

## **Development Cost Charge Bylaw Update**

**August 15, 2018**

Local government officials across the Province are struggling with the growing recognition of infrastructure deficits in their communities, made more apparent by continued growth in British Columbia. Revelstoke City Council is faced with finding a way to save funds now for future infrastructure growth. One way of managing this challenge is to levy development cost charges for new developments. The reasoning behind this is that new development adds additional stress on current infrastructure, requiring future upgrades and additional service capacity.

Development cost charge bylaws charge developers for fees associated for upgrades and additional capacity of utilities (water, sewer, roads, and parks). The infrastructure project list that is mostly attributed to new development growth is estimated at just under \$71 Million. The fee structure established in the Development Cost Charge Bylaw (which has only received First Reading and will likely be amended prior to adoption) are set through Provincial Government guidelines. This preliminary bylaw and background report is presented below for public review and feedback.

### **Council Deliberations**

Council has recognized the complexity and challenges of establishing fair rates and that every decision has impacts on tax and rate payers as well as the development community. The required sewer treatment facility upgrade is a very expensive project that affects most of the community. Through extensive deliberations and in an effort to be equitable and divide costs between everyone, Council set the municipal assist factor for the sewer infrastructure category to 60% which will increase the sewer rate payer's fees.

At the Regular Council Meeting on August 14, 2018, Council requested that staff find ways to mitigate this cost to the sewer rate payers and provide a solution that would be less burdensome for those having to pay the increase in fees.

At that same meeting Council also requested that Staff reevaluate the future infrastructure project list which sets the scope for the development cost charge bylaw, and find ways to either reduce some of the projects or if possible defer them. This would potentially provide some reduction in the overall fees for development.

The background report from McElhanney, required by the Province, outlines in detail the project list, calculations and reasoning behind the development cost charge bylaw rates.

### **Communication to the public**

Communication through the City's website and Facebook page, meetings, and a dedicated stakeholder email address has been ongoing since May 2018. Council set a public information period of two weeks to inform the residents about the background report and the draft bylaw and to allow time to gather feedback from the community. Please send your comments to [DCCupdate@revelstoke.ca](mailto:DCCupdate@revelstoke.ca) by Tuesday, August 28, 2018.

### **Next Steps**

Staff will summarize public comment and apply Council's requested changes to the draft Bylaw and bring it forward as amended, for consideration of Second and Third reading at the Special Council

meeting scheduled for Wednesday September 5, at 3:00 pm. As always Regular Council meetings are open for the public to attend and listen to Council deliberate.

Following Third Reading, the bylaw is submitted to the Province for approval, prior to adoption by Council.

- [Draft Bylaw with First Reading – Bylaw No. 2234](#)
- [Revelstoke DCC Background Report to Council – 2018-08-07](#)