

CITY OF CRANBROOK DCC UPDATE

October 26, 2021

URBAN
SYSTEMS

OVERVIEW

- Background on DCCs
- Growth projections
- Capital projects
- DCC calculations
- Comparisons
- Next steps

BACKGROUND

- Current bylaw adopted in 2004
- DCCs for Highway, Storm Sewer, Water and Sewage facilities
- Amended in 2010 to exempt not-for-profit housing projects
- Since 2004, the City has completed:
 - OCP Update (2006),
 - Growth Management Study (2010),
 - Integrated Infrastructure Capital Plan (2016), updated DCCs recommended
 - Parks and Recreation Master Plan (2016), and
 - Ongoing Asset Management updates.

WHAT ARE DCCs?

A means of **POOLING FUNDS** from a number of
developers to **PAY FOR OFF-SITE CAPITAL PROJECTS**
which benefit them all.

WHAT CAN DCCs PAY FOR?

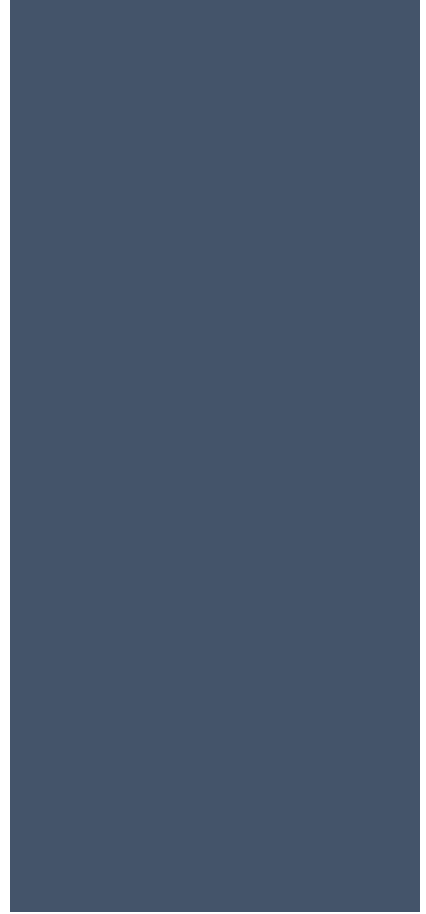
- Infrastructure
 - Water
 - Sanitary sewer
 - Storm drainage
 - Transportation
- Parkland and limited park development

But...these **must** be related to development!



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



WHAT ITEMS DON'T DCCs PAY FOR?

- Operations and maintenance
- Engineering works needed for the existing population
- New libraries, fire halls, police stations
- Parks and recreational buildings such as arenas and pools
- Artificial turf, parking lots, sports field lighting, tennis courts, skateboard parks



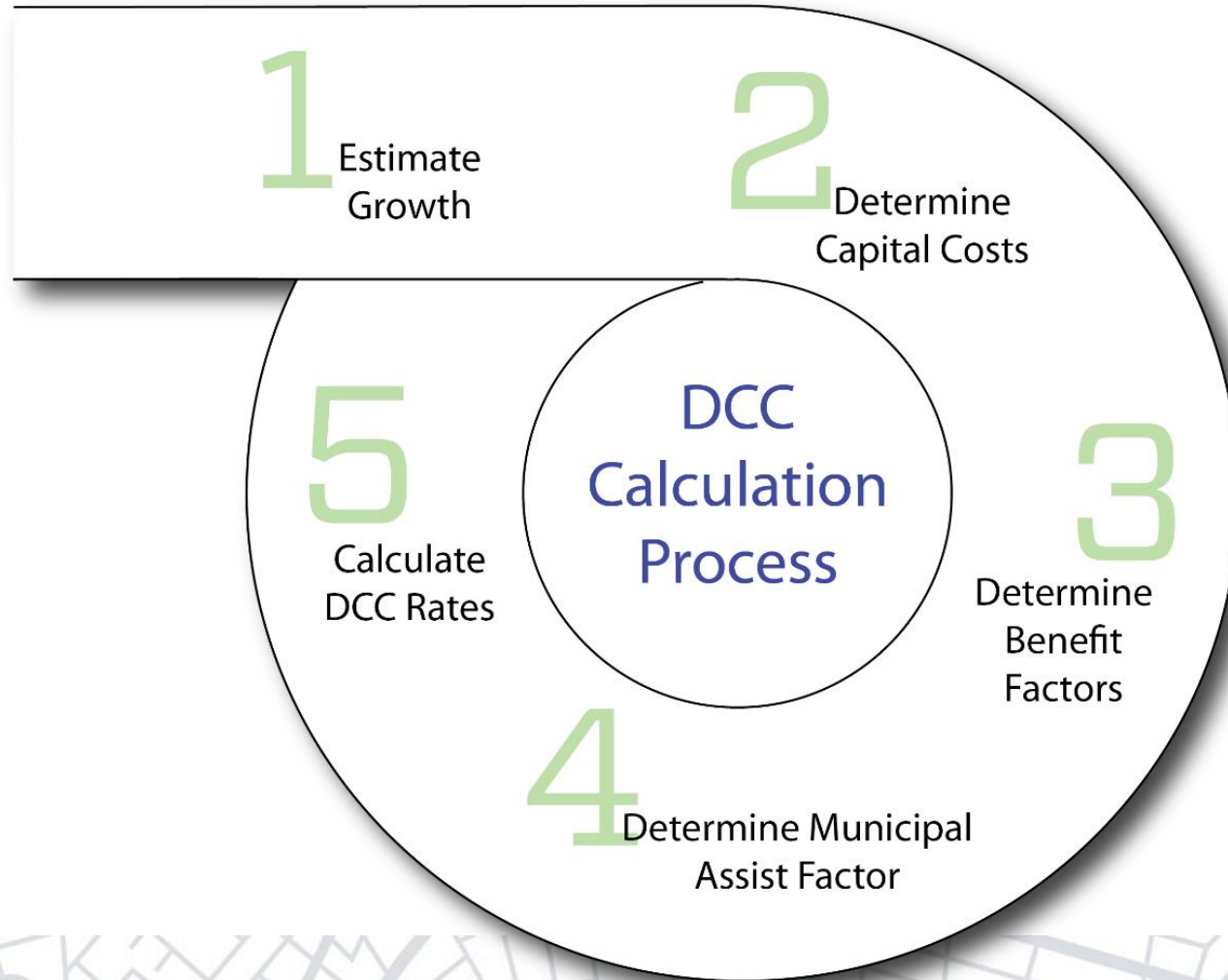
BASIC DCC CALCULATION



CRANBROOK – CURRENT DCC RATES

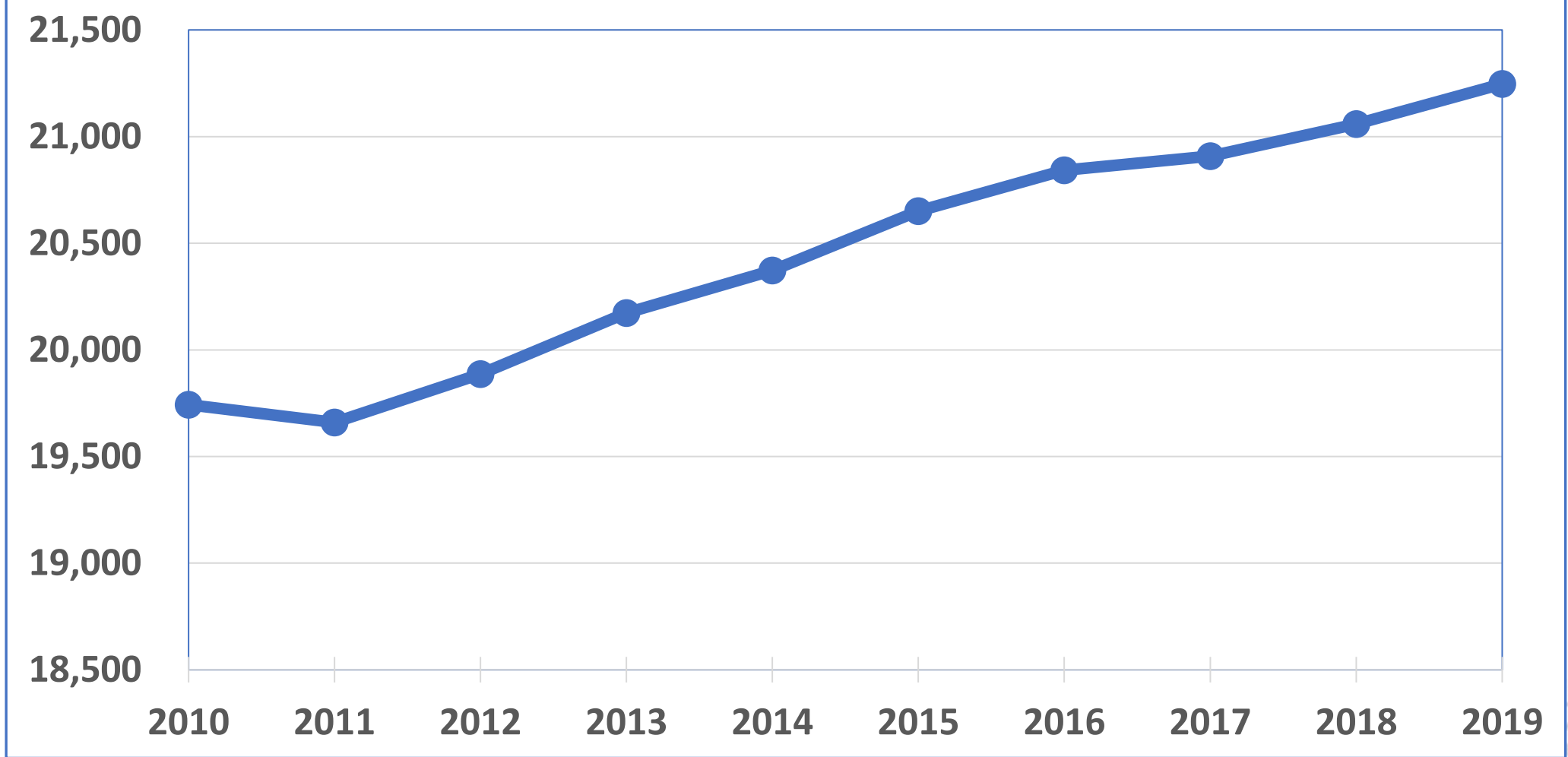
Land Use	Service					Total
	Roads	Storm Sewer	Water	Sewage	Parks	
Dwelling Single Detached (per dwelling unit)	\$407	\$385	\$699	\$541	\$0.00	\$2,032
Medium Residential (per dwelling unit)	\$231	\$231	\$546	\$422	\$0.00	\$1,430
High Residential (per dwelling unit)	\$214	\$212	\$372	\$287	\$0.00	\$1,085
Commercial (per m ² gross floor area)	\$21.38	\$3.81	\$3.50	\$2.70	\$0.00	\$31.39
Industrial (per hectare of site)	\$7,602	\$9,547	\$8,481	\$6,556	\$0.00	\$32,186
Institutional (per m ² gross floor area)	\$12.22	\$6.16	\$4.59	\$3.55	\$0.00	\$26.52

DCC CALCULATION PROCESS

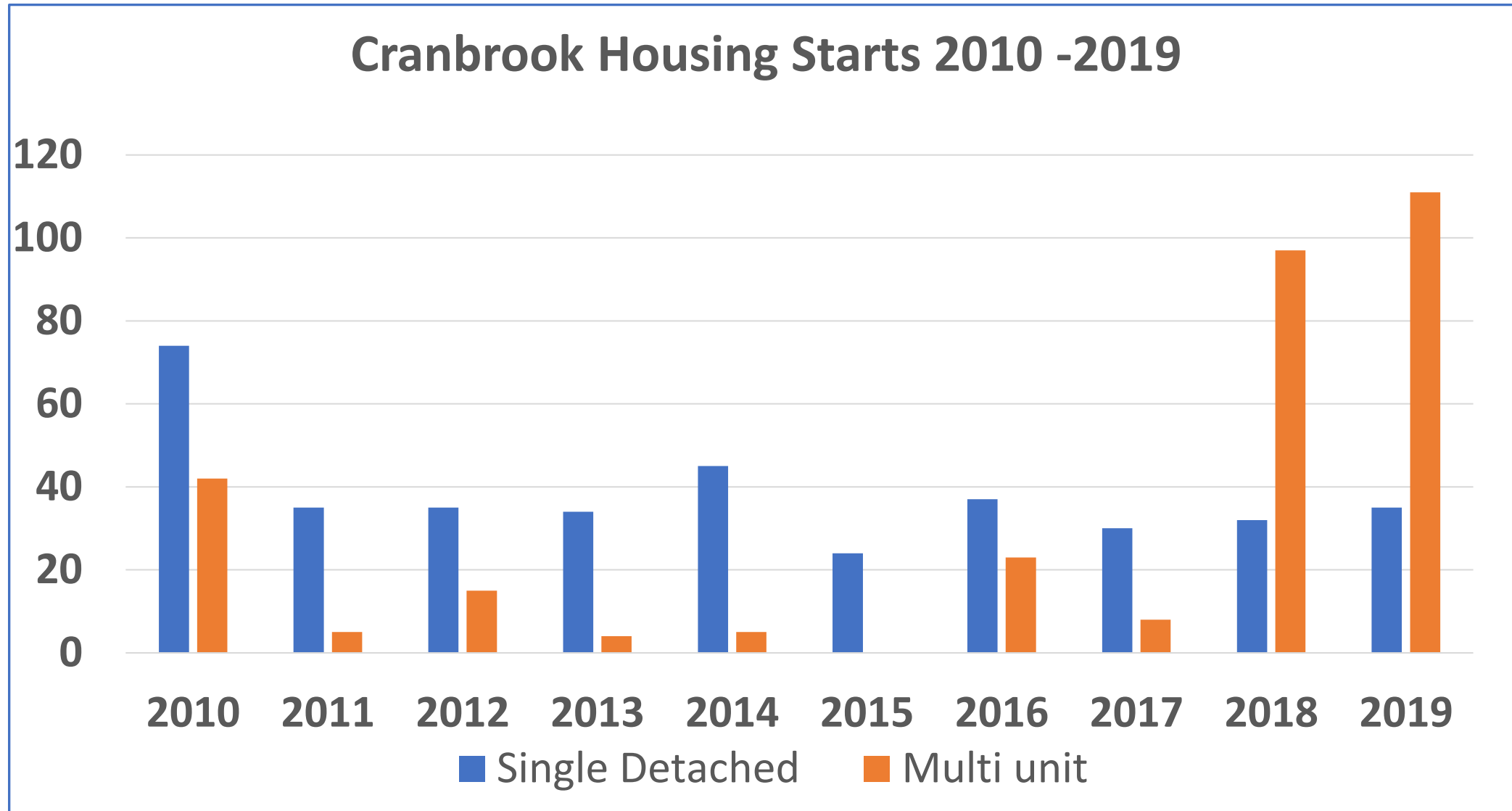


POPULATION

Cranbrook Population 2010 to 2019



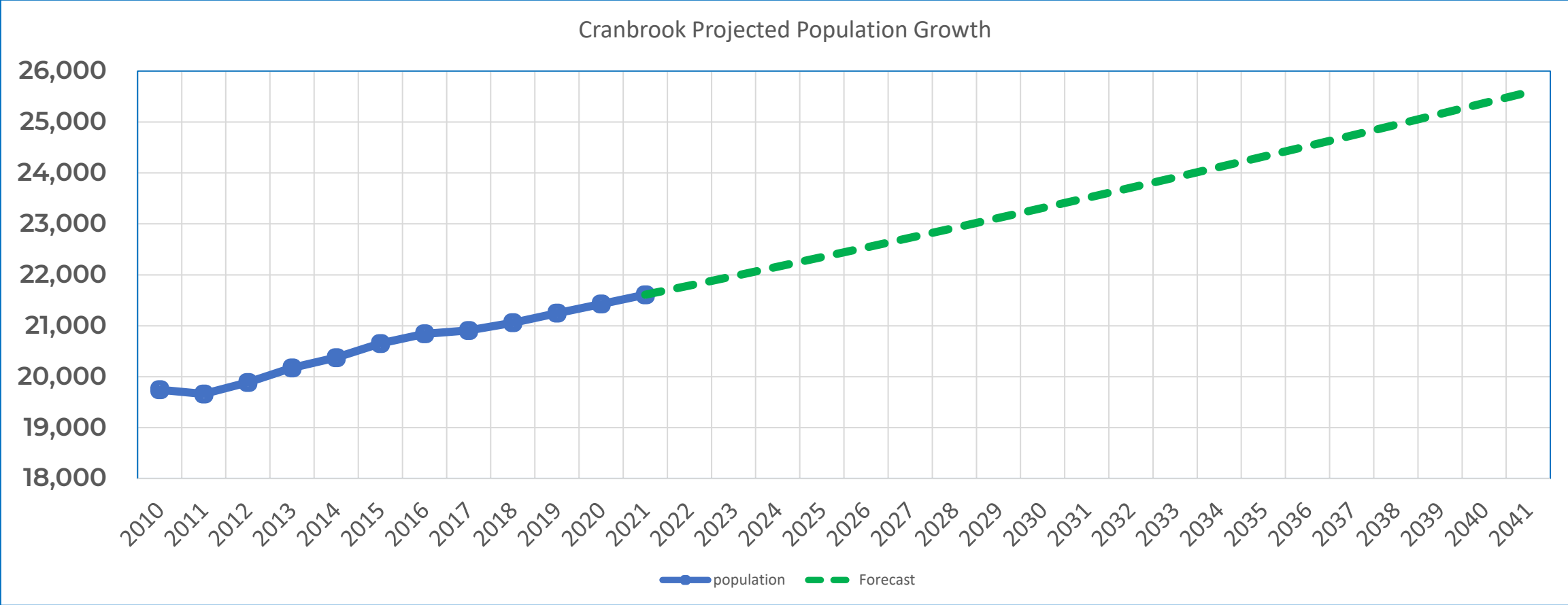
HOUSING STARTS



GROWTH PROJECTIONS

- Need conservative growth projections for DCC calculations
- A range of growth rates 0.5% per year to 2.0% per year
- Capital planning in Integrated Infrastructure Capital Plan and recently completed Water Master Plan based on 0.85% per year
- Population growth for 5 years from 2015 to 2019 was 0.84%
- Used 0.85% to be consistent with capital plans and past 5 years

GROWTH PROJECTIONS



GROWTH PROJECTIONS

- Population growth translates to unit growth
- Subdivision and development plans
- Single detached
 - 675 new lots
 - about 30-40 lots per year
 - Compares to average of 34 per year from 2011 to 2019
 - Figures could be much higher since there are about 5000 proposed lots
 - If growth happens faster, then projects needed sooner and DCC money available sooner

GROWTH PROJECTIONS

- Multi family
 - 1000+ units
 - Will likely vary greatly from year to year with spikes in some years and low points in other years
 - Trend towards more multi family in recent years
 - average of 48 per year from 2015 to 2019
 - Over 300 units planned

GROWTH PROJECTIONS

- Projected Commercial, Industrial, and Institutional

	Commercial (sq.m.)	Industrial (sq.m.)	Institutional (sq.m.)
Growth first 10 yr period	14,254	23,050	3,007
Growth second 10 yr period	29,509	23,050	8,211
Total 20 yrs (Rounded)	43,800	46,100	11,200

CAPITAL PROJECTS

- Based on a range of sources.
 - Integrated Infrastructure Capital plans
 - Master plans
 - Previous DCC project lists
 - Discussions with staff
 - Recent project information
- Focus on projects required to serve growth, not replacement or existing deficiencies
- Draft project lists that we will refine based on broader direction from Council

CAPITAL PROJECTS

■ Roads

- Intersection improvements, signalization (e.g. Theatre and McPhee, Kootenay St. N and 6th St SW)
- Creating turning lanes and bays (e.g. turning lanes on Victoria Ave)
- Adding connections in the road network (e.g. extend Ridgeview road)
- Road widening, adding lanes (e.g. Theatre Road, 6th St. NW)

CAPITAL PROJECTS

- Water
 - Water disinfection facility (growth portion)
 - Major water transmission main
 - Reservoirs
 - Wells

CAPITAL PROJECTS

- Sewer
 - Sewer trunk upgrades
 - Lift station upgrades
- Drainage (Stormwater)
 - Stormwater lines

CAPITAL PROJECTS

- Parks – new DCC being considered
- Focus on parks development rather than land acquisition
- Neighbourhood parks and community parks improvements
 - Washrooms
 - Playground equipment
 - Landscaping
 - Irrigation
 - Trails
 - Fencing

DRAFT DCCs

- Calculated DCCs and the increase is significant
- Propose to phase in DCCs over 3 or 4 years
- In stream protection –
 - get complete application to the City the day before the adoption date, have a year to complete approvals and still pay the old rates.
 - get application in the day after the bylaw comes into effect, need to pay the new rates.

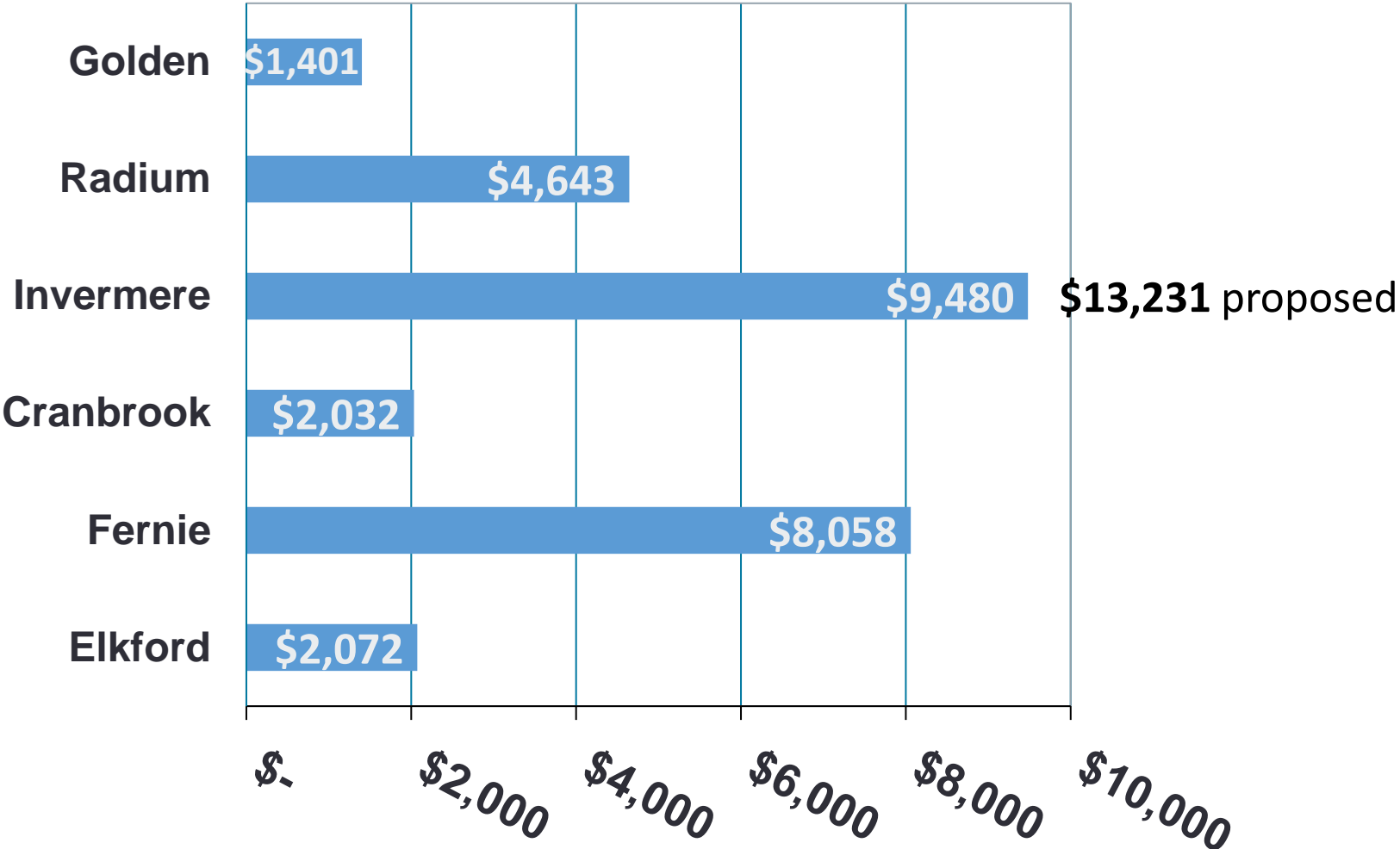
DRAFT DCCs – 3 year Phase in

Land Use	Unit	Current DCC	40% Assist DCC Year 1	20% Assist DCC Year 2	1% Assist DCC Year 3
Low Density Residential	Per Lot	\$2,032	\$6,706	\$9,386	\$11,932
Medium Density Residential	Per Unit	\$1,430	\$5,209	\$7,299	\$9,285
High Density Residential	Per Unit	\$1,085	\$3,770	\$5,277	\$6,709
Commercial	per/m ² of gross floor area	\$31.39	\$90.61	\$124.53	\$156.76
Industrial	per/m ² of gross floor area (per/ha)	\$32,186	\$60.03	\$83.11	\$105.04
Institutional	per/m ² of gross floor area	\$26.52	\$78.34	\$108.38	\$136.92
Assist cost to City per year			\$651,412	\$325,706	\$16,285

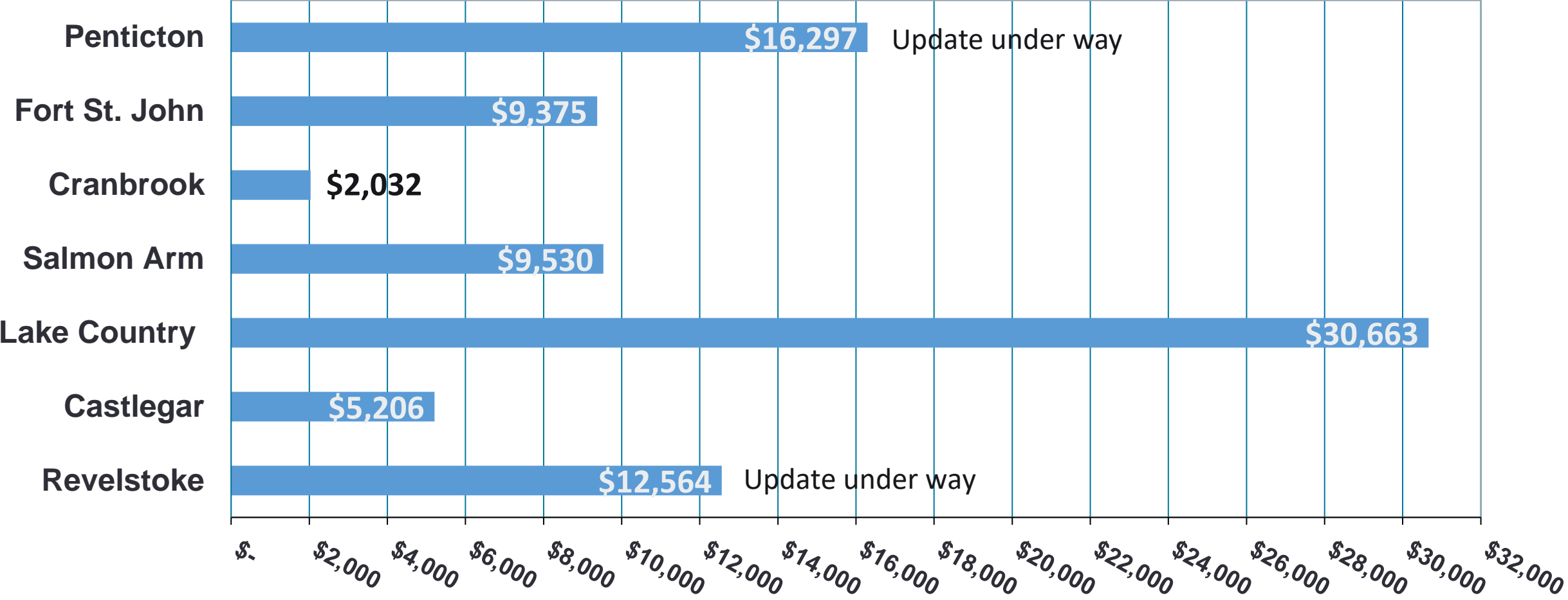
DRAFT DCCs – 4 year Phase in

Land Use	Unit	Current	40% Assist Year 1	25% Assist Year 2	10% Assist Year 3	1% Assist Year 4
Low Density Residential	Per Lot	\$2,032	\$6,706	\$8,716	\$10,726	\$11,932
Medium Density Residential	Per Unit	\$1,430	\$5,209	\$6,777	\$8,344	\$9,285
High Density Residential	Per Unit	\$1,085	\$3,770	\$4,900	\$6,031	\$6,709
Commercial	per/m ² of gross floor area	\$31.39	\$90.61	\$116.05	\$141.49	\$156.76
Industrial	per/m ² of gross floor area (per/ha)	\$32,186	\$60.03	\$77.34	\$94.65	\$105.04
Institutional	per/m ² of gross floor area	\$26.52	\$78.34	\$100.87	\$123.40	\$136.92
Assist cost to City per year			\$651,412	\$407,133	\$162,853	\$16,285

LOCAL COMPARISON SINGLE FAMILY



PROVINCIAL COMPARISON SINGLE FAMILY



NEXT STEPS

- Return to Council and staff with results of engagement
- Prepare background report and bylaw
- Proceed with the adoption process
 - Three readings by Council
 - Referral to Ministry / Inspector
 - Approval by Inspector (2-3 months)
 - Fourth reading / Adoption by Council

THANK YOU!

