

The Corporation of the District of Peachland

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OFFICE OF THE MAYOR

Friday, December 9, 2022

Brian Reardon, CAO Regional District of Central Okanagan 1450 KLO Road Kelowna, BC, V1W3Z4



Dear Mr. Reardon:

RE: PEACHLAND SENIOR SUPPORT SOCIETY DEVELOPMENT COST CHARGES

The Peachland Seniors Support Society (PSSS) in partnership with the Province of British Columbia and the District of Peachland are building housing for seniors. As part of the partnership for Phase 1 the District agreed to waive all Development Cost Charges (DCC). What this meant was in addition to leasing property for one (1) dollar over sixty (60) years we waived among other things DCCs plus development and planning fees to ensure we built purpose-built housing for seniors. This resulted in the District paying the West Side Regional Wastewater Treatment Plant DCC fees of approximately one hundred and forty thousand dollars (\$140,000) and waiving District DCCs of more than seven hundred thousand dollars (\$700,000). Based on the Phase 1 tenancy, about thirty percent of current renters are residents of Peachland.

Phase 2 of the PSSS project is in the planning stages with hopes to begin construction in 2023. The issue of DCCs was recently discussed by Council at the Committee of the Whole meeting on December 6, 2022. Our CAO was asked if the Regional District would waive their West Side Regional Wastewater Treatment Plant DCCs of approximately of \$200,000. This was discussed between you and our CAO at your November 23, 2022 meeting. Your answer was that the Regional District would not waive fees as all citizens including West Kelowna residents that are connected to the Wastewater Treatment Plant would have to pay increased DCCs to offset the subsidy, therefore, the District of Peachland would be required to fund the Regional District DCCs of about two hundred thousand dollars (\$200,000).

For your information we are currently discussing the issue of waiving the District DCCs of one million dollars (\$1,000,000) to one million, seven hundred thousand dollars (\$1,700,000) depending on what is proposed for Phase 2. At the Council meeting of December 6, 2022, our CAO advised that the Regional District would not waive the DCCs fees and Council passed the following resolution:

"THAT the Mayor formally request the Regional District of Central Okanagan and BC Housing to pay Development Cost Charges (DCCs) and other fees for the Peachland Seniors' Support Society Phase Two housing project given that this project supports

the Regional District of Central Okanagan's Housing Strategy and would provide housing for Regional District residents and that BC Housing has historically paid DCCs on projects of this nature."

It is therefore requested that you bring this matter forward to the Regional Board for discussion in regard to waiving Regional District DCCs.

Yours truly,

Mayor Patrick Van Minsel District of Peachland

cc: Keith Fielding President, Peachland Seniors Support Society, keithfielding@telus.net