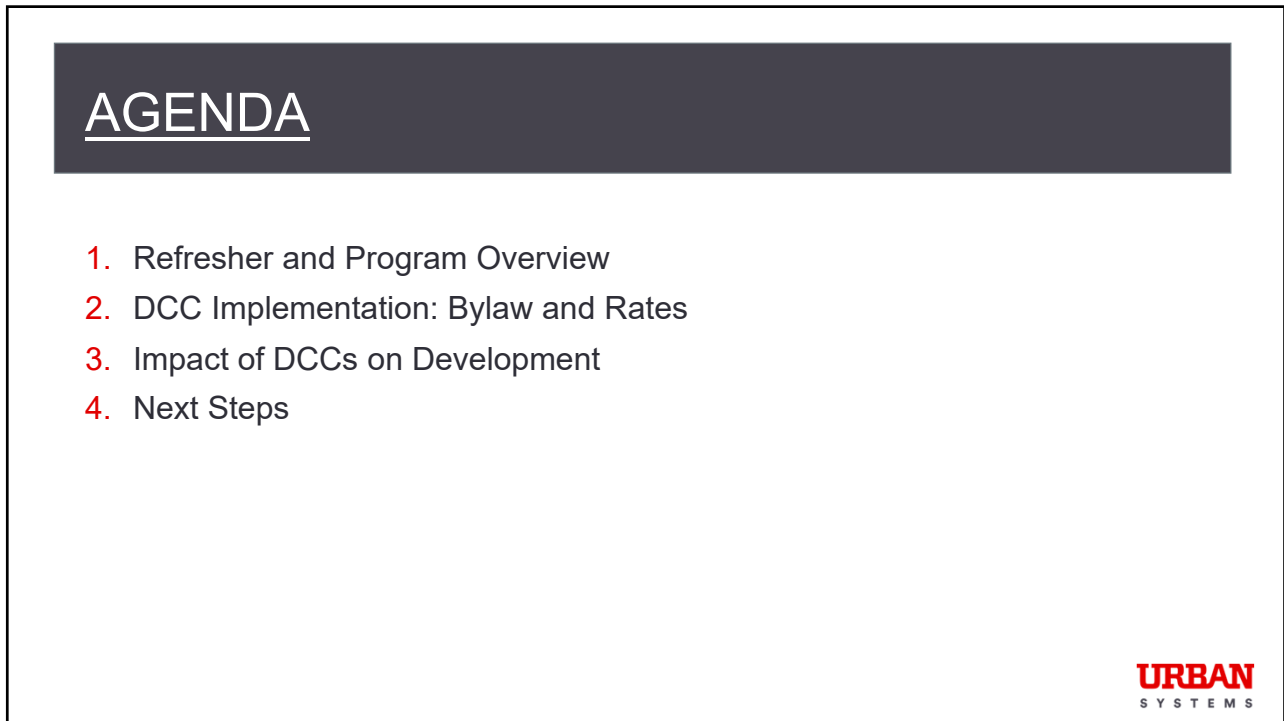
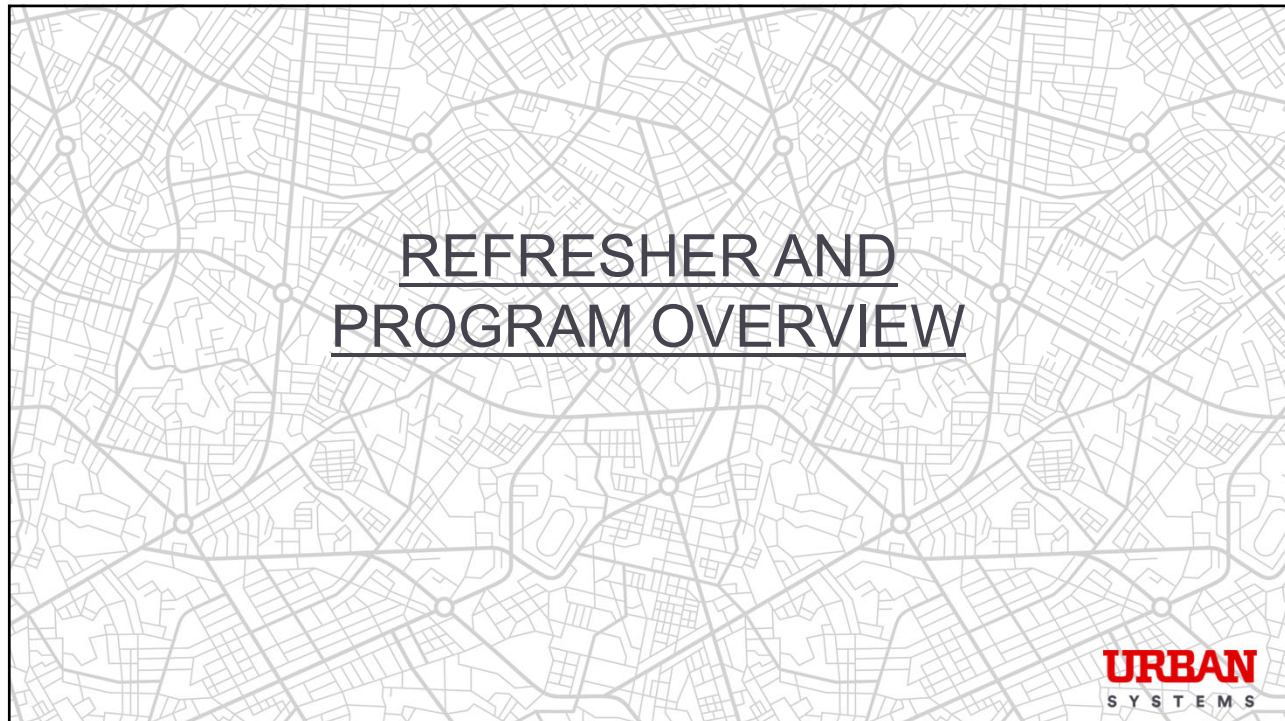




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WHY UPDATE THE DCC BYLAW NOW?

Since the DCC Bylaw amended in 2018:

- Population has grown
- Infrastructure needs have changed
- Infrastructure costs have increased
- DCC legislation has changed

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WHAT ARE DCCs?

- Provincially-regulated development finance tool
- Help communities recover the costs of off-site infrastructure needed for growth
- Based on the principle of cost-sharing infrastructure between existing property taxpayers and new developments
- Foster consistent, transparent, and equitable charges at time of development
- Paid for by developers at time of subdivision or building permit



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HOW DO WE DETERMINE THE DCC RATE?



Estimate growth
 - Population Growth
 - Building Permit Data



Technical Inputs (Staff)



Policy inputs (Council)



Determine Capital Costs and Timing
 - Master Plan
 - Capital Plans



Determine Benefit Factor
 Extent to which projects are driven by growth



Determine Municipal Assist Factor
 Council decision



Calculate DCCs

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MUNICIPAL ASSIST FACTOR

- Legislation requires local government to assist development for DCCs
- Assist amount must be made up through non-DCC revenue (general taxation)
- Council has complete discretion to set the assist factor:
 - Must be between 1% (least assistance) to 99% (most assistance)
 - Can vary by DCC Program only (e.g., roads, water, sewer)
- Higher assist factor lowers DCC rates and typically increases general taxation
- The proposed DCC Rates assume an assist factor of 1%



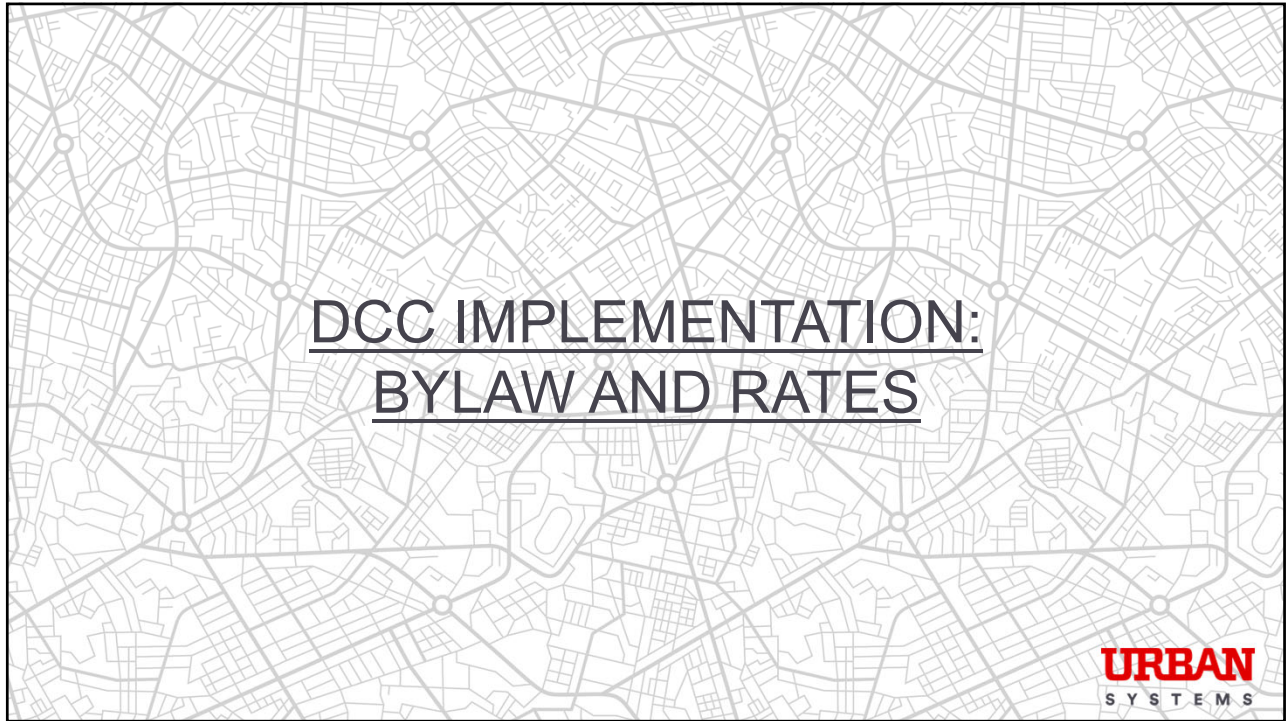
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STAKEHOLDER ENGAGEMENT

- A consultation session was held with the development community in early 2024
- Key questions and concerns were addressed during the session including but not limited to:
 - The DCC Program and project lists
 - Opportunities to mitigate developer costs
- The DCC Project list was distributed to stakeholders through the City's Urban Development Institute contact



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DCC RATES							
Land Use	Unit	Roads	Water	Drainage	Sanitary	Parks	DCC Rate
Low-Density Residential <small>(Single- or two-family dwelling, possible secondary suite)</small>	per lot	\$9,254.76	\$4,071.05	\$571.55	\$2,104.61	\$8,580.10	\$24,582.06
Medium-Density Residential <small>(3+ self-contained units with grade-level access)</small>	per unit	\$4,212.51	\$2,770.24	\$276.25	\$1,432.13	\$5,838.53	\$14,529.66
High-Density Residential <small>(3+ self-contained units)</small>	per unit	\$3,957.21	\$1,686.23	\$138.12	\$871.73	\$3,553.89	\$10,207.18
Commercial	per m ² of TFA	\$63.83	\$13.25	\$1.52	\$6.85	\$5.58	\$91.03
Industrial	per m ² of TFA	\$19.15	\$5.42	\$1.05	\$2.80	\$2.28	\$30.70
Institutional	per m ² of TFA	\$63.83	\$13.25	\$1.52	\$6.85	\$5.58	\$91.03

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DCC EXEMPTIONS

- DCC Exemptions (statutory):
 - Buildings for public worship
 - Development that does not impose a new infrastructure/capital cost burden
 - DCCs have been charged previously
- DCC Exemptions (varied by Council):
 - Residential developments with < 4 dwelling units
 - Residential units of $\leq 29 \text{ m}^2$ area
 - Residential units of $\leq \$50\text{K}$ of building permit value



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DCC REDUCTION FOR ELIGIBLE DEVELOPMENT

- Council may waive or reduce DCCs payable on specific types of eligible development through a Waivers and Reductions Bylaw
- It is recommended Council consider developing a grant program for non-government, not-for-profit, non-market rental housing projects
- Developing a housing grant, rather than a Waivers and Reductions Bylaw, will enable:
 - Increased discretion over eligible projects that improve affordable housing supply
 - Improved ease of administration for staff



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IN-STREAM PROTECTION

- New DCC rates will be effective at Bylaw adoption
- However, legislation provides a 12-month protection period for:
 - In-stream building permit applications
 - In-stream subdivision applications



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DCC CREDITS

- Developers who build DCC works for the City can be given DCC credits
- The City can decide when works are required and requires continued discussion with staff and Council
- DCC Credits should be administered through a DCC Credit Policy to ensure consistent application



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HOW WERE IMPACTS TO DEVELOPMENT ASSESSED?

- Financial testing was conducted on the impact of DCCs on:
 - Overall development costs
 - Development project viability
- Analysis builds on technical assessments and the City's land capacity and development model
- Compares the residual land values against existing land use values
- Analysis was conducted across seven residential land use areas identified in the OCP

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WHAT ARE THE IMPACTS TO OVERALL DEVELOPMENT COSTS?

The overall increase in development costs due to the new DCC rates range from **0.9% to 1.9%**

OCP Area	% Change to Overall Development Cost
Core Residential	1.2%
Mixed Residential	1.8%
Urban Residential	1.8 to 1.9%
Large Urban Village	1.6%
Small Urban Village	1.6%
Traditional Residential	0.9 to 1.1%
Rental Urban Residential	1%

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WHAT ARE THE IMPACTS TO DEVELOPMENT VIABILITY?

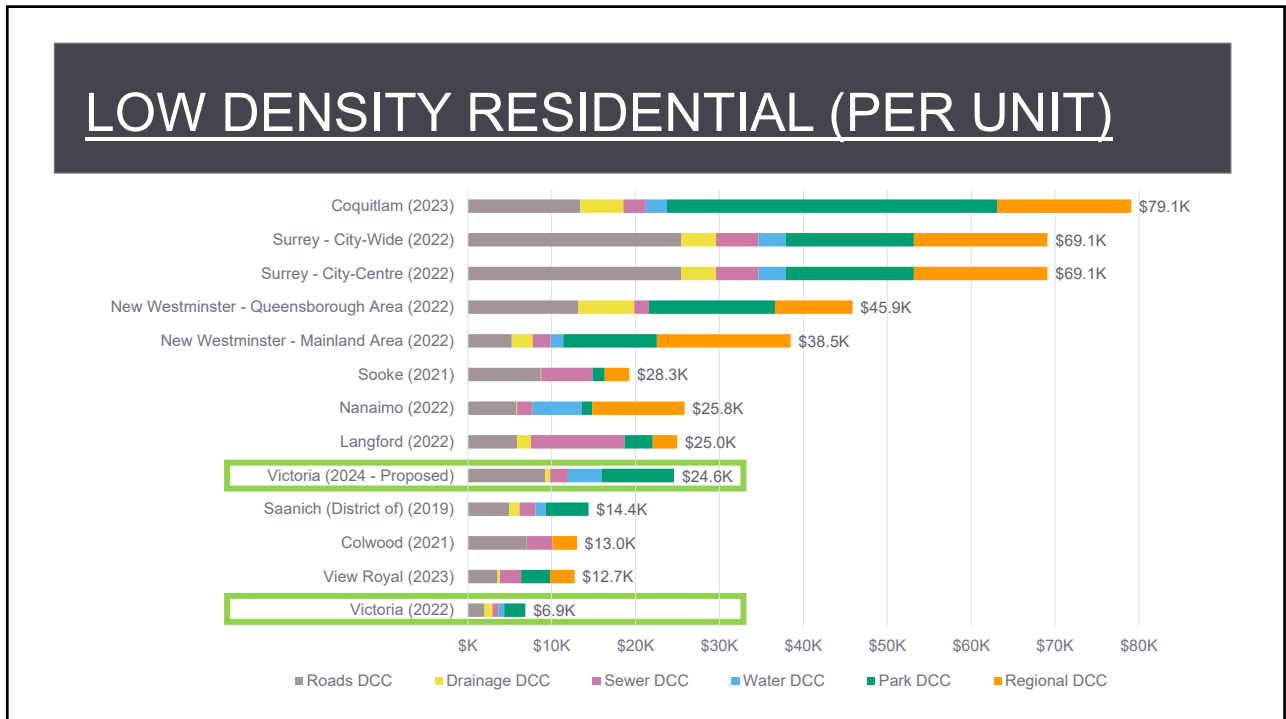
- This analysis was used to evaluate the impact of new DCC rates on project viability of all residential types combined
- Results show that new DCC rates will result in (approximately):
 - 1% fewer net new units by 2030
 - 6% fewer net new units by 2050
- In the 2050 projections, this results in an estimated ~2,000 fewer net new units; or 27,000 units instead of 29,000



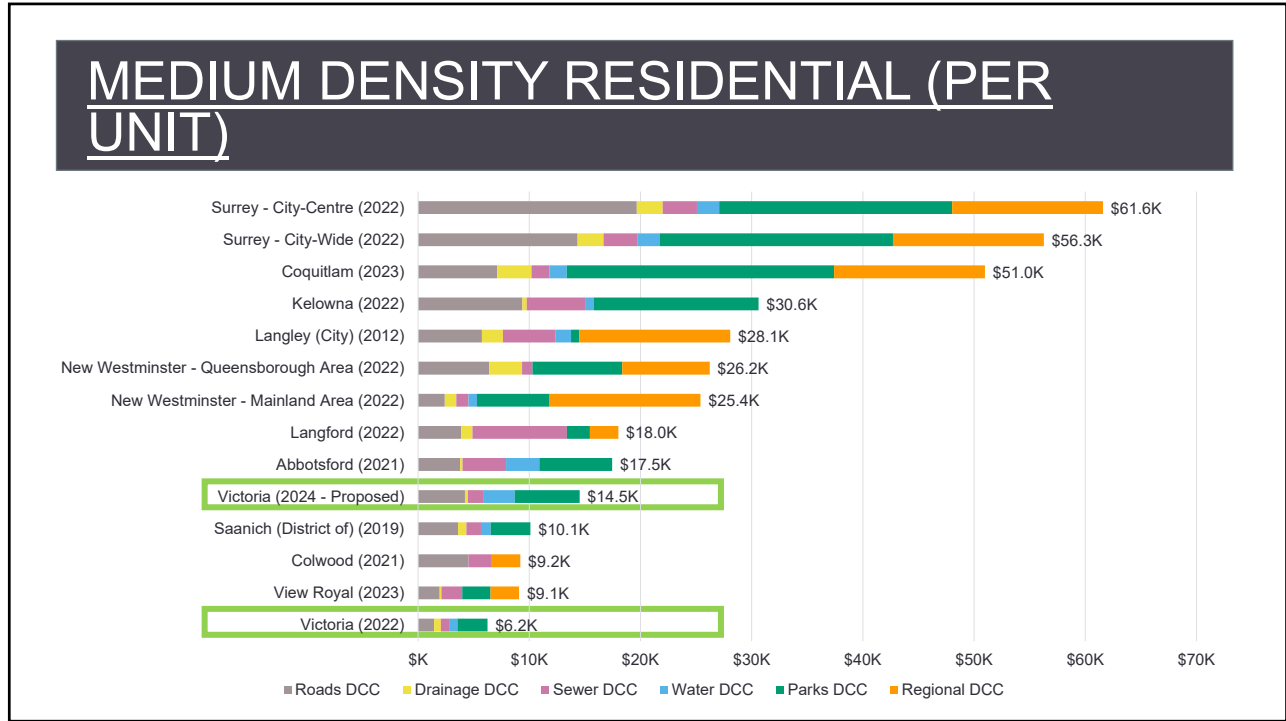
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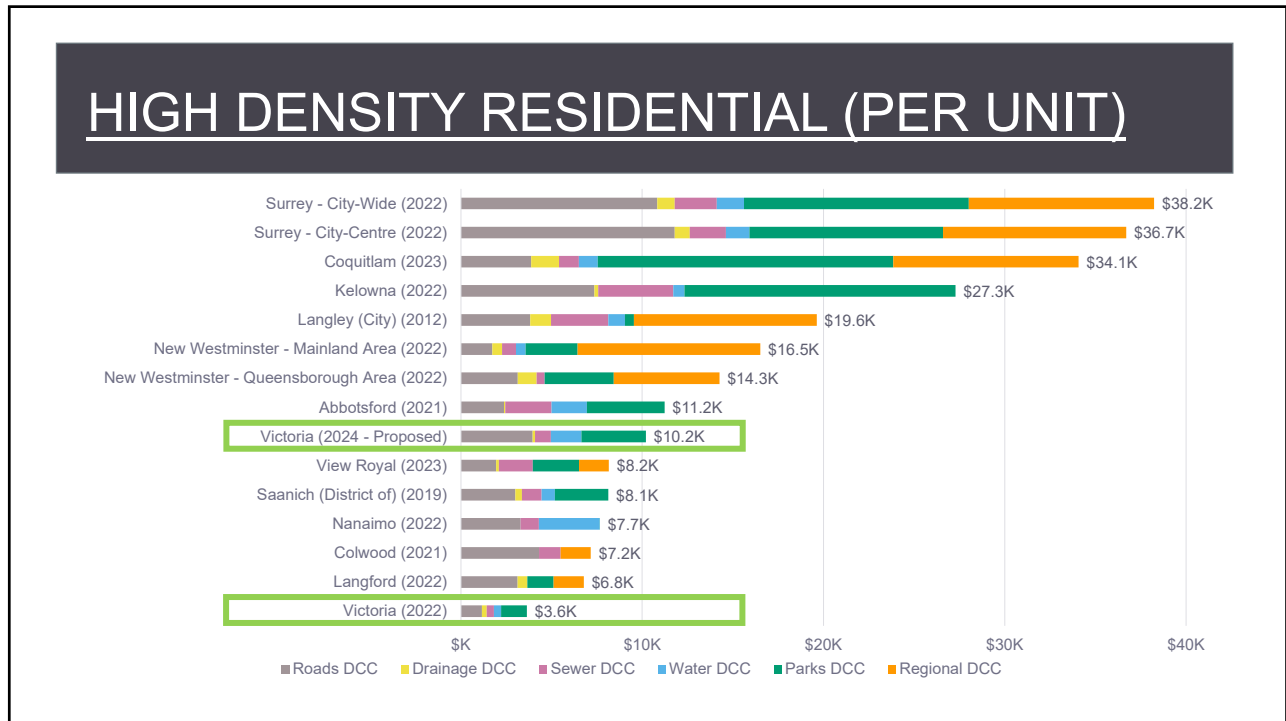
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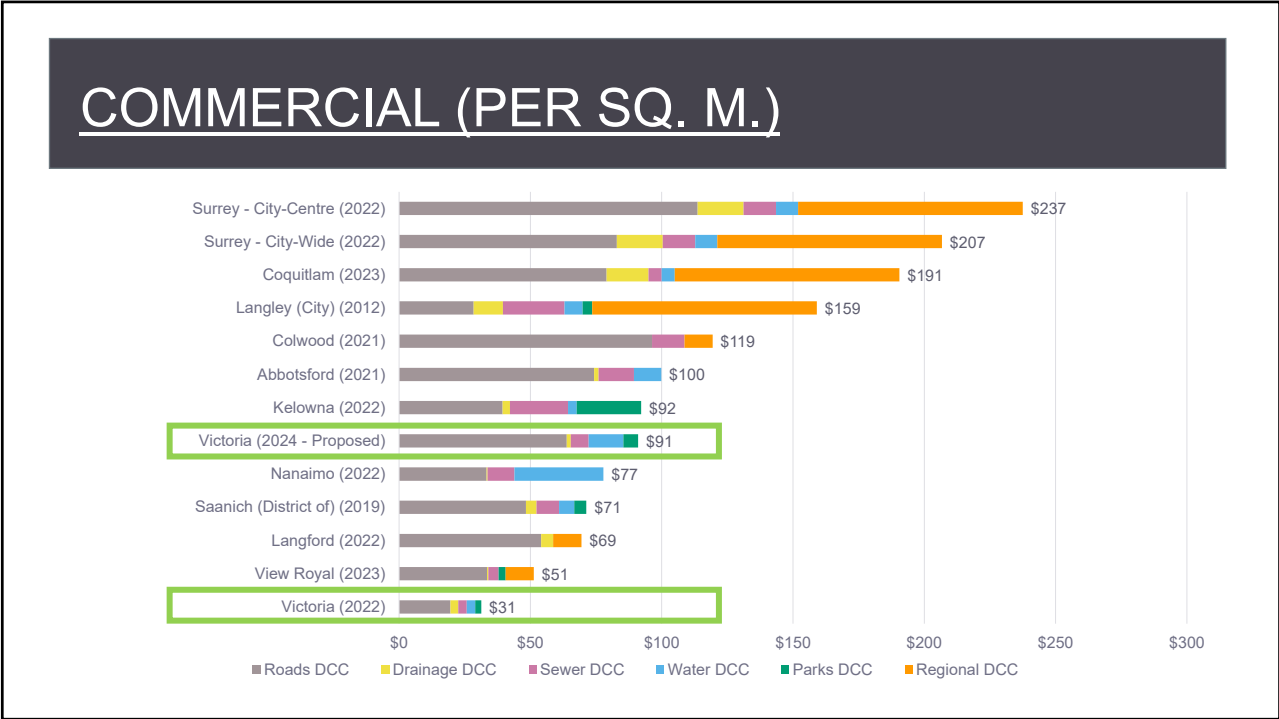
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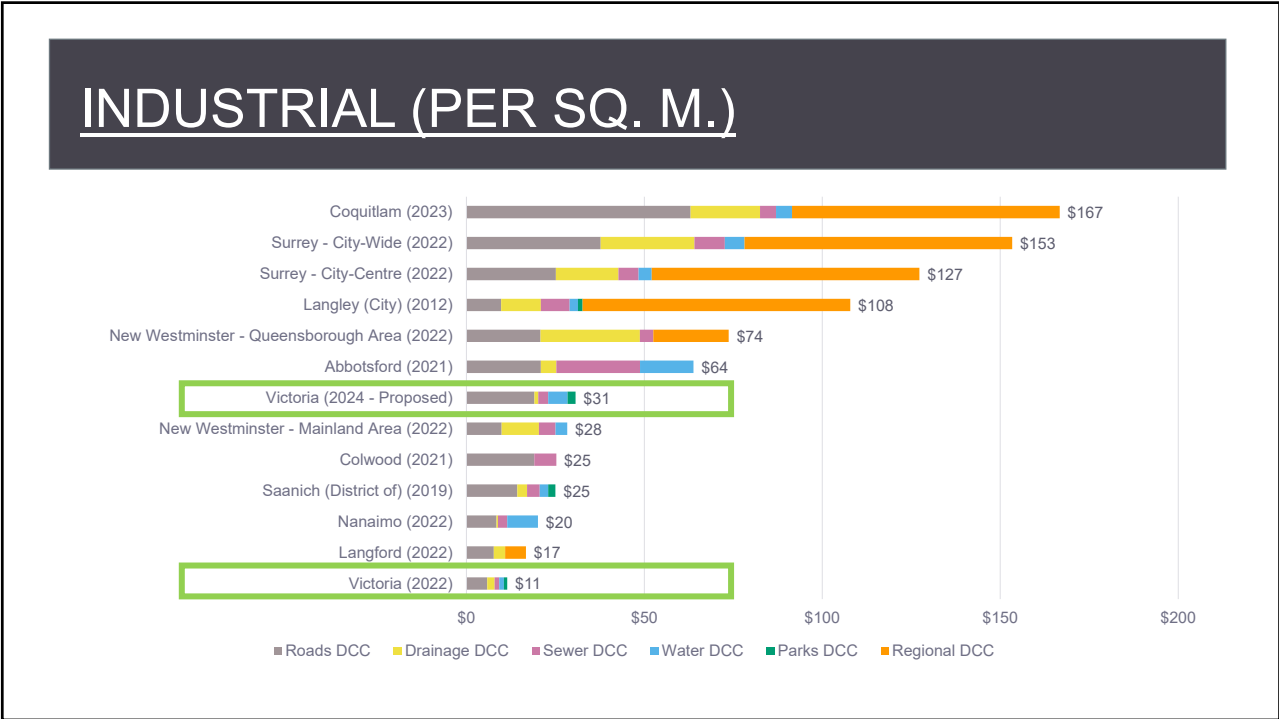
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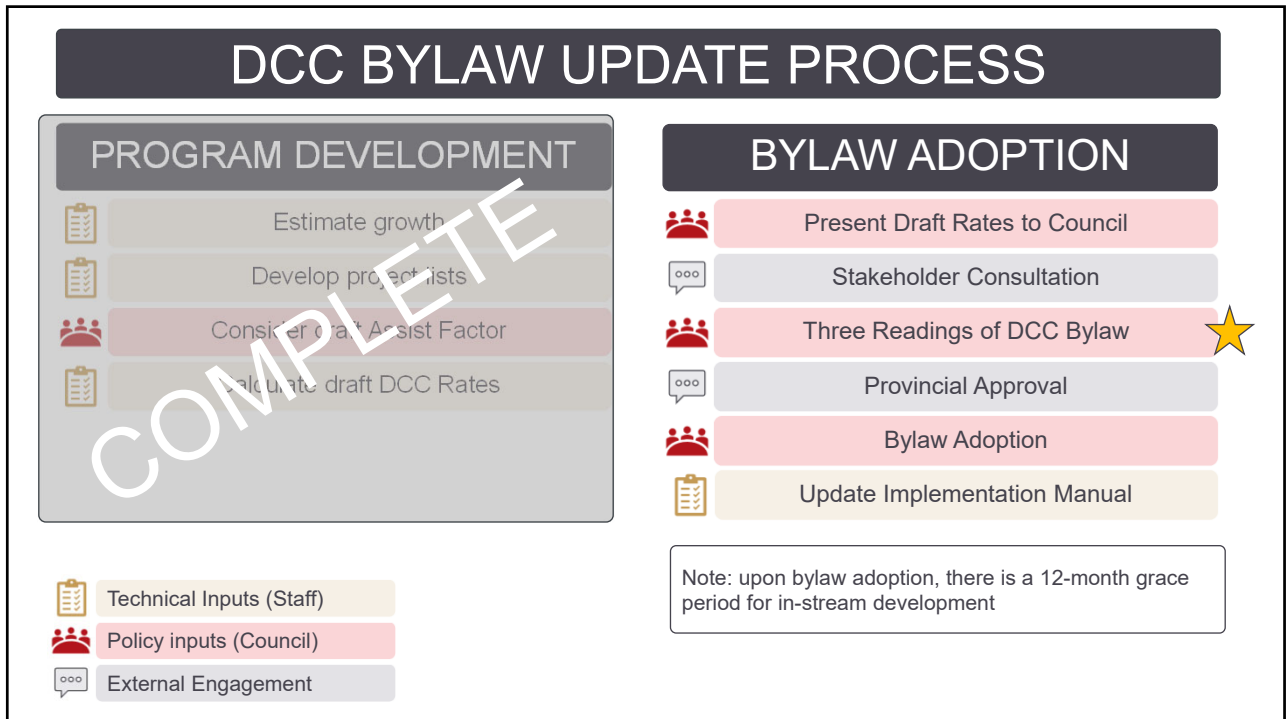
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