

# **REPORT**

## ***Finance***

**To:** Mayor Johnstone and Members of  
Council

**Date:** January 30, 2023

**From:** Harji Varn  
CFO/Director of Finance

**File:**

**Item #:** 2023-32

**Subject:** DCC Expenditure Bylaw No. 8371, 2023

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### **RECOMMENDATION**

***THAT** Development Cost Charge Reserve Funds Expenditure Bylaw No. 8371, 2023 (Attachment 1) to authorize a total expenditure of \$1,138,654 from the Development Cost Charge Reserves be given three readings.*

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### **PURPOSE**

The purpose of this report is to obtain Council's approval of Development Cost Charge Reserve Funds Expenditure Bylaw No. 8371, 2023 authorizing expenditures from the City's Development Cost Charge Reserves for Queensborough drainage, sanitary sewer and parkland development, and Mainland transportation and parkland development.

### **ANALYSIS**

The following table identifies the 2022 capital projects and debt repayments to be funded from the DCC reserves. The expenditures have been included in the City's Five-Year Financial Plan (2022 - 2026).

BYLAW # 8371, 2023			
Project Description	Estimated Project Cost	City / Other Funded Cost	Expenditure from DCC
<b><u>Queensborough Drainage DCC</u></b>			
Boundary Pump Station (QBD6)	4,124,693	3,809,512	315,181
QB Drainage DCC Balance at Dec 31, 2021	260,640		
2022 QB Drainage DCC Contributions	54,541		
2022 QB Drainage DCC Expenditures	(315,181)		
<b>Estimated QB Drainage DCC Balance</b>	<b>-</b>		
<b><u>Queensborough Sanitary Sewer DCC</u></b>			
Pump Station at Stanley St. & Ewen Ave. (QBS1) - Frontender Agreement	8,062	81	7,981
Stanley St. area north of Ewen Ave. (QBS3) - Frontender Agreement	18,003	180	17,823
Mercer St Sewer Main, Ewen Ave to Duncan St (QBS4) - Frontender Agreement	3,809	38	3,771
QB Sanitary Sewer DCC Balance at Dec 31, 2021	831,297		
2022 QB Sanitary Sewer DCC Contributions	53,591		
2022 QB Sanitary Sewer DCC Expenditures	(29,575)		
<b>Estimated QB Sanitary Sewer DCC Balance</b>	<b>855,313</b>		
<b><u>Mainland Transportation DCC</u></b>			
Neighborhood Traffic Calming Program - Traffic Calming (T25)	187,921	135,830	52,092
Neighborhood Traffic Calming Program - Speed Humps (T25)	5,597	4,045	1,551
Upgrades to Traffic Signal System (T24)	465,715	336,619	129,096
Sixth Street Great Street (T34)	109,768	79,340	30,428
Pedestrian Crossing Improvements (T15)	28,088	9,457	18,631
ML Transportation DCC Balance at Dec 31, 2021	3,260,596		
2022 ML Transportation DCC Contributions	475,337		
2022 ML Transportation DCC Expenditures	(231,798)		
<b>Estimated ML Transportation DCC Balance</b>	<b>3,504,135</b>		
<b><u>Queensborough Parkland DCC</u></b>			
2022 Debt Principal Repayment for Waterfront Park Development	193,000	1,900	191,100
QB Parkland DCC Balance at Dec 31, 2021	3,656,358		
2022 QB Parkland DCC Contributions	461,374		
2022 QB Parkland DCC Expenditures	(191,100)		
<b>Estimated QB Parkland DCC Balance</b>	<b>3,926,632</b>		
<b><u>Mainland Parkland DCC</u></b>			
2022 Debt Principal Repayment for Waterfront Park Development	374,700	3,700	371,000
ML Parkland DCC Balance at Dec 31, 2021	9,590,074		
2022 ML Parkland DCC Contributions	1,323,625		
2022 ML Parkland DCC Expenditures	(371,000)		
<b>Estimated ML Parkland DCC Balance</b>	<b>10,542,699</b>		
<b>Grand Total</b>	<b>5,519,356</b>	<b>4,380,702</b>	<b>1,138,654</b>

## **INTERDEPARTMENTAL LIAISON**

The Engineering Department and Parks and Recreation Department were consulted regarding the DCC expenditures included in this report.

**OPTIONS**

The following options are available for Council's consideration:

1. That Development Cost Charge Reserve Funds Expenditure Bylaw No. 8371, 2023 (Attachment 1) to authorize a total expenditure of \$1,138,654 from the Development Cost Charge Reserves, be given three readings; or
2. That Council provide staff with alternative direction.

Staff recommend option 1.

**CONCLUSION**

The City incurred expenditure on a number of DCC projects provided for the Five-Year Financial Plan in 2022. In accordance with legislation a bylaw is required to expend funds from DCC reserves. Although the total balance of DCC's is net positive, it should be noted that the Queensborough (QB) Drainage DCC will now be at \$0 and the QB Transportation DCC is at an overdrawn position of \$2.0M. With the adoption of the new DCC Rates Bylaw last August, the City anticipates more DCC charges will be collected which helps bringing the balance back to a positive position. In the interim, payment from the QB Transportation DCC and QB Drainage DCC is paused and will resume when the balance returns to a surplus position.

**ATTACHMENTS**

Attachment 1 - Development Cost Charge Reserve Fund Expenditure Bylaw No. 8371, 2023

This report was prepared by:

Gary So,  
Senior Financial Services Analyst

This report was reviewed by:

Lorraine Lyle  
Senior Manager, Financial Services

This report was approved by:

Harji Varn  
CFO/Director of Finance

Lisa Spitale  
Chief Administrative Officer