

AGENDA ITEM NO: 7.6

MEETING DATE: August 6, 2024

**STAFF REPORT - COVER SHEET**

SUBJECT: 2024 Development Cost Charge  
Amendment Bylaw Date: July 22, 2024

DEPARTMENT: Finance Prepared by: Glen Savard

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**1. SUMMARY OF ISSUE:**

New development places incremental burdens on City infrastructure, whereby, expansion to existing infrastructure and the installation of new infrastructure is required to support and service the needs of the new development. Levied by bylaw under the *Local Government Act*, Development Cost Charges (DCC's) are collected from new development to finance costs of eligible capital works that increase infrastructure capacity to help to alleviate the additional burdens the growth places on current City infrastructure. These charges place emphasis on a "user or benefiter pay" principle, where the funds collected contribute to funding infrastructure needs the new development creates, as opposed to funding from current property tax revenues. Growth should pay for the infrastructure needs it creates. Eligible capital works categories include roads, storm drainage, water systems, sanitary sewer systems and parkland acquisition and development projects.

The City reviews its Development Cost Charge (DCC) Bylaw on an annual basis, in concurrence with the ten (10) year Financial Plan. The DCC capital works program and bylaw are drafted following the guidelines set out within the Provincial Development Cost Charge Best Practices Guide. The bylaw considers estimated future growth projections within the community and identifies the increased infrastructure capacity needs that are required and anticipated, to service the new development. These projects include, but not limited to, road widening and expansion, up sizing water, sewer and storm drainage mains, wastewater treatment plant expansion and parkland acquisition and development.

It is imperative that the DCC bylaw is reviewed regularly and rates amended where necessary, in an attempt to keep pace with the rising costs of infrastructure construction. This helps to ensure vital projects can be completed when needed and alleviate the risk of infrastructure becoming over-burdened and no longer able to sustain the increased demands placed upon it.

The Bylaw is proposing an average total DCC increase of 5.6% among the residential development classifications, with higher increases for commercial and industrial classifications as a result of their inclusion within the storm drainage category. Rates changes attributed to each project category will differ based on many factors, including contribution to infrastructure burden, projected development unit growth by type and the anticipated costs and proportion of growth-related infrastructure projects in each category.

With each DCC Bylaw review, the City takes steps to ensure a balance between the level of DCC's being charged, while completing projects in a timely manner to alleviate infrastructure burdens for the community.


Subsequent to its three readings by Council, the Bylaw must also be referred to the Province for review and approval under the provisions of section 937 of the Local Government Act. Upon approval from the Province, the Bylaw will be referred back to Council for final adoption. The rates will, therefore, become effective the date the Bylaw receives final adoption from Council.

Attached for Council's consideration is 'Development Cost Charge Bylaw Amendment Bylaw 2023, No. 5421'.

**2. RECOMMENDATION:**

That the 'Development Cost Charge Bylaw Amendment Bylaw 2024, No. 5421' be given first and second reading.

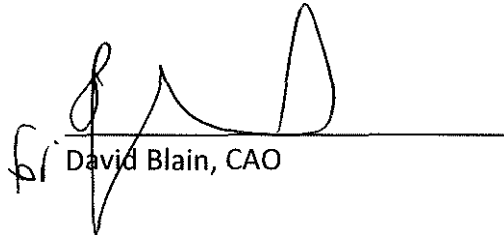
That the 'Development Cost Charge Bylaw Amendment Bylaw 2024, No. 5421' be given third reading.



Glen Savard, Director of Finance

**3. CHIEF ADMINISTRATIVE OFFICOR'S RECOMMENDATION/COMMENTS:**

Supports recommendation.



David Blain, CAO

“Multi-Family Residential Development” means a development, which results in more than one residential unit on a single property and has an overall net minimum density of 25 du per hectare;

“Residential Subdivision” means a subdivision under the *Land Title Act* or the *Strata Property Act* which creates parcels that may be used for residential occupancy;

“Sleeping Unit” means one or more habitable rooms used for the lodging of a person or persons;

“Small Apartment” means an apartment that is no larger than 57m<sup>2</sup> and may or may not include amenity storage and laundry spaces within the unit;

“Townhouse” means a multi-family residential development of three or more dwelling units where the primary access to each dwelling unit is from the ground level at the exterior of the building.

#### **DEVELOPMENT COST CHARGES**

**4.** Every person who obtains:

approval of a residential subdivision or mobile home park subdivision; or

a building permit authorizing the construction, alteration or extension of a building or structure, except a building or structure:

- (a) that is, or will be, exempt from taxation under Section 220(1)(h) of the *Community Charter*;
- (b) that is the subject of a building permit where the value of the work authorized by the permit does not exceed \$50,000.00 or another amount prescribed by the Minister of Municipal Affairs;

shall pay at the time of approval of the subdivision or the issue of the building permit, as applicable, the relevant development cost charges as set out in Schedules “A” through “E” to this bylaw.

#### **TIME OF PAYMENT**

**5.** Development cost charges under Section 4 shall be payable only at the time of issuance of the building permit, except that in the case of a residential subdivision or mobile home park subdivision, development cost charges under Section 4 shall be payable at the time of approval of the subdivision.

#### **MULTIPLE USES**

**6.** When a building or structure is used or intended to be used for more than one class of development, charges under this bylaw shall be calculated separately for the areas used for each class as though the area was a separate building, and the amount payable shall be the combined total for all classes.

**Schedule “A”**

**Development Cost Charges for a Community Water Service**

1. Development Cost Charges are payable for community water services as follows:

<u>CLASS OF DEVELOPMENT</u>	<u>DEVELOPMENT COST CHARGE</u>
(1) Residential Subdivision	<del>\$ 2,599.19</del> <u>\$2,660.20</u> for each parcel
(2) Multi-Family Residential Development	<del>\$ 1,911.17</del> <u>\$1,956.03</u> per townhouse dwelling unit <del>\$ 1,528.94</del> <u>\$1,564.82</u> per apartment dwelling unit <del>\$ 1,299.59</del> <u>\$1,330.10</u> per small apartment dwelling unit <del>\$ 1,299.59</del> <u>\$1,330.10</u> per micro apartment dwelling unit <del>\$ 1,106.04</del> <u>\$1,132.00</u> per congregate living sleeping unit
(3) Mobile Home Park Subdivision or Mobile Home Park Development	<del>\$ 1,911.17</del> <u>\$1,956.03</u> per pad space
(4) Commercial Development	<del>\$ 11.55</del> <u>\$11.82</u> per square metre of gross floor area
(5) Institutional Development	<del>\$ 11.55</del> <u>\$11.82</u> per square metre of gross floor area
(6) Industrial Development	<del>\$ 6.60</del> <u>\$6.75</u> per square metre of gross floor area

2. Despite Section 4 of this Bylaw, no development cost charge is payable under this schedule within an area of land that is:

- (1) not serviced by a community water system; and
- (2) will not be provided with a community water system that will serve the subdivision or development for which approval is sought.

3. The assist factor for a community water system shall be 10%

Schedule “B”

Development Cost Charges for a Community Sanitary Sewer Service

4. Development Cost Charges are payable for community sanitary sewer services as follows:

<u>CLASS OF DEVELOPMENT</u>	<u>DEVELOPMENT COST CHARGE</u>
(1) Residential Subdivision	<del>\$ 3,906.26</del> <u>\$5,135.30</u> for each parcel
(2) Multi-Family Residential Development	<del>\$ 2,872.25</del> <u>\$3,775.95</u> per townhouse dwelling unit <del>\$ 2,297.80</del> <u>\$3,020.76</u> per apartment dwelling unit <del>\$ 1,953.13</del> <u>\$2,567.65</u> per small apartment dwelling unit <del>\$ 1,953.13</del> <u>\$2,567.65</u> per micro apartment dwelling unit <del>\$ 1,662.24</del> <u>\$2,185.23</u> per congregate living sleeping unit
(3) Mobile Home Park Subdivision or Mobile Home Park Development	<del>\$ 2,872.25</del> <u>\$3,775.95</u> per pad space
(4) Commercial Development	<del>\$ 8.68</del> <u>\$11.41</u> per square metre of gross floor area
(5) Institutional Development	<del>\$ 8.68</del> <u>\$11.41</u> per square metre of gross floor area
(6) Industrial Development	<del>\$ 4.96</del> <u>\$6.52</u> per square metre of gross floor area

5. Despite Section 4 of this Bylaw, no development cost charge is payable under this schedule within an area of land that is:
- (1) not serviced by a community sanitary sewer system; and
  - (2) will not be provided with a community sanitary sewer system that will serve the subdivision or development for which approval is sought; or,
  - (3) within the Eastern Hillside area outlined in the map forming Schedule “F” to this bylaw.

The assist factor for a community sanitary sewer system shall be 10%.



Schedule “C”

Development Cost Charges for Collector and Arterial Roads

6. Development Cost Charges are payable for highway services as follows:

<u>CLASS OF DEVELOPMENT</u>	<u>DEVELOPMENT COST CHARGE</u>
(1) Residential Subdivision	<del>\$18,750.27</del> <u>\$19,019.79</u> for each parcel
(2) Multi-Family Residential Development	<del>\$16,580.08</del> <u>\$16,812.76</u> per townhouse dwelling unit
	<del>\$14,067.82</del> <u>\$14,266.02</u> per apartment dwelling unit
	<del>\$8,685.49</del> <u>\$8,807.86</u> per small apartment dwelling unit
	<del>\$6,313.71</del> <u>\$6,261.50</u> per micro apartment dwelling unit
	<del>\$3,212.63</del> <u>\$3,070.85</u> per congregate living sleeping unit
(3) Mobile Home Park Subdivision or Mobile Home Park Development	<del>\$16,580.08</del> <u>\$16,812.76</u> per pad space
(4) Commercial Development	<del>\$35.74</del> <u>\$33.28</u> per square metre of gross floor area
(5) Institutional Development	<del>\$24.12</del> <u>\$22.46</u> per square metre of gross floor area
(6) Industrial Development	<del>\$15.01</del> <u>\$13.98</u> per square metre of gross floor area

The assist factor for collector and arterial roads shall be 10%.

**Schedule “D”**

**Development Cost Charges for a Community Drainage Service**

7. Development Cost Charges are payable for community drainage services as follows:

<u>CLASS OF DEVELOPMENT</u>	<u>DEVELOPMENT COST CHARGE</u>
(1) Residential Subdivision	<del>\$—516.49</del> <u>\$644.31</u> for each parcel
(2) Multi-Family Residential Development	<del>\$—266.57</del> <u>\$332.55</u> per townhouse dwelling unit
	<del>\$—266.57</del> <u>\$332.55</u> per apartment dwelling unit
	<del>\$—266.57</del> <u>\$332.55</u> per small apartment dwelling unit
	<del>\$—266.57</del> <u>\$332.55</u> per micro apartment dwelling unit
	<del>\$—266.57</del> <u>\$332.55</u> per congregate living sleeping unit
(3) Mobile Home Park Subdivision or Mobile Home Park Development	<del>\$—266.57</del> <u>\$332.55</u> per pad space
(4) Commercial Development	<del>\$—</del> <u>\$4.16</u> per square metre of gross floor area
(5) Institutional Development	<del>\$—3.33</del> <u>\$4.16</u> per square metre of gross floor area
(6) Industrial Development	<del>\$—</del> <u>\$4.16</u> per square metre of gross floor area

8. Despite Section 4 of this Bylaw, no development cost charge is payable under this schedule within an area of land that is:

- (1) not serviced by a community drainage system; and
- (2) will not be provided with a community drainage system that will serve the subdivision or development for which approval is sought.

The assist factor for a community drainage system shall be 10%.

Schedule “E”

**Development Cost Charges for Parkland Acquisition and Improvement**

9. Development Cost Charges are payable for parkland acquisition and improvement as follows:

<u>CLASS OF DEVELOPMENT</u>	<u>DEVELOPMENT COST CHARGE</u>
(1) Residential Subdivision	<del>\$ 4,475.76</del> <u>\$4,535.48</u> for each parcel
(2) Multi-Family Residential Development	<del>\$ 2,310.07</del> <u>\$2,340.90</u> per townhouse dwelling unit <del>\$ 2,310.07</del> <u>\$2,340.90</u> per apartment dwelling unit <del>\$ 2,310.07</del> <u>\$2,340.90</u> per small apartment dwelling unit <del>\$ 2,310.07</del> <u>\$2,340.90</u> per micro apartment dwelling unit <del>\$ 2,310.07</del> <u>\$2,340.90</u> per congregate living sleeping unit
(3) Mobile Home Park Subdivision or Mobile Home Park Development	<del>\$ 2,310.07</del> <u>\$2,340.90</u> per pad space
(4) Commercial Development	<del>\$ ———</del> per square metre of gross floor area
(5) Institutional Development	<del>\$ — 28.88</del> <u>\$29.26</u> per square metre of gross floor area
(6) Industrial Development	<del>\$ ———</del> per square metre of gross floor area

The assist factor for parkland shall be 10%.



**City of Chilliwack**

**Bylaw No. 5421**

**A bylaw to amend “Development Cost Charge Bylaw 2000, No. 2689”**

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The Council of the City of Chilliwack in open meeting assembled, enacts as follows:

1. This bylaw may be cited as **“Development Cost Charge Bylaw Amendment Bylaw 2024, No. 5213”**.
2. “Development Cost Charge Bylaw 2000, No. 2689” is hereby amended in Section 3 INTERPRETATION, “Townhouse”, by inserting the words “of three or more dwelling units” after the words “residential development” and before the words “where the”.
3. Said Bylaw is hereby further amended by deleting Schedules “A”, “B”, “C”, “D” and “E”, and substituting with new Schedules “A”, “B”, “C”, “D” and “E”, as attached.

Received first and second reading on the

Received third reading on the

Received approval from the Inspector of Municipalities on the

Received adoption on the

.....  
Mayor

.....  
Corporate Officer

**Schedule “A”**

**Development Cost Charges for a Community Water Service**

1. Development Cost Charges are payable for community water services as follows:

<u>CLASS OF DEVELOPMENT</u>	<u>DEVELOPMENT COST CHARGE</u>
(1) Residential Subdivision	\$ 2,660.20 for each parcel
(2) Multi-Family Residential Development	\$ 1,956.03 per townhouse dwelling unit
	\$ 1,564.82 per apartment dwelling unit
	\$ 1,330.10 per small apartment dwelling unit
	\$ 1,330.10 per micro apartment dwelling unit
	\$ 1,132.00 per congregate living sleeping unit
(3) Mobile Home Park Subdivision or Mobile Home Park Development	\$ 1,956.03 per pad space
(4) Commercial Development	\$ 11.82 per square metre of gross floor area
(5) Institutional Development	\$ 11.82 per square metre of gross floor area
(6) Industrial Development	\$ 6.75 per square metre of gross floor area

2. Despite Section 4 of this Bylaw, no development cost charge is payable under this schedule within an area of land that is:

- (1) not serviced by a community water system; and
- (2) will not be provided with a community water system that will serve the subdivision or development for which approval is sought.

3. The assist factor for a community water system shall be 10%

**Schedule “B”**

**Development Cost Charges for a Community Sanitary Sewer Service**

4. Development Cost Charges are payable for community sanitary sewer services as follows:

<u>CLASS OF DEVELOPMENT</u>	<u>DEVELOPMENT COST CHARGE</u>
(1) Residential Subdivision	\$ 5,135.30 for each parcel
(2) Multi-Family Residential Development	\$ 3,775.95 per townhouse dwelling unit
	\$ 3,020.76 per apartment dwelling unit
	\$ 2,567.65 per small apartment dwelling unit
	\$ 2,567.65 per micro apartment dwelling unit
	\$ 2,185.23 per congregate living sleeping unit
(3) Mobile Home Park Subdivision or Mobile Home Park Development	\$ 3,775.95 per pad space
(4) Commercial Development	\$ 11.41 per square metre of gross floor area
(5) Institutional Development	\$ 11.41 per square metre of gross floor area
(6) Industrial Development	\$ 6.52 per square metre of gross floor area

5. Despite Section 4 of this Bylaw, no development cost charge is payable under this schedule within an area of land that is:

- (1) not serviced by a community sanitary sewer system; and
- (2) will not be provided with a community sanitary sewer system that will serve the subdivision or development for which approval is sought; or,
- (3) within the Eastern Hillside area outlined in the map forming Schedule “F” to this bylaw.

The assist factor for a community sanitary sewer system shall be 10%.

Schedule “C”

**Development Cost Charges for Collector and Arterial Roads**

6. Development Cost Charges are payable for highway services as follows:

<u>CLASS OF DEVELOPMENT</u>	<u>DEVELOPMENT COST CHARGE</u>
(1) Residential Subdivision	\$19,019.79 for each parcel
(2) Multi-Family Residential Development	\$16,812.76 per townhouse dwelling unit
	\$14,266.02 per apartment dwelling unit
	\$ 8,807.86 per small apartment dwelling unit
	\$ 6,261.50 per micro apartment dwelling unit
	\$ 3,070.85 per congregate living sleeping unit
(3) Mobile Home Park Subdivision or Mobile Home Park Development	\$16,812.76 per pad space
(4) Commercial Development	\$ 33.28 per square metre of gross floor area
(5) Institutional Development	\$ 22.46 per square metre of gross floor area
(6) Industrial Development	\$ 13.98 per square metre of gross floor area

The assist factor for collector and arterial roads shall be 10%.

**Schedule “D”**

**Development Cost Charges for a Community Drainage Service**

7. Development Cost Charges are payable for community drainage services as follows:

<u>CLASS OF DEVELOPMENT</u>	<u>DEVELOPMENT COST CHARGE</u>
(1) Residential Subdivision	\$ 644.31 for each parcel
(2) Multi-Family Residential Development	\$ 332.55 per townhouse dwelling unit
	\$ 332.55 per apartment dwelling unit
	\$ 332.55 per small apartment dwelling unit
	\$ 332.55 per micro apartment dwelling unit
	\$ 332.55 per congregate living sleeping unit
(3) Mobile Home Park Subdivision or Mobile Home Park Development	\$ 332.55 per pad space
(4) Commercial Development	\$ 4.16 per square metre of gross floor area
(5) Institutional Development	\$ 4.16 per square metre of gross floor area
(6) Industrial Development	\$ 4.16 per square metre of gross floor area

8. Despite Section 4 of this Bylaw, no development cost charge is payable under this schedule within an area of land that is:

- (1) not serviced by a community drainage system; and
- (2) will not be provided with a community drainage system that will serve the subdivision or development for which approval is sought.

The assist factor for a community drainage system shall be 10%.



**Schedule “E”**

**Development Cost Charges for Parkland Acquisition and Improvement**

9. Development Cost Charges are payable for parkland acquisition and improvement as follows:

<u>CLASS OF DEVELOPMENT</u>	<u>DEVELOPMENT COST CHARGE</u>
(1) Residential Subdivision	\$ 4,535.48 for each parcel
(2) Multi-Family Residential Development	\$ 2,340.90 per townhouse dwelling unit
	\$ 2,340.90 per apartment dwelling unit
	\$ 2,340.90 per small apartment dwelling unit
	\$ 2,340.90 per micro apartment dwelling unit
	\$ 2,340.90 per congregate living sleeping unit
(3) Mobile Home Park Subdivision or Mobile Home Park Development	\$ 2,340.90 per pad space
(4) Commercial Development	\$ - per square metre of gross floor area
(5) Institutional Development	\$ 29.26 per square metre of gross floor area
(6) Industrial Development	\$ - per square metre of gross floor area

The assist factor for parkland shall be 10%.