THE CORPORATION OF THE DISTRICT OF BURNABY

22 September 1967.

POLICY/PLANNING REPORT NO. 4, 1967.

Chairman and Members,
Policy/Planning Committee.

Gentlemen:

Re: Municipal Sharing of Cost of Curb Sidewalks in Subdivision.

Sidewalks cannot be required as a condition of subdivision. There are instances of interest by certain subdividers to have sidewalks installed but a reluctance to add the total cost to their subdivision servicing costs.

For the purpose of demonstrating the actual situation, with the economics, a complete analysis has been made of one large subdivision which the subdivider would like to complete with sidewalks.

One of the basic facts which is very pertinent to the economics is the saving possible when sidewalk and curb are constructed at the same time. This saving is a direct one in labour involved in construction. There are also other savings more difficult to calculate such as: the problem of restoration when a built-up area is disturbed after landscaping has been done; the matter of private sidewalk elevations; and the question of driveway restorations, etc.

Outside of financing there is no question of the desirability of putting sidewalks in at the same time as curb is installed.

In the case of the subdivision analyzed it is a large one of 123 lots and approximately 4250' of road is being constructed. This represents 8500' more or less, of curb, and hence sidewalk.

Done as a Local Improvement some time in the future, this 8500' of sidewalk would cost an estimated $4.50 per lineal foot to construct. This cost estimate could be low if landscaping, driveways and sidewalk restorations are considerable. The total cost estimate is $38,250.00.

If the work were to be done in conjunction with the required curb and gutter, the Engineer has advised that he is satisfied that the additional cost for a sidewalk would be $1.50 per lineal foot or a total cost of $12,750.00. The outlay of money which could be saved is $25,500.00. The intangible savings in being able to develop lots to a final standard are very real but are given no dollar value.

Under Local Improvement, with financing charges, the Corporation's share of a Local Improvement of a sidewalk installed at a later date would be $45,000. as opposed to a possible present cost of $12,750.00. The advantages in every respect are obvious and your Municipal Mangger has reached the conclusion that a discussion on the development of a Policy wherein and whereby the Corporation could take advantage of savings of this magnitude is well worth-while, particularly having regard to the present problem of selling municipal debentures.

It would not be a simple Policy to formulate as it would have to be related to the Local Improvement policies to be defensible from the aspect of equitable treatment to all. It would have to be a policy the Corporation could live with from the point of view of financing its share of construction costs. This would require some form of "Fund" for the purpose because the demands upon the Corporation for use of the Policy are unpredictable.

To refer again to the Subdivision analyzed, the developers are satisfied that the benefit to them in having a sidewalk in their development is 20% of the cost of $1.50 per lineal foot. 20% is not too far off the property-owner's share of recent Local Improvement.

In this particular subdivision then, the division of costs would be Corporation $10,200. and Developer $2,550.00, to produce 8500' of sidewalk. The possibility is very, very attractive.

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There is a question of sidewalk crossings which are a direct expense to the property-owner even under the Local Improvement Procedure. These costs average $30.00 per crossing. It is considered that the cost of such crossings then should not be borne by the Corporation but rather by the developer.

A policy based on the above factors, i.e.

(i) 20% sharing by the developer,
(ii)Costs of sidewalk crossings borne by the developer
and
(iii)80% sharing by the Corporation

would be an equitable and defensible Policy. The control of the Policy would have to remain with Council, which should approve each application.

This would be an extension of the "pay-as-you-go" concept, and in this case the value is self-evident. If the Subdivision used as an example is typical, and the costs used are realistic, the annual cost to the Corporation would not be large and would soon be offset say, in the Budget, by the absence of Local Improvement carrying charges.

An alternative, and more adaptable approach to the financing problem of the Corporation's share under such a Policy would be to "ear-mark" a stipulated sum within the Capital Works Reserve for the purpose. This would provide more flexibility, reduce book-keeping, and permit a better use of funds.

Respectfully submitted,

H. W. Balfour,
MUNICIPAL MANAGER.

HB:eb