Appendix A



City of Victoria 1 Centennial Square Victoria BC V8W 1P6

<u>Re: Development Cost Charge Bylaw Review</u>

June 11, 2018

Dear Mayor and Council -

The Urban Development Institute (UDI) - Capital Region would like to thank staff for their ongoing collaboration with our various committees. We respect that it is a busy time for staff but the continual updates and meetings that keep us up-to-speed are greatly appreciated. In particular, we appreciate the meeting that staff arranged on Wednesday, June 6, 2018 to advise UDI of the revisions to the City's Development Cost Charge (DCC) bylaw.

A complete review of the bylaw was undertaken in 2016 which resulted in substantial increases in the rates due to the fact that they had not been revised in 10 years. When that review occurred, UDI was aware that staff was working with best available but incomplete information on the cost of development-related parks and sewer infrastructure and that additional revisions to the DCC rates may take place as those estimated costs were clarified. As such, we appreciated staff's follow through in ensuring that the DCCs were revisited as new information became available.

UDI was delighted to see that staff are proposing a slight decrease to the DCC rate, largely due to improved technology in sewer repairs and upgrades. We were also pleased to see that the City is planning greater investment in park infrastructure, as parks are a critical piece in our community's growth strategy and adds to the liveability of the city.

Affordability is top of mind for us all, and fees like DCCs that increase the cost of doing a project in our City have an impact on housing affordability. Continuing to ensure that DCCs are as low as possible while maintaining necessary investments in growth related infrastructure will be an important part of working towards housing affordability in our region. Staff are to be commended for their attention to this balance.

UDI would again like to thank the City of Victoria's staff for their consistent collaboration. We look forward to a continued working relationship on other development related costs and approval process in the months ahead.

Kind Regards

Kastley Hg

Kathy Hogan (On Behalf of the Urban Development Institute - Capital Region Board of Directors)

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