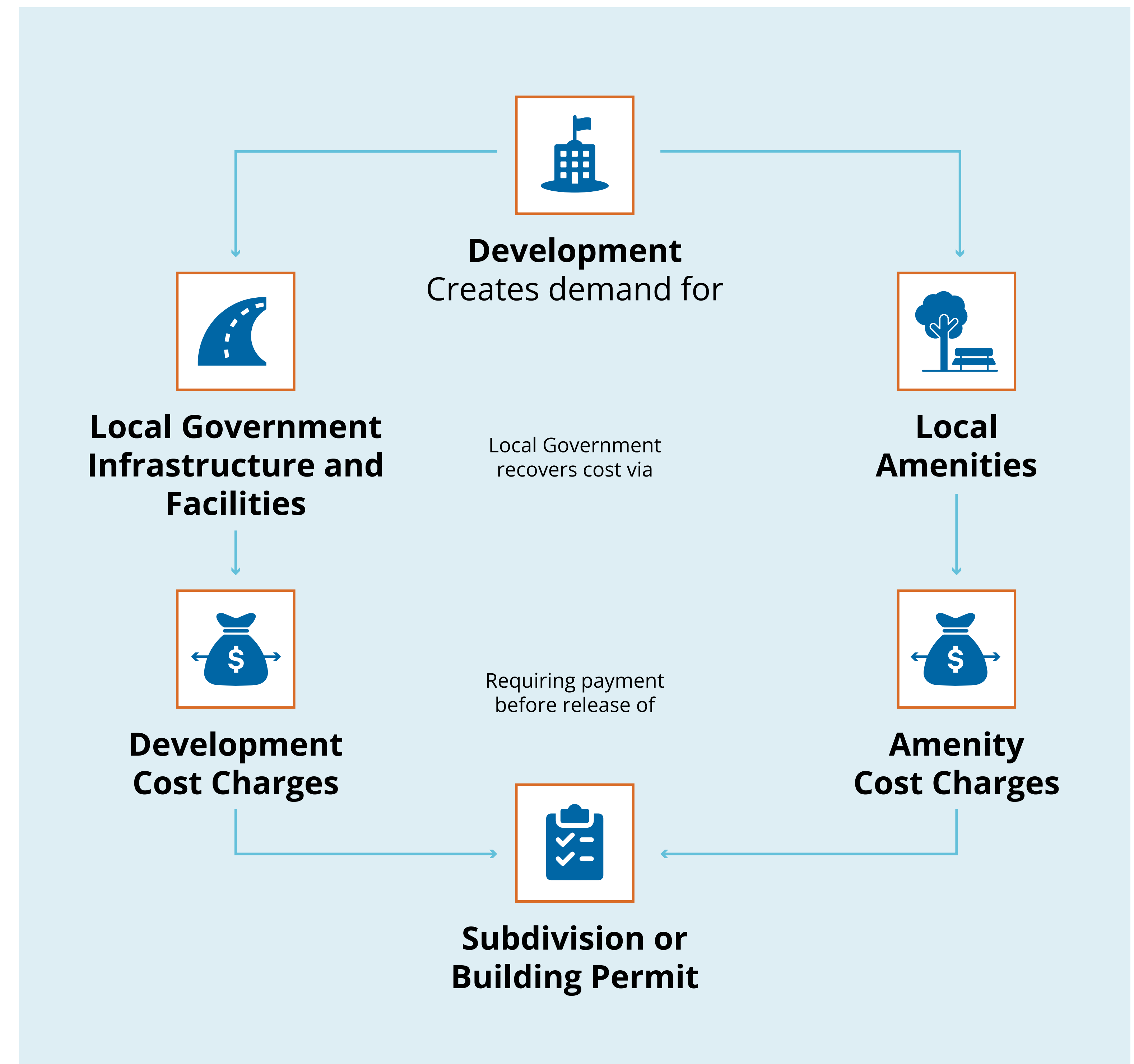


# Registration and Agenda

Time	Activity
2:00 - 2:15pm	Registration
2:15 - 3:00pm	Presentation and Q&A
3:00 - 4:00pm	General Developer Roundtable
4:00 - 5:00pm	View Display Panels and Discuss

**Please ensure you have registered before heading into the space!**



# What are DCC's and ACC's

- **One-time fees**
  - Levied by local governments in British Columbia on new developments to fund growth-related infrastructure
- **Development Cost Charges (DCC's)**
  - Recover costs for off-site services (water, sewer, drainage, roads, parks) and, in some cases, fire, police, and waste facilities needed for new development
- **Amenity Cost Charges (ACC's)**
  - Fund community amenities that improve quality of life, such as community centers, recreation facilities, libraries, daycares, and public spaces
- **Key Difference**
  - DCC's are focused on infrastructure, while ACCs are focused on community amenities

# DCC's and ACC's

## DCC's

Capital costs for construction and planning, engineering, design, or studies for:

- Transportation services
- Water services
- Drainage services
- Sewer services
- Parkland acquisition and improvements
- Fire protection facilities (**new**)
- Police facilities (**new**)
- Solid waste and recycling facilities (**new**)

## ACC's

Capital costs for construction and planning, engineering, design, or studies for a facility or feature that provides social, cultural, heritage, recreational or environmental benefits to a community such as:

- Community, youth, or seniors' centre
- Recreation or athletic facility
- Library
- Daycare facility
- Public square

# Why Update Now?

- Last updated in 2004, the DCC rate no longer reflects the funding that is needed to deliver infrastructure projects required to support growth
- The **District is not collecting enough DCC fees** and the projects in the existing program are not supporting development, so a review is required to meet the needs of future development
- Updates required to meet recent legislation changes
- Identified in Councils Strategic Priorities (2022-26)

## Purpose

Update the District's Development Cost Charge (DCC) Bylaw and consider development of an Amenity Cost Charge (ACC) Bylaw to ensure the District's development finance tools effectively and sustainably fund essential infrastructure and amenities needed to support growth.

# Why Update Now?

## Current DCC Rates

Description	Water DCC	Sewer DCC	Stormwater Drainage DCC	Roads DCC	Parks DCC	Total DCC
Assist Factor	1%	1%	70%	50%	50%	-
<b>Single Family Residential</b> Per dwelling unit	\$1,257	\$1,387	\$534	\$4,187	\$1,247	\$8,613
<b>Multi Family Residential</b> Per large dwelling unit*	\$1,257	\$1,387	\$353	\$4,187	\$1,247	\$8,431
<b>Multi Family Residential</b> Per small dwelling unit	\$880	\$971	\$353	\$2,931	\$873	\$6,008
<b>Commercial</b> Per square meter of gross site area	\$5.14	\$5.68	\$1.98	\$13.97	\$0.00	\$26.77
<b>Industrial</b> Per square meter of gross floor area	\$0.87	\$0.96	\$1.22	\$1.03	\$0.00	\$4.09
<b>Institutional</b> Per square meter of gross floor area	\$5.14	\$5.68	\$1.98	\$13.97	\$0.00	\$26.61

- Taxpayers are currently **significantly** supporting new development by increasing the assist factor to reduce the DCC cost on growth
- The assist factor is **Councils tool** to adjust the cost of ACC/DCC
- Assist factor may be **phased** to reduce the initial “shock” of rate increases

# DCC In-Stream Protection

**New Rates apply upon bylaw adoption, but in-stream protection may apply for eligible complete applications:**

**A complete application is one:**

- ✓ That has been received
- ✓ Is complete
- ✓ Has been paid

## Subdivision (LGA Sec. 511)

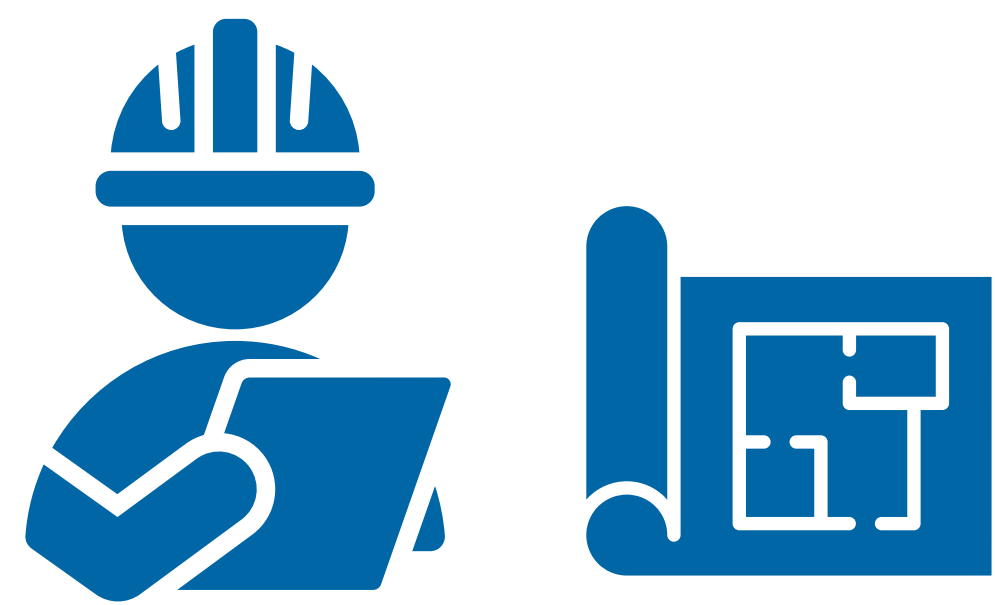
- Subdivision application submitted and fee paid before bylaw adoption
- If Subdivision approval within 12 months of adoption, development pays old DCC rates

## Building Permit

- Requires precursor application (Building Permit, DP, or rezoning) submitted and fee paid before adoption
- If Building Permit issued within 12 months of adoption, development pays old DCC rates

# DCC In-Stream Protection

*Prior to Bylaw adoption*



Submit **complete** application (building permit, subdivision, precursor)

**Bylaw  
Adoption**

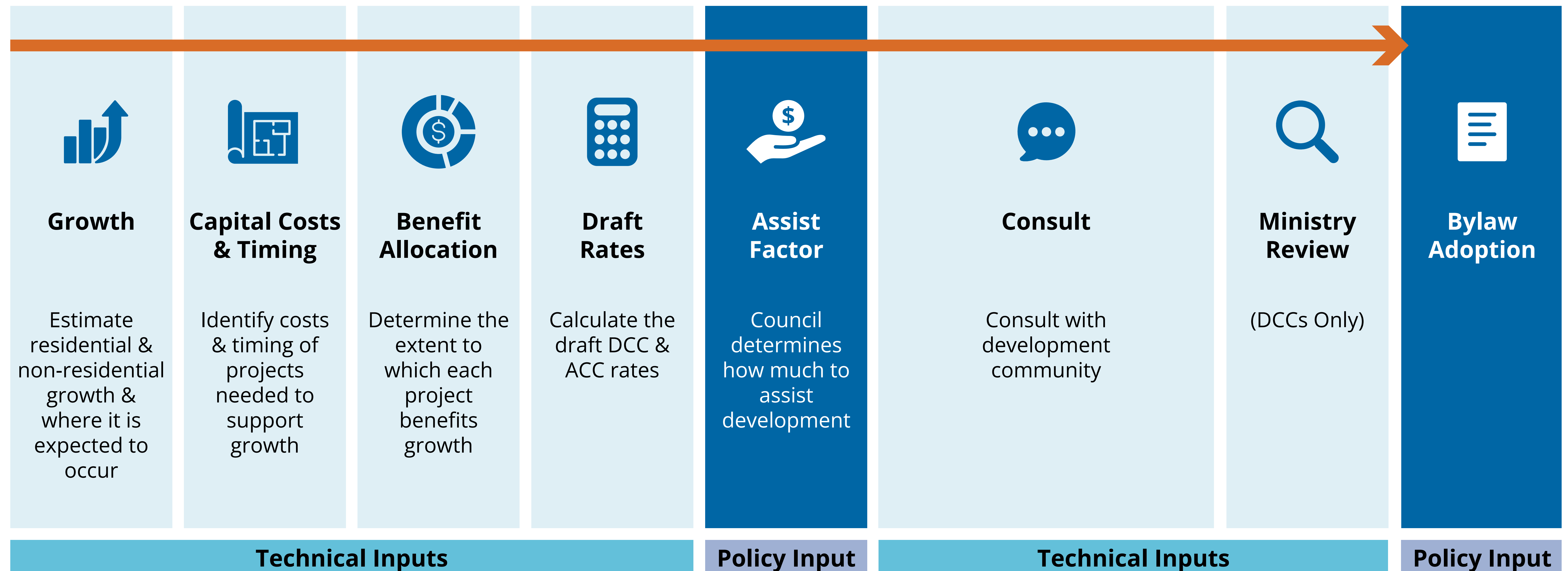


*Within one year of adoption*



Building permit **issued** or subdivision **granted**

# How Rates are Calculated



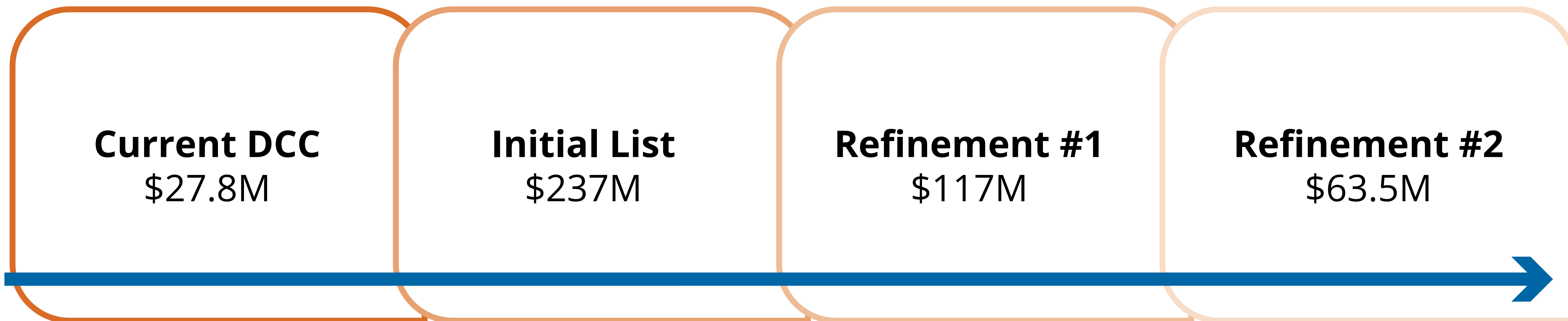
# DCC Program Details

- All programs are on a 20-year time horizon
- The District is proposing to update its DCC Program and continue to levy DCCs on:
  - Roads
  - Water
  - Stormwater
  - Sanitary Sewer
  - Parks
- No new categories are proposed

# DCC Program Details

**DCC Program (Project List) is informed by the best information available\*:**

- Existing Master Plans (Parks, Transportation, Water, Wastewater, Drainage, etc)
- Engineering Reports, Plans and Needs Assessments
- Updated cost estimates for projects based on recent projects bids and tenders
- Project lists **refined (prioritized) two times** to meet affordability limits



**\*Note:** Master Plans, projects, and costs are regularly being updated.

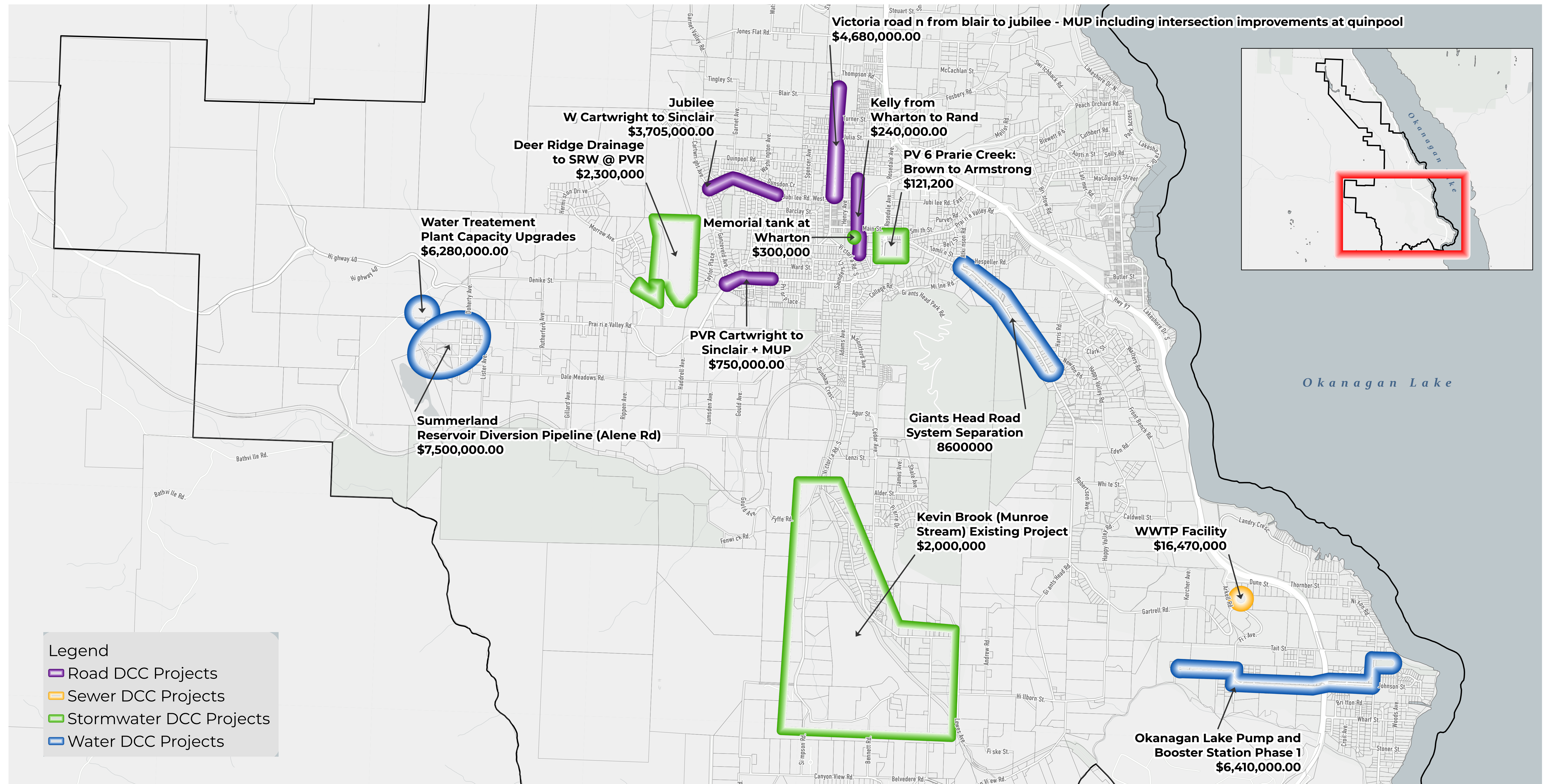
# DCC Program Details

Infrastructure Type	Total Capital Program Cost	DCC Recoverable	Municipal Amount
Roads	\$9,375,000	\$4,640,625	\$4,781,250
Water	\$28,790,000	\$20,545,965	\$8,451,570
Drainage	\$4,721,200	\$3,415,639	\$1,340,063
Sanitary	\$16,470,000	\$15,490,035	\$1,136,430
Parks	\$4,233,000	\$2,095,335	\$2,158,830
<b>Total</b>	<b>\$63,589,200</b>	<b>\$46,187,598</b>	<b>\$17,868,143</b>

- Water and Sewer projects are focused on improving system capacity at the WTP and WWTP
- Drainage projects identified from the 2007 Drainage Master Plan
- Roads projects identified in the 2025 Transportation Master Plan
- Parks was reviewed against the Parks and Recreation Master Plan

**These plans are updated regularly and will result in changing projects and costs to meet current priorities and regulations (i.e. proposed LWMP)**

# DCC Program Details



# Proposed Roads DCC Project List

Project Name	Information Source	Capital Costs
PVR Cartwright to Saunders + MUP	Carry over from previous capital project	\$750,000.00
Jubilee W Cartwright to Sinclair	Carry over DCC project (TMP #13)	\$3,705,000.00
Kelly from Wharton to Rand	Transportation Plan (TMP #1)	\$240,000.00
Victoria road n from Blair to Jubilee - MUP including intersection improvements at Quinpool	Transportation Plan (TMP #10)	\$4,680,000.00
<b>Total</b>		<b>\$9.4M</b>

# Proposed Water DCC Project List

Project Name	Information Source	Capital Costs
Okanagan Lake Pump and Booster Station Phase 1	WMP - 15 for alterative supply	\$6,410,000.00
Giants Head Road System Separation	WMP - 12	\$8,600,000.00
Summerland Reservoir Diversion Pipeline (Alene Rd)	Separation Study	\$7,500,000.00
Water Treatment Plant Capacity Upgrades	WMP - 14	\$6,280,000.00
<b>Total</b>		<b>\$28.8M</b>

# Proposed Stormwater DCC Project List

Project Name	Information Source	Capital Costs
Memorial Retention Tank at Wharton	From Master Drainage Plan	\$300,000
Kevin Brook (Munroe Stream) Existing Project	From Master Drainage Plan	\$2,000,000
Deer Ridge Drainage to SRW @ PVR	From Master Drainage Plan	\$2,300,000
PV 6 Prairie Creek: Brown to Armstrong	From Master Drainage Plan	\$121,000
<b>Total</b>		<b>\$4.7M</b>

# Proposed Sewer DCC Project List

Project Name	Information Source	Capital Costs
Bio Reactor Upgrade	WWTP Facility Plan 2019	\$4,820,000.00
Centrate Equalization	WWTP Facility Plan 2019	\$1,200,000.00
Liquid Waste Management Plan Updates	Master Plan Updates	\$300,000.00
Sludge Tank Holding Optimization	WWTP Facility Plan 2019	\$500,000.00
Blower Upgrade	WWTP Facility Plan 2019	\$880,000.00
RAS Pump Upgrade	WWTP Facility Plan 2019	\$610,000.00
EQ Tank Optimization and Pump Upgrade	WWTP Facility Plan 2019	\$2,660,000.00
Sludge Thickening Upgrade	WWTP Facility Plan 2019	\$4,900,000.00
UV System Upgrade	WWTP Facility Plan 2019	\$600,000.00
<b>Total</b>		<b>\$16.5M</b>

# Proposed Parks DCC Project List

Project Name	Information Source	Capital Costs
Land Acquisition for community wide parks	Parks and Recreation Master Plan	\$4,233,00
<b>Total</b>		<b>\$4.2M</b>

# Municipal Assist Factor

- Legislation requires local governments to assist development for DCCs
- Assist amount must be made up through non-DCC revenue (**general taxation**)
- Council has complete discretion to set an assist factor between 1% (least assistance) and 99% (most assistance)
  - The existing DCC bylaw has a 1% Municipal Assist Factor for Water/Sewer DCC Programs and others with 50+70%
- The assist factor is varied by DCC Program (e.g., roads, water, sewer); **not** by land use type
- Higher factors can be implemented on a phase-in basis

## Example of DCC Rate Phase-In Using Assist Factor

Year of DCC Bylaw	Assist Factor
Year 1	20%
Year 2	15%
Year 3	10%
Year 4	5%
Year 5	1%

# Proposed DCC Rates

**\$63.5M program and 1% Municipal Assist Factor**

Land Use	Unit	Roads	Water	Stormwater	Sewer	Parks	Total
Residential Lots	Per Lot	\$1,316	\$16,842	\$2,572	\$14,785	\$1,143	<b>\$36,658</b>
Duplex / Townhouse	Per Unit	\$987	\$16,842	\$2,572	\$11,075	\$856	<b>\$32,332</b>
Apartment / Garden Suite / Mobile Home	Per Unit	\$842	\$12,448	\$1,901	\$9,414	\$727	<b>\$25,332</b>
Commercial	Per m2 GFA	\$3.95	\$21.97	\$3.36	\$71.99	\$3.43	<b>\$104.70</b>
Industrial	Per m2 GFA	\$3.95	\$36.61	\$5.59	\$83.06	\$3.43	<b>\$132.64</b>
Institutional	Per m2 GFA	\$3.95	\$21.97	\$3.00	\$71.99	\$3.00	<b>\$103.91</b>

# Potential ACC Program Details/Rates

- Amenity Cost Charge (ACC) program on a 20-year time horizon
- Introduction of ACC program could be collected for community / recreational amenities not covered in the DCC Program (e.g. sport courts and recreation amenities)

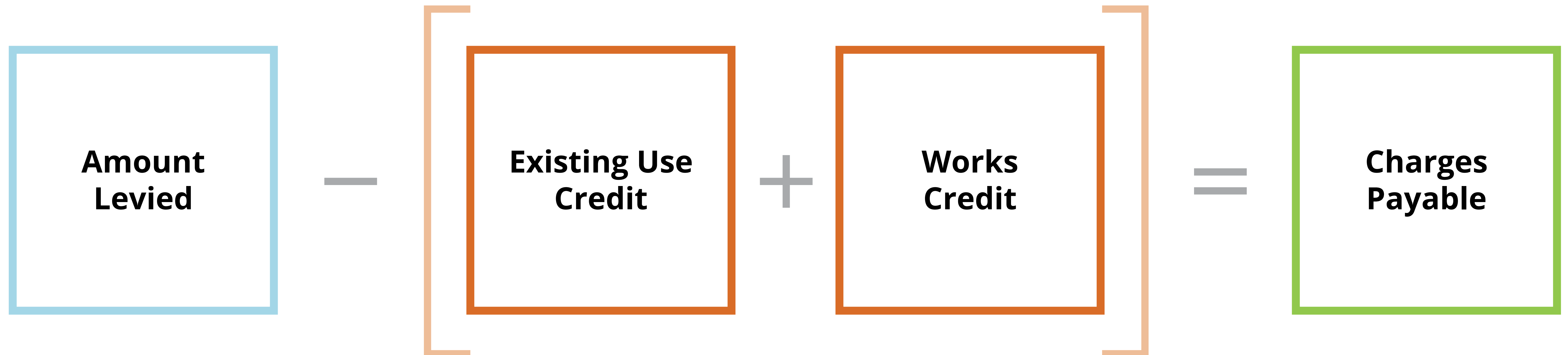
## Potential ACC Rates

**\$5M program and 1% Municipal Assist Factor**

Land Use	Unit	Potential ACC
Residential Lots	Pet Lot / Per Unit	\$2,692
Duplex / Townhouse	Per Unit	\$2,016
Apartment / Garden Suite / Mobile Home	Per Unit	\$1,714

# DCC Credits

The following equation shows how to calculate the total DCCs and/or ACCs Charges Payable, based on the Amount Levied, less any applicable Credits:



**Amount Levied** is the total DCC/ACC calculated for a development proposal based on the applicable DCC and/or ACC rates.

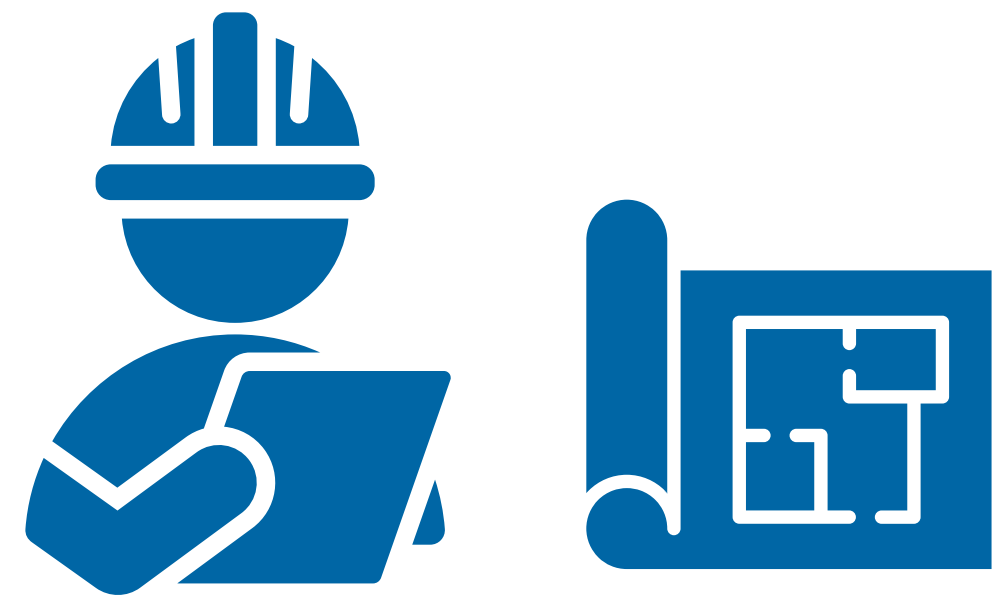
**Existing Use Credit** reflects the DCCs/ACCs associated with the development's current use prior to redevelopment. This credit recognizes that the existing development has already contributed toward infrastructure demand; therefore, only the net increase in demand is subject to DCCs/ACCs.

**Works Credit** is applied when the developer constructs infrastructure works that are included in the DCC or ACC program.

**Charges Payable** are the final DCCs and/or ACCs owed by the applicant after subtracting eligible credits from the amount levied.

# ACC In-Stream Protection

*Prior to Bylaw adoption*



Submit **complete** application (building permit, subdivision, precursor)

**ACC  
Amendment  
Bylaw Adoption**



*Within one year of adoption  
or amending Bylaw*



Building permit **issued** or subdivision **granted**

In-stream applications are protected from paying ACCs until the original ACC Bylaw is amended. If an ACC Bylaw is adopted, an amendment would be scheduled for an inflationary adjustment in 2027. See the ACC Information Sheet for more information.

# Payment by Instalments - New!

- Updated regulations provide greater flexibility for payment of DCCs and ACCs by installment
- Applies to DCCs and ACCs over \$50,000
- Qualified developers and homebuilders will be able to:
  - Use on-demand surety bonds province-wide
  - Pay 25% of DCC and ACC charges at permit approval and pay the remaining 75% at the earlier of occupancy or 4 years

# 2004 Rate Analysis

- Engineering News Record and Stats CAN Construction Price Increase from 2004 = **258%**
- Construction Price increase since pandemic = **+150%**
- 2004 DCC Rate with a 1% Municipal Assist Factor = **\$15,167 for a S.F.U**

Land Use	Unit of Charge	Current DCC Rates* (2004)	Current DCC rates (with a 1% Assist Factor)	DCC Rates (with a 1% Assist Factor and 258% Increase)	Proposed 2026 Rates (1% MAF)
Single Family Residential	per unit	\$8,613	\$15,167	\$39,132	\$36,658
Multi-Family Residential (Large (>580 sq ft))	per unit	\$8,431	\$14,568	\$37,584	\$32,332
Multi-Family Residential - Small	per unit	\$6,008	\$10,547	\$27,210	\$25,332