

June 21, 2018

Mayor Mark McKee & Council
City of Revelstoke
P.O. Box 170
Revelstoke, BC V0E 2S0

Re: City of Revelstoke DCC Bylaw Update and Proposed Rates; request for meeting

Greetings Mayor & Council,

The Chamber of Commerce Board of Directors is connecting with you regarding the City of Revelstoke's (COR) Development Cost Charge (DCC) bylaw stakeholder review process and proposed rates. Due to the extremely short timeline for feedback on the proposed update, we would like to request that our President Nicole Cherlet, be added to the agenda to present to Council with feedback on the proposed DCC update for your upcoming Tuesday June 26th Council Meeting.

We appreciate the time and work that has gone into this bylaw update thus far to reach the proposed rate schedule and DCC funding allocations that were presented this week. The value to our community of DCC collection for existing and future infrastructure is certainly an important funding pool for our community and we applaud the addition of parks to the infrastructure projects.

However, provincial guidelines for municipal DCC rate changes state that no erratic changes to DCC rates should be implemented, they must not cause change to growth strategy, and the process of establishing DCC rates must engage all layers of community. We feel these points have not been met in this process and coupled with the short timeline for feedback, does not facilitate proper review and input from all community stakeholders.

To be specific, we want to note:

- Short timeline the community has for the opportunity to provide input and feedback
- Lack of true representation for stakeholder engagement
- Insufficient information provided around each listed project that is included in DCC proposal
- Percentage of benefit to existing users and % allocated to future land use and growth that was used. References to be included as to how rates population growth was estimated and proposed rate development.

The Chamber Board requests that you allow for an extension of the review process and ensure that ALL community stakeholder input is allowed and considered. To create efficiency and look at the 'big picture' for the future of Revelstoke, we would like to go further and request that the DCC bylaw update be delayed until after the upcoming OCP update and Zoning bylaw update are completed. DCC rates should be developed and applied in ways that support community growth management objectives. It simply makes sense.

As such, we recommend the sequence of updates to instead be as follows:

1 OCP update

2 Zoning Bylaw Update

3 DCC Bylaw Update

*We realize these important documents are multiple year projects that entail a lot of stakeholder input. However, all are so closely tied and should be reflective of current and future considerations for Revelstoke; be progressive and concise.

The decisions made now will influence the overall cost of development in our community. At a time when affordable housing is a high priority, careful consideration of rate approval is critical. As such, the Chamber Board of Directors would like to provide feedback and pose a few questions following a quick review of the proposed DCC bylaw update.

RATES; the proposed rates reflect the following increases for land use:

2.5x - single family home

3x - multi-family home

3.5x - commercial

5x - industrial

2x - institutional

Focusing on the proposed rates for single and multiple family homes; this rate increase would not only push the total cost above the level that the market *will* pay but push it above what buyers/homebuilders *can afford* to pay in our current market. In addition, as DCC's cannot be financed when applying for a mortgage, we feel this up-front cash-in hand increase would present a near impossible hurdle for young families, couples, or singles trying to get into the market. The very market for the type of homes that Revelstoke so desperately needs right now.

*The proposed single-family home rates would place Revelstoke higher than other communities of Golden, Sicamous, Salmon Arm, Chilliwack and Kelowna, Vernon, and Nanaimo to name a few we had the opportunity to research. We acknowledge each community is reflective of their own cost structure, but we do need to think beyond our own borders in being an attractive place for folks interested in relocating to our region to live, starting a business, etc.

Due to the short timeline for review & input, we would like to pose a few questions for Council to consider and provide feedback/clarification. A response is appreciated:

- What are the growth projections based off? DCC rates, and the decisions on which they are based, need to be fair and equitable to the growth that is projected to occur, and to existing taxpayers.
- How has staff allocated cost sharing of infrastructure with existing users and are we to understand from the proposal that this has been done?
- What other funding tools have been considered and put forward to you, our Council, for the projects?
- Why are there not any deductions noted for the benefit of enhancements, upgrades or replacement to the existing community as is stated in the provincial standards and requirements for DCC Cost Charge Guide for Elected Officials?

- How was the allocation of project costs between new and existing growth determined?
- Why is no grant funding allocated for any of the infrastructure? From a quick review we see this stated in many of our neighbouring communities structure system and again, is noted in the provincial standards for developing municipal DCC rates.
- Why is there no reduction in DCC's if sustainable building standards are met as used in other communities to encourage green / passive construction standards?
- What are our goals and objectives how do staff see the proposed rates impacting growth? As per the breakdown of Area 1 (RMR/Arrow Heights Sewer Trunk Main Area) and Area 2 (Columbia Park/Westside/Big Eddy) why does Area 2 not cover water or sanitary? We are aware that the Big Eddy is on septic and their own water, but Columbia Park is on City water and sewer so why, or how, is this intended to be reflected accurately?
- *In reference to the DCC Bylaw Update 2018 – General FAQ on the COR website; page 5 (of the 7 page document) notes that “DCC’s will cover a portion of the cost that is needed to upsize pipes & intersections, build new parks, and other projects related to growth. They do not pay for infrastructure needs that only benefit the existing population. Costs for projects that benefit new and existing users are shared.” The provided example references a scenario of a community wastewater plant requiring a major overhaul to both provide continued service to existing users as well as for expected new development for the upcoming 10 years. Looking for better feedback as to why is this shared costing format not applied in the proposed DCC Bylaw update for such projects, instead putting 90% of the costs for those ‘like’ projects on DCC funds (using sewage lagoon as an example)?*
- Why is there no reduction in DCC's if sustainable building standards are met as used in other communities to encourage green / passive construction standards? Important topics for consideration of future growth.
- What are our goals and objectives how do staff see the proposed rates impacting growth?
- Stakeholders - Who do you feel should have been invited and allowed the opportunity for input once proposed rates were developed?
 - Revelstoke community members! Development industry groups, local private sector developers, public developers (schools), business groups, private home builders. This affects EVERYONE in our community, not only the business development community.
 - We are aware of the workshop this evening (Thursday June 21st at 4pm) at the Community Centre only through feedback from invited stakeholders. As the only opportunity to provide feedback once the rates have been proposed, why was it not open to public and only to a select few developers? No notice on COR website of this meeting, nor the opportunity allowed for true public consultation. As stated to invited stakeholders, the format of meeting is set as a drop-in workshop session.

Our City should collect DCC's with development. As development happens, our community grows! We continue to work with you to ensure open and transparent community communications for all decisions that will affect our business community and citizens.

Thank you for your time and the opportunity to share our Board and member feedback with you. We look forward to a quick reply and having the opportunity to continuing this important discussion on Tuesday June 26th at Council Chambers by having the DCC Bylaw update added to the agenda.

Respectfully,



Jana Thompson | Executive Director
On behalf of the Revelstoke Chamber of Commerce Board of Directors