guiding principles, legislation enabling DCCs, and the use of the provincial *DCC Best Practices Guide*.
- **Part 2** – reviews the public consultation and stakeholder engagement process.
- **Part 3** – outlines the specific capital projects and identifies DCC recoverable costs. This part discusses the timeframe for the DCC program, the municipal assist factor, grant assistance, interim financing, and the allocation of costs between existing and new development. It also includes an explanation for applying DCCs on a community-wide or area-wide basis.
- **Part 4** – presents growth projections based on the District's Official Community Plan (OCP), other plans and studies, and discussions with staff.
- **Parts 5 to 8** – summarizes the capital costs for each different DCC service (i.e. transportation, sanitary, storm and parks). The total capital costs for each service and the total DCC program costs are shown below in Table 1.

Table 1
Total DCC Program Recoverable Costs

Service	Total Capital Costs	Municipal Costs	DCC Recoverable Program Costs
Transportation	\$ 34,340,000	\$ 11,370,515	\$ 22,969,485
Storm Drainage	\$ 150,000	\$ 1,500	\$ 148,500
Sanitary Sewer	\$ 7,705,974	\$ 234,965	\$ 7,471,009
Park	\$ 3,716,975	\$ 921,230	\$ 2,795,745

- **Parts 5 to 8** also show how the DCC rates are calculated using the information from Parts 3 and 4. The proposed DCC rates are shown in Table 2 (next page).
- **Part 9** – includes information on implementation issues such as exemptions to the Bylaw, grace periods, DCC rebates and credits, as well as suggestions for monitoring and accounting related to the DCC Bylaw.

Table 2
District of Sooke
Proposed DCC Rate Summary

Land Use	Unit	Transportation	Storm Drainage	Sanitary Sewer	Parks	Sooke DCC Total
Low Density Residential (Single Family)	(per dwelling unit / lot)	\$ 8,694	\$ 63	\$ 6,155	\$ 1,415	\$ 16,327
Medium Density Multi-Family (Duplex, Triplex, Fourplex, Townhouse, Manufactured Homes)	(per dwelling unit)	\$ 4,836	\$ 32	\$ 3,264	\$ 750	\$ 8,882
High Density Multi-Family (Apartments)	(per dwelling unit)	\$ 2,662	\$ 8	\$ 2,098	\$ 482	\$ 5,251
Commercial	(per m ² of gross floor area)	\$ 59.77	\$ 0.69	\$ 13.99	\$ 0.54	\$ 74.99
Industrial	(per m ² of gross floor area)	\$ 42.38	\$ 0.49	\$ 6.99	\$ 0.00	\$ 49.87
Institutional	(per m ² of gross floor area)	\$ 59.77	\$ 0.69	\$ 13.99	\$ 0.00	\$ 74.45

PART 1. BACKGROUND

1.1 Background

The District of Sooke currently collects DCCs for roads and wastewater, through *Bylaw No. 202, Development Cost Charge Imposition Bylaw, 2004*. The District of Sooke's existing DCC rates date back to 2004 for wastewater, and 2012 for roads.

DCC charges for water infrastructure projects are currently collected by the Capital Regional District (CRD) through the existing water DCC program under the CRD's Juan de Fuca Water Distribution System (JDFWDS).

In 2020, the Parks and Trails Master Plan and Transportation Master Plan were completed.

1.2 Purpose of this Report

The District of Sooke has identified the need to update its DCC programs for roads, wastewater, drainage, and parkland acquisition and improvement, which will account for the following:

- Changing development pressures and increased population;
- The completion of several capital projects;
- The development of updated parks and trails and transportation master plans (2020);
- Support the timely implementation and funding of projects identified in recently completed Master Plans.
- The development of updated community-wide growth estimates
- Changes to provincial legislation and policies.
- Inflation and increased construction costs for capital projects; and
- Current construction and land acquisition costs, current growth, and updated information on growth-related infrastructure.

The updated DCC program will:

- ensure people who will use and benefit from the services provided pay their share of the costs in a fair and equitable manner.
- create certainty by providing stable charges to the development industry and by allowing the orderly and timely construction of infrastructure.

Details regarding the inputs used to generate the draft DCC rates are provided in this report for information only. Reference should be made to *Bylaw No. 202, Development Cost Charge*

DCC Background Report

Imposition Bylaw, 2004 (and amendments) for DCC rates within the District until the Council has adopted a new DCC Bylaw.

1.3 Legislative and Regulatory Background

Development cost charges are special charges collected by local governments to help pay for infrastructure expenditures required to service growth. The *Local Government Act (LGA)* provides the authority for municipalities to levy DCCs. The purpose of a DCC is to assist the municipality with accommodating development by providing a dedicated source of funding for the capital costs of:

- providing, constructing, altering, or expanding sewage, water, storm drainage and transportation facilities (other than off-street parking); and
- providing and improving parkland.

Municipalities wanting to collect DCCs must adopt a DCC Bylaw that specifies the amount of the DCCs that will be collected. The charges may vary with respect to:

- different zones or different defined or specific areas;
- different uses;
- different capital costs as they relate to different classes of development; and
- different sizes or different numbers of lots or units in a development.

Funds collected through DCCs must be deposited in a separate reserve account. These funds may only be used to pay for the capital costs of the works and short-term financing costs of a debt incurred for capital works identified in the DCC program. The costs for capital works include not only the actual construction of the works but also the planning, engineering and legal costs which are directly related to the works, as well as improving parkland if a parkland acquisition and development DCC is established.

1.4 Bill 27

On May 29, 2008, the Provincial Government enacted new legislation pertaining to DCCs. The legislative changes include the option for municipalities to exempt or waive DCCs for the following classes of “eligible development”:

- not-for-profit rental housing, including supportive living housing (similar provisions were in the previous legislation, but did not require a Bylaw to waive or reduce DCCs for not-for-profit rental housing);
- for-profit affordable rental housing;
- subdivisions of small lots designed to result in low greenhouse gas emissions; and

- developments designed to result in a low environmental impact.

If the District wishes to provide DCC waivers or reductions, it must adopt a DCC Reductions Bylaw that establishes definitions for each class of “eligible development”, corresponding rates of reduction, and requirements that must be met in order to obtain a waiver or reduction. Council, however, is not *obligated* to adopt any of these new provisions. To make up for any foregone DCC revenue from DCC reductions, the District would have to secure alternate revenue sources.

1.5 Use of DCC Best Practices Guide

The Ministry of Municipal Affairs and Housing (the “Ministry”) has prepared a *DCC Best Practices Guide*. The purpose of this document is to outline an accepted process to develop a DCC program. This report was developed in consideration of the *DCC Best Practices Guide* (Best Practices Guide), which was followed where it was appropriate to do so.

A copy of the Best Practices Guide is available online at:

- https://www2.gov.bc.ca/assets/gov/british-columbians-our-governments/local-governments/finance/dcc_best_practice_guide_2005.pdf

PART 2. PUBLIC CONSULTATION & STAKEHOLDER ENGAGEMENT

2.1 Public Consultation & Stakeholder Engagement

Although the *Local Government Act* does not require a public participation process, the Best Practices Guide does suggest that an opportunity for public participation be included as part of the development of a DCC program. The purpose of such a process is to allow those who are interested in, or affected by, the proposed DCCs to offer comments and input. The Best Practices Guide does not set a recommended format to be followed for public participation; instead, the type of public participation to be used is decided by the local government itself.

For this DCC update, public participation included an online engagement and survey conducted for a period of three weeks through the District's Let's Talk platform. The project page received over 122 visits reporting 28 engaged visitors, 36 informed visitors, and 65 aware visitors. 10 surveys were filled out, including two developers.

- 10 out of 10 agreed or strongly agreed with utilizing DCC's, as an alternative to property taxes, to pay for development costs.
- 6 out of 9 agreed or strongly agreed with maintaining a 1% assist factor for all categories– only 2 disagreed and 1 neutral.

A facilitated meeting and presentation were also provided for members of the real estate and development industry on June 9th, 2021. Notice was provided through key stakeholder organizations to target developers working in Sooke, including:

- Urban Development Institute (UDI) – Capital Region;
- Canadian Home Builders Association Vancouver Island (CHBAVI);
- Vancouver Island Real Estate Board (VIREB); and
- Direct invites to key developer stakeholders within the District of Sooke.

The session with development industry stakeholders had 18 stakeholders registered, with approximately 10 attendees. An additional presentation was also given to the District's Land use and Development Committee on June 16th, 2021.

Comments received through the stakeholder consultation were incorporated into the final DCC program. Consultation materials can be found in **Appendix C**.

PART 3. GUIDING PRINCIPLES AND KEY ELEMENTS

3.1 Guiding Principles

Some key assumptions were made at the beginning of this DCC investigation. These assumptions form an integral part of the report and are based on the following significant principles:

- **Integration** – This DCC program is just one of many broader goals and initiatives. Other goals and initiatives in the *Local Government Act*, other provincial legislation, regional growth strategies, and Official Community Plans should also be reflected. In dealing with land efficiency, housing affordability, and sustainability, a local government uses DCCs as one of the ways to handle these issues. Community plans, land use plans, and corporate financial and capital infrastructure strategies must be taken into consideration when developing DCCs.
- **Benefiter Pays** – Those who benefit from new infrastructure in the District should pay for the installation of such systems.
- **Fairness and Equity** – Since costs should be shared amongst the benefitting parties, mechanisms should be put in place to ensure fair cost distribution between existing users and new development. For those costs allocated to new development, DCCs should be used to ensure equitable distribution of the costs between the various land uses and different development projects.
- **Accountability** – To promote accountability, all information used for the development of DCCs should be accessible and understandable by all stakeholders.
- **Certainty** – The DCC program should be designed to ensure stable charges and timely construction of infrastructure. Developers rely on the stability of DCC rates when planning their projects. Certainty in DCC revenue helps ensure that infrastructure is constructed in a timely manner and helps avoid deferring or cancelling development.

3.2 Relationship to Other Documents

This proposed DCC program has been developed to be consistent with the *Local Government Act* and the provincial DCC Best Practices Guide. The following documents were also reviewed and have been followed to ensure consistency where it was appropriate to do so.

- Bylaw No. 202, Development Cost Charge Imposition Bylaw, 2004
- Official Community Plan, 2010, consolidated September 28, 2020
- Transportation Master Plan, 2020

DCC Background Report

- Housing Needs Assessment, 2019
- Parks and Trails Master Plan, 2020
- Liquid Waste Management Plan, 2010
- Five Year (2021-2025) Financial Plan Bylaw

3.3 DCC Time Frame

The first step in determining DCC costs is to set a time frame for the DCC program. The time frame for the District is based on a 20-year horizon for transportation, drainage and parks. Growth for the Sewer DCC program is based on a 10-year growth time horizon as all projects in this program will need to be funded and build in the next 10 years.

This aligns with the District's OCP and informs capital planning timeframes based on current population trajectories. The capital expenditure forecasts outlined in this report include all DCC projects that need to be constructed to accommodate anticipated development.

3.4 DCC Planning Area (Community-wide vs. Area-specific Program)

In a community wide DCC program, the same DCC rate is applied for each land use deemed to generate a similar capital cost burden regardless of the location of the development. An area specific DCC typically divides the community into different areas according to geographic or other distinctive areas based on technical reasons.

It has been concluded that a community wide DCC program is the best approach for the District. The DCCs for all proposed DCC programs is charge on a community-wide basis, as defined in **Schedule A**.

3.5 DCC Recoverable Costs

As specified by the *Local Government Act*, the DCC recoverable costs for projects include planning, engineering and legal costs directly related to the work for which a capital cost may be incurred. The provincial *DCC Best Practices Guide* further clarifies the interpretation of the Ministry to include:

- Planning
- Public consultation
- Engineering design
- Right-of-way or parkland acquisition
- Legal costs
- Interim financing

DCC Background Report

- Contract administration
- Construction
- Contingencies

While interest on long-term debt has not been included in the recoverable capital costs presented in this report, it should be noted that the definition of “capital costs” (Section 932 of the Act) has been recently amended to include interest in exceptional circumstances where borrowing is required. The Inspector of Municipalities will only allow interest costs in exceptional circumstances that necessitate the construction of specific infrastructure projects in advance of sufficient DCC cash flows (e.g. fixed-capacity infrastructure, out-of-sequence projects, or greenfield developments). In these cases, local governments or developers are required to front-end the cost of the growth-related infrastructure and recover their costs through DCCs as growth occurs. However, the Ministry continues to encourage local governments to adopt DCC programs that limit the need for borrowing to exceptional cases.

Please note that the infrastructure projects listed in this report for which DCCs are proposed to be collected will be owned or controlled by the District and capitalized on the District's audited financial statements.

3.6 Grant Assistance

As per the Provincial *DCC Best Practices Guide*, grants that have not been secured have not been included as part of the DCC calculations.

3.7 Interim Financing

The capital costs shown in the report do not include interim financing.

3.8 Allocation of Costs

It is often the case that new infrastructure works benefit both existing and new development, and as such, should be paid for by both parties in accordance with the benefit received by each. The costs of such works need to be allocated equitably between new and existing development.

For each proposed infrastructure project, costs are allocated between existing development and new growth. To determine the proper allocation for each project, individual projects can be divided into two broad categories:

- **Category 1 – Projects that are required solely to accommodate new growth**
Projects in this category benefit new growth only. In other words, they would not be contemplated if no new growth were forecasted. One hundred percent (100%) of the benefit and cost of each project in this category have been allocated to new growth.

- **Category 2 – Projects that upgrade the level of service and resolve existing deficiencies**

Projects in this category may provide some benefit to existing development, but they also provide benefit to new growth. Without the completion of these projects, new development would not be able to proceed. In these cases, a portion of the cost of each DCC project is allocated to existing and new development. The following factors have been considered when determining what portion to allocate to new growth for recovery through DCCs:

- Current standards of servicing required by the District;
- Whether the work on the project is primarily for upgrading deficiencies and upkeep of the system or whether it is primarily for increasing capacity;
- A comparison of the size of the existing population versus the size of expected new growth; and
- A comparison of what the size of the project would be if the project were for the existing population, versus what the size of the project would be if the project were expanded to accommodate the new growth as well.

Table 3 (below) indicates, in general terms, the percentage of the costs that are attributable to new growth according to the type of service. The number 100% indicates category one projects that principally benefit new growth alone. Numbers less than 100% indicate category two projects that benefit both new growth and the existing population.

Table 3
Allocation of Costs Attributable to New Growth

DCC Type	Benefit Allocation %
Transportation	50% to 100%
Storm drainage	100%
Sanitary Sewer	75% to 100%
Parks and Open Space	60% to 100%

In each of the DCC programs (Parts 5 through 8), the exact percentage of the benefit that can be attributed to new growth is indicated in the column entitled “Benefit Allocation %”. That allocation is applied to the estimated costs to arrive at the amount that can be recovered by DCCs before the municipal assist factor is applied.

3.9 Municipal Assist Factor

The *Local Government Act* stipulates that an assist factor will be included as part of the calculation of DCCs. An assist factor represents a municipalities contribution towards the capital costs for projects that are attributed to new development. This contribution is in addition to the costs that are allocated the existing population. The portion of the costs that the District will have to cover because of the assist factor will have to be financed through other means (e.g. existing taxpayers).

The actual level of the assist factor is determined by the municipality. A municipality can have a different assist factor for each type of capital works (e.g. sanitary sewer vs. roads projects); however, a municipality cannot have a municipal assist factor that varies for different land uses within the District (e.g. single family residential vs. multi-family residential vs. commercial)

As outlined in Section 1.2 of this report, the *Local Government Act* also stipulates that a municipality consider the following factors when setting DCC rates:

- Future land use patterns and development;
- The phasing of works and services;
- Whether the charges are excessive in relation to the capital costs of prevailing standards of service;
- Whether the costs will deter development; or
- Whether the charges will discourage the construction of reasonably priced housing or the provision of reasonably priced serviced land.

The matters above have been considered and the assist factor for the proposed DCC program has been set at 1% for each type of DCC (see Table 4 below). This is consistent with District's current DCC program.

Table 4
Municipal Assist Factor by DCC Type

DCC Type	Municipal Assist Factor
Road	1%
Sanitary Sewer	1%
Storm drainage	1%
Parks and Open Space	1%

PART 4. GROWTH PROJECTIONS

4.1 Residential

With supporting input provided by staff, it has been forecasted that residential development over the next 20-years will likely consist of:

- **1,626 low density dwelling units** – this means detached single-family dwellings and includes secondary suites.
- **503 medium density dwelling units** – this means duplexes, triplexes, townhouses, rowhouses and manufactured homes.
- **216 high density dwelling units** – this means apartment dwellings and multi-family dwellings.

As discussed, because the Sewer DCCs will be collected on a 10-year time horizon the estimated number of units contributing to the Sewer DCC program will be half of the residential estimate projected over the next 20 years.

Residential growth estimates were developed to align with population estimates provided in the 2020 Master plan updates, as well as the population estimates for the CRD JDFWDS DCC program.

Table 5 (below) provides a breakdown of the expected remaining future residential development.

Table 5
Residential Growth by Dwelling Type

Dwelling Type	Future Distribution	New Dwelling Units (20 years)	New Dwelling Units (10 years)
Low Density	69%	1,626	813
Medium Density	22%	503	252
High Density	9%	216	108
TOTAL	100%	2,345	1,173

4.2 Commercial, Industrial, and Institutional

Commercial, industrial, and institutional (ICI) development projections were also developed for the 20-year time horizon based on anticipated land use needs for each of these typologies to support the population growth occurring in this time. Again, the Sewer DCC program utilizes half of the anticipated growth for the 10-year program.

Commercial, industrial, and institutional development were also developed to align with the CRD JDFWDS DCC program. Estimated commercial, industrial, and institutional development is summarized in Table 6 (below)

Table 6
Commercial, Industrial and Institutional Development Remaining Growth

Land Use	New ICI Development (20 years)	New ICI Development (10 years)
Commercial	25,000 m ² of new gross floor area	12,500 m ² of new gross floor area
Industrial	20,000 m ² of new gross floor area	10,000 m ² of new gross floor area
Institutional	1,550 m ² of new gross floor area	775 m ² of new gross floor area

PART 5. TRANSPORTATION DCCS

5.1 Transportation DCC Program

The Transportation DCC program includes a variety of capital works including road widening, arterial upgrades, traffic calming, sidewalks, and intersection upgrades. The location of the works are summarized in Table 10.

Table 7
Transportation DCC Program Costs

Municipal Costs	DCC Recoverable Program Costs	Total Capital Costs
\$ 11,370,515	\$ 22,969,485	\$ 34,340,000

The total cost of the transportation projects is approximately \$34 million of which approximately \$22 million is DCC recoverable. These costs include the construction of new road infrastructure plus engineering, contingency, and project administration.

5.2 Traffic Generation and Calculation of Road Impact

For transportation works, costs are distributed based on the trips generated by each land use. The weighted trip ends used are presented in Table 8 below. They have been developed based on a review of the Institute of Transportation Engineers, *Trip Generation Manual*, 10th Edition, 2017.

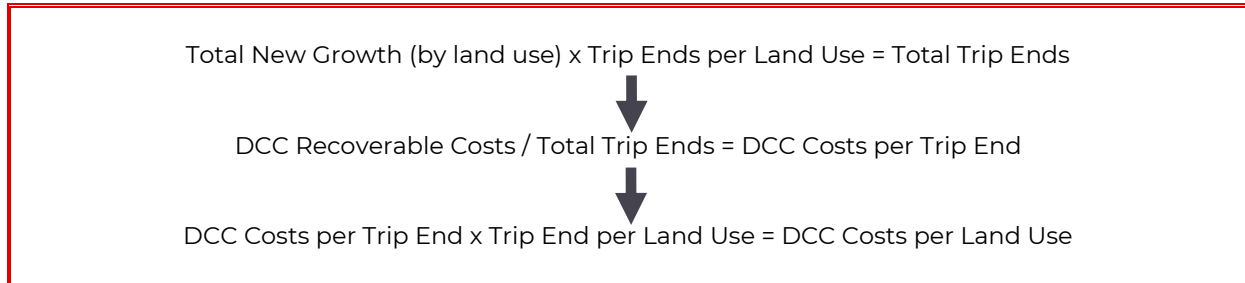
Table 8
Equivalent Units for Transportation

Land Use	Base Unit	Weighted Trip Ends
Low Density Residential	Lot	1.60
Medium Density Residential	Dwelling Unit	0.89
High Density Residential	Dwelling Unit	0.49
Commercial	Gross Floor Area (m ²)	0.011
Industrial	Gross Floor Area (m ²)	0.0078
Institutional	Gross Floor Area (m ²)	0.011

5.3 Transportation DCC Calculation

The Transportation DCC rates have been calculated according to the various principles and assumptions discussed earlier in this report. The basic calculation is shown in Equation 1.

Equation 1
Transportation DCC Calculation



The proposed Transportation DCC rates are shown in Table 9. The detailed Road DCC calculations are shown on Table 10 and Table 11.

Table 9
Proposed Transportation DCC Rates

Land Use	DCC Rate	Unit
Low Density Residential	\$ 8,694	per Lot
Medium Density Residential	\$ 4,836	per Dwelling Unit
High Density Residential	\$ 2,662	per Dwelling Unit
Commercial	\$ 59.77	per m ² of Gross Floor Area
Industrial	\$ 42.38	per m ² of Gross Floor Area
Institutional	\$ 59.77	per m ² of Gross Floor Area

Table 10
Transportation DCC Program

		Col. (1)	Col. (2)	Col. (3)	Col. (4)	Col. (5) = (3) x (4)	Col. (6) = (5) x 0.01	Col. (7) = (5) - (6)	Col. (8) = (3) - (7)
Project No.	Description	Total Cost Estimate	Grants Amount	District Cost	Benefit Factor	Benefit to New Development	Municipal Assist Factor (1%)	DCC Recoverable	Total Municipal Responsibility
T-1	Throup Road extension	\$4,360,000		\$4,360,000	65%	\$ 2,834,000	\$28,340	\$2,805,660	\$1,554,340
T-2	Throup Road - Complete Street upgrade	\$3,600,000		\$3,600,000	65%	\$ 2,340,000	\$23,400	\$2,316,600	\$1,283,400
T-3	Church Road / Throup Road Roundabout (Throup to Wadams)	\$3,080,000		\$3,080,000	65%	\$2,002,000	\$20,020	\$1,981,980	\$1,098,020
T-4	Church Road Upgrade Highway to Wadams	\$1,960,000		\$1,960,000	65%	\$1,274,000	\$12,740	\$1,261,260	\$698,740
T-5	Grant Road to Wadams Road New Collector	\$2,000,000		\$2,000,000	65%	\$1,300,000	\$13,000	\$1,287,000	\$713,000
T-6	Grant Road Roundabout	\$2,800,000		\$2,800,000	65%	\$1,820,000	\$18,200	\$1,801,800	\$998,200
T-7	Beaton Road / Pyrite Drive - Cycling and Pedestrian Improvements	\$1,210,000		\$1,210,000	65%	\$786,500	\$7,865	\$778,635	\$431,365
T-8	Charters Road - Streetscape Improvements Subgrade Up	\$2,300,000		\$2,300,000	65%	\$1,495,000	\$14,950	\$1,480,050	\$819,950
T-9	Phillips Road - Active Transportation Upgrades	\$2,670,000		\$2,670,000	50%	\$1,335,000	\$13,350	\$1,321,650	\$1,348,350
T-10	Golledge Ave- Drennan to Sooke Elementary / Dover St. Cycling and Pedestrian Improvements	\$2,100,000		\$2,100,000	50%	\$1,050,000	\$10,500	\$1,039,500	\$1,060,500
T-11	French Road Connection	\$590,000		\$590,000	50%	\$295,000	\$2,950	\$292,050	\$297,950
T-12	Otter point Road Streetscape Upgrade – Phase 2 Widening	\$2,000,000		\$2,000,000	50%	\$1,000,000	\$10,000	\$990,000	\$1,010,000
T-13	Brailsford Place Connection	\$120,000		\$120,000	100%	\$120,000	\$1,200	\$118,800	\$1,200
T-14	Goodmere Road Widening	\$1,800,000		\$1,800,000	100%	\$1,800,000	\$18,000	\$1,782,000	\$18,000
T-15	Brownsey Boulevard Widening	\$1,800,000		\$1,800,000	100%	\$1,800,000	\$18,000	\$1,782,000	\$18,000
T-16	Lanark Road Widening	\$1,800,000		\$1,800,000	100%	\$1,800,000	\$18,000	\$1,782,000	\$18,000
T-17	Transportation Master Plan Update	\$150,000		\$150,000	100%	\$150,000	\$1,500	\$148,500	\$1,500
		\$ 34,340,000		\$ 34,340,000		\$ 23,201,500	\$ 232,015	\$ 22,969,485	\$ 11,370,515

Table 11
Transportation DCC Rate Calculation

A: Transportation Generation Calculation				
Land Use	Col. (1)	Col. (2)	Col. (3)	Col. (4) = (1) x (3)
	Estimated New Development	Base Unit of Measurement	Equivalent Generation (Rate Per Base Unit)	Trip Ends
Low Density Residential	1,626	lot	1.60	2,602
Medium Density Residential	503	dwelling	0.89	448
High Density Residential	216	dwelling	0.49	106
Commercial	25,000	m² gross floor area	0.0110	275
Industrial	20,000	m² gross floor area	0.0078	156
Institutional	1,550	m² gross floor area	0.0110	17
			Total Trip Ends	3,603 (a)
B: Unit Transportation DCC Calculations				
Net DCC Program Recoverable		\$ 22,969,485	(b)	
Existing DCC Reserve Monies		\$ 3,391,756	(c)	
Net Amount to be Paid by DCCs		\$ 19,577,729	(d) = (b) - (c)	
DCC per Equivalent Person		\$ 5,433.49	(e) = (d) / (a)	

Table 11
Transportation DCC Rate Calculation (con't)

C: Resulting Transportation DCCs				
Low Density Residential		\$ 8,694	per lot	(e) x Col. (3)
Medium Density Residential		\$ 4,836	per dwelling unit	(e) x Col. (3)
High Density Residential		\$ 2,662	per dwelling unit	(e) x Col. (3)
Commercial		\$ 59.77	per m ² gross floor area	(e) x Col. (3)
Industrial		\$ 42.38	per m ² gross floor area	(e) x Col. (3)
Institutional		\$ 59.77	per m ² gross floor area	(e) x Col. (3)

Note: Figures may not add up perfectly due to rounding

PART 6. SANITARY SEWER DCCS

6.1 Sanitary Sewer DCC Program

The Sanitary Sewer DCC Program includes sanitary sewer projects and improvements related to the collection of wastewater within the District's boundaries. The location of the works are summarized in Table 20.

Table 17
Sanitary Sewer DCC Program Costs

Municipal Costs	DCC Recoverable Program Costs	Total Capital Costs
\$ 234,965	\$ 7,471,009	\$ 7,705,974

The total cost of the improvements is approximately \$7.7 million of which approximately \$7.4 million is DCC recoverable. These costs include the construction of new sewer infrastructure plus engineering, contingency, and project administration.

6.2 Sanitary Sewer Demand and Calculation of Equivalent Population

The Sanitary Sewer DCC is based on the need for additional services to meet the demands of population growth. For residential demand, occupancy rates can be used to project demands for Sanitary Sewer services. For non-residential land uses, an equivalency is used. The equivalent factors used are presented in Table 18 below. They are consistent with the equivalent factors used during the District's last major DCC update in 2012.

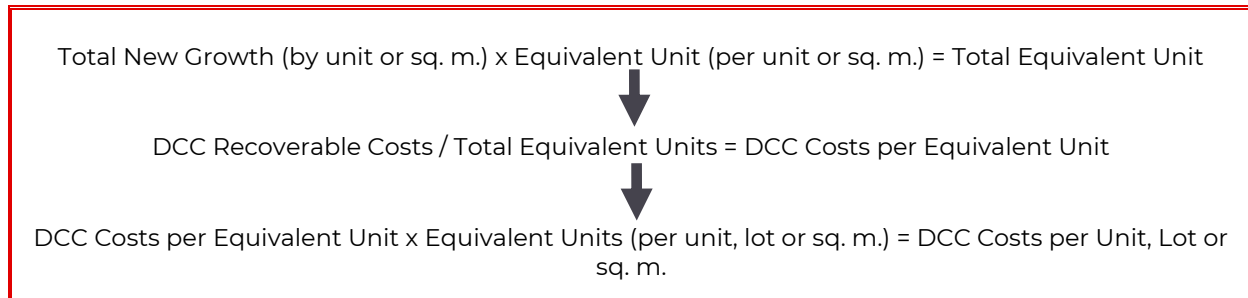
Table 18
Equivalent Units for Sanitary Sewer

Land Use	Base Unit	Equivalent Population Per Base Unit
Low Density Residential	Lot	5.28
Medium Density Residential	Dwelling Unit	2.80
High Density Residential	Dwelling Unit	1.80
Commercial	Gross Floor Area (m ²)	0.012
Industrial	Gross Floor Area (m ²)	0.006
Institutional	Gross Floor Area (m ²)	0.012

6.3 Sanitary Sewer DCC Calculation

The Sanitary Sewer DCC rates have been calculated according to the various principles and assumptions discussed earlier in this report. The basic calculation is shown in Equation 3.

Equation 3
Sanitary Sewer DCC Calculation



The proposed Sanitary Sewer DCC rates are shown in Table 19. The detailed Sanitary Sewer DCC calculations are shown on Table 20 and Table 21.

Table 19
Proposed Sanitary Sewer DCC Rates

Land Use	DCC Rate	Unit
Low Density Residential	\$ 6,155	per Lot
Medium Density Residential	\$ 3,264	per Dwelling Unit
High Density Residential	\$ 2,098	per Dwelling Unit
Commercial	\$ 13.99	per m ² of Gross Floor Area
Industrial	\$ 6.99	per m ² of Gross Floor Area
Institutional	\$ 13.99	per m ² of Gross Floor Area

Table 20
Sanitary Sewer DCC Program

		Col. (1)	Col. (2)	Col. (3)	Col. (4)	Col. (5) = (3) x (4)	Col. (6) = (5) x 0.01	Col. (7) = (5) - (6)	Col. (8) = (3) - (7)
Project No.	Description	Total Cost Estimate	Grants Amount	District Cost	Benefit Factor	Benefit to New Development	Municipal Assist Factor (1%)	DCC Recoverable	Total Municipal Responsibility
S-1	Sewer model upgrade	\$ 50,000		\$ 50,000	75%	\$ 37,500	\$ 375	\$ 37,125	\$ 12,875
S-2	Wastewater Master Plan	\$ 150,000		\$ 150,000	100%	\$ 150,000	\$ 1,500	\$ 148,500	\$ 1,500
S-3	Wastewater Treatment Plant and Westcoast Road force main	\$ 6,574,974	\$ 4,607,000	\$ 1,967,974	100%	\$ 1,967,974	\$ 19,680	\$ 1,948,294	\$ 19,680
S-5	Upgrade - Maple Avenue and Grant Road	\$ 1,443,000		\$ 1,443,000	100%	\$ 1,443,000	\$ 14,430	\$ 1,428,570	\$ 14,430
S-6	Westcoast Road - New Gravity Main 975m	\$ 1,092,000		\$ 1,092,000	100%	\$ 1,092,000	\$ 10,920	\$ 1,081,080	\$ 10,920
S-7	Gatewood main upgrade	\$ 588,000		\$ 588,000	75%	\$ 441,000	\$ 4,410	\$ 436,590	\$ 151,410
S-8	Sunriver force main upgrades	\$ 735,000		\$ 735,000	100%	\$ 735,000	\$ 7,350	\$ 727,650	\$ 7,350
S-9	Village Centre Sewer Servicing (forcemain, gravity mian, LS)	\$ 1,680,000		\$ 1,680,000	100%	\$ 1,680,000	\$16,800	\$ 1,663,200	\$ 16,800
		\$ 12,312,974		\$ 7,705,974		\$ 7,546,474	\$ 75,465	\$ 7,471,009	\$ 234,965

Table 21
Sanitary Sewer DCC Rate Calculation

A: Sanitary Sewer Generation Calculation				
Land Use	Col. (1)	Col. (2)	Col. (3)	Col. (4) = (1) x (3)
	Estimated New Development	Base Unit of Measurement	Equivalent Generation (People Per Base Unit)	Equivalent Population
Low Density Residential	813	lot	5.28	4,293
Medium Density Residential	252	dwelling	2.80	704
High Density Residential	108	dwelling	1.80	194
Commercial	12,500	m² gross floor area	0.0120	150
Industrial	10,000	m² gross floor area	0.0060	60
Institutional	775	m² gross floor area	0.0120	9
			Total Equivalent Population	5,411 (a)
B: Unit Sanitary Sewer DCC Calculations				
Net DCC Program Recoverable		\$ 7,41,009	(b)	
Existing DCC Reserve Monies		\$ 1,163, 530	(c)	
Net Amount to be Paid by DCCs		\$ 6,307,479	(d) = (b) - (c)	
DCC per Equivalent Person		\$ 1,165.78	(e) = (d) / (a)	

Table 21
Sanitary Sewer DCC Rate Calculation (con't)

C: Resulting Sanitary Sewer DCCs				
Low Density Residential		\$ 6,155	per lot	(e) x Col. (3)
Medium Density Residential		\$ 3,264	per dwelling unit	(e) x Col. (3)
High Density Residential		\$ 2,098	per dwelling unit	(e) x Col. (3)
Commercial		\$ 13.99	per m ² gross floor area	(e) x Col. (3)
Industrial		\$ 6.99	per m ² gross floor area	(e) x Col. (3)
Institutional		\$ 13.99	per m ² gross floor area	(e) x Col. (3)

Note: Figures may not add up perfectly due to rounding

PART 7. STORM DRAINAGE DCCS

7.1 Storm Drainage DCC Program and Rates

As there is currently very little community wide information on stormwater needs the storm drainage DCC program is comprised of one master plan project.

Table 22
Storm Drainage DCC Program Costs

Municipal Costs	DCC Recoverable Program Costs	Total Capital Costs
\$ 1,500	\$ 148,500	\$ 150,000

The total cost of the improvements is approximately \$150K of which approximately \$148K is DCC recoverable.

7.2 Calculation of Equivalent Units for Storm Drainage

In general terms, the impact on the storm drainage system of developing a parcel of land is expressed as the amount of stormwater run-off that must be accommodated by the system. The accepted parameter for expressing imperviousness in stormwater run-off calculations is the “run-off coefficient”. The run-off coefficient reflects the ratio between the impervious area on a parcel and the total area of the parcel. Run-off coefficients are then used to determine equivalency factors necessary to develop Equivalent Storm Drainage Units (EDUs), the basis for calculating storm drainage DCCs. The equivalent factors used are presented in Table 23 below. They are consistent with the equivalent factors used in the provincial DCC Best Practices Guide. They are also consistent with the equivalent factors used during the District’s last major DCC update in 2012.

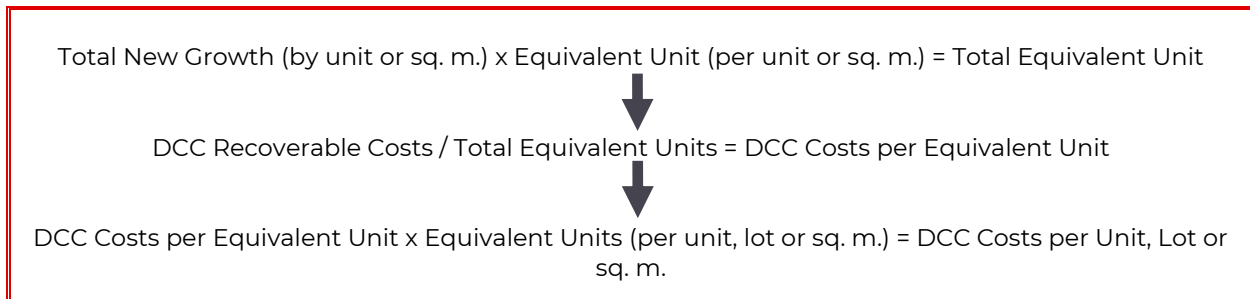
Table 23
Equivalent Units for Storm Drainage

Land Use	Base Unit	Equivalent Storm drainage Unit Per Base Unit
Low Density Residential	Lot	1.00
Medium Density Residential	Dwelling Unit	0.50
High Density Residential	Dwelling Unit	0.12
Commercial	Gross Floor Area (m ²)	0.011
Industrial	Gross Floor Area (m ²)	0.0078
Institutional	Gross Floor Area (m ²)	0.011

7.3 Storm Drainage DCC Calculation

The Storm drainage DCC rates have been calculated according to the various principles and assumptions discussed earlier in this report. The basic calculation is shown in Equation 4.

Equation 4
Storm Drainage DCC Calculation



The proposed Storm drainage DCC rates are shown in Table 25. The detailed Storm Drainage DCC calculations are shown on Table 25 and Table 26.

Table 24
Proposed Storm Drainage DCC Rates

Land Use	DCC Rate	Unit
Low Density Residential	\$ 63	per Lot
Medium Density Residential	\$ 32	per Dwelling Unit
High Density Residential	\$ 8	per Dwelling Unit
Commercial	\$ 0.69	per m ² of Gross Floor Area
Industrial	\$ 0.49	per m ² of Gross Floor Area
Institutional	\$ 0.69	per m ² of Gross Floor Area

Table 25
Storm Drainage DCC Program

		Col. (1)	Col. (2)	Col. (3)	Col. (4)	Col. (5) = (3) x (4)	Col. (6) = (5) x 0.01	Col. (7) = (5) - (6)	Col. (8) = (3) - (7)
Project No.	Description	Total Cost Estimate	Grants Amount	District Cost	Benefit Factor	Benefit to New Development	Municipal Assist Factor (1%)	DCC Recoverable	Total Municipal Responsibility
D-1	Drainage Master Plan	\$ 150,000		\$ 150,000	100%	\$ 150,000	\$ 1,500	\$ 148,500	\$ 1,500
				\$ 150,000		\$ 150,000	\$ 1,500	\$ 148,500	\$ 1,500

Table 26
Storm Drainage DCC Rate Calculation

A: Storm Drainage Generation Calculation				
Land Use	Col. (1)	Col. (2)	Col. (3)	Col. (4) = (1) x (3)
	Estimated New Development	Base Unit of Measurement	Equivalence Factor	Equivalent Drainage Units
Low Density Residential	1,626	lot	1.00	1,626
Medium Density Residential	503	dwelling	0.50	252
High Density Residential	216	dwelling	0.12	26
Commercial	25,000	m² gross floor area	0.0110	275
Industrial	20,000	m² gross floor area	0.0078	156
Institutional	1,550	m² gross floor area	0.0110	17
			Total Equivalent Population	2,351 (a)
B: Unit Storm Drainage DCC Calculations				
Net DCC Program Recoverable		\$ 148,500	(b)	
Existing DCC Reserve Monies		\$0	(c)	
Net Amount to be Paid by DCCs		\$ 148,500	(d) = (b) - (c)	
DCC per Equivalent Person		\$ 63.15	(e) = (d) / (a)	

Table 26
Storm Drainage DCC Rate Calculation (con't)

C: Resulting Storm Drainage DCCs				
Low Density Residential		\$ 63.15	per lot	(e) x Col. (3)
Medium Density Residential		\$ 31.58	per dwelling unit	(e) x Col. (3)
High Density Residential		\$ 7.58	per dwelling unit	(e) x Col. (3)
Commercial		\$ 0.69	per m ² gross floor area	(e) x Col. (3)
Industrial		\$ 0.49	per m ² gross floor area	(e) x Col. (3)
Institutional		\$ 0.69	per m ² gross floor area	(e) x Col. (3)

Note: Figures may not add up perfectly due to rounding

PART 8. PARK DCCS

8.1 Park DCC Program and Rates

The Park DCC program is comprised of park land acquisition and park land development projects, including playgrounds and trails. The location of the works are summarized in Table 30.

Table 27
Park DCC Program Costs

Municipal Costs	DCC Recoverable Program Costs	Total Capital Costs
\$ 921,230	\$ 2,795,745	\$ 3,716,975

The total cost of the improvements is approximately \$3.7 million, of which approximately \$2.7 million is DCC recoverable. No external funding is expected. These costs include the acquisition and development of park land plus planning, engineering, contingency, and project administration.

8.2 Calculation of Equivalent Units for Parks

Equivalent park and open space units are similar to those used for sanitary sewer and water DCC calculations. There is not contribution for commercial or industrial categories in accordance with the Provincial *DCC Best Practices Guide*. Equivalencies are shown in Table 28.

Table 28
Equivalent Units for Park

Land Use	Base Unit	Equivalent Park and Open Space Unit Per Base Unit
Low Density Residential	Lot	5.28
Medium Density Residential	Dwelling Unit	2.80
High Density Residential	Dwelling Unit	1.80
Commercial	Per m2 gross floor area	0.0020

8.3 Park DCC Calculation

The Park DCC rates have been calculated according to the various principles and assumptions discussed earlier in this report. The basic calculation is shown in Equation 5.

Equation 5
Park DCC Calculation

$$\text{Total New Growth (by unit or sq. m.)} \times \text{Equivalent Unit (per unit or sq. m.)} = \text{Total Equivalent Unit}$$

↓

$$\text{DCC Recoverable Costs} / \text{Total Equivalent Units} = \text{DCC Costs per Equivalent Unit}$$

↓

$$\text{DCC Costs per Equivalent Unit} \times \text{Equivalent Units (per unit, lot or sq. m.)} = \text{DCC Costs per Unit, Lot or sq. m.}$$

The proposed Park DCC rates are shown in Table 29. The detailed Park DCC calculations are shown on Table 30 and Table 31.

Table 29
Proposed Park DCC Rates

Land Use	DCC Rate	Unit
Low Density Residential	\$ 1,415	per Lot
Medium Density Residential	\$ 750	per Dwelling Unit
High Density Residential	\$ 482	per Dwelling Unit
Commercial	\$ 0.54	Per m2 gross floor area

Table 30
Park DCC Program

		Col. (1)	Col. (2)	Col. (3)	Col. (4)	Col. (5) = (3) x (4)	Col. (6) = (5) x 0.01	Col. (7) = (5) - (6)	Col. (8) = (3) - (7)
Project No.	Description	Total Cost Estimate	Grants Amount	District Cost	Benefit Factor	Benefit to New Development	Municipal Assist Factor (1%)	DCC Recoverable	Total Municipal Responsibility
Park Acquisition Projects									
PA-1	Town Centre	\$ 1,250,000		\$ 1,250,000	100%	\$ 1,250,000	\$ 12,500	\$ 1,237,500	\$ 12,500
Park Development Projects									
PD-1	Whiffin Spit Park Master Plan	\$ 70,000		\$ 70,000	100%	\$ 70,000	\$ 700	\$ 69,300	\$ 700
PD-2	New Town Centre Park Master Plan	\$ 70,000		\$ 70,000	100%	\$ 70,000	\$ 700	\$ 69,300	\$ 700
PD-3	New Trail Access at Seabroom Road	\$ 49,000		\$ 49,000	80%	\$ 39,200	\$ 392	\$ 38,808	\$ 10,192
PD-4	DeMamiel Creek Crossing – New Trail	\$ 2,137,975		\$ 2,137,975	60%	\$ 1,282,785	\$ 12,828	\$ 1,269,957	\$ 868,018
PD-5	Trailhead Improvements	\$ 140,000		\$ 140,000	80%	\$112,000	\$ 1,120	\$ 110,880	\$ 29,120
		\$ 3,716,975		\$ 3,716,975		\$ 2,823,985	\$ 28,240	\$ 2,795,745	\$ 921,230

Table 31
Park DCC Rate Calculation

A: Storm Drainage Generation Calculation				
Land Use	Col. (1)	Col. (2)	Col. (3)	Col. (4) = (1) x (3)
	Estimated New Development	Base Unit of Measurement	Equivalence Factor	Equivalent Drainage Units
Low Density Residential	1,626	lot	5.28	8,585
Medium Density Residential	503	dwelling	2.80	1,408
High Density Residential	216	dwelling	1.80	389
Commercial	25,000	m² gross floor area	0.0020	50
			Total Equivalent Population	10,432 (a)
B: Unit Storm Drainage DCC Calculations				
Net DCC Program Recoverable		\$ 2,795,745	(b)	
Existing DCC Reserve Monies		\$ 0	(c)	
Net Amount to be Paid by DCCs		\$ 2,795,745	(d) = (b) - (c)	
DCC per Equivalent Person		\$ 267.98	(e) = (d) / (a)	
C: Resulting Storm Drainage DCCs				
Low Density Residential		\$ 1,415	per lot	(e) x Col. (3)
Medium Density Residential		\$ 750	per dwelling unit	(e) x Col. (3)
High Density Residential		\$ 482	per dwelling unit	(e) x Col. (3)
Commercial		\$ 0.54	per m² gross floor area	(e) x Col. (3)

Note: Figures may not add up perfectly due to rounding

PART 9. DCC RATES & IMPLEMENTATION

9.1 Summary of Proposed DCC Rates

Table 32 (next page) summarizes the proposed District of Sooke DCC rates.

9.2 Bylaw Exemptions

The Local Government Act (LGA) is clear that a DCC cannot be levied if the proposed development does not impose new capital cost burdens on the District, or if a DCC has already been paid in regard to the same development. However, if additional further expansion for the same development creates new capital cost burdens or uses up capacity, the DCCs can be levied for the additional costs.

The LGA further restricts the levying of the DCC at the time of application for a building permit if:

- The building permit is for a church or place of public worship as per the Community Charter; or
- The value of the work authorized by the building permit does not exceed \$50,000 or a higher amount as prescribed by bylaw; or
- Unit size is no larger than 29 sq.m. and only for residential use.

Changes to the legislation allow local governments at building permit to charge DCCs at building permit on residential developments of fewer than four self-contained dwelling units, if such a charge is provided for in the local government's DCC bylaw. The District charges DCCs on fewer than four self-contained dwelling units at building permit.

9.3 DCC Waivers and Reductions

Changes to the Local Government Act in 2008 provide local governments the discretionary authority to waive or reduce DCCs for certain types of development to promote affordable housing and low impact development. The District does not currently waive or reduce DCCs for any types of development.

Table 32
Proposed DCC Rate Summary

Land Use	Unit	Transportation	Storm Drainage	Sanitary Sewer	Parks	Sooke DCC Total
Low Density Residential (Single Family)	(per dwelling unit / lot)	\$ 8,694	\$ 63	\$ 6,155	\$ 1,415	\$ 16,327
Medium Density Multi-Family (Duplex, Triplex, Fourplex, Townhouse, Manufactured Homes)	(per dwelling unit)	\$ 4,836	\$ 32	\$ 3,264	\$ 750	\$ 8,882
High Density Multi-Family (Apartments)	(per dwelling unit)	\$ 2,662	\$ 8	\$ 2,098	\$ 482	\$ 5,251
Commercial	(per m ² of gross floor area)	\$ 59.77	\$ 0.69	\$ 13.99	\$ 0.54	\$ 74.99
Industrial	(per m ² of gross floor area)	\$ 42.38	\$ 0.49	\$ 6.99	\$ 0.00	\$ 49.87
Institutional	(per m ² of gross floor area)	\$ 59.77	\$ 0.69	\$ 13.99	\$ 0.00	\$ 74.45

9.4 Collection of Charges – Building Permit and Subdivision

Municipalities can choose to collect DCCs at subdivision approval or building permit issuance. Of the two possible collection times, subdivision approval occurs earlier in the process. The District will collect DCCs for Single Family uses at time of subdivision approval. Collecting DCCs early will allow the District to ensure timely provision of infrastructure and services. DCCs for other residential land use categories will be collected at time of building permit when the final number of duplex, apartment or townhouse units are known. Non-residential land uses will also be levied DCCs at time of building permit when gross floor area will be known.

9.5 Collection of DCCs on Redeveloped or Expanded Developments

When an existing building or development undergoes an expansion or redevelopment there is usually a need for additional DCC related infrastructure. The new developer/ builder should pay the applicable DCCs based on the additional floor area for residential units, commercial, industrial or institutional land uses at the DCC rates in the current DCC bylaw. In essence, the District is giving a DCC credit for the existing development or building. DCCs are only levied on the new development/ building area.

For example, if a single-family residential unit is replaced by another single-family residential unit then no additional DCCs are payable. If a lot is subdivided into two, for example, to construct two small lot single family residential units, then DCCs are payable on the one additional single-family residential lot.

9.6 In-Stream Applications

The new DCC rates will be in force immediately after the updated Development Cost Charge Bylaw is adopted; however, the Local Government Act (LGA) provides special protection from rate increases for development applications that are submitted prior to the adoption date. There are two ways a developer can qualify for the 'old' DCC rates:

1. Pursuant to section 511 of the LGA (subdivision).

If the new DCC Bylaw is adopted after a subdivision application is submitted and the applicable subdivision fee is paid, the new DCC Bylaw has no application to the subdivision for 12 months after the DCC Bylaw is adopted. As such, if the subdivision is approved during the 12 months' grace period, the 'old' DCC rates apply. This only applies in cases where DCCs are levied at subdivision.

OR

2. Pursuant to section 568 of the LGA (building permits).

The new DCC Bylaw is not applicable to a construction, alteration or extension if:

(a) a building permit is issued within 12 months of the new DCC Bylaw adoption,
AND

(b) either a building permit application, a development permit application or a rezoning application associated with the construction (defined as “precursor application”) is in stream when the new DCC Bylaw is adopted, and the applicable application fee has been paid. The development authorized by the building permit must be entirely within the area subject to the precursor application.

The above is a summary of Sections 511 and 568 of the LGA and not an interpretation or an explanation of these sections. Developers are responsible for complying with all applicable laws and bylaws and seeking legal advice as needed.

9.7 Rebates and Credits

The District should establish a practice to guide staff in the collection of DCCs and the use of DCC credits and rebates as stipulated in the LGA and referenced in the DCC Best Practice Guide. There may be situations in which it is not in the best interests of the District to allow an owner to build DCC services outside their subdivision or development. Building such services may start or accelerate development in areas where the District is not prepared to support. Policies for DCC credits, rebates and latecomer agreements are often drafted to assist staff in development financing.

9.8 DCC Monitoring and Accounting

In order to monitor the DCC Program, the District should enter all the projects contained in the DCC program into its tracking system. The tracking system would monitor the status of the project from the conceptual stage through to its final construction. The tracking system would include information about the estimated costs, the actual construction costs, and the funding sources for the projects. The construction costs would be based on the tender prices received, and the land costs based on the actual price of utility areas and or other land and improvements required for servicing purposes. The tracking system would indicate when projects are completed, their actual costs, and would include new projects that are added to the program.

9.9 DCC Reviews

To keep the DCC program as current as possible, the District should review its program annually. Based on its annual review, the District may make minor amendments to the DCC rates. The District should apply a CPI inflation factor, as permitted by the legislation, annually (to a maximum of 4 years). Typically, a major amendment to the DCC program and rates is recommended every 3-5 years.

APPENDIX A

**Existing Bylaw No. 202, *Development Cost
Charge Imposition Bylaw, 2004***

DISTRICT OF SOOKE

BYLAW No. 202

CONSOLIDATED FOR REFERENCE

OCTOBER 9, 2012

BYLAW No. 202, *DEVELOPMENT COST CHARGE IMPOSITION BYLAW, 2004*
BYLAW No. 533, *DEVELOPMENT COST CHARGE IMPOSITION AMENDMENT BYLAW (202-1)*

THIS BYLAW IS PROVIDED FOR REFERENCE PURPOSES ONLY AND IS NOT TO BE RELIED UPON IN MAKING FINANCIAL OR OTHER COMMITMENTS. COPIES OF THE ORIGINAL BYLAW AND AMENDMENTS MAY BE VIEWED AT THE DISTRICT OF SOOKE MUNICIPAL HALL.

A bylaw to impose development cost charges.

The Council of the District of Sooke, in open meeting assembled, enacts as follows:

1. This Bylaw is cited as *Development Cost Charge Imposition Bylaw, 2004*.

2. In this Bylaw:
(section 2 amended by Bylaw No. 533 - adopted October 9, 2012)

“Apartment Residential” means the use of land for an Apartment Building as defined in the Zoning Bylaw;

“Commercial” means any use permitted as “Principal Uses” in the Commercial Zones and Town Centre Commercial Zones operated for profit or gain which are not of a residential or institutional nature permitted by the Zoning Bylaw;

“Dwelling Unit” or “Unit” means a dwelling unit as defined in the Zoning Bylaw.

“Gross Floor Area” means the total area of all floors in a building measured from the interior faces of the exterior walls, but excluding areas provided for parking of motor vehicles and storage of bicycles;

“Manufactured Home” means the manufactured dwelling unit or the use of the land for a manufactured home as defined in the Zoning Bylaw;

***Disclaimer:** This is an unofficial document of the District of Sooke and is consolidated for convenience purposes only and is not to be relied upon in making financial or other commitments. The District of Sooke does not warrant the accuracy of information on this document nor will it accept responsibility for errors or omissions. The District of Sooke reserves the right to alter or update this information without notice.*

“Single Family Residential” means the use of land for residential use, or occupancy as a single dwelling unit as defined under **Dwelling, Single Family** in the Zoning Bylaw;

“Townhouse Residential” means the use of land for residential use or occupancy as defined under **Townhouse** in the Zoning Bylaw;

“Zoning Bylaw” means a bylaw adopted by District of Sooke Council under *Sections 890 and 903 of the Local Government Act*

3. Every person who obtains approval of subdivision under the *Land Title Act* or the *Strata Property Act* of land designated in the Zoning Bylaw for single family residential development must pay to the District the following development cost charges:
 - (a) the applicable wastewater development cost charge set out in Schedule A to this bylaw if any part of the land being subdivided is within the *Sooke Core Sewer Specified Area* of the District of Sooke as defined in Bylaw No. 147, *Sooke Core Sewer Specified Area Bylaw, 2003*, as amended; and *(section 3(a) amended by Bylaw No. 533 - adopted October 9, 2012)*
 - (b) the applicable road development cost charge set out in Schedule B to this bylaw.
4. Every person who obtains a building permit authorizing the construction, alteration or extension of a building or structure for a use other than a single family residential use must pay to the District the following development cost charges:
 - (a) the applicable wastewater development cost charge set out in Schedule A to this bylaw if any part of the land being subdivided is within the *Sooke Core Sewer Specified Area* of the District of Sooke as defined in Bylaw No. 147, *Sooke Core Sewer Specified Area Bylaw, 2003*, as amended; and *(section 4(a) amended by Bylaw No. 533 - adopted October 9, 2012)*
 - (b) the applicable road development cost charge set out in Schedule B to this bylaw.

Introduced and read a first time the 13th day of December 2004.

Amended the 10th day of January, 2005

Read a second time as amended the 10th day of January, 2005.

Read a third time the 13th day of June, 2005.

Approved by the Inspector of Municipalities the 8th day of July 2005.

Adopted on the 11th day of July 2005.

“original signed by”

Janet Evans
Mayor

“original signed by”

Peter Jmaeff
Chief Administrative Officer

**Bylaw No. 533, Development Cost Charge Imposition Amendment Bylaw
(202-1):**

Introduced and read a first time the 23rd day of July, 2012.

Read a second time the 23rd day of July, 2012.

Read a third time the 23rd day of July, 2012.

Approved by the Inspector of Municipalities the 2nd day of October, 2012.

Adopted the 9th day of October, 2012.

“original signed by”

Wendal Milne
Mayor

“original signed by”

Bonnie Sprinkling
Corporate Officer

SCHEDULE A

(Schedule A amended by Bylaw No. 533 - adopted October 9, 2012)

Wastewater

LAND USE CATEGORY	DEVELOPMENT COST CHARGE
Single Family Residential	\$4,317.22 per Parcel
Townhouse Residential	\$2,878.15 per Unit
Apartment Residential	\$1,918.76 per Unit
Manufactured Home	\$4,317.22 per Unit
Commercial	\$20.79 per Square Metre of Gross Floor Area

SCHEDULE B

(Schedule A amended by Bylaw No. 533 - adopted October 9, 2012)

Roads

LAND USE CATEGORY	DEVELOPMENT COST CHARGE
Single Family Residential	\$3,548.27 per Parcel
Townhouse Residential	\$2,295.94 per Unit
Apartment Residential	\$2,156.79 per Unit
Manufactured Home	\$3,548.27 per Unit
Commercial	\$48.70 per Square Metre of Gross Floor Area

APPENDIX B

Proposed 2021 Development Cost Charge Bylaw No. _____

DISTRICT OF SOOKE

BYLAW NO. ____

A BYLAW TO IMPOSE DEVELOPMENT COST CHARGES

WHEREAS pursuant to the *Local Government Act*, the Council of the District of Sooke may, by Bylaw, impose development cost charges;

AND WHEREAS development cost charges may be imposed for the purpose of providing funds to assist the municipality in paying the capital costs of providing, constructing, altering, or expanding sanitary sewer, drainage and roads facilities, and providing and improving park land to service directly or indirectly, the development for which the charges are imposed;

AND WHEREAS the Council of the District of Sooke has deemed the charges imposed by this bylaw:

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

AND WHEREAS Council has considered the charges imposed by this bylaw in relation to future land use patterns and development, the phasing of works and services and the provision of park land described in the Official Community Plan, and how development designed to result in a low environmental impact may affect the capital costs of sanitary sewer, drainage, and roads, and providing and improving park land;

AND WHEREAS in the opinion of the Council, the charges imposed by this Bylaw are related to capital costs attributable to projects included in the municipality's financial plan and long-term capital plans, and to capital projects consistent with the Official Community Plan.

NOW THEREFORE, the Council of the District of Sooke, in open meeting assembled, enacts as follows:

PART 1 - DEFINITIONS AND INTERPRETATION

- 1.1 This bylaw applies to all applications for subdivisions and for issuance of a building permit for parcels located in the District of Sooke.
- 1.2 For the purposes of this bylaw, the words or phrases that are not included in this section shall have the meaning assigned to them in the Zoning Bylaw.
- 1.3 In this bylaw:

DISTRICT OF SOOKE

BYLAW NO. ____

A BYLAW TO IMPOSE DEVELOPMENT COST CHARGES

“Attached Dwelling” means a Semi-detached dwelling or Townhouse unit (including duplex, triplex, quadraplex, rowhouse), each of which has an independent entrance.

“Building Permit” means any permit required by the District that authorizes the construction, alteration or extension of a building or structure.

“Commercial” means a commercial development in a commercial zone listed in the Zoning Bylaw or a similar development in another zone permitted in accordance with the Zoning Bylaw, in which the predominant use, as determined by its purpose and list of permitted uses, is of a commercial nature.

“Construction” includes building, erection, installation, repair, alteration, addition, enlargement, moving, locating, relocating, reconstruction, demolition, removal, excavation, or shoring.

“Development” means the construction, alteration, or extension of buildings and/or structures for any use authorized by the zoning bylaw that requires the issuance of a building permit but does not include internal alterations of a building and/or structure where the principal use of the building and/or structure, or part thereof, is not changing.

“District” means the Corporation of the District of Sooke.

“Dwelling Unit” means a self-contained set of rooms, including provisions for living, sleeping, cooking and sanitation; containing not more than one kitchen, with a direct entrance to the open air or to a common hallway or corridor, without passing through any other dwelling unit; includes suites and manufactured homes, and modular homes or prefabricated dwellings.

“Gross Floor Area” or “GFA” means the total floor area of each storey in each building including exterior walls but, excluding areas used exclusively for parking purposes.

“High Density Multi-Family” means a residential building which contains multiple dwelling units accessible via a common hallway or corridor and shared entrance facilities, includes apartment buildings.

“Industrial” means an industrial development in a zone listed in the Zoning Bylaw, or similar development in another zone permitted in accordance with the Zoning Bylaw, in which the predominant use, as determined by its general purpose and list of permitted uses, is of an industrial nature.

“Institutional” means an institutional development in a public or institutional zone listed in the Zoning Bylaw or a similar development in another zone permitted in accordance with the Zoning Bylaw, in which the predominant use, as determined by its purpose and list of permitted uses, is of an institutional nature.

“Low Density Residential” means residential development consisting of one or more single detached dwellings built on separate parcels, excludes manufactured homes.

“Medium Density Multi-Family” means residential development which includes attached dwellings

DISTRICT OF SOOKE

BYLAW NO. ____

A BYLAW TO IMPOSE DEVELOPMENT COST CHARGES

and manufactured homes.

“Parcel” means any lot, block or other area in which land is held or into which it is subdivided but does not include a highway.

“Single Detached Dwelling” means a building that contains one dwelling unit for residential use and is separate on all sides from any other structure. Where specially permitted in the Zoning Bylaw, a single-detached dwelling may contain one additional dwelling unit in the form of a secondary suite for residential use.

“Structure” means any construction fixed to, supported by or sunk into land or water, excluding asphalt or concrete paving or similar surfacing of a parcel.

“Subdivision” means a subdivision as defined in the *Land Title Act* or *Strata Property Act*.

“Zone” means the zones identified and defined in the District of Sooke Zoning Bylaw.

“Zoning Bylaw” means the District of Sooke Zoning Bylaw.

PART 2 - DEVELOPMENT COST CHARGES

2.1 The Development Cost Charges set out in Schedules “A”, attached hereto and forming part of this bylaw, are hereby imposed on every person who obtains:

- a. approval of a subdivision of land under the *Land Title Act* or the *Strata Property Act*, that creates two or more parcels on which the Zoning Bylaw permits the construction of a single detached dwelling;
- b. approval of a building permit authorizing the construction of a single detached dwelling unit or the placing of a manufactured home on an existing parcel; or
- c. approval of a building permit authorizing the construction, alteration or extension of a medium density multi-family, high density multi-family, commercial, industrial, or institutional building or structure;

and the development cost charge shall be paid prior to approval of a subdivision or issuance of a building permit, as the case may be.

2.2 For certainty, this bylaw imposes charges in respect of building permits authorizing the construction, alteration or extension of buildings that will, after the construction, alteration or extension, contain fewer than four self-contained dwelling units and be put to no other use than residential use in those dwelling units.

DISTRICT OF SOOKE

BYLAW NO. ____

A BYLAW TO IMPOSE DEVELOPMENT COST CHARGES

PART 3 - EXEMPTIONS

- 3.1 Despite any other provision of this bylaw, 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 under section 220(1)(h) or 224(2)(f) of the *Community Charter*;
 - b. the permit authorizes the construction, alteration, or extension of self-contained dwelling units in a building, the area of each self-contained dwelling unit is no larger than 29m², and each dwelling unit will be put to no other use than residential use;
 - c. the value of the work authorized by the building permit does not exceed \$50,000; or
 - d. a development cost charge has previously been paid for the development unless, as a result of further development, new capital cost burdens will be imposed on the municipality.

PART 4 - CALCULATION OF APPLICABLE CHARGES

- 4.1 The amount of development cost charges payable in relation to a particular development shall be calculated using the applicable charges set out in Schedule "A" of this bylaw.
- 4.2 Where a type of development is not specifically identified in Schedule "A" the amount of development cost charges to be paid to the District shall be equal to the development cost charges that are payable for type of development that in the opinion of Director of Operations imposes the most similar cost burden on the District's transportation, sewer, drainage and park services.
- 4.3 The amount of development cost charges payable in relation to mixed-use type of development shall be calculated separately for each portion of the development, in accordance with Schedule "A", which are included in the building permit application and shall be the sum of the charges payable for each type.

PART 5 - EFFECTIVE DATE

- 5.1 This Bylaw shall come into force and effect on the date of adoption.

PART 6 – SEVERABILITY

- 6.1 If any portion of this Bylaw is declared invalid by a court of competent jurisdiction, then the invalid portion must be severed and the remainder of the bylaw remains valid.

DISTRICT OF SOOKE

BYLAW NO. ____

A BYLAW TO IMPOSE DEVELOPMENT COST CHARGES

PART 7 - REPEAL

7.1 The following bylaws and all amendments are repealed:

- a. Bylaw No. 202, cited as "*Development Cost Charge Imposition Bylaw, 2004*"

PART 8 - TITLE

8.1 Bylaw No. ____ may be cited as "Development Cost Charges Bylaw 2021 No. ____".

READ A FIRST TIME this ____ day of Month, Year

READ A SECOND TIME this ____ day of Month, Year

READ A THIRD TIME this ____ day of Month, Year

APPROVED BY THE INSPECTOR OF MUNICIPALITIES this ____ day of Month, Year

ADOPTED this ____ day of Month, Year

Deputy Mayor

Clerk

SCHEDULE "A"

ATTACHED TO DISTRICT OF SOOKE

DEVELOPMENT COST CHARGES BYLAW NO. ____, 2021

	Unit	Transportation	Drainage	Sewer	Parks	Total
Low Density Residential	Per lot	\$8,694	\$63	\$6,155	\$1,415	\$16,327
Medium Density Multi Family	Per unit	\$4,836	\$32	\$3,264	\$750	\$8,882
High Density Multi-Family	Per unit	\$2,662	\$8	\$2,098	\$482	\$5,251
Commercial	Per square metre of gross floor area	\$59.77	\$0.69	\$13.99	\$0.54	\$74.99
Industrial	Per square metre of gross floor area	\$42.38	\$0.49	\$6.99	-	\$49.87
Institutional	Per square metre of gross floor area	\$59.77	\$0.69	\$13.99	-	\$74.45

APPENDIX C

Open House Materials



BACKGROUND INFORMATION

DISTRICT OF SOOKE | DEVELOPMENT COST CHARGE BYLAW UPDATE

The District of Sooke is updating its Development Cost Charges (DCCs) bylaw. The following provides background information on DCCs and answers several frequently asked questions.

WHAT IS A DEVELOPMENT COST CHARGE?

Development Cost Charges (DCCs) are funds that are collected from developers to contribute to the costs of infrastructure that is required to service new growth in the community. DCCs are regulated through the *Local Government Act* and are an important tool for local governments to sustainably facilitate and finance development in their community, without compromising the delivery of services to their residents. The rates charged reflect the impact growth has on infrastructure and parks; the greater the impact, the larger the charge. This helps ensure developers pay their fair share of the costs required to develop new infrastructure.

The District of Sooke currently collects DCCs, through its Development Cost Charge Imposition Bylaw (Bylaw 202), to help fund road and wastewater infrastructure that benefits future growth in the community.

WHO PAYS DCCs?

DCCs are paid by applicants for:

- subdivision approval to create single family lots
- building permits to construct multi-family, commercial, industrial or institutional development

WHAT DO DCCs PAY FOR?

DCCs pay for capital upgrades needed to support growth by assisting in the funding of:



Note: DCCs for water are collected by the Capital Regional District (CRD) for the Juan de Fuca Water Distribution System (JdFWDS).

WHAT DO DCCs NOT PAY FOR?

- Replacing, operating and maintaining parks, roads, sanitary mains and storm drains already in place to serve existing Sooke residents
- New facilities such as fire hall or libraries

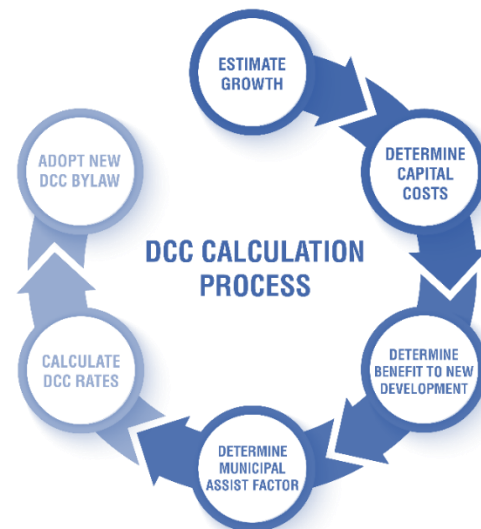
WHY UPDATE DCCs NOW?

- Last major update was in 2012 and only included updates for the roads program. The current wastewater program dates back to 2004.
- The District is currently not collecting DCCs for drainage and parks projects and would like start collecting for these services, which is with other communities in the region.
- Recent updates to the Parks and Trails and Transportation Master Plans, completed in 2020, provide a valuable opportunity to incorporate the most recent Master Plan project lists, project costs, and community-wide growth estimates into the District DCC Bylaw.
- Sooke now has current construction and land acquisition costs; current growth estimates; and updated information on growth-related underground and transportation infrastructure / park needs

HOW ARE DCCs CALCULATED?

DCCs are calculated by:

1. Estimating growth
2. Identifying projects and capital costs
3. Determining benefit allocation
4. Determining municipal assist factor



DRAFT DCC RATES AS OF MAY 2021

The proposed DCCs rate are shown in **Table 1.0** and are grouped into four categories:

1. roads,
2. wastewater,
3. drainage, and
4. parkland acquisition and improvement projects.

The proposed DCCs for drainage and parks are new DCC program categories, which have been added during the current DCC Bylaw update. The CRD water DCCs (shown in the orange column) are a separate charge levied by the Regional District.

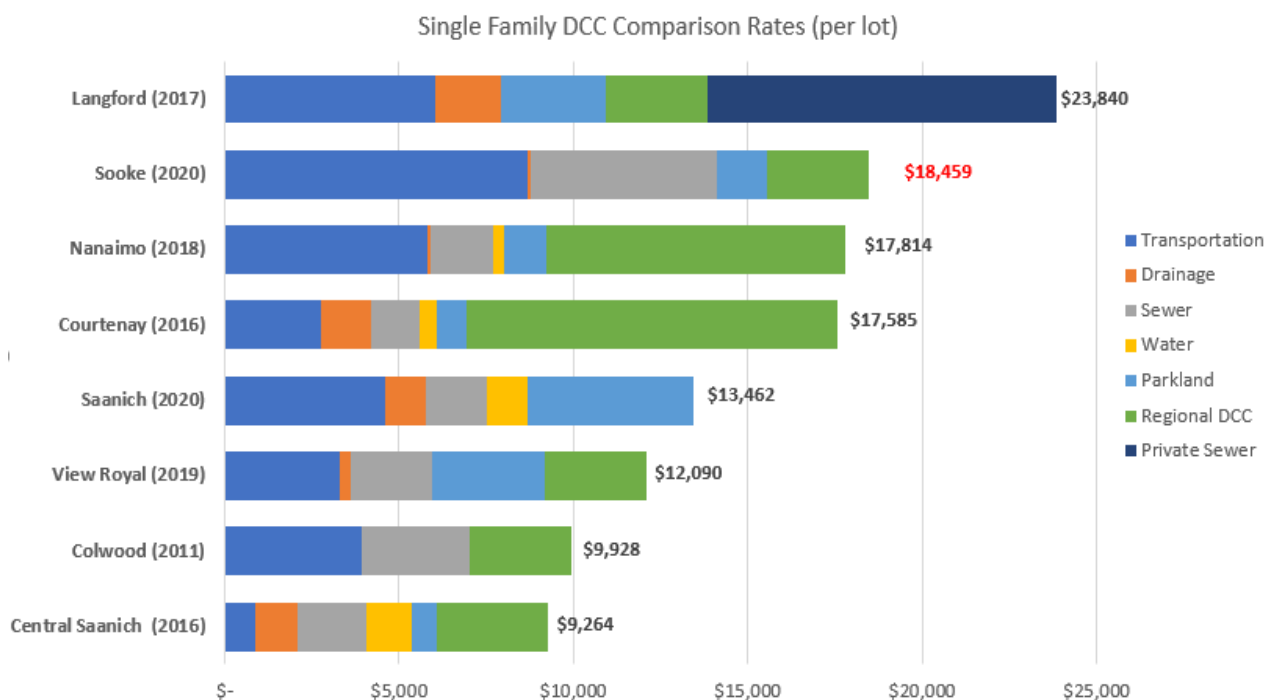
TABLE 1.0 - DRAFT DCC RATES AS OF MAY 2021

Land Use	Unit	Transportation	Drainage	Sanitary Sewer	Parks	Sooke DCCs Total	CRD Water DCCs	Grand Total with CRD Water
		Proposed	Proposed	Proposed	Proposed	Proposed	Regional District	Proposed
Low Density Residential (single family)	per lot	\$8,694	\$63	\$5,366	\$1,415	\$15,537	\$2,922	\$18,459
Medium Density Multi Family (duplex, triplex, fourplex, townhouse and manufactured homes)	per unit	\$4,836	\$32	\$2,845	\$750	\$8,463	\$2,557	\$11,020
High Density Multi-Family (apartments)	per unit	\$2,662	\$8	\$1,829	\$482	\$4,982	\$1,644	\$6,626
Commercial	per square metre of gross floor area	\$59.77	\$0.69	\$12.19	\$0.54	\$73.19	\$10.74	\$83.93
Industrial	per square metre of gross floor area	\$42.38	\$0.49	\$6.10	\$0.00	\$48.97	\$5.82	\$54.79
Institutional	per square metre of gross floor area	\$59.77	\$0.69	\$12.19	\$0.00	\$72.66	\$23.74	\$96.40

* Draft rates are preliminary – minor changes may occur as updated reserve fund information is provided.

REGIONAL COMPARISONS of DCC RATES

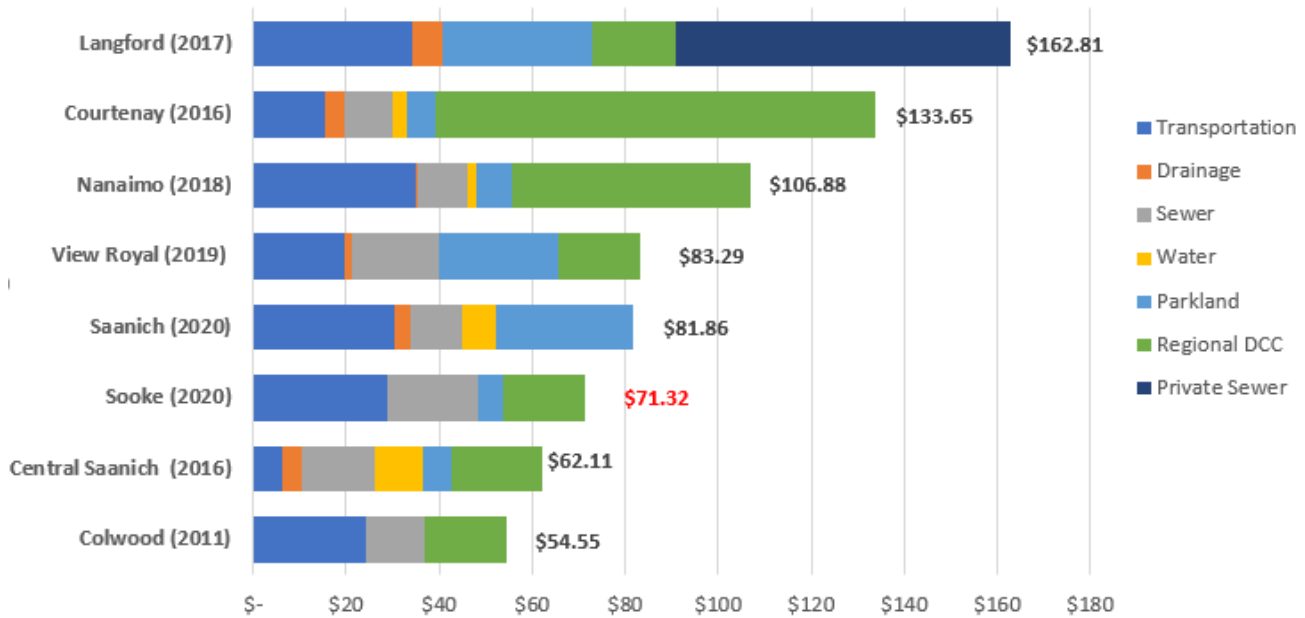
The figures below provide a comparison of the District of Sooke's draft DCC rates with DCCs currently being applied by other local governments in the region.



Note - In Langford Corix Sewer fees are charged in addition to the DCC rates shown above.

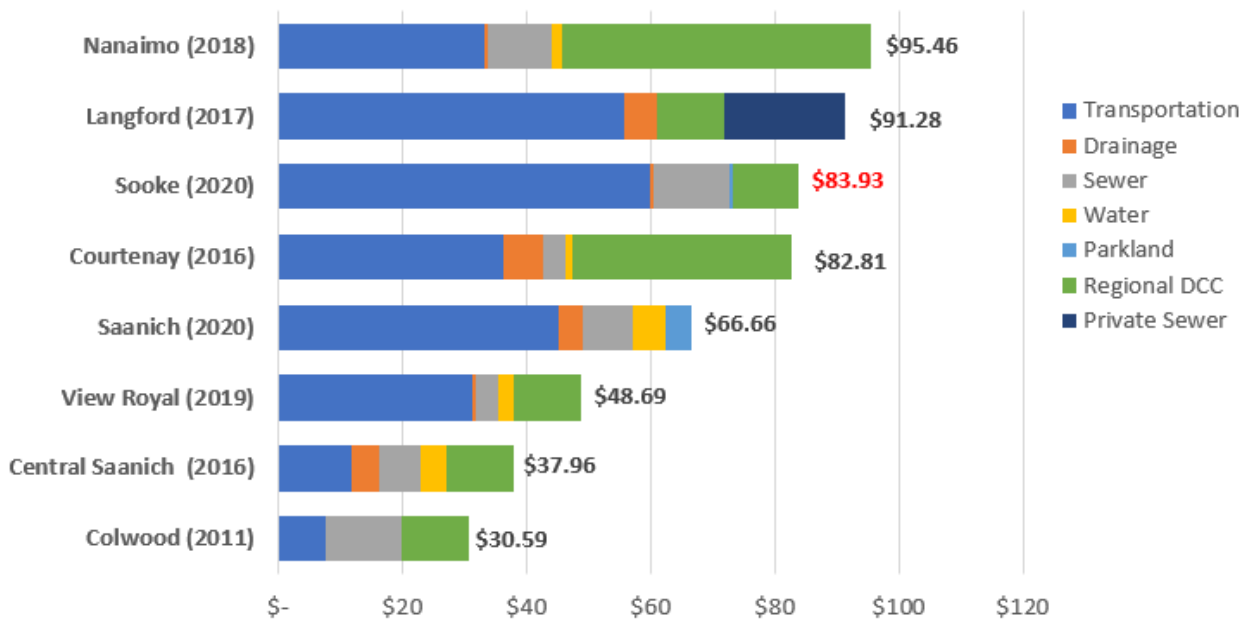


Apartment DCC Comparison Rates (per sq.m. GFA)



Note - In Langford Corix Sewer fees are charged in addition to the DCC rates shown above.

Commercial DCC Comparison Rates (per sq. m. GFA)



Note - In Langford Corix Sewer fees are charged in addition to the DCC rates shown above.



NEXT STEPS

1. Review feedback from public consultation (June 2021)
2. Vet draft DCC program with the Ministry staff in advance of sending the formal request for review (June 2021)
3. Council presentation and approval of final DCC rates (July 2021)
4. If Council approves the Bylaw will be given three readings and submitted for Ministry review and endorsement (Summer 2021)
5. Bylaw adoption (4th reading)
6. Implement new DCC rates (effective at bylaw adoption)
7. DCC Reduction Bylaw (Separate Process)

FOR MORE INFORMATION

Please visit [\(add weblink\)](#) or contact:

<<<< Add preferred District contact>>>>

District of Sooke - Development Cost Charge Update

Feedback Survey:



The District of Sooke (the District) is updating its Development Cost Charges (DCC) Bylaw. DCCs are fees collected from land developers, on a user pay basis, to help fund the cost of the new infrastructure needed to service new development. DCCs help ensure developers pay their fair share of the costs required to develop new infrastructure.

Over the next 20 years the District of Sooke has identified road, sewer, drainage, and park infrastructure that needs to be constructed or upgraded to deal with the additional demands generated by new industrial, institutional, commercial and residential development. The District has proposed a revised Development Cost Charge program with rates to help share these costs with the development industry and would like your feedback.

Please use the **Background Information Sheet** provided in this package to help fill out the following survey. **Part A** of the survey is for all respondents, and **Part B** of the survey is only for developers. **If you are not a developer, please skip questions #7-9.** A general comment section has been provided for everyone at the end.

PART A – ALL RESPONDENTS

Question #1: What type of property do you own/occupy? (check all that apply)	
<input type="radio"/> Single Detached Dwelling	<input type="radio"/> Apartment Unit
<input type="radio"/> Manufactured Home	<input type="radio"/> Commercial
<input type="radio"/> Duplex Unit	<input type="radio"/> Industrial
<input type="radio"/> Townhouse Unit	<input type="radio"/> Institutional
<input type="radio"/> Triplex/ Quadraplex Unit	<input type="radio"/> Other (please specify) : _____
<input type="radio"/> Secondary Suite/ Basement Suite	

Question #2: After reviewing the information provided, rate your understanding of the DCC process on a scale from 1 to 5. 1 being 'low' and 5 being 'high.'				
1	2	3	4	5

Question #3: What is your connection to Sooke? Please select any of the following that may apply.	
<input type="radio"/> I live in Sooke	<input type="radio"/> I own land in Sooke
<input type="radio"/> I work in Sooke	<input type="radio"/> I am a developer or builder in Sooke
<input type="radio"/> I am a business owner in Sooke	<input type="radio"/> Other (please specify) : _____

District of Sooke - Development Cost Charge Update

Feedback Survey:



Question #4: Do you agree that the District of Sooke should look for sources of revenue other than property taxes to help pay for infrastructure upgrades that are required to support growth?

- ☐ Strongly Agree
- ☐ Agree
- ☐ Indifferent
- ☐ Disagree
- ☐ Strongly Disagree

Comments: _____

Question #5: The proposed DCCs are based on a benefiter pay principle. How do you feel about using DCCs to pay a share of the infrastructure costs required to support new developments?

- ☐ Strongly Agree
- ☐ Agree
- ☐ Indifferent
- ☐ Disagree
- ☐ Strongly Disagree

Comments: _____

Question #6: Assist Factors are percentages of the Development Cost Charges paid out of the Municipal tax base to reduce the amount of Development Charges paid by new development. The proposed assist factor for all infrastructure categories is 1%. Do you agree with this Assist Factor to ensure maximum costs are being recovered from development?

- ☐ Strongly Agree
- ☐ Agree
- ☐ Indifferent
- ☐ Disagree
- ☐ Strongly Disagree

Comments: _____

District of Sooke - Development Cost Charge Update

Feedback Survey:



PART B - FOR DEVELOPERS ONLY

Question #7: Over the next several years, do you plan to build any of the following? Check all that apply.

<input type="radio"/> A new residential subdivision	<input type="radio"/> A new industrial building or an addition to an existing industrial building worth over \$50,000
<input type="radio"/> New townhouse, duplex, or apartment units worth over \$50,000	<input type="radio"/> A new institutional building or an addition to an existing institutional building worth over \$50,000
<input type="radio"/> A new commercial building or an addition to an existing commercial building worth over \$50,000	<input type="radio"/> Other (please specify): _____

Question #8: When compared to other communities (see Background Information Sheet) how do you feel about the proposed Development Cost Charges?

<input type="radio"/> They are too high <input type="radio"/> They are about right <input type="radio"/> They are too low	Comments: _____ _____ _____ _____ _____
---	---

Question #9: How do you feel about the proposed development cost charges for the following types of new development? Circle the appropriate number e.g. 1 for Strongly Disagree, 5 for Strongly agree

Development Type	Strongly Agree	Disagree	Neutral	Agree	Strongly Agree
1. Charges for each new Low Density (Single-family subdivision) lot	1	2	3	4	5
2. Charges for each new Medium Density Multi Family (duplex, triplex, fourplex, townhouse and manufactured homes) units built worth over \$50,000	1	2	3	4	5
3. Charges for each new High Density (apartment) units built worth over \$50,000	1	2	3	4	5
4. Charges for each square meter of new commercial buildings / additions worth over \$50,000	1	2	3	4	5
5. Charges for each square meter of new industrial buildings / additions worth over \$50,000	1	2	3	4	5
6. Charges for each square meter of new institutional buildings / additions worth over \$50,000	1	2	3	4	5

District of Sooke - Development Cost Charge Update

Feedback Survey:



OTHER COMMENTS – ALL RESPONDENTS

In general, what comments do you have regarding the District's proposed plan to update Development Cost Charges on new development?

Please return the completed survey by email, mail, or in person, by 4:00 pm June 20th, 2021 to:

District of Sooke – Municipal Hall

2205 Otter Point Rd, Sooke, BC V9Z 1J2

Phone: 250-642-1634 | Email: Jeff Carter - jcarter@sooke.ca

District of Sooke

Development Cost Charge (DCC) Update Overview





Development Stakeholder Meeting
June, 9th 2021



1

Agenda

1. DCC Update Project Overview
2. Program Development
 - Growth Estimates
 - Capital Program & Benefit allocations
 - Draft DCC Program and Rates
3. Policy Considerations
 - Municipal Assist Factor
 - DCC Exemptions
 - In-stream protection
 - DCC Waivers and Reductions
4. Draft DCC Rates
5. Next Steps / Discussion



2

Current Status of DCCs in Sooke

- DCCs are currently charged for Sewer and Transportation services in the District of Sooke
- The DCCs for Transportation were last updated in 2012 (9 + years old)
- The DCCs for Wastewater were carried forward from the 2004 DCC program into the 2012 program (17 + years old)
- Water DCCs are charged in Sooke by the Capital Regional District
- There are currently no Stormwater, Park Acquisition or Park Development DCCs in Sooke
- The District recently completed updates for its Parks and Trails and Transportation Master Plans in 2020



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Current DCCs Rates in Sooke

Development Category	Collection Unit	Transportation	Wastewater	Water (CRD)	Total
Low Density Residential (single family)	Per Lot	\$3,548.27	\$4,317.22	\$2,922	\$10,787.49
Medium Density Multi Family (duplex, townhouse, etc.)	Per Unit	\$2,295.94	\$2,878.15	\$2,557	\$7,731.09
High Density Multi-Family (apartments)	Per Unit	\$2,156.79	\$1,918.76	\$1,644	\$5,719.55
Commercial	Per floor area in m2	\$48.70	\$20.79	\$10.74	\$80.23
Industrial	Per floor area in m2	\$0.00	\$0.00	\$5.82	\$5.82
Institutional	Per floor area in m2	\$0.00	\$0.00	\$23.74	\$23.74

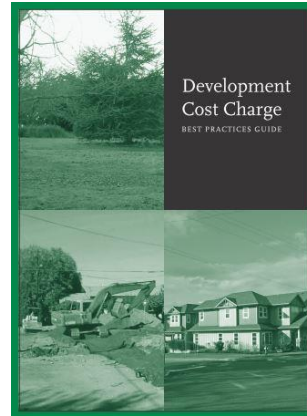


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What are DCCs?

- Fees to help communities recover the costs of “off-site” infrastructure needed for growth (i.e. capacity)
- Regulated by the province (Ministerial approval)
- Based on “benefiter pay” principle
- Transparent and equitable (DCC Best Practices Guide)



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Provincial Legislation

- Section 14, Division 19 of the Local Government Act

Also...

- Provincial DCC Best Practices Guide



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Development Cost Recovery Tools

Development
Cost Charges
(DCC)

Latecomer /
Frontender
Agreements

User Fees &
Charges

Phased
Development
Agreements

Local Area
Service

Development
Works
Agreements

Alternatives to DCCs typically involve a more negotiated process, which can be more time consuming and costly to administer.



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What items do DCCs pay for?

- Capital upgrades to:
 - **Roads**, including active transportation (cycling and pedestrian) and transit works (generally inside ROW)
 - **Water** (distribution and treatment)
 - **Sanitary sewer** (collection and treatment), and
 - **Storm sewer**
- **Park land acquisition** and **park development**
 - Park development DCCs are limited to: fencing, landscaping, drainage, irrigation, trails, restrooms, changing rooms, and some playground equipment



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What items do DCCs not pay for?

- Local road and utility servicing
- Operation and maintenance of District's infrastructure
- New or upgraded works needed for the existing population
- New libraries, fire halls, police stations or any parks & recreation buildings, parking, sports field lighting, artificial turf and sport courts.



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Who pays DCCs?



- Applicants for **subdivision approval** to create single family development sites



- Applicants for **building permits** to construct multi-family, commercial, industrial, and institutional development



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Why Update the DCC Bylaw now?

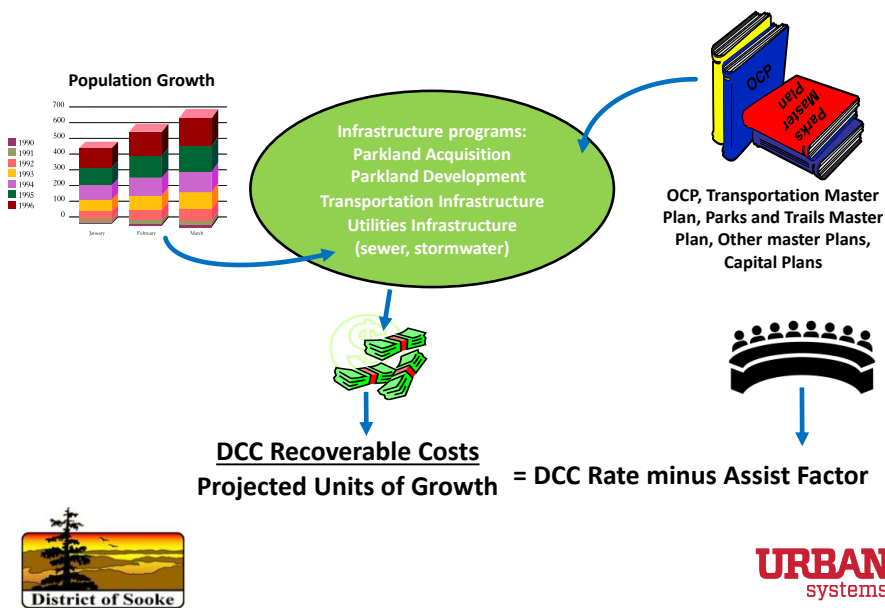
- Last major update – 2004 (wastewater) /2012 (transportation)
- Population growth since last DCC update
- Increased land and construction costs
- New information on needs (OCP / Master plan updates)
- Changes in demand
- Average home sale price (single-family) increased approximately 74% (since 2012)
- City is losing important revenues – effectively subsidizing development



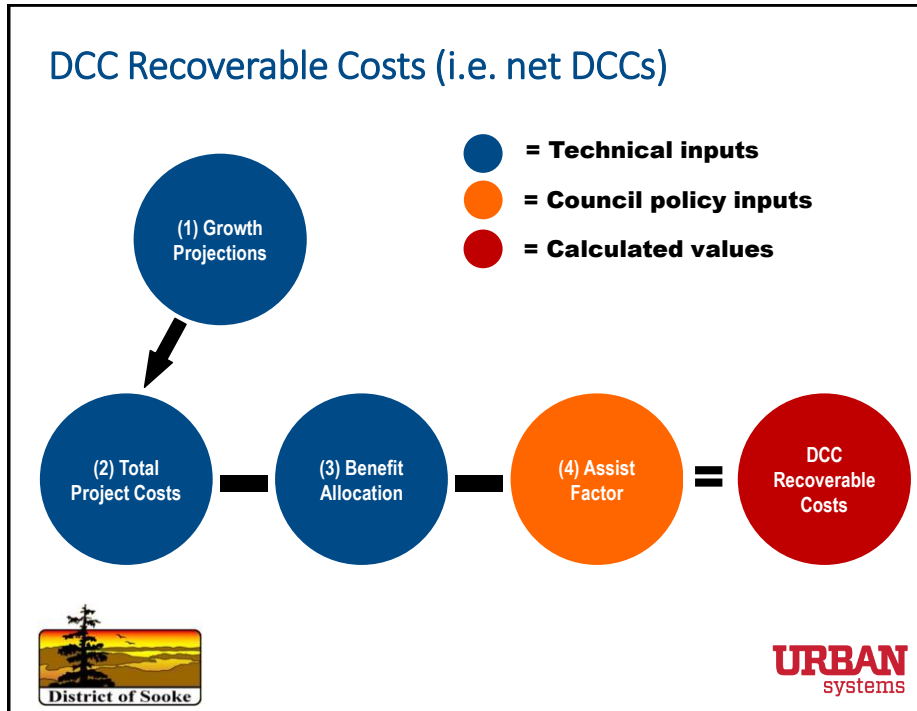
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11

How do we calculate DCCs?



12



13

Work to Date - DCC Program Development

(1) Growth Projections and Timeline

Determining project timing and priorities over the 20-year time horizon (2020 – 2039) based on where growth is occurring.

(2) DCC Program Development and Project List

Determining DCC projects based on where new development is occurring over the next 20 years (i.e. where new services will be required), Transportation and Parks Master Plans, 5-year Capital Plan and staff inputs.

(3) Project Benefit Allocations

Determining the relative benefit of each project to the existing community, and new development and the proportion of capital costs attributable to new vs. existing development.




14

(1) Timeline, Population and Growth Estimates

- Given current master plan and project information, we are suggesting a 20-year DCC timeframe.
- Population and growth projections developed to align with the Sooke Transportation Master Plan (TMP), CRD DCC growth estimates and refined using building permit data over the last 10 years, and population growth estimates from the District's planning staff.

Land Use	Units	Growth 20-years District-wide
Low Density Residential (single family)	per lot	1,626
Medium Density (duplex, triplex, fourplex, row house, townhouse)	per unit	503
High Density Multi-Family (apartments)	per unit	216
Commercial	per m ² of gross floor area	25,000
Industrial	per m ² of gross floor area	20,000
Institutional	per m ² of gross floor area	1,550



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15

(2) DCC Program Development and Project List

- Transportation projects, as well as parks projects, were derived through extensive technical analysis, staff input, capital plans, and community engagement throughout the Transportation Master Plan (TMP) and the Parks and Trails Master Plan (PTMP) processes completed and approved by Council in 2020.
- There is limited information on the stormwater management requirements, thus the only drainage project included in the program consists of a Drainage Master Plan, which should be undertaken to better understand the current and future stormwater needs of the community.
- The project lists were vetted for eligibility according to the Ministerial requirements for DCCs.
- Capital costs for projects are based on existing project lists and updated to include contingency, engineering and administration costs.



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16

(3) Project Benefit Allocations

- Determined on a project-by-project basis to identify the benefits a proposed project has to existing v. future growth
- Fosters the principle of equitable distribution of capital costs amongst those receiving the benefits of a service

Land Use	Example	Benefit Allocations
Benefits only greenfield development	New subdivision / development	100%
Primarily benefits greenfield development	High-growth area	70% - 99%
Benefits both greenfield and existing development somewhat equally	Near high-growth, also close to existing development	50% - 69%
Mostly benefits existing development	Existing development that is experiencing infill	30% - 49%
Primarily benefits existing development	Almost all existing development with limited infill	1% - 29%
Benefits only existing development	No anticipated growth nearby (i.e., not a DCC eligible project)	0%



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17

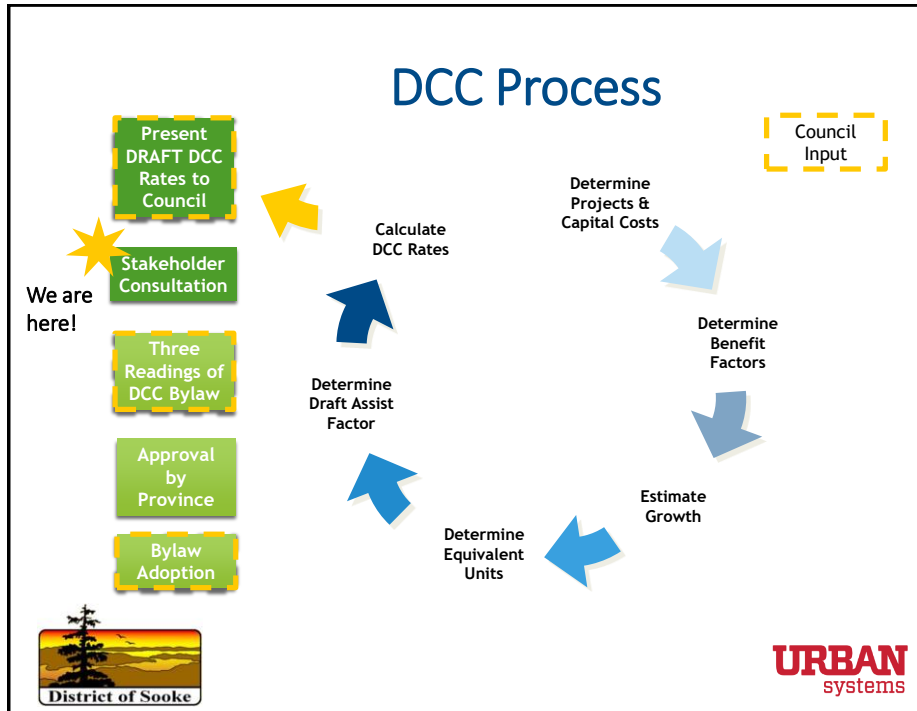
(4) Municipal Assist Factor

- Legislation requires that local government must “assist” development for DCCs
- Council has complete discretion – can vary from 1% (least assistance) to 99% (most assistance)
- MAF can be different for each infrastructure class
- Assist amount is funded from municipal, non-DCC revenues (i.e. taxes)
- Current Municipal Assist is set at 1% assist for all categories



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18



19

Total Cost of DCC Proposed Program

Infrastructure Component	DCC Recoverable	Total Municipal Responsibility	Total DCC Program Costs (Millions)
Transportation	\$23.0 M	\$11.4 M	\$34.4 M
Drainage	\$148,500	\$1,500	\$150 K
Sanitary	\$11.5 M	\$842 K	\$12.3 M
Park Acquisition & Development	\$2.8 M	\$921 K	\$3.7 M
Total	\$37.4 M	\$13.1 M	\$50.5 M

↓

Cost to Developers (74%)

Developers only pay a portion Total DCC Program Costs.

↓

Cost to Sooke Taxpayers (26%)

The District of Sooke logo is in the bottom left, and the URBAN systems logo is in the bottom right.

20

Draft Transportation DCCs

Land Use	Unit	Existing Sooke Transportation DCCs	Proposed Sooke Transportation DCCs
Low Density Residential (single family)	per lot	\$3,548	\$8,694
Medium Density Multi Family (duplex, townhouse, etc.)	per unit	\$2,296	\$4,836
High Density Multi-Family (apartments)	per unit	\$2,157	\$2662
Commercial	per m ² of GFA	\$48.70	\$59.77
Industrial	per m ² of GFA	\$0.00	\$42.38
Institutional	per m ² of GFA	\$0.00	\$59.77
*The DCC Rates provided apply a 1% Municipal Assist Factor and DCC Rates are preliminary to May, 2021			
** Gross floor area (GFA)			



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21

Draft Drainage DCCs

Land Use	Unit	Existing Sooke Drainage DCCs	Proposed Sooke Drainage DCCs
Low Density Residential (single family)	per lot	\$0	\$63.15
Medium Density Multi Family (duplex, townhouse, etc.)	per unit	\$0	\$31.58
High Density Multi-Family (apartments)	per unit	\$0	\$7.58
Commercial	per m ² of GFA	\$0	\$0.69
Industrial	per m ² of GFA	\$0	\$0.49
Institutional	per m ² of GFA	\$0	\$0.69
*The DCC Rates provided apply a 1% Municipal Assist Factor and DCC Rates are preliminary to May, 2021			
** Gross floor area (GFA)			



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22

Draft Wastewater DCCs

Land Use	Unit	Existing Sooke Wastewater DCCs	Proposed Sooke Wastewater DCCs
Low Density Residential (single family)	per lot	\$4,317	\$5,366
Medium Density Multi Family (duplex, townhouse, etc.)	per unit	\$2,878	\$2,845
High Density Multi-Family (apartments)	per unit	\$1,919	\$1,829
Commercial	per m ² of GFA	\$20.79	\$12.19
Industrial	per m ² of GFA	\$0.00	\$6.10
Institutional	per m ² of GFA	\$0.00	\$12.19
*The DCC Rates provided apply a 1% Municipal Assist Factor and DCC Rates are preliminary to May, 2021			
** Gross floor area (GFA)			



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Draft Parks DCCs

Land Use	Unit	Existing Sooke DCCs Total	Proposed Sooke DCCs Total
Low Density Residential (single family)	per lot	\$0	\$1,415
Medium Density Multi Family (duplex, townhouse, etc.)	per unit	\$0	\$750
High Density Multi-Family (apartments)	per unit	\$0	\$428
Commercial	per m ² of GFA	\$0	\$0.54
Industrial	per m ² of GFA	\$0	\$0.00
Institutional	per m ² of GFA	\$0	\$0.00
*The DCC Rates provided apply a 1% Municipal Assist Factor and DCC Rates are preliminary to May, 2021			
** Gross floor area (GFA)			



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24

Total Draft Sooke DCCs Rates

Land Use	Unit	Existing Sooke DCCs Total	Proposed Sooke DCCs Total (May 10 th , 2021)	Percent (%) Change
Low Density Residential (single family)	per lot	\$7,865	\$15,537	+98%
Medium Density (duplex, townhouse, etc.)	per unit	\$5,174	\$8,463	+64%
High Density Multi-Family (apartments)	per unit	\$4,076	\$4,982	+22%
Commercial	per m ² of GFA	\$69.49	\$73.19	+5%
Industrial	per m ² of GFA	\$0	\$48.97	-
Institutional	per m ² of GFA	\$0	\$72.66	-
*The DCC Rates provided apply a 1% Municipal Assist Factor and DCC Rates are preliminary to May, 2021				
** Gross floor area (GFA)				



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25

Total Draft Sooke DCCs Rates (with CRD Water)

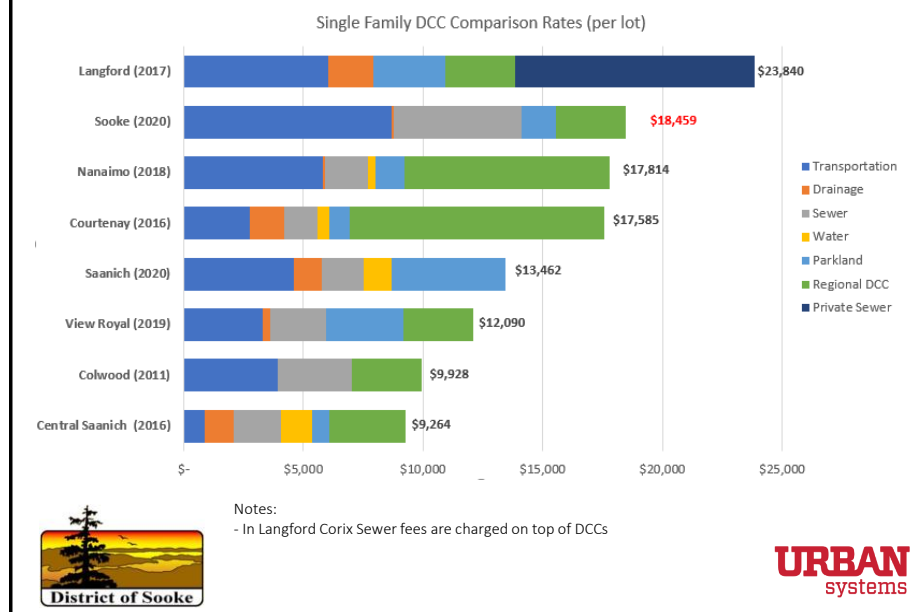
Land Use	Unit	Proposed Total DCC without CRD Water	Current CRD Water DCC Rates	Proposed Grand Total DCCs with CRD Water
Low Density Residential (single family)	per lot	\$15,537	\$2,922	\$18,459
Medium Density Multi Family (duplex, townhouse, etc.)	per unit	\$8,463	\$2,557	\$11,020
High Density Multi-Family (apartments)	per unit	\$4,982	\$1,644	\$6,626
Commercial	per m ² of GFA	\$73.19	\$10.74	\$83.93
Industrial	per m ² of GFA	\$48.97	\$5.82	\$54.79
Institutional	per m ² of GFA	\$72.66	\$23.74	\$96.40
*The DCC Rates provided apply a 1% Municipal Assist Factor and DCC Rates are preliminary to May, 2021				
** Gross floor area (GFA)				



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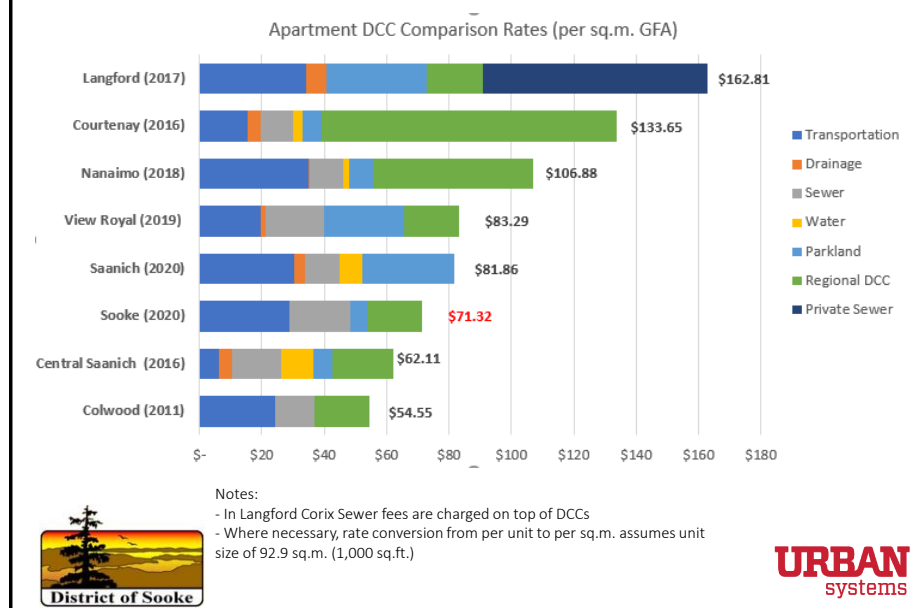
26

Single Family Rate Comparison



27

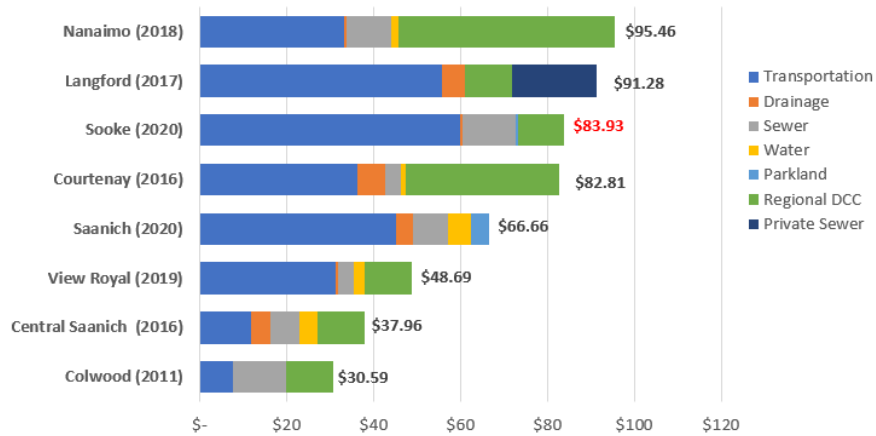
Apartment DCC Rate Comparison



28

Commercial DCC Rate Comparison

Commercial DCC Comparison Rates (per sq. m. GFA)



Notes:
- In Langford Corix Sewer fees are charged on top of DCCs

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29

Statutory DCC Exemptions

The *Local Government Act* identifies conditions where DCC Exemptions apply, plus ones which can be varied by Council within the DCC Bylaw:

- Buildings for public worship
- Building permits for under \$50,000 in value
- Residential units = or < 29m² in size
- Less than 4 units, i.e. duplex/triplexes (Council can and will include these units for charge within the DCC Bylaw)



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30

In-stream Protection

- New DCC rates will be effective at bylaw adoption unless effective date set for a later date
- However, legislation provides 12 months of protection to in-stream applications, including:
 - Building permit applications
 - Subdivision applications
 - Precursor applications (re-zoning and Development Permit)



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31

Bill 27 – DCC Waivers and Reductions

- Typically initiated by a separate Bylaw allows a waiver or reduction of DCCs for:
 - Not-for-profit rental housing, including supportive living housing
 - For-profit affordable rental housing
 - Small lot subdivisions designed for low GHG emissions
 - Development designed to result in low environmental impact
- **DCC Reductions will be explored later in the process.**



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32

Conclusions

- When one factors in other development related charges, Sooke's proposed development fees are generally in the middle of comparable residential rates in other Island communities.
- DCCs are increasing between 5% - 98%, but will include two new eligible services (parks and drainage)
- DCC increases are comparable to changes in housing and land costs since the previous update(s)
- Transportation (61%) and Wastewater (31%) represent the greatest proportion of the total DCC portion of the program value (\$)



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33



Next Steps

- Summarize feedback from consultation with stakeholders and the public
- Vet draft DCC program with the Ministry staff in advance of sending the formal request for review
- Council presentation and approval of final DCC rates
- If Council approves the Bylaw will be given 3 readings and submitted for Ministry review and endorsement
- Bylaw adoption (4th reading)
- DCC Reduction Bylaw (Separate Process)

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34

