



STAFF REPORT

To: Regular Meeting of Council
Date: May 10, 2021
From: Marlie Boven, Manager, Finance
RE: 2020 Annual Development Cost Charges Report
File: 1765-01

RECOMMENDATION

THAT the 2020 Annual Development Cost Charges Report be received for information purposes only.

SUMMARY AND PURPOSE

Municipalities are required to report annually on the development cost charges collected and used during the fiscal period. The 2020 development cost charge (DCC) activity is reported in the attached Appendix 1.

BACKGROUND

Section 569 (1) of the *Local Government Act* requires a municipality to report on development cost charges received and expended during the fiscal year. This legislated report must be prepared annually and be made available to the public.

The City's road development cost charge bylaws may be cited as "Colwood Development Cost Charge Bylaw (Major Roads), 1998" and "Colwood Development Cost Charge Bylaw (Major Roads), 1998, Bylaw No. 441, Amendment No. 1, Bylaw No. 1528, 2014". The City's sewer development cost charge bylaw may be cited as "Colwood Sewer Enhancement Development Cost Charge Bylaw No. 1431, 2011".

City staff are currently updating the Colwood Development Cost Charge Bylaw (Major Roads), 1998. On March 22, 2021 Council considered Development Cost Charge Bylaw – Roads, Bylaw No. 1836, 2021 and gave first and second reading. This bylaw is tentatively scheduled for third reading at the May 25, 2021 meeting of Council and will then be directed to the Ministry of Municipal Affairs for review and endorsement. Adoption of Development Cost Charge Bylaw – Roads, Bylaw No. 1836, 2021 is anticipated within 2021, third quarter.

OPTIONS / ALTERNATIVES

Option 1: Receive the report for information.

This will provide adherence to the legislation.

Option 2: Do not receive the report for information.

This will be in contravention of the legislation.

Option 3: Request staff revise the report and bring back to Council to receive for information.

This could provide adherence to the legislation if done so prior to June 30, 2021.

CONCLUSIONS

In order to adhere to the *Local Government Act*, the 2020 Annual Development Cost Charges Report must be received for information by June 30, 2021.

COMMUNICATIONS

The public will have access to this report through the meeting agenda and Council resolution to receive for information.

FINANCIAL CONSIDERATION

Development cost charges are recorded as deferred revenue when collected. When spending is authorized in accordance with the terms of the City's development cost charges bylaws, the corresponding amount is recorded as revenue and as a capital expenditure.

STRATEGIC PLAN AND RELATED POLICIES

This report supports Council's strategic objectives of responsible financial management and open and transparent governance.

Respectfully submitted,



Marlie Boven, CPA, CMA
Manager of Finance

ADMINISTRATORS COMMENTS:

I have read the report and endorse the recommendation



Robert Earl
Chief Administrative Officer

Attachments:

APPENDIX 1: 2020 Annual Development Cost Charges
Report

APPENDIX 1

City of Colwood
Development Cost Charges (DCC) Report
December 31, 2020

<u>2020 Road Development Cost Charges Activity:</u>		
Road DCC Balance, January 1, 2020	\$	6,027,179
Add: DCCs received during the year		737,879
Less: Amounts spent on projects and recorded as revenue		(125,728)
Add: interest revenue earned during the year		203,997
Road DCC Balance, December 31, 2020	\$	6,843,327
<u>2020 Sewer Development Cost Charges Activity:</u>		
Sewer DCC Balance, January 1, 2020	\$	824,631
Add: DCCs received during the year		36,597
Less: Amounts spent on projects and recorded as revenue		-
Add: interest revenue earned during the year		27,151
Sewer DCC Balance, December 31, 2020	\$	888,379

*The City accepted a credit of \$125,728 for works completed under the Excess Road Works Agreement of SUB18-009 (Phase 1). This amount is included in Road DCCs received during the year, as well as amount spent on projects and recorded as revenue during the year.

There were no waivers or reductions of DCCs in 2020.