

From: "Johnston, Sadhu" <Sadhu.Johnston@vancouver.ca>
To: "Direct to Mayor and Council - DL" <CCDTMACDL@vancouver.ca>
Date: 6/13/2017 3:21:19 PM
Subject: Vancouver City-Wide Development Cost Levy (DCL) By-Law Update - Preliminary DCL Rates (RTS 12055)
Attachments: PDS - Memo to MC - City-wide DCL Update - 12-06-2017.pdf

Dear Mayor and Council,

Please see attached memo from Randy Pecarski, Deputy Director of PDS (Acting GM) with an update on the City-wide DCL Update Project.

A short summary of the memo is as follows:

- Staff are currently engaging the development industry on preliminary City-wide DCL rates.
- Attached is a map of our DCL Areas and a preliminary set of preliminary City-wide DCL rates
- The City-wide DCL Update will be going to Council on July 26, 2017

Should you have any questions, please contact Chris Robertson, Acting Assistant Director, City-Wide & Regional Planning, at 604.873.7684 or chris.robertson@vancouver.ca.

Best
Sadhu

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VanRIMS No.: 01-9000-20

MEMORANDUM

June 12, 2017

TO: Mayor and Council

CC: Sadhu Johnston, City Manager
Paul Mochrie, Deputy City Manager
Wendy Au, Assistant City Manager
Janice MacKenzie, City Clerk
Lynda Graves, Manager, Administration Services, City Manager's Office
Rena Kendall-Craden, Director, Communications
Kevin Quinlan, Chief of Staff, Mayor's Office
Katie Robb, Director, Communications, Mayor's Office
Naveen Girn, Director, Community Relations, Mayor's Office
Patrice Impey, General Manager, Finance, Risk & Supply Chain
Gil Kelley, General Manager of Planning, Urban Design and Sustainability
Chris Robertson, Acting Assistant Director, City-Wide & Regional Planning
Grace Cheng, Director, Long-term Financial Strategy & Planning
Chris Clibbon, Planner, City-Wide & Regional Planning

FROM: Randy Pecarski, Deputy Director of PDS (Acting GM)

SUBJECT: RTS 12055: Vancouver City-wide Development Cost Levy (DCL) Bylaw Update - Preliminary DCL Rates

Dear Mayor and Council,

The purpose of this memo is to provide Council with the latest information on the City-wide DCL Update project and share preliminary City-wide DCL rates as staff begin engagement with the development industry. The updated City-wide DCL By-Law is scheduled to be before Council on July 26, 2017.

The DCL Update commenced in early 2016. The purpose of the update is to: align population/employment growth estimates over the next 10 years with DCL-eligible capital project needs/costs; calculate DCL rates that recover a share of these growth-related capital

costs; and, update DCL spending allocations. This update has considered the inter-relationship of all growth-related funding tools, including Community Amenity Contributions (CACs), conditions of development, senior government as well as other funding partners, property taxes and utility fees.

The last major review of the City-wide DCL was in 2003. As part of the current review and update, the City retained both Hemson Consulting and Coriolis Consulting to ensure the DCL review is based on BC and Canadian best practices and to ensure that the proposed new DCL rates remain viable for development. The proposed DCL rates presented below have the potential to collect \$1 billion in DCL revenue over the next 10 years. This revenue will be used to fund growth-related capital projects in the following DCL eligible categories: replacement housing; transportation; parks; childcare; sewer; waterworks; and, drainage.

For more information on the DCL update, please visit the project webpage at: www.vancouver.ca/financegrowth. In advance of the July 26th Council meeting, attached is a map of our DCL Areas and a preliminary set of preliminary City-wide DCL rates that were recently sent to the development industry for comment. If you have any comments, please do not hesitate to contact me.

Should you have any questions, please contact Chris Robertson, Acting Assistant Director, City-Wide & Regional Planning, at 604-873-7684 or chris.robertson@vancouver.ca.

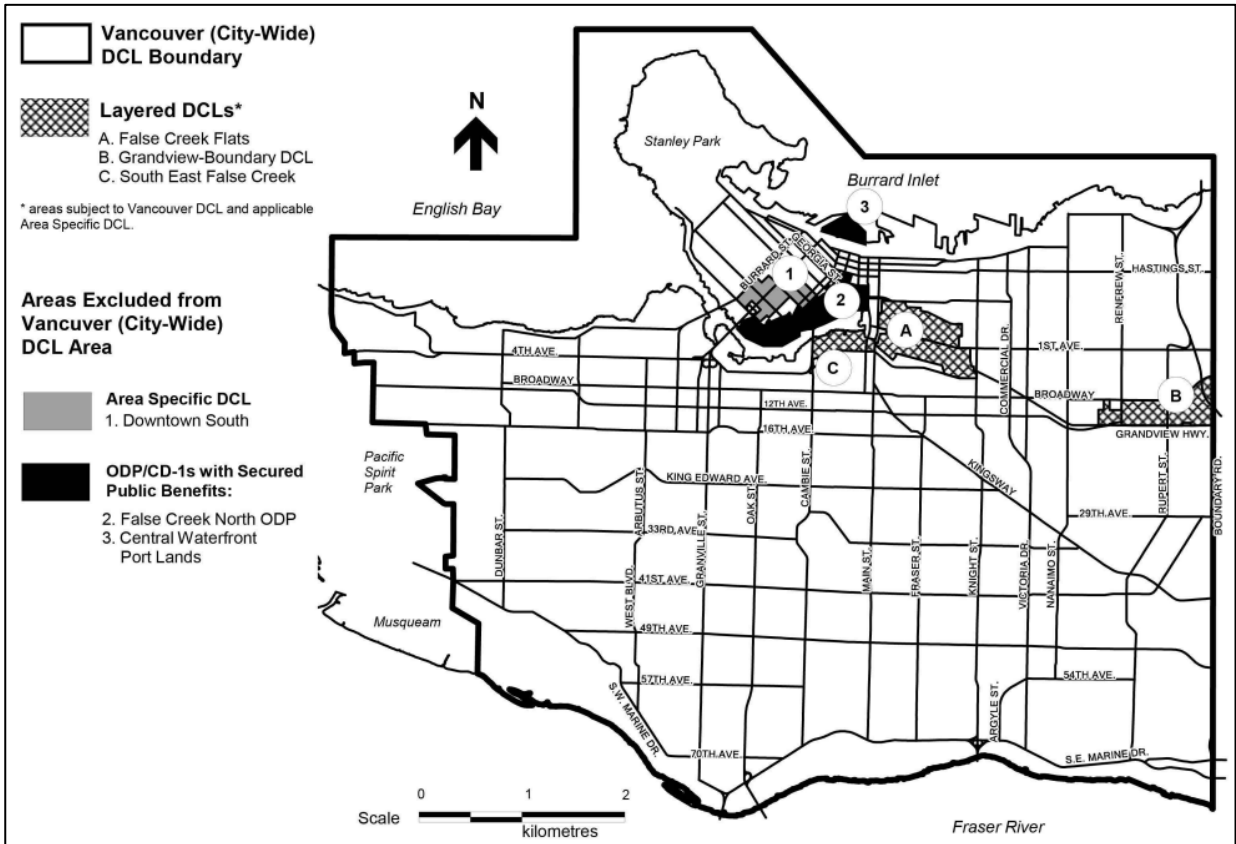
Regards,



Randy Pecarski
Deputy Director of PDS
Tel: 604-873-7810
Email: randy.pecarski@vancouver.ca

RP/cc

City-wide DCL Map



Preliminary City-wide DCL Rates

| Development Type | Current DCL Rates Charge / sq.ft. | Preliminary DCL Rates Charge / sq.ft. | Difference in Charge |
|---|-----------------------------------|---------------------------------------|----------------------|
| Residential Development | | | |
| Low Density Residential <i>At or Below 1.2 FSR & Laneway Houses</i> | \$3.23 | \$4.02 | \$0.79 |
| <i>New rate category</i> → Medium Density Residential <i>Between 1.2 FSR and 1.5 FSR</i> | N/A | \$8.69 | N/A |
| Higher Density Residential <i>Above 1.5 FSR</i> | \$13.91 | \$17.34 | \$3.43 |
| Non-Residential Development | | | |
| Industrial* | \$5.55 | \$6.92 | \$1.37 |
| <i>New rate category</i> → Mixed Employment (Light Industrial)** | N/A | \$13.01 | N/A |
| Commercial & Other | \$13.91 | \$17.34 | \$3.43 |