



City of Richmond

Report to Committee

To: Public Works and Transportation Committee Date: January 23, 2008
From: Robert Gonzalez, P.Eng.
Director, Engineering File: 10-6190-01/2007-Vol 01
Re: Local Area Services Program Bylaw and Processes

Staff Recommendation

1. That Local Improvement Project Charges Bylaw No. 7189 Repeal Bylaw No. 8318 (Attachment 1) be introduced and given first, second and third readings.
2. That the Local Area Services Program Process Policy (Attachment 2) be adopted.

Robert Gonzalez, P.Eng.
Director, Engineering
(4150)

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ROUTED TO:		CONCURRENCE		CONCURRENCE OF GENERAL MANAGER	
City Clerk.....		Y <input checked="" type="checkbox"/> N <input type="checkbox"/>			
Law.....		Y <input checked="" type="checkbox"/> N <input type="checkbox"/>			
REVIEWED BY TAG		YES	NO	REVIEWED BY CAO	
		<input checked="" type="checkbox"/>	<input type="checkbox"/>	YES	
				<input checked="" type="checkbox"/>	
				NO	
				<input type="checkbox"/>	

Staff Report

Origin

In August 2007 the City awarded two contracts to complete ditch infill related work on Regent Street based on a cost-sharing program through the City's Local Area Services Program (LASP). The current Local Improvement Charges Bylaw No. 7189 requires that residents pay 66-2/3% of the actual project cost.

It is no longer necessary to have the Local Improvement Charges Bylaw No. 7189 in place given the Community Charter is specific to this issue and Council is still required to consider a new bylaw for each project.

The purpose of this report is to recommend that Council repeal the current Local Improvement Charges Bylaw No. 7189 (Attachment 1) and adopt the new Local Area Services Program Policy (Attachment 2).

Analysis

The Local Area Service Program (LASP) is typically presented to Council by staff for approval through the Capital Program on an annual basis. The intent of the LASP program is to cost share only on drainage projects with residents/businesses who wish to complete drainage improvements on City property immediately in front of their property including ditch infill based on a 1/3 (City), 2/3 (residents) cost sharing program.

It is recommended that the Local Improvement Project Charges Bylaw 7189 be repealed, as the legislation that required this type of bylaw has been repealed and replaced with a regime that is designed to allow for more flexibility as to each service proposal, and a method of cost recovery that is best suited to a particular situation.

To help land owners understand the process, it is recommended that a policy be adopted which provides guidelines in conjunction with the provisions of the Community Charter for local area services. The policy also identifies the traditional methods that have been applied for apportioning costs for the works, although Council is no longer bound to apply a particular formula to each local area service bylaw. As well, the repealed legislation stipulated that if work under a construction bylaw was not started within one year of its adoption, the bylaw ceased to be effective. As the Community Charter does not impose any time limit, the policy clarifies that, if the costs are significantly higher than originally estimated, the City may choose not to proceed with the work following verification of support (or lack of support) from residents, or the affected residents may initiate a process to request the bylaw be repealed before the work proceeds.

The proposed new Local Area Service Program Policy highlights that:

- A new project-specific bylaw will be prepared for Council consideration for each Local Area Services Program initiative as required through the Community Charter; and

- Council may choose not to proceed under the area specific bylaw if the total cost after receipt of construction bids is such that the total estimated cost to complete the work is more than 10 % of the estimated costs. Staff would present this option to Council following verification of resident support to proceed further or not.

Financial Impact

There is no financial impact.

Conclusion

Repealing the current Local Improvement Charges Bylaw No. 7189 and replacing it with the proposed new Local Area Services Program Policy provides the City and residents increased flexibility and reduced financial risk associated with the current construction climate. Staff will review the current process leading to delivery of a LASP project, in particular the timeline between project delivery and preparation of a cost estimate.



Jim V. Young, P. Eng.
Manager Engineering Design and Construction
(4610)

JVY:jvy



City of Richmond

Bylaw 8318

**Local Improvement Projects Charges Bylaw No. 7189
Repeal Bylaw No. 8318**

The Council of the City of Richmond enacts as follows:

1. The Local Improvement Projects Charges Bylaw No. 7189 (adopted January 22, 2001) is repealed.
2. This Bylaw is cited as "Local Improvement Project Charges Bylaw No. 7189 Repeal Bylaw No. 8318".

FIRST READING

SECOND READING

THIRD READING

ADOPTED

CITY OF RICHMOND
APPROVED for content by originating dept. <i>EG.</i>
APPROVED for legality by Solicitor <i>WCB</i>

MAYOR

CORPORATE OFFICER



CITY OF RICHMOND

LOCAL IMPROVEMENT PROJECT CHARGES

BYLAW NO. 7189

EFFECTIVE DATE -- JANUARY 22ND, 2001

LOCAL IMPROVEMENT PROJECT CHARGES

BYLAW NO. 7189

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CITY OF RICHMOND
LOCAL IMPROVEMENT PROJECT CHARGES
BYLAW NO. 7189

The Council of the City of Richmond enacts as follows:

PART ONE: LOCAL IMPROVEMENT PROJECTS

1.1 Special Charges for Local Improvement Projects

- 1.1.1 The owner's proportion of the cost of work for a local improvement project, as set out in Schedule A, is specially charged against the parcel benefiting from or abutting a local improvement project.
- 1.1.2 Special charges for local improvement projects are payable by means of a **parcel tax**, including interest at a rate equal to the prime rate of the Bank of Canada plus 1%, levied annually for the period set out in subsection 1.2.1 or 1.2.2, whichever is applicable, unless the owner commutes the special charges in accordance with subsection 1.5.2.

1.2 Annual Special Charges

- 1.2.1. Subject to the provisions of subsection 1.2.2, the period for which special charges for a local improvement project are levied is as follows:
- (a) 10 years for industrial and commercial properties;
 - (b) 15 years for residential properties.
- 1.2.2 Notwithstanding the provisions of subsection 1.2.1, where a petition requests a local improvement project for tree planting only, the special charges will be for a period of one year.
- 1.2.3 Where a petition for a local improvement project requests that the special charges be imposed for a period of time greater than those set out in subsection 1.2.1 or 1.2.2, whichever is applicable, such petition will not be acted upon.

1.3 Construction of Sidewalk on One Side Only

- 1.3.1 (a) Where the construction of a sidewalk on one side only of a street is undertaken, a **parcel tax** will be imposed on the land abutting on the side of the street opposite to that on which the sidewalk is constructed, in the amount of one-third (1/3) of the parcel owner's portion of the cost of its construction.
- (b) If at a subsequent time, the construction of a sidewalk on the other side of that street is undertaken, a **parcel tax** will be imposed:

- (i) on the land abutting on that side of the street in the amount of two-thirds (2/3) of the parcel owner's portion of the cost of its construction; and
- (ii) on the land abutting on the other side of the street in the amount of one-third (1/3) of the cost.

1.4 Corner Lots and Irregularly Shaped Lots

- 1.4.1 The taxable frontage of a corner parcel is the frontage plus 25% of the flankage.
- 1.4.2 Where the frontage of a corner parcel:
 - (a) has previously been the subject of a local improvement project; and
 - (b) the flankage of such parcel abuts a local improvement project,
 the taxable frontage is 25% of the flankage.
- 1.4.3 The taxable frontage for an irregularly shaped parcel is the average of the dimension of the frontage and the rear width of the parcel.

1.5 Commuting Special Charges

- 1.5.1 The City shall send a notice to owners whose parcels are subject to being specially charged for a local improvement project advising that the special charges may be commuted.
- 1.5.2 The owner of a parcel may commute the special charges for a local improvement project by making a single payment, in cash or by certified cheque, within 30 days of the date of the notice referred to in subsection 1.5.1.

1.6 Petition for Local Improvement

- 1.6.1 Nothing in this bylaw is to be construed as making it mandatory for the City to entertain a petition to undertake work as a local improvement.

PART TWO: INTERPRETATION

- 2.1 In this bylaw, unless the context otherwise requires:

CITY	means the City of Richmond.
CORNER PARCEL	means a parcel which abuts more than one street and has frontage and flankage.
FRONTAGE	means the narrowest side of the parcel abutting the local improvement.

FLANKAGE	means the longest side of the parcel abutting the local improvement.
IRREGULARLY SHAPED PARCEL	means any parcel that is not rectangular in shape.
PARCEL	means a lot, block, or other area in which land is held or into which land is legally subdivided.
PARCEL TAX	means a tax imposed on the basis of the taxable frontage of a parcel.

PART THREE: PREVIOUS BYLAW REPEAL

- 3.1 Local Improvement Project Charges Bylaw No. 6259 (adopted March 14, 1994) and the following amendment bylaws are repealed:

<u>Amendment Bylaw</u>	<u>Date Of Adoption</u>
6414	January 23, 1995
6571	January 8, 1996
6716	May 12, 1997
6878	February 23, 1998
6976	December 21, 1998

PART FOUR: SEVERABILITY AND CITATION

- 4.1 If any part, section, sub-section, clause, or sub-clause of this bylaw is, for any reason, held to be invalid by the decision of a Court of competent jurisdiction, such decision does not affect the validity of the remaining portions of this bylaw.
- 4.2 This bylaw is cited as "Local Improvement Project Charges Bylaw No. 7189".

FIRST READING

SECOND READING

THIRD READING

ADOPTED

MAYOR

_____	CITY OF RICHMOND

_____	APPROVED for content by originating dept.
_____	APPROVED for legality by Solicitor

CITY CLERK

SCHEDULE A to BYLAW NO. 7189

CLASS OF WORK	OWNERS' SHARE
Concrete Curb & Gutter	100%
Concrete Sidewalk	100%
Road Construction	100%
Extension to Pavement	100%
Lane Construction	100%
Lane Pavement	100%
Ornamental Street Lighting	100%
Storm Sewer	66-2/3%
Water main	100%
Boulevard Tree Planting	100%



Page 1 of 1

Adopted by Council: <date>

POLICY <policy no.>

File Ref: <file no.>

LOCAL AREA SERVICE PROGRAM (LASP) PROCESS <policy name>

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POLICY <policy no.>:

In accordance with the requirements and procedures set out in Part 7, Division 5 of the Community Charter (Municipal Revenue – Local Service Taxes), it is Council Policy that:

1. The City will consider local area improvements which typically include enclosing of ditches with a permanent storm sewer system, installation of curb, gutter and sidewalk, installation of street lighting and planting of trees.
2. An area specific Local Area Services Program Bylaw will be prepared for each proposed local area improvement project for Council to consider subject to a petition against the proposal.
3. With the exception of ditch enclosure projects, all costs to complete local area improvements projects approved by Council will be borne by the benefiting residents.
4. Subject to funding availability and exceptions approved by Council, the City will share costs with residents on ditch enclosure projects based on a 1/3 City and 2/3 residents split of the actual cost where a petition has been approved by Council.
5. If the total cost after receipt of construction bids is such that the total estimated cost to complete the work is more than 10% of the estimated cost:
 - a. the City will advise residents of the costs and provide them the opportunity to confirm their support; and
 - b. following verification of the sufficiency of support from residents, the City may elect to not proceed with the work.
6. Owners of residential properties will be provided the opportunity to pay their share of the cost through a single lump sum payment or through payments over a 15-year period.

Industrial and commercial properties will be provided the opportunity to pay their share of the cost through a single lump sum payment or costs apportioned among the benefiting land owners over a 10-year period.
7. The personal information included on completed local area service petitions will be received and maintained in confidence in accordance with the provisions of the Freedom of Information and Protection of Privacy Act.



City of Richmond

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