CITY OF NEW WESTMINSTER DEVELOPMENT COST CHARGE AND AMENITY COST CHARGE UPDATES

Developer Information Session

July 9, 2025

URBAN SYSTEMS

AGENDA

- Why Update Now?
- Overview
- DCC Projects and Rates
- ACC Projects & Rates
- Next Steps
- Q&A

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WHY UPDATE NOW?

- Recent **changes to Provincial Legislation**:
  - Allow a wider scope of services and amenities to be cost shared (Bill 46)
- Parks DCC Program has **not been updated since 2008**
  - Best practice is to review the DCC program every 3-5 years
- Opportunity to provide consistency in **collecting funding for community amenities** through introduction of an **Amenity Cost Charge Bylaw**
- DCCs and ACCs help promote **financial sustainability** for the City

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OVERVIEW

WHAT ARE DCCs AND ACCs?

- Help communities recover the costs of **off-site infrastructure needed for growth**
- Based on the **principle of cost-sharing,** ensuring new development pays its share of growth-related infrastructure
- **Provincially-regulated** development finance tool
  - Part 14, Division 19 of the *Local Government Act*
  - New legislation (Bill 46) now allows a wider scope of services and amenities (November 2023)
  - DCC Best Practices Guide (March 2025)
  - ACC Best Practices Guide (March 2025)

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WHAT PROJECTS ARE DCC-ELIGIBLE?

DCCs CAN BE USED TO FUND

Capital costs for 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)**

DCCs CANNOT BE USED TO FUND

- Infrastructure or parks needed to serve the existing population (deficiencies, asset replacement)
- In other words: **DCC projects must be growth-related**
- Operations and maintenance costs
- Community buildings – eligible under ACCs

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WHAT WORKS ARE ACC-ELIGIBLE?

ACCs CAN BE USED TO FUND

Amenities (non-exhaustive)

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

ACCs CANNOT BE USED TO FUND

- Projects otherwise eligible for DCCs
- Projects needed to serve the **existing** population (deficiencies, asset replacement), i.e., **ACC projects must be growth-related**
- Operations and Maintenance Costs

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HOW DO WE DETERMINE THE RATES?

GROWTH

Estimate residential & non-residential growth & where it is expected to occur



CAPITAL COSTS & TIMING

Identify costs & timing of projects needed to support growth



BENEFIT ALLOCATION

Determine the extent to which each project benefits growth



DRAFT RATES

Calculate the draft DCC & ACC rates



ASSIST FACTOR

Council determines how much to assist development



FEASIBILITY TESTING

Assess the impact of charges on development feasibility



CONSULT

Consult with development community



TECHNICAL INPUTS

POLICY INPUT

TECHNICAL INPUTS

MINISTRY REVIEW

BYLAW ADOPTION



POLICY INPUT

ALLOCATING BENEFIT

- Each project is assigned a benefit allocation (%) between 1 and 100%
- Projects that are not growth-driven (i.e., 0%) are ineligible for DCC and ACCs
- Percentage is based on the extent to which a project will benefit new development
- Ensures costs are shared equitably between the current and future population (benefiters)

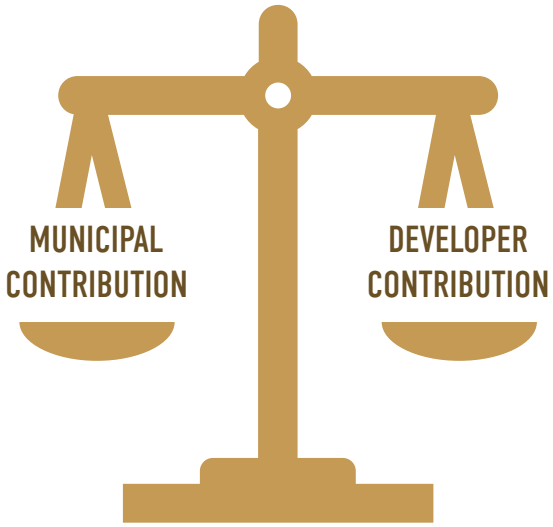


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MUNICIPAL ASSIST FACTOR

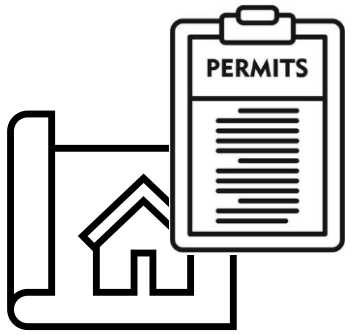
- Legislation requires local government to assist development for DCCs and ACCs
- Assist amount must be **made up through other revenue sources** (e.g., taxation)
- **Council has complete discretion** to set an assist factor between 1% (least assistance) and 99% (most assistance)
- The assist factor is varied by:
  - Infrastructure program (e.g., roads, water, sewer)
  - Amenity category (e.g., libraries, community centers)

The assist factor cannot be varied by land use.



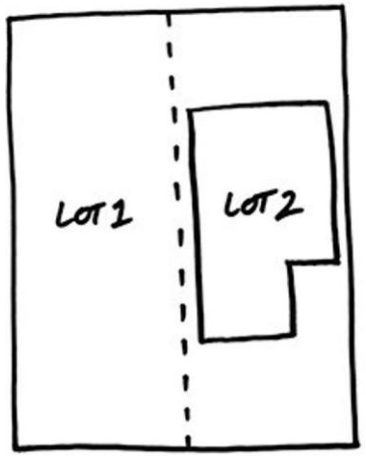
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HOW AND WHEN ARE DCCs AND ACCs COLLECTED?



DCCs and ACCs must be paid by applicants at either:

- **subdivision approval** for single-detached residential development sites, or
- **building permits** for townhouse and apartment residential uses, commercial, industrial, and institutional development.



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PROJECT EXAMPLE

ASSUMPTIONS

- $1 Million (M) project cost
- 35% benefit allocation to new growth (i.e., 65% to existing users)
- 1% Municipal Assist Factor

PROJECT COST e.g., $1M	BENEFIT ALLOCATION e.g., 35% benefit to growth		ASSIST FACTOR (1%) e.g., 1% assistance to developer		COST SHARE
DEVELOPER CONTRIBUTION	$350K	-	$3.5K	=	$346.5K
CITY CONTRIBUTION	$650K	+	$3.5K	=	$653.5K

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IN-STREAM PROTECTION

A complete application is one:
- ☑ That has been received
- ☑ Is complete
- ☑ Has been paid

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

Subdivision *(LGA Sec. 511)*

- Subdivision application submitted before bylaw adoption and fee paid
- Exempt from new rates for 12 months
- Subdivision must be approved within that time

Building Permit *(LGA Sec. 568 and Sec 570.91)*

- Building permit issued within 12 months of adoption
- Requires precursor application (building, DP, or rezoning) submitted and paid before adoption
- Development must be fully within precursor area

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STATUTORY EXEMPTIONS (UNDER LEGISLATION)

DCC Exemptions	ACC Exemptions
• Buildings for public worship • Development does not impose a new capital cost burden • DCCs have been charged previously Can be varied by Council: • Building permits for ≤ $50,000 • Residential units ≤ 29m^2 in size • Fewer than 4 units, i.e. duplex/triplexes	• Development does not result in growth • ACCs have been charged previously • In some cases, affordable housing (as prescribed by legislation)

PROPOSED DCC RATES

SUMMARY OF KEY CHANGES

- Updated Parks DCC Program
  - Parks DCC to be charged on City-Wide basis moving forward
- Addition of Protective Services DCC Program
  - Fire and Police Facilities
- Transportation, Water, Drainage, Sanitary Sewer Programs are **not being updated at this time**
  - Will be reviewed in a subsequent DCC update

PARKS AND PROTECTIVE FACILITIES PROGRAM DETAILS

- 20-year time horizon
- Examples of projects include:
  - Park Washrooms
  - Community & Neighborhood Park Development
  - Playgrounds
  - Trails and Pathways
  - New firehall
  - New police facility

DCC CAPITAL COST SUMMARY – MAINLAND

Service	Capital Costs *($M)*	DCC Recoverable Costs *($M)*	Municipal Costs *(Benefit to Existing + 1% MAF) ($M)*
Transportation	$84	$27	$57
Drainage	$10	$8	$2
Water	$8	$7	$0.1
Sanitary Sewer	$10	$10	$0.1
Parkland Acquisition[1] & Development (City-Wide)	$50	$49.5	$0.5
Protective Services (City-Wide)	$74	$73	$1
Total*	**$236M**	**$175M**	**$61M**

[1] *Parkland Acquisition in this context refers to updating the previous 2008 Parks Project list.*
**Values may not total due to rounding*

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DRAFT MAINLAND DCC RATES

Land Use	Unit of Charge	Transportation	Drainage	Water	Sanitary Sewer	Parks *[City-Wide]*	Protective Services *[City-Wide]*	Draft Mainland DCC Rates	*Existing Mainland DCC Rates*
Single Detached	m^2 parcel area	$9.11	$4.34	$2.60	$3.73	$11.45	$25.32	**$56.55**	*$39.19*
Townhouse	m^2 GFA	$15.65	$6.79	$4.98	$7.15	$21.95	$48.52	**$105.04**	*$77.10*
Apartment	m^2 GFA	$22.31	$6.99	$6.83	$9.83	$30.14	$66.62	**$142.72**	*$82.88*
Commercial – Retail	m^2 GFA	$33.17	$5.16	$3.30	$4.75	$14.57	$32.20	**$93.15**	*$46.37*
Commercial – Office	m^2 GFA	$33.17	$5.16	$2.80	$4.02	$12.32	$27.24	**$84.71**	*$45.14*
Industrial	m^2 improved site area	$3.45	$3.63	$1.14	$1.64	$5.04	$11.14	**$26.04**	*$9.86*
Institutional	m^2 GFA	$6.63	$4.84	$2.80	$4.02	$12.32	$27.24	**$57.85**	*$18.28*

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DCC CAPITAL COST SUMMARY – QUEENSBOROUGH

Service	Capital Costs *($M)*	DCC Recoverable Costs *($M)*	Municipal Costs *(Benefit to Existing + 1% MAF) ($M)*
Transportation	$12	$11	$0.2
Drainage	$11	$5	$6
Water	$0.3	$0.3	$0.03
Sanitary Sewer	$3	$2	$0.3
Parkland Acquisition[1] & Development (City-Wide)	$50	$49.5	$0.5
Protective Services (City-Wide)	$74	$73	$1
Total*	**$150M**	**$142M**	**$8M**

[1] *Parkland Acquisition in this context refers to updating the previous 2008 Parks Project list.*
**Values may not total due to rounding*

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DRAFT QUEENSBOROUGH DCC RATES

Land Use	Unit of Charge	Transportation	Drainage	Water	Sanitary Sewer	Parks *[City-Wide]*	Protective Services *[City-Wide]*	Draft Queensborough DCC Rates	*Existing Queensborough DCC Rates*
Single Detached	m^2 parcel area	$22.90	$11.61	$0.00	$2.99	$11.45	$25.32	**$74.27**	*$63.65*
Townhouse	m^2 GFA	$41.70	$19.24	$0.00	$6.08	$21.95	$48.52	**$137.49**	*$119.65*
Apartment	m^2 GFA	$40.42	$13.47	$0.00	$5.67	$30.14	$66.62	**$156.32**	*$108.60*
Commercial – Retail	m^2 GFA	$139.12	$13.81	$0.00	$3.81	$14.57	$32.20	**$203.51**	*$156.73*
Commercial – Office	m^2 GFA	$139.12	$13.81	$0.00	$3.22	$12.32	$27.24	**$195.71**	*$156.15*
Industrial	m^2 improved site area	$7.24	$9.71	$0.00	$1.31	$5.04	$11.14	**$34.44**	*$18.26*
Institutional	m^2 GFA	$13.91	$12.94	$0.00	$3.22	$12.32	$27.24	**$69.63**	*$30.08*

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PROPOSED ACC RATES

ACC PROGRAM SUMMARY

Service	Total Capital Costs *($M)*	Benefit Allocation *(%)*	ACC Recoverable *($M)*	Municipal Costs *(Benefit to Existing + 1% MAF) ($M)*
Amenities	415	25-100%	365	51
Total*	**$415M**		**$365M**	**$51M**

**Values may not total due to rounding*

- 20-year time horizon
- Examples of projects include:
  - Libraries
  - Community Facilities
  - Urban Spaces

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PROPOSED ACC RATES – CITY-WIDE

Land Use	Unit of Charge	Draft ACC Rates
Single Detached	m^2 parcel area	$125.52
Townhouse	m^2 GFA	$240.56
Apartment	m^2 GFA	$330.32
Commercial – Retail	m^2 GFA	$159.63
Commercial – Office	m^2 GFA	$135.08
Industrial	m^2 improved site area	$55.26
Institutional	m^2 GFA	$135.08

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SUMMARY

PROPOSED DCC + ACC RATE – MAINLAND

Land Use	Unit of Charge	Draft DCC Rates	Draft ACC Rates	Total DCC + ACC Rates
Single Detached	m^2 parcel area	$56.65	$125.52	**$182.07**
Townhouse	m^2 GFA	$105.04	$240.56	**$345.60**
Apartment	m^2 GFA	$142.72	$330.32	**$473.04**
Commercial – Retail	m^2 GFA	$93.15	$159.63	**$252.78**
Commercial – Office	m^2 GFA	84.71	$135.08	**$219.79**
Industrial	m^2 improved site area	$26.04	$55.26	**$81.30**
Institutional	m^2 GFA	$57.85	$135.08	**$192.93**

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PROPOSED DCC + ACC RATE – QUEENSBOROUGH

Land Use	Unit of Charge	Draft DCC Rates	Draft ACC Rates	Total DCC + ACC Rates
Single Detached	m^2 parcel area	$74.27	$125.52	**$199.79**
Townhouse	m^2 GFA	$137.49	$240.56	**$378.05**
Apartment	m^2 GFA	$156.32	$330.32	**$486.64**
Commercial – Retail	m^2 GFA	$203.51	$159.63	**$363.14**
Commercial – Office	m^2 GFA	$195.71	$135.08	**$330.79**
Industrial	m^2 improved site area	$34.44	$55.26	**$89.70**
Institutional	m^2 GFA	$69.63	$135.08	**$204.71**

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NEXT STEPS

NEXT STEPS

- Requesting feedback from interested parties until *August 6, 2025*, send written comments to Ryan Li at rli@newwestcity.ca
- Present DCC + ACC Bylaws to Council in Fall 2025

Q&A