



# City of Richmond

## Report to Committee

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<b>To:</b>	Finance and Audit Committee	<b>Date:</b>	February 6, 2026
<b>From:</b>	Mike Ching, CMA, CPA Director, Finance	<b>File:</b>	03-0900-01/2025-Vol 01
<b>Re:</b>	<b>DCC and ACC Public Consultation Update and Referral Response</b>		




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### Staff Recommendations

1. That the Amendment DCC Imposition Bylaw with an effective date of January 1, 2027, as recommended under Option C of the report titled "DCC and ACC Public Consultation Update and Referral Response" dated February 6, 2026, from the Director, Finance, be endorsed as the basis for staff to prepare the Amendment DCC Imposition Bylaw; and
2. That the ACC Imposition Bylaw with an effective date of July 1, 2026, as recommended in the report titled "DCC and ACC Public Consultation Update and Referral Response" dated February 6, 2026, from the Director, Finance, be endorsed as the basis to prepare the necessary ACC Bylaws.

Mike Ching, CPA, CMA  
Director, Finance  
(604-276-4137)

Att. 5

REPORT CONCURRENCE		
ROUTED TO:	CONCURRENCE	CONCURRENCE OF GENERAL MANAGER
Arts, Culture & Heritage	<input checked="" type="checkbox"/>	 <hr/>
Building Approvals	<input checked="" type="checkbox"/>	
Community Social Development	<input checked="" type="checkbox"/>	
Development Applications	<input checked="" type="checkbox"/>	
Economic Development	<input checked="" type="checkbox"/>	
Engineering	<input checked="" type="checkbox"/>	
Facility Services & Project Development	<input checked="" type="checkbox"/>	
Housing Office	<input checked="" type="checkbox"/>	
Law	<input checked="" type="checkbox"/>	
Parks Services	<input checked="" type="checkbox"/>	
Policy Planning	<input checked="" type="checkbox"/>	
Real Estate Services	<input checked="" type="checkbox"/>	
Recreation & Sport Services	<input checked="" type="checkbox"/>	
Richmond Public Library	<input checked="" type="checkbox"/>	
Transportation	<input checked="" type="checkbox"/>	
<b>SENIOR STAFF REPORT REVIEW</b>	INITIALS: 	<b>APPROVED BY CAO</b> 

## Staff Report

### Origin

At the September 8, 2025 Council Meeting, the report titled “Proposed Development Cost Charges Program and Amenity Cost Charges Program”, dated August 11, 2025, from the Director, Finance, was endorsed as the basis for further public consultation in establishing the City of Richmond’s (the City’s) amendment Development Cost Charges (DCC) Imposition Bylaw and a new Amenity Cost Charges (ACC) Imposition Bylaw.

At the January 20, 2026, Planning Committee meeting, the following referral motion was passed:

*That staff investigate the impact of freezing of the current DCC rates in the short and long term, and report back in three months.*

The purpose of this report is to provide an update to Council on the feedback received during the consultation period and to provide an assessment of the impact of freezing the current DCC rates in the short and long term.

This report supports Council’s Strategic Plan 2022-2026 Focus Area #2 Strategic and Sustainable Community Growth:

*Strategic and sustainable growth that supports long-term community needs and a well-planned and prosperous city.*

*2.1 Ensure that Richmond’s targeted OCP update shapes the direction and character of the city.*

This report supports Council’s Strategic Plan 2022-2026 Focus Area #4 Responsible Financial Management and Governance:

*Responsible financial management and efficient use of public resources to meet the needs of the community.*

*4.1 Ensure effective financial planning to support a sustainable future for the City.*

### Findings of Fact

#### Development Cost Charges (DCC)

Local governments in B.C. are granted the authority to pass DCC bylaws and collect DCC through Division 19 of the *Local Government Act (LGA)*. Specifically, the *LGA* permits DCC to be established for providing, constructing, altering, or expanding facilities related to the following:

- Highway facilities (roads), other than off-street parking<sup>1</sup>;
- Sewage (Sanitary) Facilities;
- Water Facilities;
- Drainage (Storm Drainage) Facilities;

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<sup>1</sup> Added and/or amended DCC categories under Bill 46.

- Fire Protection Facilities<sup>1</sup>;
- Police Facilities<sup>1</sup>;
- Solid Waste and Recycling Facilities<sup>1</sup>; and
- Parkland Acquisition and Improvement.

As required by the *LGA*, a separate DCC reserve fund must be established for each purpose for which the local government imposes the DCC.

#### Amenity Cost Charges (ACC)

As communities grow, there will be an increased need for amenities such as libraries, childcare facilities, recreation centres, and public squares to support this growth. ACC is a new development-financing tool introduced by the Province of B.C. under Bill 46 to ensure that new developments contribute to the cost of amenities that serve growing populations.

The introduction of ACC is a provincially mandated shift that aims to improve fairness, transparency and predictability for both municipalities and developers. According to the Province, ACC will help create a more standardized, transparent and efficient system for local governments to fund growth-related amenities.

In Richmond's context, the inability to use the traditional density bonusing tool within the minimum density imposed by Bill 47 (Transit-Oriented Area) after June 30, 2026, is a major concern as this is a policy tool that the City has historically relied upon for affordable housing and non-residential amenities (e.g., childcare facilities, community centres), especially in the City-Centre area. Bill 16, in combination with Bill 46 and Bill 47, collectively mandates the City to restructure the entire development financing framework which largely relies on density bonusing. The legislation effectively eliminates these funding sources, and is to be replaced by ACC, density benefits and inclusionary zoning tools. As a result, ACC is an important development-financing tool for the City once density bonus bylaws are brought into compliance with legislative amendments by June 30, 2026. Amendments to the Zoning Bylaw to include inclusionary zoning will be brought forward for Council's consideration in a separate report to secure affordable housing (e.g., low-end market rental) prior to the June 30, 2026, deadline.

Similar to DCC, local governments in B.C. are granted the authority to pass ACC bylaws and collect ACC through Division 19.1 of the *LGA*. The *LGA* permits ACC to be established to pay for capital costs of providing, constructing, altering or expanding amenities to benefit, directly or indirectly, the development and the increased population of residents or workers that results from the development.

Unlike DCC that must be separated into different DCC reserve funds, ACC funds do not need to be segregated by amenity type (e.g., libraries, childcare facilities, etc.). Local governments will have a consolidated pool of ACC funds to support construction of development-related amenities during each budget cycle. The use of ACC reserve funds must be authorized by Council through the annual capital budget process.

Major DCC Update

A major DCC Bylaw amendment is recommended to be undertaken every five years, under the Province’s DCC Best Practices Guide. A major DCC amendment may also occur earlier than the five-year planning horizon when there are significant updates to key DCC program inputs such as updated capital costs, new development forecasts or updated master plans, etc.

The recent housing legislation changes imposed by the Province have necessitated the City to revisit the underlying DCC assumptions to ensure continued alignment with the broader Official Community Plan (OCP). In recognition of the slowdown in the real estate and the development sectors, this major DCC update was conducted with a prioritized and mitigation-focused approach.

Some of the key considerations include:

- Deferred new DCC categories introduced under Bill 46 – specifically police, fire, and solid waste and recycling facilities – to limit additional cost impacts at this time.
- Reviewed all growth-related projects, reduced project scope and deferred projects.
- Updated only the Parks DCC program to reflect future park needs associated with anticipated growth, and limited all other DCC programs to modest level of inflationary adjustments.

This targeted approach ensures the City follows the Province’s DCC Best Practices Guide and maintains alignment with long-term growth planning, while at the same time minimizes the rate impacts during a period of economic uncertainty.

Proposed DCC and ACC Programs and Rates

At the September 8, 2025, Council Meeting, staff presented three DCC options for Council’s consideration (Table 1), where Option 2 with a proposed DCC rate increase of 4.9% was endorsed by Council as a basis for further public consultation.

Table 1: Overview of DCC Options

	<b>Recommended</b>		
	Option 1 (Comprehensive)	Option 2 (Prioritized)	Option 3 (Rate Freeze)
Key DCC Update Considerations:			
1. New DCC Categories Included	Yes	No	No
2. New Growth Projection Included	Yes	Yes	Yes
3. New SSMUH* DCC Rate Created	Yes	Yes	Yes
4. DCC Program Cost Updated	Yes	Partial	Partial
5. Cost Inflationary Update Included	Yes	Partial	No
DCC Recoverable Value	\$2.83 billion	\$2.25 billion	\$2.17 billion
Proposed DCC Rate Increase	33.0%	4.9%	0.0%

\*SSMUH stands for Small Scale, Multi-Unit Housing

At the same meeting, staff also recommended the introduction of the new ACC rates. Table 2 summarizes the City’s proposed DCC and ACC rates that were previously endorsed by Council as a basis for public consultation prior to bylaw adoption.

Table 2: Proposed City’s DCC and ACC Rates

Development Type	Unit	Proposed DCC (4.9% increase)	Proposed ACC	Proposed DCC+ACC
Single Family	lot	\$66,908	\$22,003	\$88,911
SSMUH	dwelling unit (with or without secondary suite)	\$47,182	\$12,102	\$59,284
Townhouse	ft <sup>2</sup> of building area	\$35.45	\$12.27	\$47.72
Apartment	ft <sup>2</sup> of building area	\$37.55	\$12.94	\$50.49
Commercial/Institutional	ft <sup>2</sup> of building area	\$24.25	\$4.69	\$28.49
Light Industrial	ft <sup>2</sup> of building area	\$19.92	\$3.91	\$23.83
Major Industrial	acre of gross site area	\$225,900	\$3,562	\$229,462

**Analysis**

Public Engagement Process

During the public engagement period that ended on December 19, 2025:

- The public and interested parties were invited to provide their feedback by emailing [dcc@richmond.ca](mailto:dcc@richmond.ca) and/or by participating in one of the in-person information and public engagement sessions about the proposed DCC and ACC programs and rates.
- Direct invitations were sent to Urban Development Institute (UDI), National Association of Industrial and Office Properties (NAIOP), Homebuilders Association Vancouver (HAVAN), and Richmond home builders.
- An information session was provided to the members of the Richmond Economic Advisory Committee.
- General invitations were extended to the general development community and the public via the City’s social media platform and the City’s website.

Table 3 provides a summary of the attendance of the three in-person public engagement sessions held during the consultation period.

Table 3: In-Person Public Engagement Attendance Summary

Date	Audience	Number of Participants
November 27, 2025	Members of General Public and Development Community	8
December 4, 2025	Members of Richmond Economic Advisory Committee	6
December 9, 2025	Members of Urban Development Institute (UDI) and National Association of Industrial and Office Properties (NAIOP)	10

Public engagement materials are included in Attachment 1 of this report. Written feedback from the public and the development industry received during the consultation period are included in Attachment 2 of this report.

### Summary of Feedback Received

The development industry suggested that the City freeze or reduce rates, arguing that rising fees add financial pressure, threaten project viability, and could slow housing delivery. Some pointed to other municipalities (e.g., City of Vancouver and City of Surrey) that have paused increases and asked the City to consider following the same approach. Additional comments included questions on DCC cost allocations between growth and existing residents, incentives for affordable housing units, and the call for financial feasibility analysis to better understand the overall impact of proposed rates to development.

Overall, the development industry felt that any development cost increases would further worsen the already challenging housing market and urged the City to explore alternative approaches that do not further burden new housing in the near term.

### Responses to Feedback Received

The proposed DCC and ACC programs were developed with consideration to the current economic climate. A prioritized approach was used to balance fiscal sustainability and mitigate the cost impacts to developments. Under the proposed approach, the City deferred the introduction of the new DCC categories permitted under recent provincial legislation and focused the update primarily to the Parks programs. All other DCC programs were limited to general inflationary cost adjustments despite rising construction costs of growth-related infrastructure.

The City's last DCC Consumer Price Index (CPI) update was completed in July 2024 (based on 2023 CPI of 4.3%). The proposed increase of 4.9% in DCC rates is comparable and consistent with the permitted inflationary DCC minor update for year 2025 (at 2024 CPI rate of 2.6%) and year 2026 (at 2025 CPI rate of 2.1%). The City's DCC rates have remained unchanged for 2025 and will remain unchanged until such time the proposed DCC bylaw is adopted by Council.

Further deferral of the proposed DCC rates would widen the gap between actual growth-related infrastructure costs and the outdated rates currently in place. This may require shifting the financial burden onto existing taxpayers through increased property taxes and/or utility rates, or onto future development through higher future DCC rates. Maintaining timely DCC updates ensures that growth contributes its fair share toward the infrastructure required to support it, protects the City's long-term financial sustainability, and upholds transparency and equity in how growth-related costs are allocated.

With respect to the industry's comments regarding the City of Vancouver's and the City of Surrey's approaches to freezing or reducing DCC or DCL (Development Cost Levy) rates, it should be noted that these are the only two B.C. municipalities with population more than 300,000 that, in order to be eligible for Federal infrastructure funding, were required to freeze their DCC or DCL rates for three consecutive years at the rates that were in place prior to April 2, 2024. Both cities cited in their staff reports that any reduction in DCC or DCL revenue is anticipated to be offset by the potential grant funding.

Further details of specific public comments and discussion are summarized in Attachment 3.

**Referral Response**

In response to Council's referral motion, staff have provided the following DCC rate implementation options along with their potential impact.

**Option A: Freeze DCC Rates (Not Recommended)**

The City's current DCC Bylaw was last adopted prior to the introduction in the new housing legislation, resulting in any new SSMUH developments as permitted under Bill 44 be assessed with single family DCC on a per lot basis under the current definition of the City's DCC Bylaw. The potential increase in population from SSMUH developments is anticipated to increase the demand for the City's future infrastructure requirements such as roads, utility infrastructure and parks. It is therefore important that the City's DCC Bylaw be updated to reflect the definition and charges applicable to these types of housing forms to ensure that the costs of growth are fairly and equitably allocated to growth.

This option requires the City to update the DCC program and the DCC bylaw to reflect the changes to the housing legislation, which will enable the collection of DCC from SSMUH developments. To keep the DCC rates frozen (see Option 3 in Table 1), the proposed DCC program will need to retain the current values (in 2021 dollars) without any inflationary adjustments. The option will also significantly impact the Parks program as park projects would need to be removed in order to achieve a 0% change in DCC rates.

Assuming an average DCC collection of \$15 million per year, the freezing of DCC rates would result in approximately \$750,000 less in annual DCC collection if the proposed 4.9% increase in DCC rates was not being recommended. While short-term impacts may be minimal due to slower development and in-stream rate protection, freezing DCC rates, in the long run, would create potential funding gaps, force higher future rate increases, and may require shifting costs to taxpayers through property tax or utility rate increases and/or future developments through higher DCC rates.

Should this option be considered by Council, the Amendment DCC Bylaw will still need to be brought forward to the Inspectors of Municipalities for approval and to Council for adoption in order to capture the new SSMUH development category in the Amendment DCC Bylaw.

**Option B: Reduce DCC Rates (Not Recommended)**

This option can only be achieved by reducing the DCC programs which will result in reduced or delayed provision of growth-related infrastructure (e.g., Parks, Roads, Utilities), or by increasing the Municipal Assist Factor (MAF) which will shift additional costs to taxpayers and ratepayers through increased property taxes and/or utility rates.

*Reduce DCC Program*

The impact of reducing the DCC program will mainly be long-term, where timing and quality of growth-related infrastructure may be impacted. To ensure alignment with broader policy requirements and standards, and to conform with the OCP, any temporary reduction to the DCC program may result in either the shift of cost burden to taxpayers and/or ratepayers, or may require higher level of increase in future DCC updates, causing volatility and large future rate increases.

An example of such took place in 2009 during the City's major DCC update, where the City reduced the proposed DCC program by more than 10% in response to concerns about the economic impacts of the 2008 financial crisis. Development activity subsequently rebounded and exceeded historical norms, with construction and real estate markets in the Lower Mainland reaching record levels in the following years. The City's decision to reduce the DCC program and the DCC rates created significant opportunity costs for the City with respect to DCC collections, alongside with increased demand of infrastructure to support growth. These pressures contributed to one of the largest proposed DCC rate increases of over 60% in the next major update in 2016, where the City had to significantly update its DCC program values to catch up with the cumulative and compounded effect of program cost escalations.

*Increase Municipal Assist Factor*

Consistent with past DCC updates, the City has continued to apply the historical 1% MAF, which is the minimum level required by legislation and is consistent with what is used by most local governments. In addition to the MAF, each project is subject to a benefit factor allocation where the portion that benefits existing taxpayers and ratepayers are required to be funded by the municipality. The benefit factors of the proposed DCC projects ranges between 10% to 100% and is assigned to each project based on technical assessments to ensure the infrastructure cost is fairly allocated between growth and existing population.

Should Council wish to direct staff to use a different MAF, the City's 5-year financial plan would need to be adjusted accordingly to reflect such change in MAF allocation. To illustrate the potential financial impact, if the MAF was increased from the current level of 1% to 6%, it would result in 0% increase in DCC rates, with an equivalent tax impact of approximately 1% in order to cover the increased municipal assistance to developments.

**Option C: Defer DCC Rate Changes (Recommended)**

This option delays the effective date of the new DCC bylaw by providing developers with a temporary grace period. Impacts would be limited to the short-term, as deferrals typically last only a few months. This approach has regularly been exercised by municipalities to provide short-term relief to development, while not compromising long-term cost recovery for local governments.

To provide additional time for the development industry to adjust to the proposed DCC increase, staff recommend a future effective date of January 1, 2027. Table 4 captures the anticipated timeline of events should the effective date of January 1, 2027, be endorsed by Council. The proposed timeline is effectively freezing the City's DCC rates between July 2024 and December 2026 prior to rolling out the proposed 4.9% DCC rates increase.

Table 4: Anticipated DCC Bylaw Timeline

Date*	Steps	Applicable DCC Rates	
Mar 2026	Council receives update on public engagement feedback and provides direction on implementation approach	Current Rates	
May 2026*	Three readings of Amendment DCC Bylaw by Council	Current Rates	
May-Aug 2026*	Inspector of Municipalities Review (~2 months)	Current Rates	
Sep 2026*	Amendment DCC Bylaw Adoption with Jan 1, 2027, effective date	Current Rates	
Jan 1, 2027	Effective date of Amendment DCC Bylaw	<u>In-Stream Applications</u> Current Rates	<u>New Applications</u> New Rates
Sep 2027*	End of in-stream protection period (12-month period from the date of bylaw adoption per <i>LGA</i> )		
Oct 2027*	Amendment DCC Bylaw in full effect	New Rates	

\*These dates are based on estimates and may be subject to change.

**In-Stream Applications**

The *LGA* includes provisions to protect development applications that are already in progress (“in-stream” or “precursor applications”) from new or updated charges. When a local government adopts an amended DCC Imposition Bylaw or an ACC Imposition Bylaw, the new charges do not apply to any development for which the local government has received a complete application for a building permit, subdivision, development permit or zoning bylaw amendment prior to the bylaw’s adoption.

In-stream and precursor applications are granted exemption from the new rates for a period of 12 months as long as the applicants obtains their building permits within 12 months of bylaw adoption.

Similar to past DCC updates, staff will publish information on the City’s website site and will provide regular updates to the development industry to inform them of the applicable in-stream dates. The City will continue to work closely with developers to coordinate review and issuance of permits of in-stream applications in an expedited manner.

**ACC Bylaw with July 1, 2026, Effective Date (Recommended)**

Local governments are required to bring existing density bonus bylaws into compliance with legislative amendments by June 30, 2026. With that, it is proposed that the proposed ACC Bylaw be established no later than July 1, 2026, to enable the City to use ACC as an alternate development-financing tool to collect from all new developments throughout the City to fund growth-related amenities.

The City has primarily relied on a well-established density bonusing framework within the OCP to achieve community amenities. The inability to use density bonusing within the minimum densities established by Bill 47 (Transit-Oriented Area) creates significant implications for how the City secures growth related amenities. In the absence of the density bonusing tool, ACC will become a critical alternative development-financing tool for the City to implement. Further

delaying the implementation of ACC may result in the needed future community amenities not being delivered due to lack of funding, or such funding will need to be fully borne by existing taxpayers through additional collection of property taxes in the long-run if no other external funding sources are available.

For the reasons stated above, staff recommend that the ACC Bylaw be established with an effective date of July 1, 2026. Table 5 below provides an anticipated timeline as recommended. It should be noted that there is no approval of Inspector of Municipalities required prior to Council’s adoption of the ACC Bylaw.

Table 5: Anticipated ACC Bylaw Timeline

Date	Steps	Applicable ACC Rates	
Mar 2026	Council receives update on public engagement feedback and provides direction on implementation approach	No ACC	
May 2026	Three readings of ACC Bylaw by Council	No ACC	
Jun 2026	ACC Bylaw Adoption with Jul 1, 2026, effective date	No ACC	
Jul 1, 2026	Effective date of ACC Bylaw	<u>In-Stream Applications</u>	<u>New Applications</u>
Jun 2027	End of in-stream protection period (12-month period from the date of bylaw adoption per <i>LGA</i> )	No ACC	New ACC
Jul 1, 2027	ACC Bylaw in full effect	New ACC	

**Summary of Staff Recommendations**

Should Council endorse the recommended implementation approach, the timing of the effective date of the proposed Amendment DCC Bylaw and the new ACC Bylaw would be staggered such that:

- ACC Bylaw will become effective on July 1, 2026 (except for in-stream applications)
- DCC Bylaw will become effective on January 1, 2027 (except for in-stream applications)

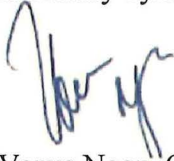
The recommended approach would provide additional time for the market to respond to the new rates. This staggered approach will also spread out the cost impact over a period of time rather than both rate changes being introduced at the same time. However, it should be noted that this approach would add administrative burden to both the City and the development industry as both parties would have to monitor multiple in-stream protection dates in addition to the effective date of any third party DCC (e.g., Metro Vancouver and Translink).

**Financial Impact**

The deferred DCC Bylaw implementation approach will lower the overall DCC collection by 4.9% during the recommended deferral period. Based on an average amount of DCC collection over a four-month window, the loss in DCC collection during the grace period is estimated to be \$250,000.

## **Conclusion**

In response to public comments and Council's referral, this report seeks directions from Council on the preferred Amendment DCC Bylaw and ACC Bylaw implementation approach so the necessary bylaws can be prepared and presented to Council for future considerations.



Venus Ngan, CPA, CA  
Manager, Treasury and Financial Services  
(604-276-4217)

- Att. 1: Public Engagement Presentation Materials (Dec 9, 2025)
- 2: Written Responses Received
- 3: Summary of Feedback and Discussion
- 4: Municipal DCC, ACC and Regional DCC Comparison Charts (with updated 2026 rates)
- 5: Municipal ACC Comparison Charts

# CITY OF RICHMOND DEVELOPMENT COST CHARGE UPDATE AND NEW AMENITY COST CHARGE BYLAW

UDI Engagement Session  
December 9, 2025

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## AGENDA

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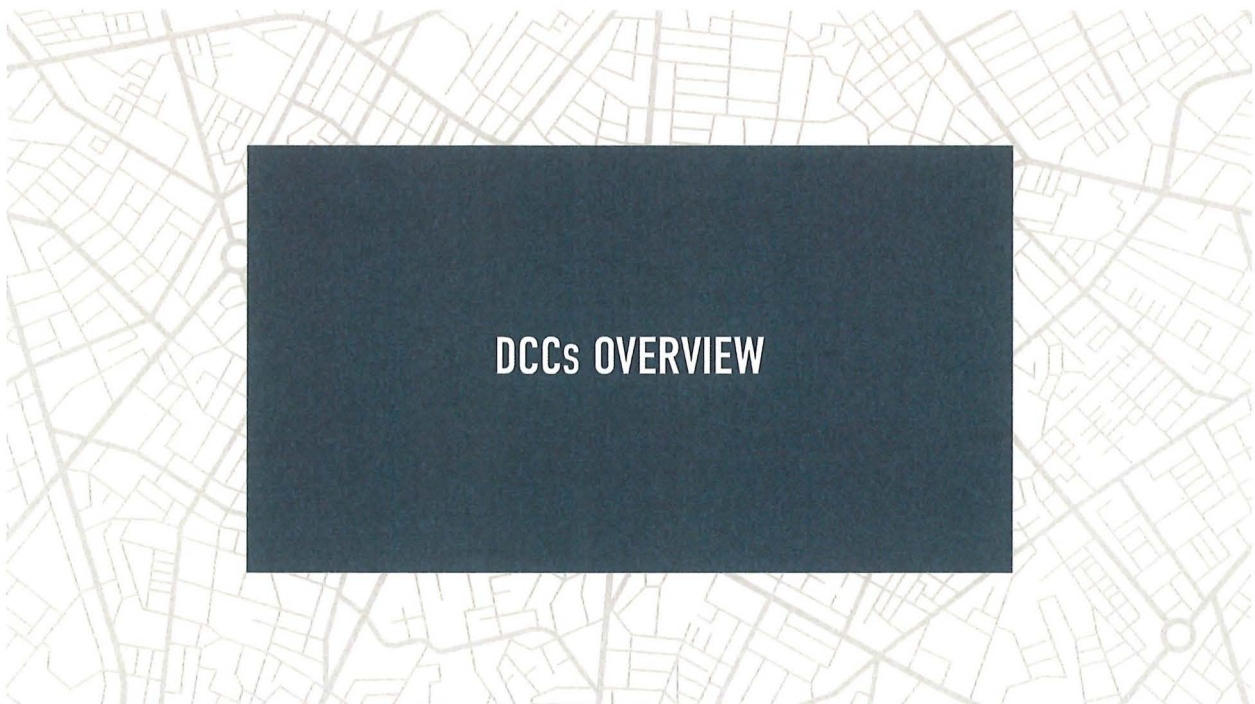
- Why Update Now?
- DCC Overview, Projects & Rates
- ACC Overview, Projects & Rates
- Community Comparisons & Development Feasibility Considerations
- Next Steps
- Discussion



## WHY NOW?

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- Recent **changes to Provincial Legislation:**
  - Allow a wider scope of services and amenities to be cost shared (Bill 46)
  - Permits more density through the small-scale multi-unit housing (SSMUH)
  - Allow for new density/height minimums in Transit-Oriented Areas with no density bonusing minimums
- Best practice is to review the DCC program every 3-5 years
- Opportunity to provide consistency in **collecting for community amenities** through introduction of an **Amenity Cost Charge Bylaw**
- DCCs and ACCs help promote **financial sustainability** for the City



## WHAT ARE DCCs?

- Help communities recover the costs of **off-site infrastructure needed for growth**
- Based on the **principle of cost-sharing** infrastructure between existing taxpayers and new developments
- **Provincially-regulated** development finance tool
  - Part 14, Division 19 of the Local Government Act (LGA)
  - New legislation (Bill 46) now allows a wider scope of services and amenities
  - DCC Best Practices Guide (March 2025)
  - DCC Guide for Elected Officials



## WHAT PROJECTS CAN DCCs PAY FOR?

### DCCs CAN BE USED TO FUND

Capital costs (planning, engineering, design, legal, studies) for:

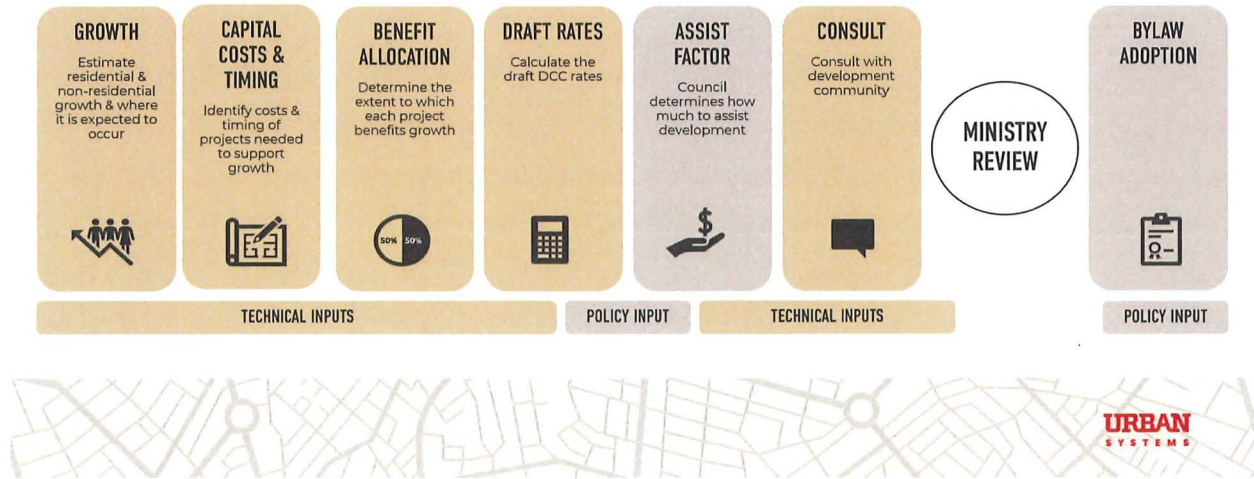
- Transportation services
- Water services
- Drainage services
- Sewer services
- Parkland acquisition and improvements
- Fire protection facilities
- Police facilities
- Solid waste and recycling facilities

### 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*



# HOW DO WE DETERMINE THE RATES?



## PROJECT EXAMPLE

### ASSUMPTIONS

- \$1 Million (M) project cost
- 50% benefit allocation to new growth (i.e., 50% to existing users)
- 1% Municipal Assist Factor

PROJECT COST e.g., \$1M	BENEFIT ALLOCATION e.g., 50% benefit to growth	ASSIST FACTOR (1%) e.g., 1% assistance to developer	COST SHARE
DEVELOPER CONTRIBUTION	\$500K	\$5.0K	\$495K
CITY CONTRIBUTION	\$500K	\$5.0K	\$505K



## WHEN ARE DCCs COLLECTED?

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- DCCs are paid by applicants for:
  - Applicants for **subdivision approval** to create single detached lots
  - Applicants for **building permits** to construct SSMUH typologies, townhouse and apartment residential uses, commercial, industrial, and institutional development



## IN-STREAM PROTECTION

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- New DCC rates will be effective at bylaw adoption unless future effective date is set
- However, legislation provides protection to in-stream:
  - Building permit applications
  - Subdivision applications
  - Precursor applications (Re-zoning and Development Permit)



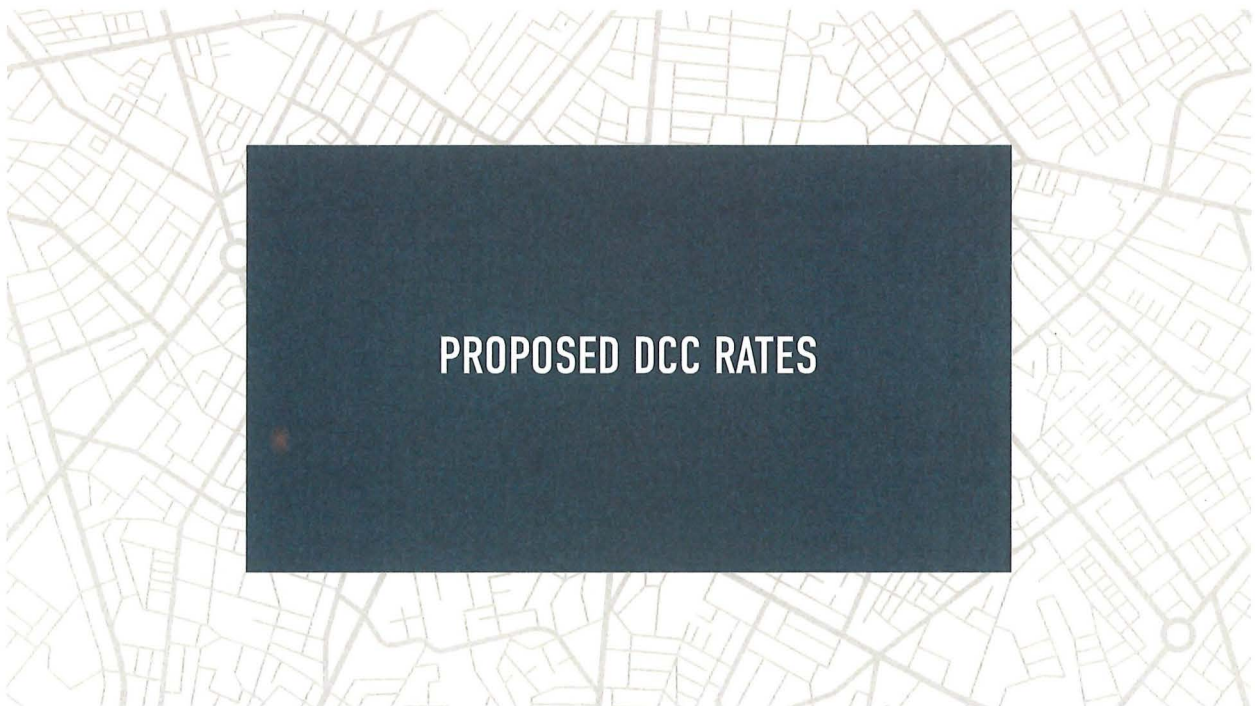
## IN-STREAM PROTECTION

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- To avoid new DCC charges, these applications must be in prior to adoption of the new DCC bylaw

### AND

- Building permits/subdivision must be granted within one year of bylaw adoption; or
- Re-zoning and Development Permit applications must result in building permit issuance within one year of bylaw adoption



## SUMMARY OF KEY CHANGES

- **Revised land use categories** to better reflect impact on infrastructure and ease of administration
  - This includes consideration of SSMUH development
- **Review of equivalent factors** to accommodate SSMUH-type development (e.g., Plexes, Detached accessory dwelling units)
- Decision to not include Fire Protection, Police, and Solid Waste Management DCC Programs in this update to achieve tenable DCC rates
- Focus on inflationary adjustments and constrained capital program **resulting in 5% adjustment in DCC rates**
- No update to the Alexandra Area-Specific DCC Charges



## PROPOSED DCC RATES

Land Use	Unit of Charge	Current DCC Rates (2024)	Draft DCC Rates (1% MAF)	% Increase
Single Family Residential	Per Lot	\$63,767.14	<b>\$66,908</b>	5%
SSMUH	Per Dwelling Unit	n/a	<b>\$47,182</b>	n/a
Townhouse	Per ft <sup>2</sup> DU	\$33.79	<b>\$35.45</b>	5%
Apartment	Per ft <sup>2</sup> DU	\$35.79	<b>\$37.55</b>	5%
Commercial	Per ft <sup>2</sup> BA	\$23.10	<b>\$24.25</b>	5%
Institutional	Per ft <sup>2</sup> BA	\$23.10	<b>\$24.25</b>	5%
Light Industrial	Per ft <sup>2</sup> BA	\$18.97	<b>\$19.92</b>	5%
Heavy Industrial	Per acre of GSA	\$215,118.05	<b>\$225,900.62</b>	5%

NOTES:

DU = Dwelling Unit

BA = Building Area (in square feet)

GSA = Gross Site Area (in acres)

## DCC PROJECT SUMMARY

Service	Project Examples
Transportation	<ul style="list-style-type: none"> <li>• Intersection upgrades</li> <li>• Sidewalks</li> <li>• Roundabouts</li> </ul>
Water	<ul style="list-style-type: none"> <li>• Watermains</li> <li>• Water Master Plan</li> </ul>
Drainage	<ul style="list-style-type: none"> <li>• Dikes</li> <li>• Drainage Mains</li> <li>• Box Culverts</li> </ul>
Sanitary Sewer	<ul style="list-style-type: none"> <li>• Gravity Mains</li> <li>• Pump Stations</li> <li>• Forcemains</li> </ul>
Parkland Acquisition	<ul style="list-style-type: none"> <li>• Parkland acquisition to maintain level of service</li> </ul>
Parkland Development	<ul style="list-style-type: none"> <li>• Development of new trails</li> <li>• Washroom facilities</li> <li>• Playground Equipment</li> </ul>

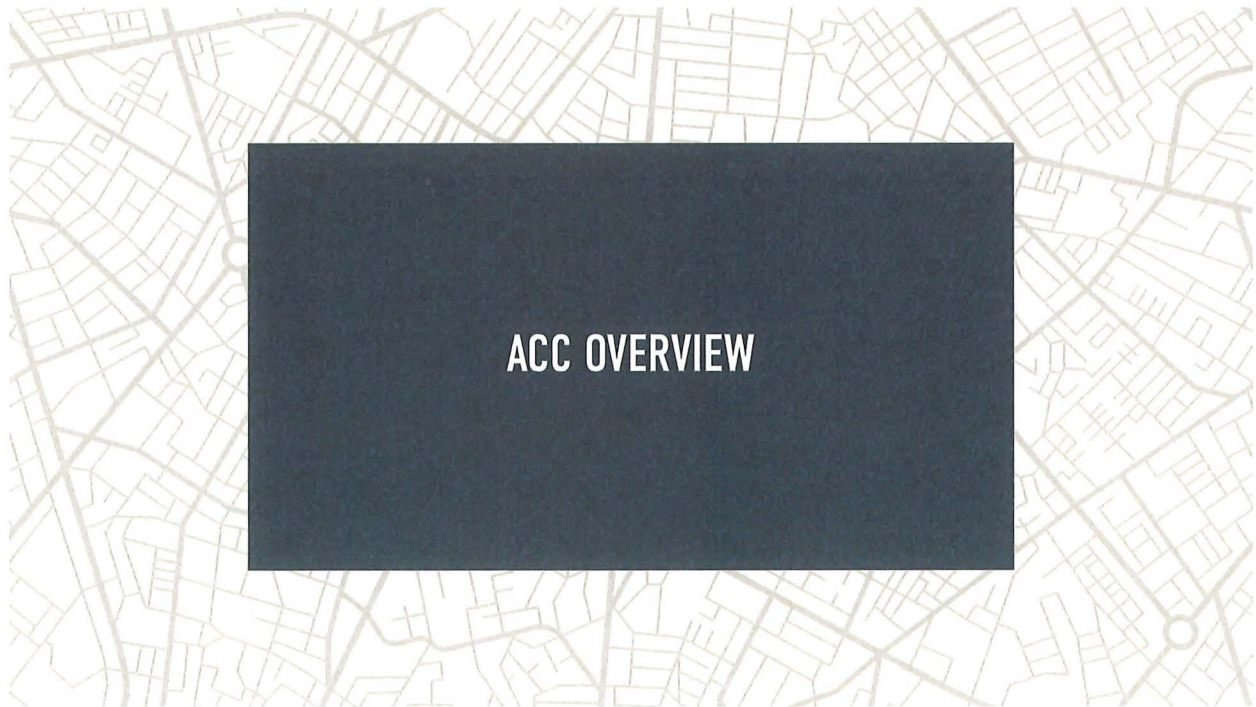


## DCC CAPITAL COST SUMMARY

Service	Total Capital Costs (\$M)	DCC Recoverable (\$M)	Municipal Costs (Benefit to Existing + 1% MAF) (\$M)
Transportation	742.6	698.4	44.2
Water	48.4	46.2	2.1
Drainage	113.2	107.3	5.9
Sanitary Sewer	1,479.6	577.4	902.2
Parkland Acquisition	513.3	482.7	30.5
Parkland Development	363.5	341.9	21.6
<b>Total*</b>	<b>\$3,260.6M</b>	<b>\$2,253.9M</b>	<b>\$1,006.5M</b>

\*Values may not total due to rounding





# ACC OVERVIEW

## CHANGES TO THE CITY AMENITY FUNDING STRUCTURE

- City's amenity funding structure has typically relied on density bonusing (esp. City Centre) and amenity contributions secured through OCP/Area Plans (e.g. Broadmoor, West Cambie)
- Provincial Transit Oriented Area minimums have changed the paradigm in the City Centre – no density bonusing below the provincial minimums:



		0m to 200m	200m to 400m	400m to 800m
Rapid Transit	TOA	5 FAR	4 FAR	3 FAR
	Minimums	20 Storeys	12 Storeys	8 Storeys



## A NEW PARADIGM

---

- Restrictions on the City's ability to density bonus within TOAs
- Transition to new Amenity Cost Charges (ACCs), on city-wide basis
- Concurrent updates to historic amenity contributions (e.g. Broadmoor, West Cambie) to ensure no 'double-dipping' – previous CACs towards childcare, community facilities convert to new ACC program
- Adapted inclusionary zoning (work in progress) focused on affordable housing
- Adapted density bonusing (work in progress) primarily for non-residential (e.g. Local Villages outside of City Centre)



## WHAT ARE ACCs?

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- Help communities recover the costs of amenities that provide social, cultural, heritage, recreational, or environmental benefits to a community
- Closely resemble DCCs
  - Charges for one-time capital costs
  - Growth-driven
- Regulated by the Province
  - New legislation (Bill 46)
  - Division 19.1 of the *Local Government Act*
  - ACC Best Practices Guide (new!)



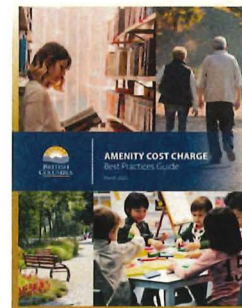
## WHAT IS THE UPTAKE OF ACC BYLAWS?

- Examples of communities that have proposed or adopted ACC rates:
  - Burnaby – *charged on all land use categories*
  - Coquitlam – *charged on residential uses*
  - North Vancouver (District) – *charged on residential uses*
  - Pitt Meadows – *charged on residential uses*
  - Abbotsford (Proposed) – *charged on all land use categories*
  - Mission – *charged on residential uses*
  - Nanaimo (Proposed) - *charged on all land use categories*
  - Cumberland (Proposed) – *charged on residential uses*
  - Oak Bay – *charged on all land use categories*
  - Comox (Proposed) – *charged on residential uses*
- All communities charge ACCs on a municipal-wide basis



## ACC BEST PRACTICES GUIDE – ITEMS OF NOTE

- Can only be used for capital costs
- Cannot be used to pay for housing of any kind
- Cannot be levied on “affordable housing” or “places of worship”
- Cannot be levied if a development doesn’t result in increased population of residents or workers
- Must be owned by local government or through a “partnering agreement”
- Approval by Inspector of Municipalities is not required
- Cannot overlap with DCCs, CACs, Density Bonusing – no “double charging”



# WHAT WORKS CAN ACCs PAY FOR?

## ACCs CAN BE USED TO FUND

### Amenities (non-exhaustive)

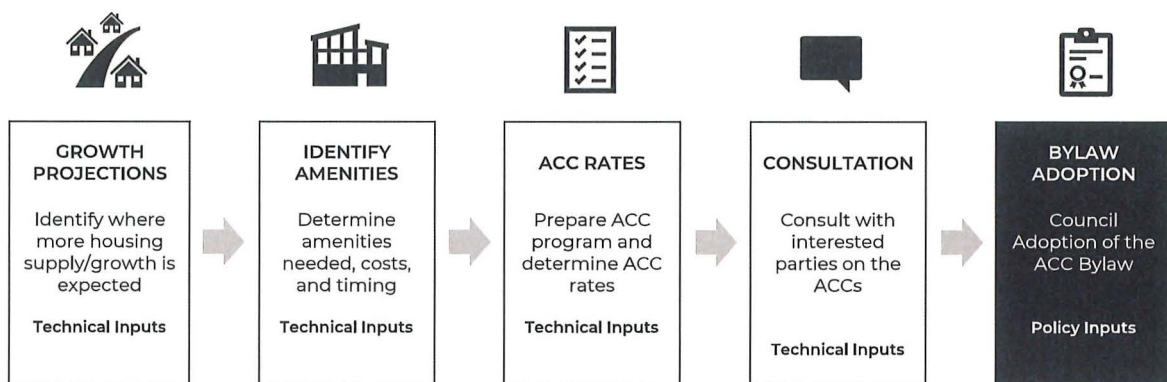
- Community, youth, or seniors' centre
- Recreation or athletic facility
- Library
- Childcare facility
- Public square

## 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



# HOW IS THE ACC RATE DETERMINED?



## IN-STREAM PROTECTION

---

- ACC rates will be effective at bylaw adoption unless future effective date is set
- However, legislation provides protection to in-stream:
  - Building permit applications
  - Subdivision applications
  - Precursor applications (re-zoning and Development Permit)



## IN-STREAM PROTECTION

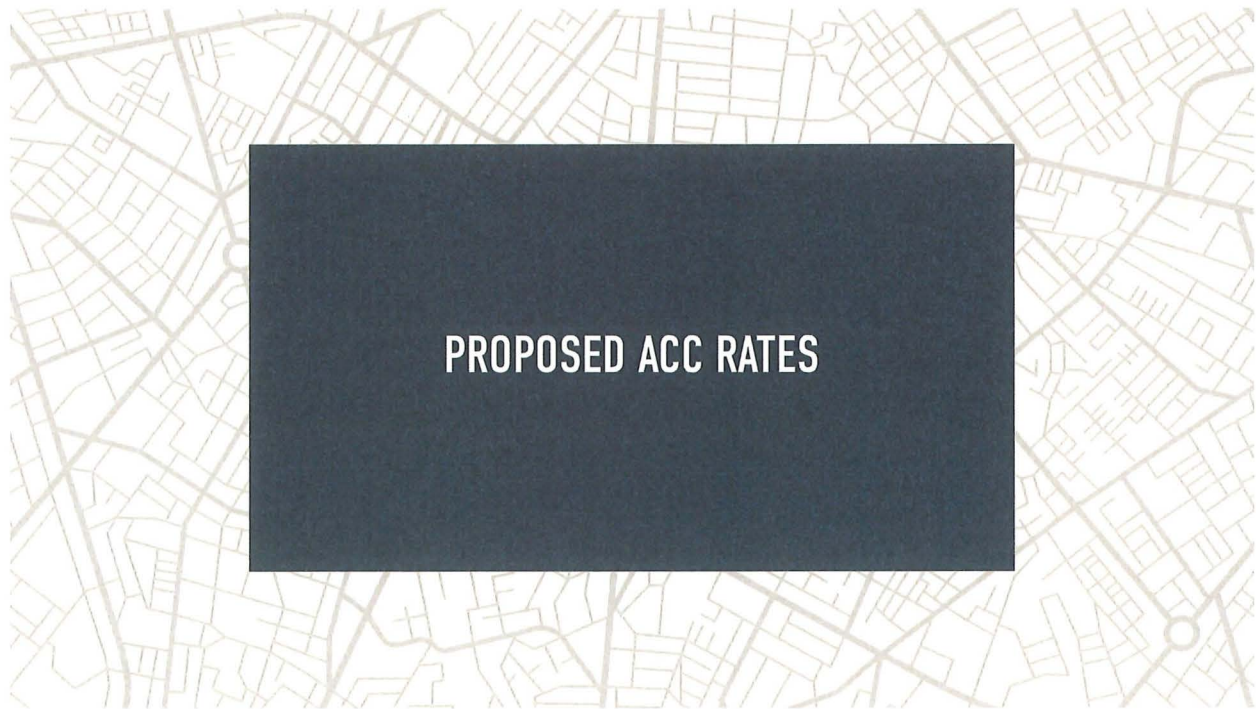
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- To avoid new ACC charges, these applications must be in prior to adoption of the new ACC bylaw

AND

- Building permits/subdivision must be granted within one year of bylaw adoption; or
- Re-zoning and Development Permit applications must result in building permit issuance within one year of bylaw adoption





## PROPOSED ACC RATES

Land Use	Unit of Charge	Draft ACC Rates <i>(1% MAF)</i>
Single Family Residential	Per Lot	<b>\$22,003</b>
SSMUH	Per Dwelling Unit	<b>\$12,102</b>
Townhouse	Per ft <sup>2</sup> DU	<b>\$12.27</b>
Apartment	Per ft <sup>2</sup> DU	<b>\$12.94</b>
Commercial	Per ft <sup>2</sup> BA	<b>\$4.69</b>
Institutional	Per ft <sup>2</sup> BA	<b>\$4.69</b>
Light Industrial	Per ft <sup>2</sup> BA	<b>\$3.91</b>
Heavy Industrial	Per acre of GSA	<b>\$3,561.84</b>



## ACC PROGRAM SUMMARY

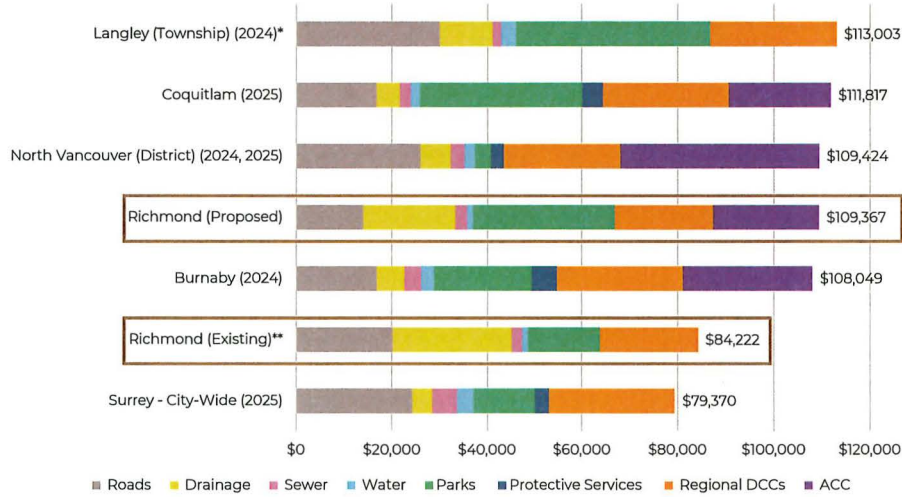
Service	Total Capital Costs (\$M)	Benefit Allocation (%)	ACC Recoverable (\$M)	Municipal Assist Factor (%)	Municipal Costs (Benefit to Existing + 1% MAF) (\$M)
Amenities	250.1	20-100%	195.9	1%	54.2
<b>Total*</b>	<b>\$250.1M</b>		<b>\$195.9M</b>		<b>\$54.2M</b>

\*Values may not total due to rounding

- 10-year time horizon
- Examples of projects include:
  - Library Space
  - Performing Art Space
  - Childcare Spaces



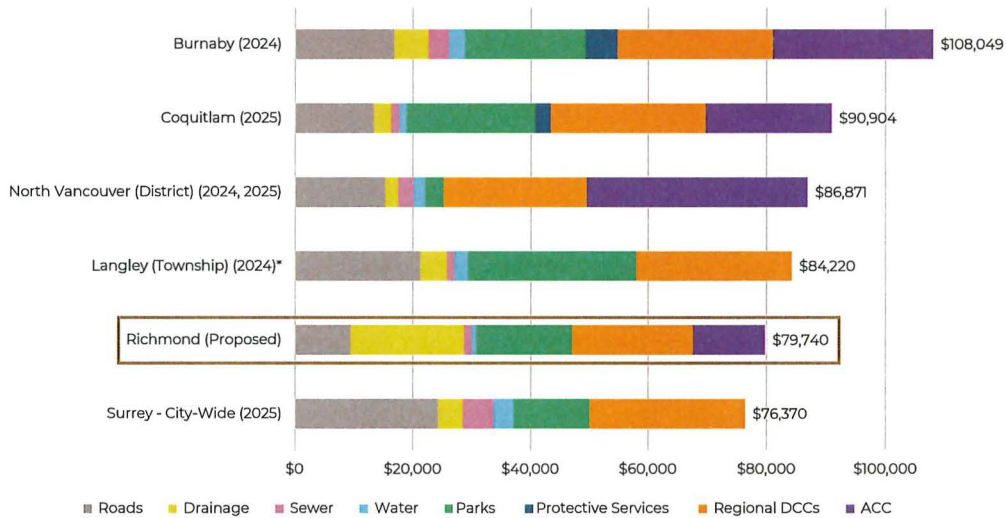
# SINGLE FAMILY (PER LOT)



\*Community undertaking DCC/ACC Update

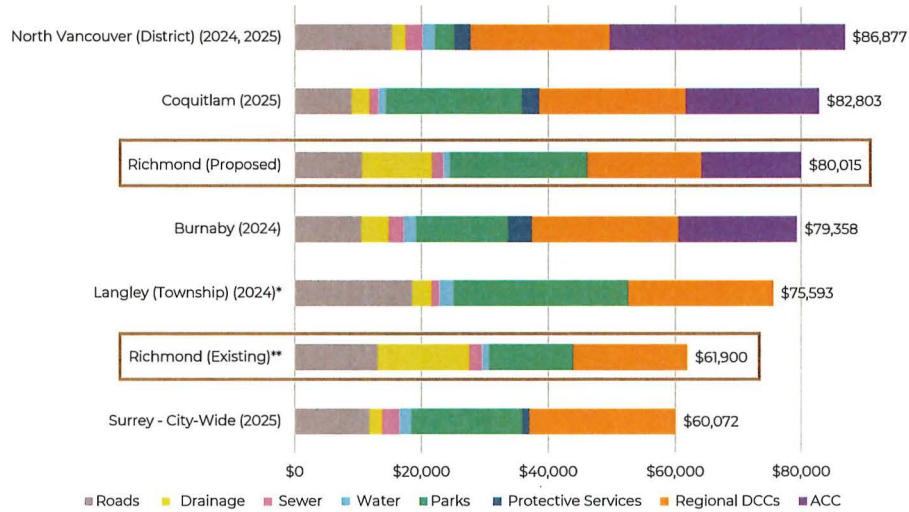
\*\*Richmond's existing rate does not include applicable Community Amenity Contributions/ Density Bonus rates to be replaced by ACCs

# SSMUH (PER DWELLING UNIT)



\*Community undertaking DCC/ACC Update

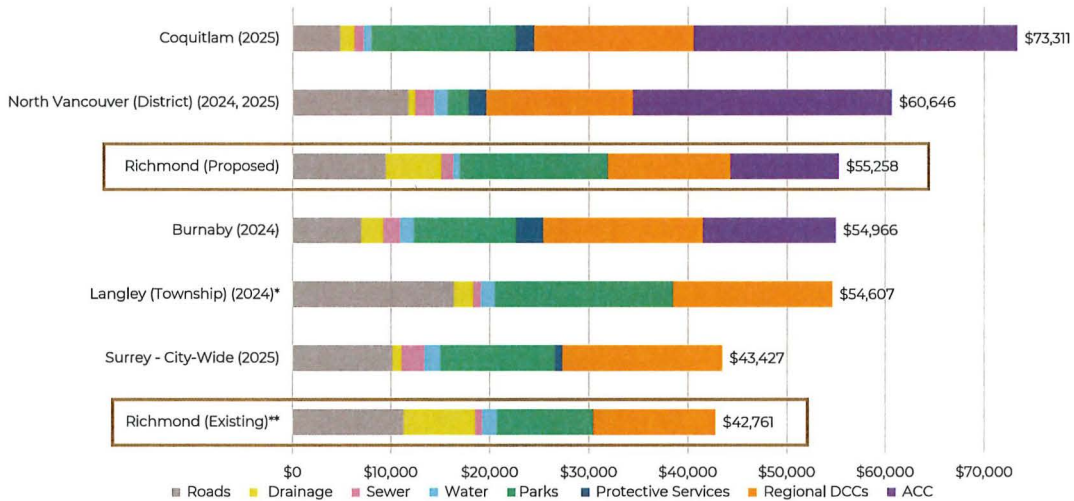
## TOWNHOUSE (PER DWELLING UNIT)



\*Community undertaking DCC/ACC Update

\*\* Richmond's existing rate does not include applicable Community Amenity Contributions/ Density Bonus rates to be replaced by ACCs

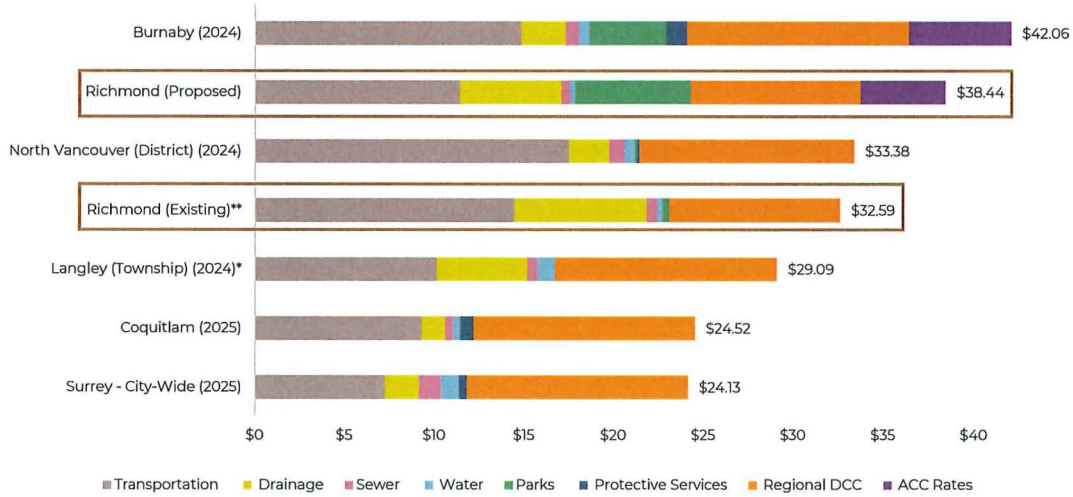
## APARTMENT (PER DWELLING UNIT)



\*Community undertaking DCC/ACC Update

\*\* Richmond's existing rate does not include applicable Community Amenity Contributions/ Density Bonus rates to be replaced by ACCs

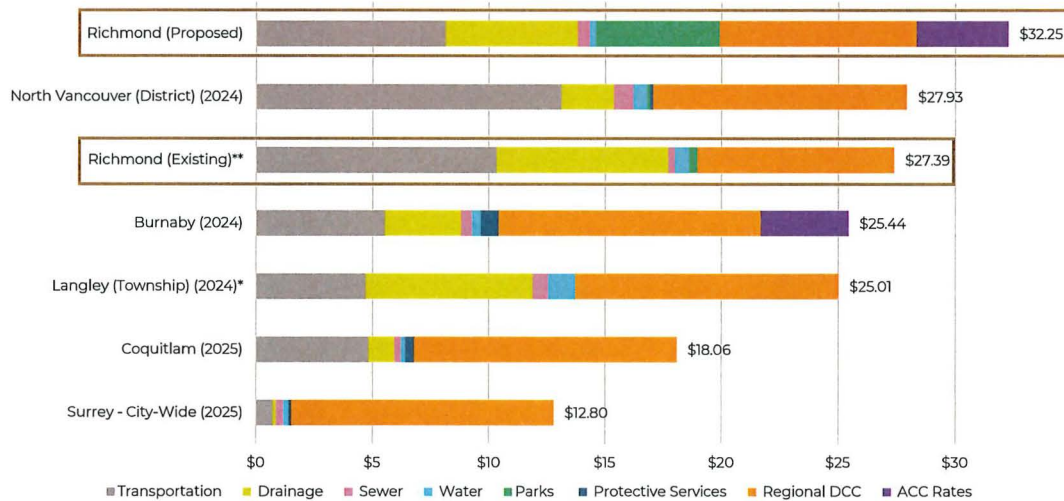
## COMMERCIAL (PER SQUARE FOOT)



\*Community undertaking DCC/ACC Update

\*\*Richmond's existing rate does not include applicable Community Amenity Contributions/ Density Bonus rates to be replaced by ACCs

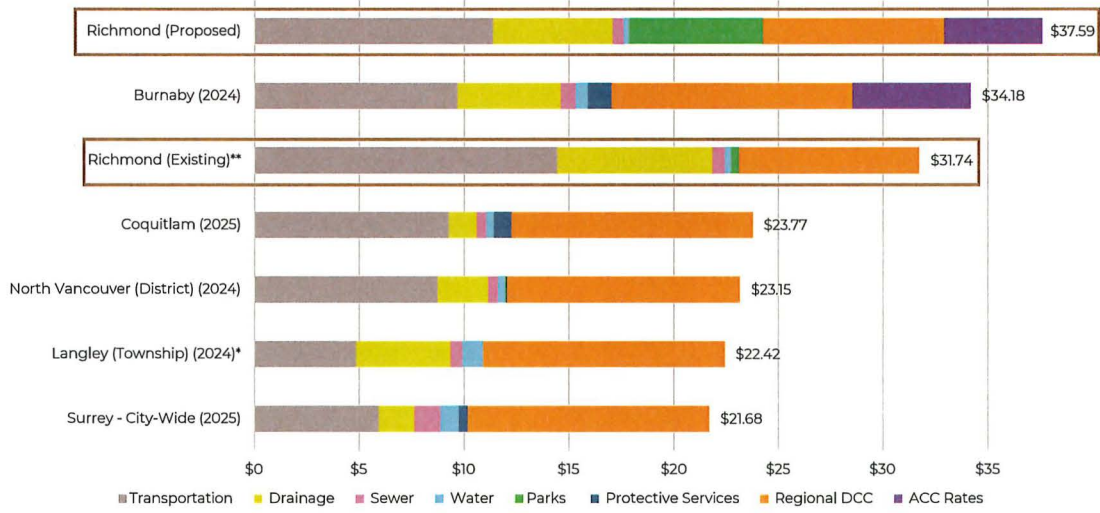
## INDUSTRIAL (PER SQUARE FOOT)



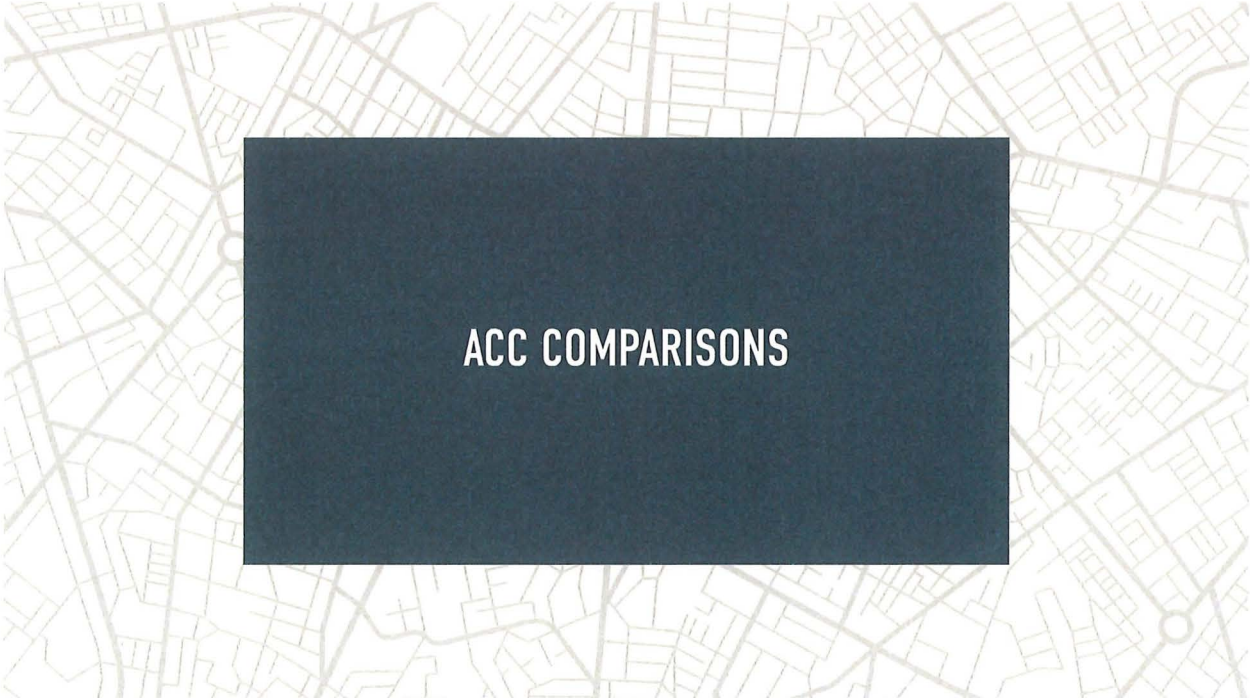
\*Community undertaking DCC/ACC Update

\*\*Richmond's existing rate does not include applicable Community Amenity Contributions/ Density Bonus rates to be replaced by ACCs

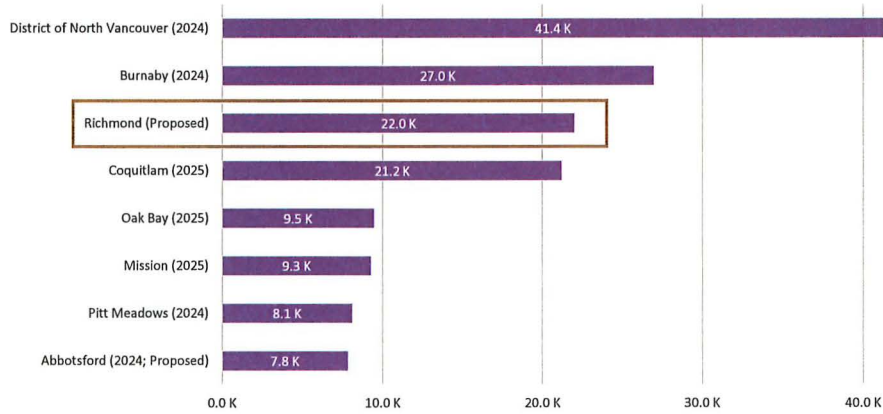
# INSTITUTIONAL (PER SQUARE FOOT)



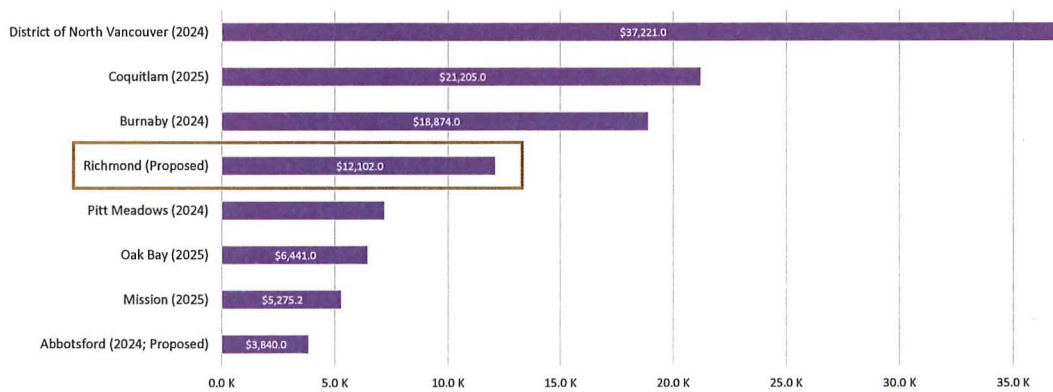
\*Community undertaking DCC/ACC Update  
 \*\*Richmond's existing rate does not include applicable Community Amenity Contributions/ Density Bonus rates to be replaced by ACCs



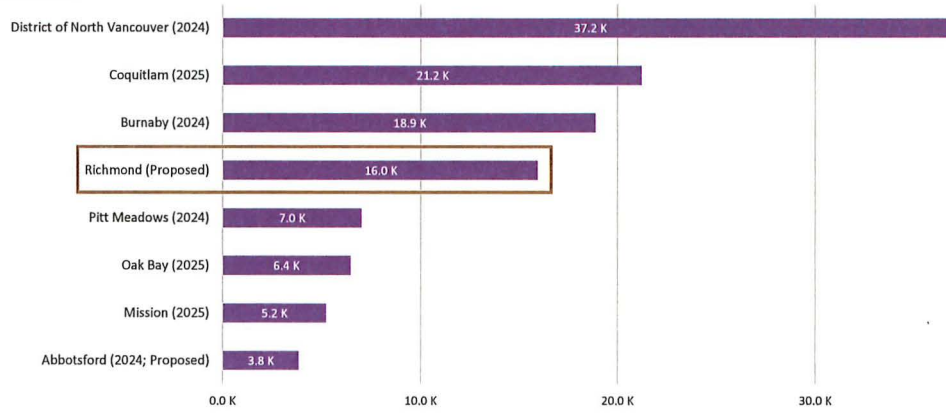
## ACC - SINGLE FAMILY (PER LOT)



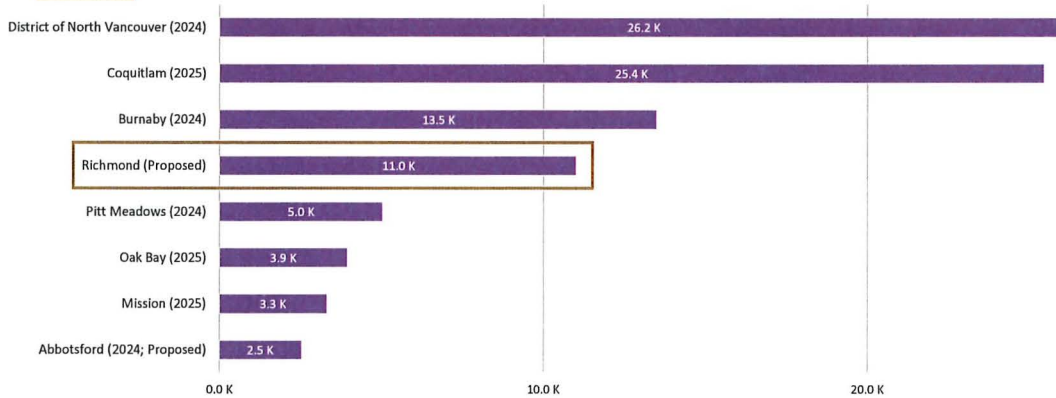
## ACC - SSMUH (PER DWELLING UNIT)



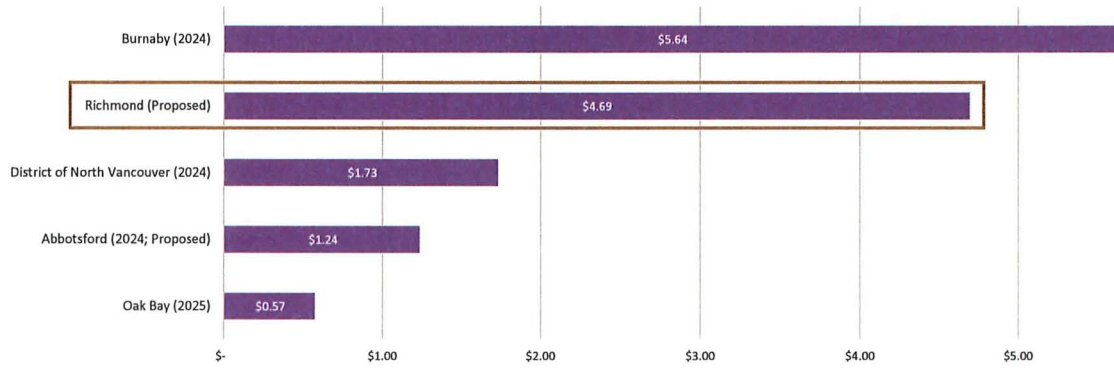
## ACC - TOWNHOUSE (PER DWELLING UNIT)



## ACC - APARTMENT (PER DWELLING UNIT)



## ACC - COMMERCIAL (PER SQUARE FOOT)



## FEASIBILITY CONSIDERATIONS

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- DCC rate increases reflect general inflation (5%)
- No additional DCC Program added (Fire, Police or Solid Waste Management)
- ACC Program designed to replace existing Density Bonus structure
- ACC Program designed with a 10-year time horizon to limit capital projects included in introductory bylaw



**ACC + DCC NEXT STEPS**

## NEXT STEPS

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- Requesting feedback from interested parties until *December 19, 2025*, send written comments to [dcc@richmond.ca](mailto:dcc@richmond.ca)
- Present DCC + ACC Bylaws to Council in early 2026
- Submit DCC Program and Bylaw for Inspector of Municipalities Review





**URBAN  
DEVELOPMENT  
INSTITUTE**

**SUITE 650  
1050 W PENDER STREET  
VANCOUVER, BC V6E 3S7**

January 19, 2026

Mayor Malcolm Brodie and Council  
City of Richmond  
6911 No. 3 Road  
Richmond, BC V6Y 2C1

***Re: Proposed Development Cost Charge Increase***

Dear Mayor Brodie and Members of Council,

The Urban Development Institute (UDI) is writing to express serious concern with the City's proposed Development Cost Charge (DCC) increase and to respectfully recommend that Council not proceed with it at this time. Instead, the City should consider reducing them.

UDI and our members remain committed to working with the City of Richmond to help deliver the housing needed to support current and future residents. We recognize the importance of infrastructure and the role that DCCs play in funding essential services. However, the current economic environment, combined with Richmond's unique cost pressures, means that now is not the time to further increase the cost of delivering new homes. In fact, we need to find ways to reduce those costs.

**The Cost of Delivery Crisis**

Across Metro Vancouver, the housing sector is facing a deepening cost of delivery crisis. Projects that have already secured rezoning or development approvals are increasingly unable to proceed due to elevated construction costs, constrained financing, and the cumulative impact of government-imposed charges and regulatory requirements at all levels.

In addition to municipal development fees, projects in Richmond and across the region are absorbing higher Metro Vancouver Development Cost Charges, with further regional increases already scheduled. At the same time, new adaptability and seismic requirements introduced through the BC Building Code came into effect last year, adding cost, complexity, and design constraints to projects that are already under significant financial pressure.

**Richmond's Unique Challenges**

As Council is aware, Richmond faces several unique development constraints that amplify the broader cost of delivery crisis. In prior correspondence earlier this year, UDI outlined how the costs to build in Richmond can be significantly higher than in other Metro Vancouver municipalities, in some cases by as much as \$120,000 per unit.

Key factors include:

- Federally regulated height restrictions associated with YVR, which limit the City's ability to use additional height or density as a tool to offset rising costs.
- Exceptionally high below-grade construction and parking costs driven by local soil and geotechnical conditions, including preloading, densification, DSM/CSM walls, waterproofing, and raft slabs.
- District Energy Utility requirements that impose substantial upfront capital costs relative to comparable systems in other municipalities.
- Development fees that are already among the highest in the region, combined with extensive on-site and off-site infrastructure requirements.

Taken together, these constraints mean that Richmond has fewer policy levers available to restore project viability once costs increase.

As a result, land prices can no longer be lowered to absorb any further cost increases. Instead, these increases are being borne by home buyers and tenants who increasingly cannot afford them. Instead, this is directly undermining project viability, stalling housing delivery, and increasing the risk that approved projects will never be built.

Importantly, these cost pressures do not only reduce near term housing starts - they also delay a broader market recovery. As costs continue to rise, the gap between what it costs to build and what the market can support widens, extending the period before projects can again become financially viable. Each additional layer of cost pushes recovery further out, slows the return of construction activity, and delays the delivery of much needed housing, jobs, and economic activity.

### **Recognition Across the Region**

Importantly, local governments across Metro Vancouver are recognizing these realities and adjusting course accordingly. Over the past year, several municipalities have taken deliberate steps, particularly with respect to Development Cost Charges, to ease cost pressures and support housing delivery:

- The City of Vancouver has implemented a temporary 20 percent discount on Development Cost Levies to help projects move forward during the current downturn.
- The City of Surrey rolled back its DCC rates to 2023 levels while explicitly acknowledging the need to avoid further burdening new housing.

- The Township of Langley twice deferred its planned DCC increases and has since proposed rates lower than those previously contemplated.
- The City of Abbotsford adopted new DCC and ACC rates in June but delayed their effective date until February 1, 2026, rather than implementing them immediately, recognizing current market fragility.

These actions reflect a shared understanding that the housing market is under significant strain and that increasing fees at this time risks doing more harm than good. Proceeding with a DCC increase in Richmond would run counter to this regional trend and place the City at a competitive disadvantage for housing investment.

### **Risk to Housing Delivery**

Increasing DCCs in the current environment will not accelerate infrastructure delivery if projects do not move forward. Instead, higher charges risk pushing already marginal projects beyond the point of feasibility, resulting in fewer homes (including below-market homes) being built, fewer construction jobs, and lower overall fee collection over time. We are already seeing this dynamic play out across the region, where slowing housing starts have led to municipalities collecting less revenue than anticipated. From a fiscal perspective, a pause on DCC increases is not a concession, but a pragmatic approach to protecting long term housing delivery.

### **Recommendation**

Given current economic conditions, regional precedent, and Richmond's unique cost pressures, UDI strongly recommends that Council not proceed with the upcoming DCC increase at this time. Instead, we encourage the City to explore reductions to DCCs while continuing to work collaboratively with industry and other levels of government on solutions that support both infrastructure funding and housing delivery. This could include monitoring market conditions, reassessing timing once there are clear signs of recovery, and exploring alternative approaches that do not further burden new housing, at least in the near term.

UDI recognizes the difficult balance Council must strike between funding infrastructure and supporting housing delivery. We share the City's goal of building complete, resilient communities and delivering more attainable housing for Richmond residents. We recommend that the City undertake a financial viability analysis of the current and proposed DCC rates. Should the analysis find these rates to be unviable, Council should direct staff to review the composition of DCC projects to clearly separate growth-related costs from base infrastructure upgrades. For example, Richmond's 2023 DCC update added \$163 million in dike upgrade costs to the DCC recoverable program, increasing DCCs despite these works not being directly tied to population growth. As a result, the drainage DCC increased 248.5% from 2017 levels and was a major driver of the overall 60% increase in DCCs, impacting rents and home prices for any new buildings.

We would welcome the opportunity to continue working with Council and staff to identify practical, evidence-based solutions that respond to today's economic realities while positioning Richmond for long term success. In this context, we respectfully urge Council not to proceed with the proposed DCC increase and to consider a reduction as a constructive step forward. Thank you for your consideration.

Yours sincerely,



Anne McMullin  
President & CEO Urban Development Institute

**From:** Brendan Reeves [REDACTED]  
**Sent:** Wednesday, December 3, 2025 10:13 AM  
**To:** Dcc Consultation  
**Subject:** Feedback on Proposed 5 percent DCC Increase

**Importance:** High

**Categories:** Green Category

You don't often get email from brendan@vanpropinvestments.com. [Learn why this is important](#)

**City of Richmond Security Warning:** This email was sent from an external source outside the City. Please do not click or open attachments unless you recognize the source of this email and the content is safe..

Good morning,

Thank you for the opportunity to provide feedback on the City's proposed 5% increase to Development Cost Charges.

On behalf of Vanprop Investments, owner of Lansdowne Centre, we would like to express our strong concern with the proposed escalation. Given current market conditions, including high construction costs, elevated interest rates, and widespread challenges with project viability, additional cost burdens of this nature directly affect the ability to deliver new housing.

At a time when the region is facing both an affordability and a cost of delivery crisis, many municipalities are taking steps to support development feasibility. Several local governments across Metro Vancouver and other high growth jurisdictions are holding Development Cost Charges flat, delaying scheduled increases, or in some cases offering temporary reductions or waivers to help projects proceed. These measures reflect a clear recognition that new housing cannot be delivered if costs continue to rise faster than economic conditions can support.

For a redevelopment of the scale and long-term phasing planned for Lansdowne, an additional 5% increase would materially compound existing pressures and create a significant risk to project timelines and overall feasibility. We respectfully request that the City reconsider the timing and magnitude of the proposed increase and explore alternatives such as deferral, phasing, or a temporary hold until market conditions stabilize.

We value our ongoing relationship with the City and remain committed to working collaboratively to support housing supply, local economic activity, and the successful future of Richmond.

Regards,

**BRENDAN REEVES**  
VICE PRESIDENT, DEVELOPMENT

**From:** Shalen Dhinjal [REDACTED]  
**Sent:** Friday, December 5, 2025 3:40 PM  
**To:** Dcc Consultation; MayorandCouncillors  
**Cc:** chak.au@parl.gc.ca; parm.bains@parl.gc.ca; Steve.Kooner.MLA@leg.bc.ca; Teresa.Wat.MLA@leg.bc.ca  
**Subject:** Increase in Development Cost Charges (DCC) and Amenity Cost Charges  
**Categories:** Green Category

You don't often get email from shalendhinjal@gmail.com. [Learn why this is important](#)

**City of Richmond Security Warning:** This email was sent from an external source outside the City. Please do not click or open attachments unless you recognize the source of this email and the content is safe..

Good evening,

I am writing to formally express my opposition to the proposed increases in Development Cost Charges (DCC) and Amenity Cost Charges. While I understand the City's need to fund infrastructure and community amenities, I believe these increases are unjustifiable given the current inefficiencies in the development approval process.

My family (my mother, sister, and I) owns a property on [REDACTED] that was already rezoned more than ten years ago. On **December 9, 2024**, we submitted a straightforward subdivision application to the City of Richmond. Nearly a year later—after incurring thousands of dollars in interest charges—our application is almost at the final stages. This delay is not only financially burdensome but also undermines confidence in the City's ability to manage growth responsibly.

Other municipalities, such as Surrey and Vancouver, have streamlined their processes. In those cities, applicants are often three to six months into construction by the time Richmond has yet to complete a subdivision application. If a simple subdivision like ours takes a year, one must ask how long complex applications requiring servicing agreements will take. There is an example of one I do have where it was a single lot to be subdivided into 2 lots, that required a servicing agreement, it took the city over 2.5 years from the start of the application to complete the application process. Can you imagine making interest payments and overhead costs for over 2.5 years?

These inefficiencies discourage investment and place disproportionate strain on small builders and families. Larger developers face even greater financial impacts from prolonged interest charges, while long-time community members—many of whom have built in Richmond for decades—are increasingly choosing to build elsewhere. Ironically, when my family went through a subdivision process ten years ago, it was completed more efficiently than today.

Raising fees without addressing systemic delays sends the wrong message: that Richmond is more interested in revenue than in supporting responsible development. These risks erode public trust, deterring future investment, and ultimately harming the city's growth and vitality.

Although it's too late for our application, I just hope that future applications are more streamlined and processed in a timely manner.

I strongly urge Council to review and improve the efficiency of the development approval process before considering any fee increases. Until meaningful improvements are made, I cannot support the proposed changes. How will there ever be affordable housing when builders are met with so much financial burdens, increased fees and delays right from the start of the projects? We just paid a total of **\$201.468.86** for subdivision fees (just on a single property being subdivided into 2) to the City of Richmond. At this time, the City of Richmond should not be increasing DCC's but look for ways to offer relief to builders, developers and residents. Now is not the time.

I have lived in Richmond since 1975, and for the first time, I am seriously considering leaving. That should be a warning sign: when long-term residents feel pushed out, the City of Richmond risks losing not only builders but also community members who have invested their lives here.

Sincerely,

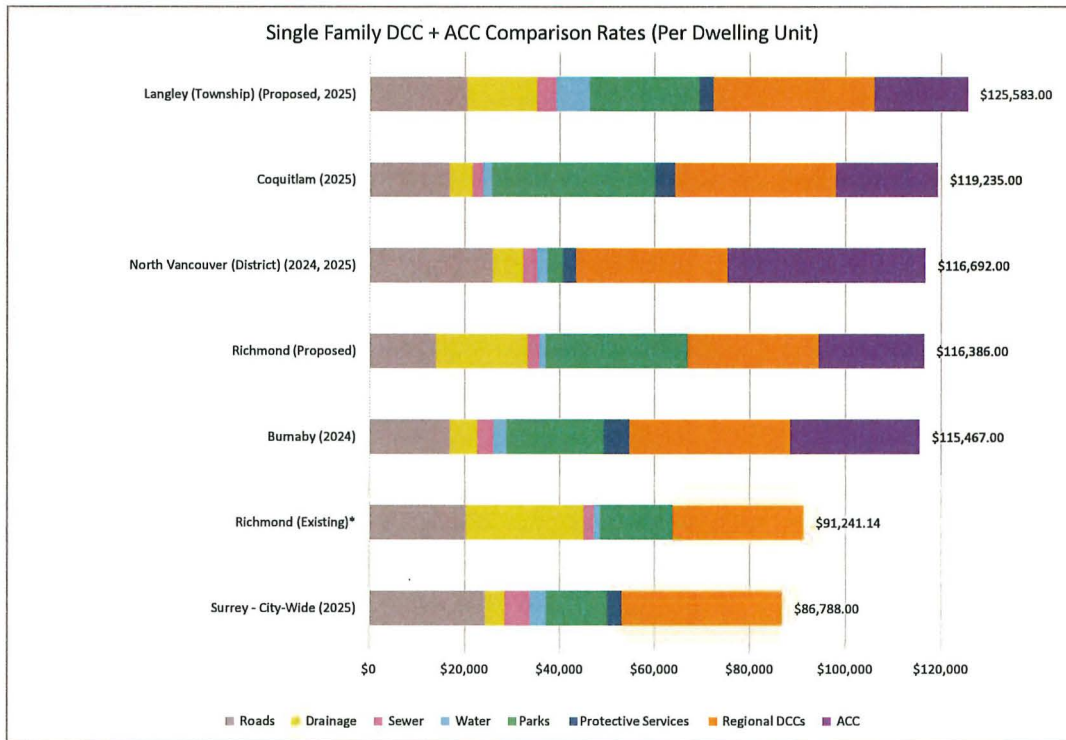
Shalen Dhinjal

Summary of Feedback and Discussion

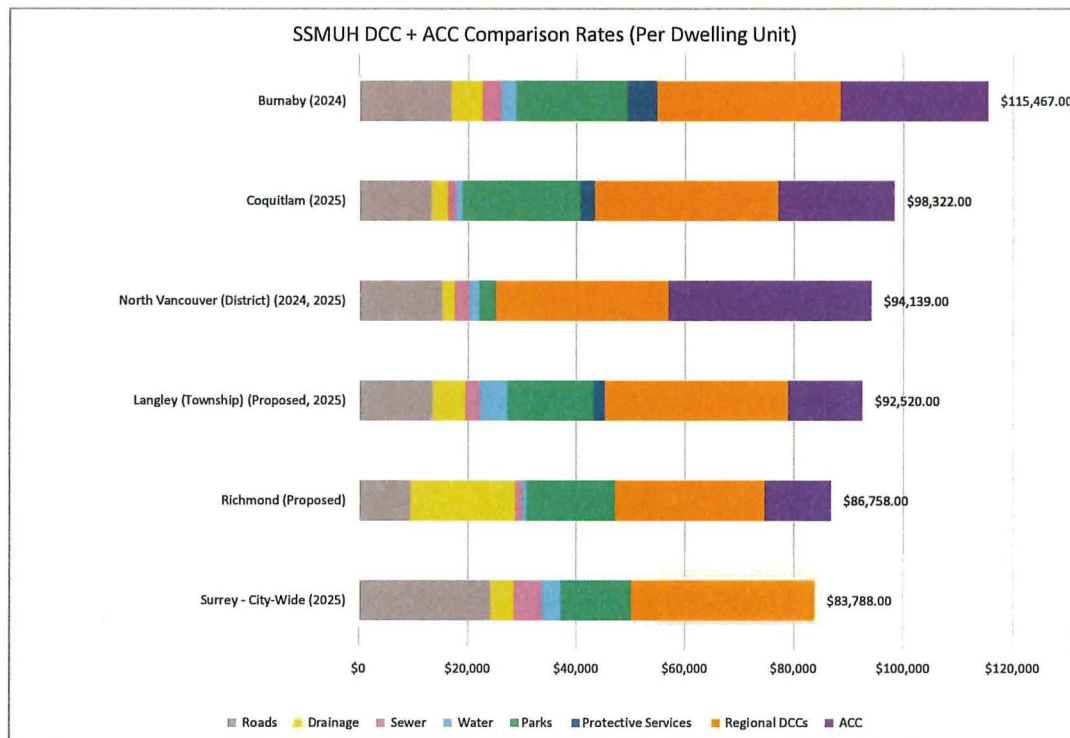
Feedback Received	Discussion
Freeze or reduce DCC rates	<ul style="list-style-type: none"> <li>• The City has not increased DCC rates since July 2024.</li> <li>• City also faces rising construction costs in delivering growth-related infrastructure.</li> <li>• Freezing/reducing rates would underfund growth-related infrastructure (e.g. parks, trails and critical infrastructure), shifting costs to taxpayers/ratepayers or future developments.</li> </ul>
Support Development by Easing Cost Pressures	<ul style="list-style-type: none"> <li>• City has mitigated the cost impact by: (i) deferring new DCC categories allowed under Bill 46, (ii) reducing project scopes and delaying lower-priority projects, and (iii) updating only parks program and limited other DCC programs by only general update despite the high construction cost pressures.</li> <li>• Additional support includes streamlining development process, launching the surety bond program (2025), supporting deferred DCC installments, engaging and meeting regularly with the development industry, and keeping 2025 DCC rates unchanged.</li> </ul>
Follow Other Cities in Freezing/Cutting DCCs	<ul style="list-style-type: none"> <li>• Surrey and Vancouver are required to freeze DCCs in order to access Federal grant funding.</li> <li>• Many other cities (e.g., New Westminster, Coquitlam, Burnaby etc.) recently increased their DCC rates along with established new ACC.</li> <li>• Township of Langley clawed back their significant increase from their recently adopted DCC to reduce the overall net increase of their DCC rates. For example, one of the residential DCC rates was reduced to 50% increase from the previously adopted 80% increase.</li> </ul>
The proposed DCC Increase Will Reduce Housing Delivery / Make Projects Unviable	<ul style="list-style-type: none"> <li>• The proposed 4.9% increase that reflects project cost adjustments is consistent with the Province's DCC Best Practices Guide for predictability.</li> <li>• Estimated cost impact of proposed DCC increase: <ul style="list-style-type: none"> <li>➢ Current DCC: averages 2.9% to 4.2% of home price</li> <li>➢ Proposed DCC: averages 3.3% to 4.7% of home price</li> </ul>                     Estimated impact to profit margin is not expected to make projects unviable. </li> <li>• Falling interest rates (from peak of 5.00% in July 2023 to current level of 2.25%) have eased one of the development industry's key financial pressures.</li> </ul>
The City's Development Fees Are the Highest	<ul style="list-style-type: none"> <li>• See Attachment 4 for municipal comparison, where Richmond's DCC rates are generally one of the lowest in comparison with other cities that have recently updated their DCC and ACC bylaws.</li> </ul>

Feedback Received	Discussion
Need for Affordable Housing Incentives and Waivers	<ul style="list-style-type: none"> <li>• In 2024, the City updated the framework of its Low-End Market Rental (LEMUR) housing program to improve the financial viability of maintaining and operating LEMUR homes over the long-term.</li> <li>• In 2025, the City provided roughly \$9.4 million in grants and established three site-specific DCC waiver bylaws for eligible affordable housing development under the City’s one-time Housing Priorities Grant Program.</li> <li>• In 2026, the City updated the OCP to provide enhanced pathways towards the delivery of affordable housing by offering opportunities for a density bonus when market rental and affordable rental housing are provided.</li> <li>• At Council’s direction, the City’s Affordable Housing Reserve has been utilized to fund City fees and City DCC to support the delivery of non-market affordable housing units in partnership with senior governments and Non-Profit Organizations.</li> <li>• Further study is still underway due to the new inclusionary zoning requirements and how cash-in-lieu contributions are collected and used under Bill 16. DCC waived through a DCC waiver/reduction bylaw must be funded by alternative municipal revenues. A comprehensive review is required to assess financial impact to the City before staff report back findings and recommendations for Council’s consideration.</li> </ul>
Ensure cost allocation is fair	<ul style="list-style-type: none"> <li>• Cost allocations follow provincial guidelines.</li> <li>• For example, dike upgrades use a 25% growth benefitting factor based on population growth forecast, with the remaining 75% to be funded by existing population through utility rates.</li> <li>• This approach has been previously reviewed and approved by the Inspector of Municipalities.</li> </ul>
Request for Financial Feasibility Analysis	<ul style="list-style-type: none"> <li>• The proposed 4.9% DCC increase adds minimal impact to project costs, thus not significantly affect project viability.</li> <li>• Richmond’s proposed ACC is one of the lowest when compared to other cities that have already established their ACC Bylaws. See Attachment 5 for municipal comparison.</li> </ul>

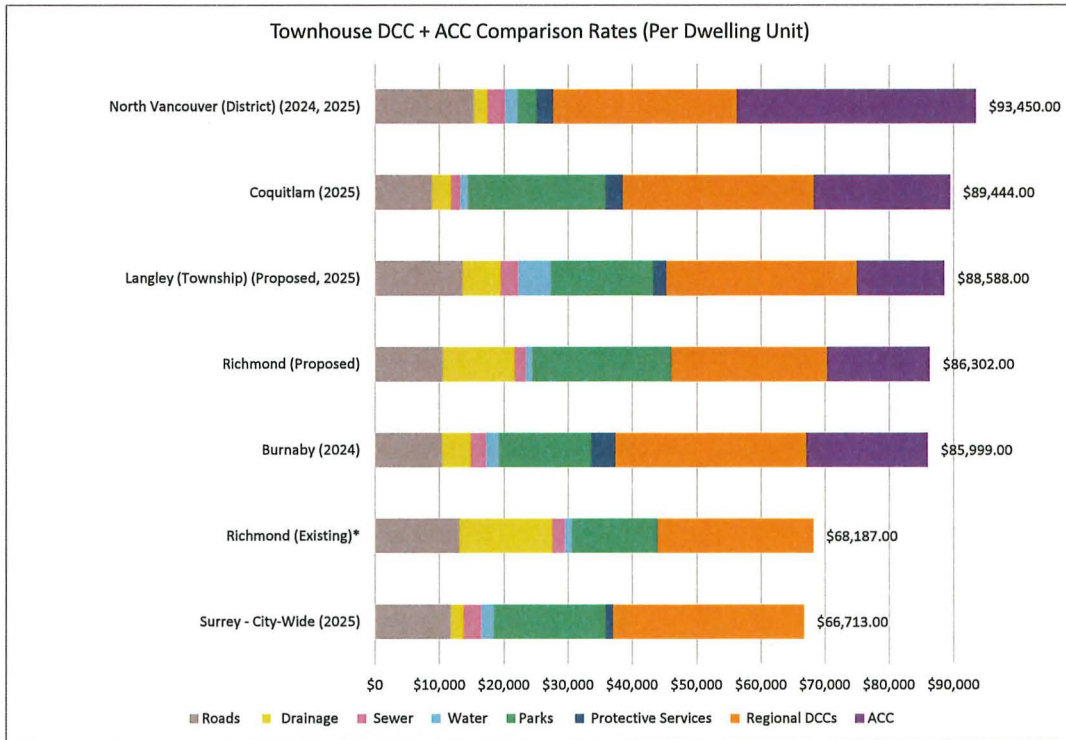
Municipal DCC, ACC and Regional DCC Comparison Charts (with updated 2026 rates)



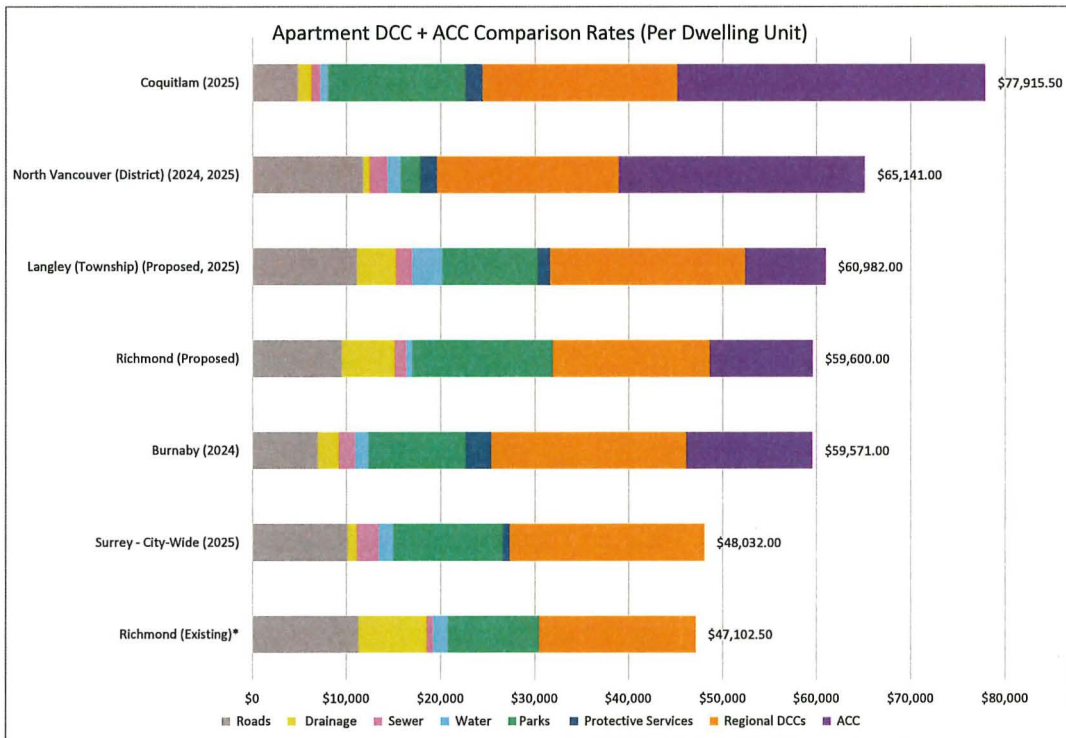
\* Richmond's existing rate does not include applicable Community Amenity Contributions/ Density Bonus rates to be replaced by ACCs



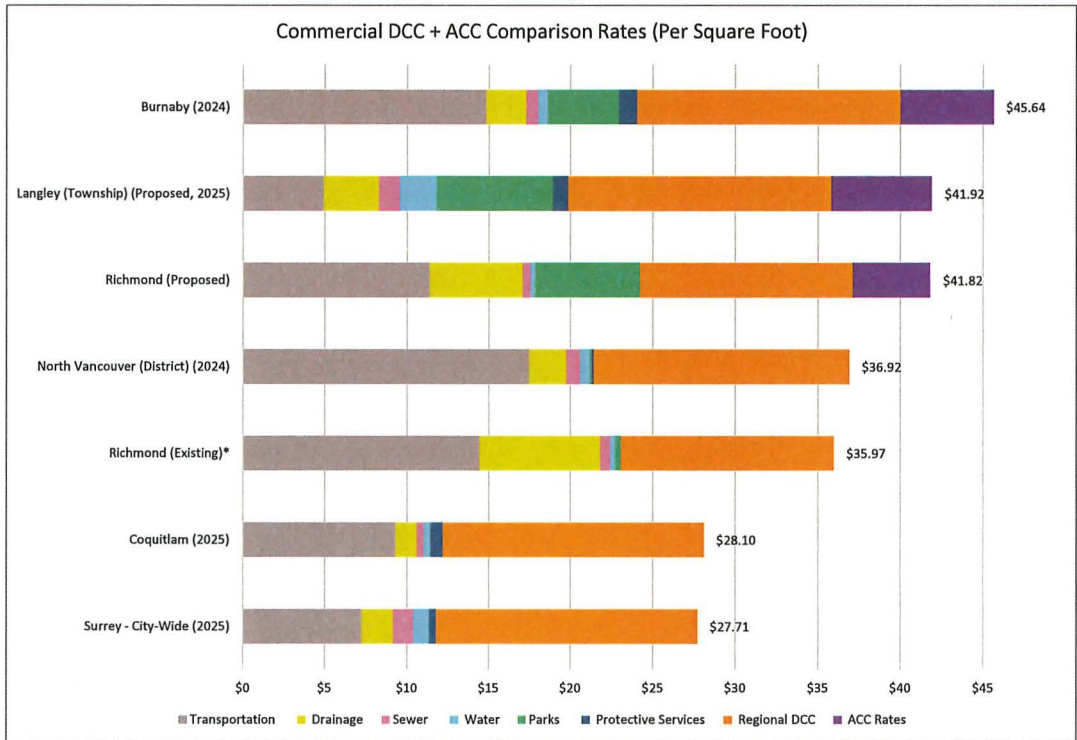
\* Richmond's existing rate does not include applicable Community Amenity Contributions/ Density Bonus rates to be replaced by ACCs



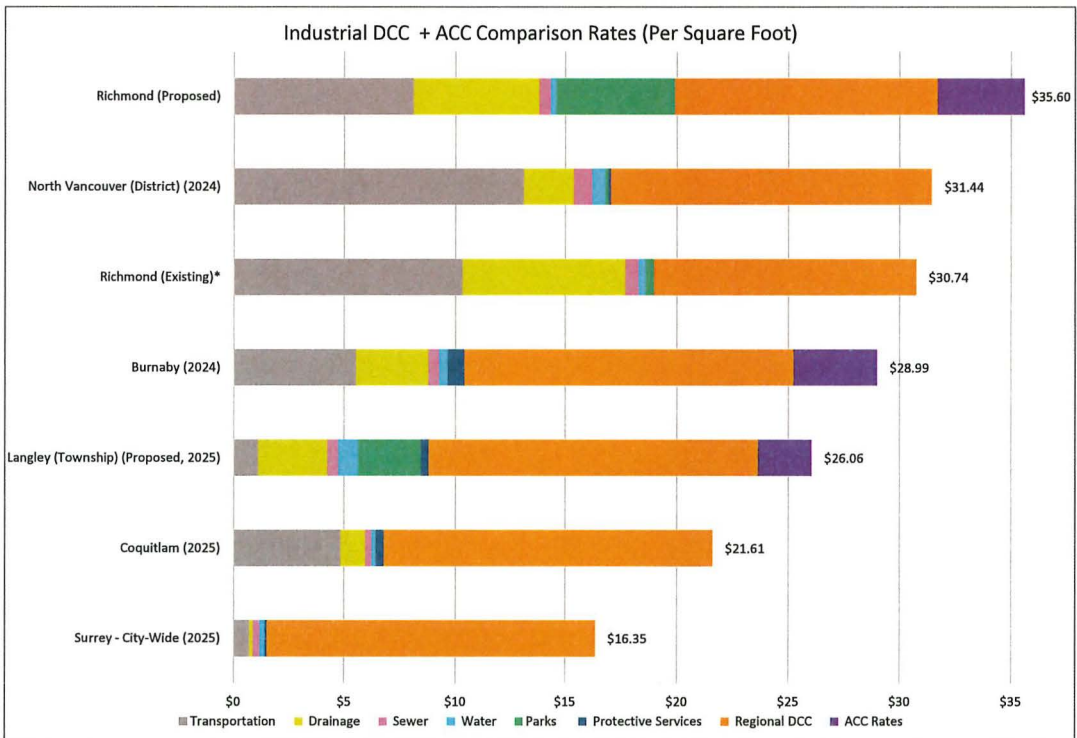
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Municipal ACC Comparison Charts

