



PLANNING POLICY

TO:	Council	
DATE:	December 22, 2020	DIVISION: All
FILE:	N/A	APPLICATION: N/A
SUBJECT:	Area Structure Plan and Conceptual Scheme Cost Recovery Policy	

POLICY DIRECTION:

On September 22, 2020, Council directed Administration to review the existing Conceptual Scheme Cost Recovery Policy (#309) to include cost recovery for County-led and developer-led area structure plans. It was further directed that Administration present the revised Policy to Council for its consideration by December 22, 2020.

EXECUTIVE SUMMARY:

The *Municipal Government Act* allows Council to establish and charge fees for matters under Part 17 (Planning and Development).

The preparation of an area structure plan (ASP) or conceptual scheme requires significant planning and technical resources to demonstrate the feasibility of a land use strategy and alignment with higher order statutory plans. In preparing these documents, costs for application of such resources are not currently recouped by the County or developers, and some landowners may benefit from an ASP or conceptual scheme without contributing to its initial cost.

Although Council Policy #309 provides a mechanism for development proponents that have prepared a conceptual scheme to recover costs, no such provision exists for costs incurred in producing an ASP. As directed by Council, Administration has drafted revisions to the Policy #309 to allow developers that have funded an ASP adopted by Council to enter into a cost recovery agreement with the County. In undertaking a comprehensive review of Policy #309, Administration has also made several revisions to improve the Policy's effectiveness and clarity. Key revisions are set out below.

- Cost recovery fees would be applied only at the subdivision or development permit stage through the imposition of conditions. The current Policy also allows for cost recovery at the redesignation stage, but Administration considers it more appropriate to apply the recovery fee to subdivision or development permit approvals which facilitate the final development.
- The subdivision or development authority would have discretion on applying the cost recovery fee according to the type of subdivision or development proposed and would determine whether the subject lands have actually benefited from the ASP or Conceptual Scheme. The current Policy #309 is ambiguous on whether all applications within a conceptual scheme area would have to pay cost recovery fees regardless of whether the landowner has benefited from the conceptual scheme.
- A proposed maximum amount that can be recovered for developer-funded ASP and conceptual schemes has been set at \$300,000. This amount is reflective of the costs budgeted for recent ASPs; it would also encourage efficient use of resources on developer-funded projects and fairness for those landowners required to pay cost recovery fees when applying to develop their land. No such limit currently applies within Policy #309.
- There is no expiry for a cost recovery agreement stated within the adopted Policy #309, although the accompanying Administrative Procedure #309 (see Attachment 'F') does state

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such agreements expire after 10 years. For clarity, the proposed amended Policy states that cost recovery agreements expire after 20 years. Although the County generally reviews ASPs every 10 years after adoption, such reviews can be delayed, or may just lead to minor amendments to the document. There is also no requirement to review conceptual schemes following Council adoption. Consequently, it is very possible that a landowner with an ASP or conceptual scheme area may benefit from the policies and technical work supporting these documents 20 years after adoption.

- Revisions are proposed to a number of definitions and sections in the existing Policy to simplify implementation and aid interpretation.

To accompany the proposed Policy #309 revisions, amendments to Procedure #309 'Conceptual Scheme Cost Recovery' are set out within Attachment 'B' for Council's reference; these procedures add further detail for Administration in implementing the Cost Recovery Policy. If Council adopts the revised Policy #309, these amendments to the Procedure would be completed by Administration to align with the Policy.

In addition to cost recovery for developer-funded ASPs, Administration has further reviewed the merits of incorporating a mechanism within Policy #309 for the County to recover costs from benefiting landowners for ASP projects which it leads and funds. It has noted the following considerations:

- ASPs are the predominant statutory document that the County uses to implement its priority growth areas identified within its Municipal Development Plan (County Plan) and supporting Growth Management Strategy. Potential new County-funded ASPs or ASP amendment projects are assessed according to criteria outlined within Council Policy #322: Area Structure Plan Priority Policy, including their ability to contribute to a community's viability, and their broader economic, social, and environmental value to the County. Therefore, imposing a cost recovery fee on landowners within a County-funded ASP area would be a charge for Planning services that the County is already required by the *Municipal Government Act* to provide, and is already part of the County's implementation of identified growth areas.
- However, developer-funded ASPs often identify additional growth areas previously not anticipated by the County, or initiate development sooner than could have been possible with only County resources.
- The County does not recover all costs associated with other processes it is required by the *Municipal Government Act* to oversee; for example determining planning and development permit applications. There is an acknowledgement in this that orderly planning of communities and new development provides a broader public benefit and that costs incurred by users of Planning services should be reasonable.

Taking the above matters into account, sections providing for cost recovery for County-funded ASPs or conceptual schemes have not been included in the proposed revisions to Policy #309. However, if Council wishes to pursue this option, it would be possible to incorporate reference to County-funded projects without much further amendment to the draft Policy.

ADMINISTRATION RECOMMENDATION:

Administration recommends Option #1.

BUDGET IMPLICATIONS:

There are no budget implications at this time.



OPTIONS:

Option #1: THAT Council Policy #309 be amended in accordance with Attachment 'A' to provide for the recovery of costs associated with developer-funded area structure plans and conceptual schemes.

Option #2: THAT alternative direction be provided.

Respectfully submitted,

Concurrence,

"Theresa Cochran"

"Al Hoggan"

Executive Director
Community Development Services

Chief Administrative Officer

DK/llt

ATTACHMENTS:

ATTACHMENT 'A': Amendments to Conceptual Scheme Cost Recovery Policy (#309)

ATTACHMENT 'B': Amendments to Conceptual Scheme Cost Recovery Procedure (#PRO-309)

ATTACHMENT 'C': Proposed Developer-Funded Area Structure Plan and Conceptual Scheme Cost Recovery Policy (#309)

ATTACHMENT 'D': Proposed Developer-Funded Area Structure Plan and Conceptual Scheme Cost Recovery Procedure (#PRO-309)

ATTACHMENT 'E': Adopted Conceptual Scheme Cost Recovery Policy (#309)

ATTACHMENT 'F': Adopted Conceptual Scheme Cost Recovery Procedure (#PRO-309)