



Finance and Audit Committee

**Anderson Room, City Hall
6911 No. 3 Road**

Monday, March 2, 2026

Immediately following the General Purposes Committee Meeting

Pg. # ITEM

MINUTES

FIN-3 *Motion to adopt the **minutes** of the meeting of the Finance and Audit Committee held on February 2, 2026.*

FINANCE AND CORPORATE SERVICES DIVISION

1. **ANNUAL PROCUREMENT REPORT**
(File Ref. No. 02-0745-01) (REDMS No. 8270212)

FIN-5

See Page FIN-5 for full report

Designated Speaker: David Aarons

STAFF RECOMMENDATION

That the report titled “2025 Annual Procurement Report”, dated February 10, 2026, from the Director, Finance, be received for information.

Finance and Audit Committee Agenda – Monday, March 2, 2026

Pg. # ITEM

2. DCC AND ACC PUBLIC CONSULTATION UPDATE AND REFERRAL RESPONSE

(File Ref. No. 03-0900-01) (REDMS No. 8301543)

FIN-20

See Page FIN-20 for full report

Designated Speaker: Venus Ngan

STAFF RECOMMENDATION

- (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.*

ADJOURNMENT



Finance and Audit Committee

Date: Monday, February 2, 2026

Place: Anderson Room
Richmond City Hall

Present: Mayor Malcolm D. Brodie, Chair
Councillor Carol Day
Councillor Laura Gillanders
Councillor Kash Heed
Councillor Andy Hobbs
Councillor Alexa Loo
Councillor Bill McNulty
Councillor Michael Wolfe

Call to Order: The Chair called the meeting to order at 5:27 p.m.

MINUTES

It was moved and seconded
That the minutes of the meeting of the Finance and Audit Committee held on January 5, 2026, be adopted as circulated.

CARRIED

FINANCE AND CORPORATE SERVICES DIVISION

1. **2025 INVESTMENT REPORT**
(File Ref. No. 03-0900-01) (REDMS No. 8268210)

It was moved and seconded
That the report titled "2025 Investment Report", dated January 8, 2026, from the Director, Finance, be received for information.

The question on the motion was not called as a brief discussion ensued with respect to any potential impacts resulting from an increase to Development Cost Charges.

The question on the motion was then called and it was **CARRIED**

1.

Finance and Audit Committee
Monday, February 2, 2026

2. **REVENUE ANTICIPATION BORROWING (2026) BYLAW NO. 10738**
(File Ref. No. 03-0900-01) (REDMS No. 8267465)

It was moved and seconded

That Revenue Anticipation Borrowing (2026) Bylaw No. 10738 be introduced and given first, second and third readings.

CARRIED

ADJOURNMENT

It was moved and seconded

That the meeting adjourn (5:34 p.m.).

CARRIED

Certified a true and correct copy of the Minutes of the meeting of the Finance and Audit Committee of the Council of the City of Richmond held on Monday, February 2, 2026.

Mayor Malcolm D. Brodie
Chair

Lorraine Anderson
Legislative Services Associate



City of Richmond

Report to Committee

To: Finance and Audit Committee

Date: February 10, 2026

From: Mike Ching, CPA, CMA
Director, Finance

File: 02-0745-01/2025-Vol-01

Re: 2025 Annual Procurement Report

Staff Recommendation

That the report titled, "2025 Annual Procurement Report", dated February 10, 2026, from the Director, Finance, be received for information.


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

Att. 1

REPORT CONCURRENCE		
ROUTED TO:	CONCURRENCE	CONCURRENCE OF GENERAL MANAGER
Business Services	<input checked="" type="checkbox"/>	
Engineering	<input checked="" type="checkbox"/>	
Facilities and Project Development	<input checked="" type="checkbox"/>	
Information Technology	<input checked="" type="checkbox"/>	
Parks Services	<input checked="" type="checkbox"/>	
Public Works	<input checked="" type="checkbox"/>	
SENIOR STAFF REPORT REVIEW	INITIALS: 	APPROVED BY CAO 

Staff Report

Origin

This report provides information regarding the City's procurement activities during the 2025 calendar year and procurement metrics. An Annual Procurement Report has been provided by the City each year since 2015 and is a best practice performance standard that was originally recommended by the former Office of the Auditor General for Local Government in BC. The report also provides additional assurance in management controls and oversight.

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

4.2 Seek improvements and efficiencies in all aspects of City business.

4.3 Foster community trust through open, transparent and accountable budgetary practices and processes.

Analysis

Council approval for contracts follows Bylaw No. 8215 - Officer and General Manager, with respect to contract approval authority limits and contract signing authority. The City continues to promote a commitment to process transparency, competitive bidding, sustainable and circular procurement, and a philosophy of continuous improvement.

The City uses its online eProcurement platform (known as bids&tenders) to advertise bid opportunities and to receive submissions from suppliers. The number of responses to advertised bids on the platform continued to be strong in 2025 and consistent to past years, offering opportunities to realize value for money through open competition. By managing responses through bids&tenders, the City is able to maintain an efficient process and all documentation relating to a competitive bid, from the time a bid is posted through to the receipt of the submissions and the subsequent award of a contract.

Staff continue to promote circular procurement opportunities within the organization where practical, by including circular economy criteria in bid specifications and within the decision-making process when awarding contracts.

The Procurement Policy 3104, along with the purchasing guidelines, continue to augment the City's collaborative approach to strategic sourcing and decision making on significant expenditures, while also ensuring compliance to established policies and controls.

1. Procurement Activities

Staff are primarily focused on delivering value through competitive tendering and leveraging its spend. The City also continues to participate in regional procurement initiatives to support operational needs where possible and executes contracts to support Council initiatives and department priorities to also mitigate risk. In conjunction with the City's Law Department, bid documents were updated in the past year to ensure the City complies with granting requirements and to mitigate potential risks.

Contracts that were approved by Council follow Bylaw No. 8215 – Officer and General Manager. Information on procurement activities are reported by staff in the City's quarterly reporting and detailed vendor spend in the Annual Statement of Financial Information report.

Contracts approved by Council in 2025 are listed below:

Contract*	Description	Contract Value (\$)
8438P	Provision of Hydrovac Services (3 year term)	\$9,286,266
8398Q	Supply and Installation of Conduits and Water Service Pipes using Trenchless technology and other Civil Works (3 year term)	\$7,653,189
8409P	Document and Records Management System Modernization (5 year term)	\$3,350,000
8407 NOITC	Soil Stabilization Field Trial	\$1,575,000
8412P	Joint Mobile Command Unit	\$1,347,325
8307P	Provision of Parking Meter Equipment (3 year term)	\$1,041,057
8397Q	Supply and Delivery of Vehicle and Equipment Tires and Certified Tire Services (3 year term)	\$1,009,872
8190 NOITC	Multiyear Enterprise Agreement with ESRI Canada for Licensing and Maintenance of Desktop and Server GIS Software (3 year term)	\$825,990
588F	Provision of Automated Building Code and Zoning Review Software	\$630,000
8428 NOITC	Supply and Delivery of Water Meters and Water Meter Heads	\$400,000
8480Q	Provision of Janitorial Services for Watermania Aquatic Centre (2 year term)	\$296,732
8375P	Public Shared E-Scooter and E-Bike Program	n/a

*Excludes Closed Council awards

Procurement Statistics

The following are key procurement statistics for the period of January 1, 2025, to December 31, 2025:

Total value of contracts awarded in excess of \$75,000 (Attachment 1)	\$72,854,688
Number of contracts awarded in excess of \$75,000	113
Total value of all Purchase Orders issued in 2025	\$85,185,320
Total number of all Purchase Orders issued in 2025	3104
Total value of Single/Sole Source contract awards in excess of \$75,000**	\$3,324,090
Total value of Notices of Intent to Contract (NOITC) posted to BC Bid	\$3,397,253
Purchasing Card Expenditures in 2025	\$6,563,204
Total number of Purchasing Card Transactions	17,408
Total number of Purchasing Cards issued (as at Dec 2025)	465

** Sole source procurement is the practice of contracting with one source when that source is the only available supplier or service provider possessing the ability to fulfil a requirement. Single source procurement is defined as concentrating purchases of a particular good or service with one source in preference over others in a competitive marketplace.

2. Competitive Bidding

Staff ensure that the acquisition of goods, services and construction services meet internal organizational requirements and City projects through sourcing suppliers, competitive tenders and contracts that help ensure financial and administrative effectiveness.

Procurement methodologies used are generally determined based on a project’s value and complexity, but also selected to mitigate the City’s exposure to unplanned cost escalation due to material price inflation and increased labour costs due to skilled worker shortages. The Purchasing Department collaborates with client departments to develop procurement programs aimed at reducing procurement process cycle times and expedited delivery of the capital plan. These programs include vendor pre-qualifications for construction and various professional services.

Numerous architectural, consulting and construction contracts were procured by the City through various procurement methodologies to support major projects in 2025. The City continues to optimize its approach to construction services (known as Construction Management) for major facility projects, including early construction input at the design stage of projects, which can support constructability reviews, budget validation and risk identification. As a result, this approach helps streamline procurement, enhances coordination among project partners, and improves overall project outcomes.

The procurement of vehicles and equipment for City operations was again a key focus over the past year.

The City remains committed to advancing the Community Energy Emissions Plan 2050 and the Green Fleet Action Plan by acquiring additional zero-emission vehicles (ZEVs) and equipment with emission-compliant engines.

To encourage robust participation and competitive proposals for publicly posted procurements, City staff hosted a workshop with representatives from local vehicle dealerships to ensure the City's current procurement process aligned with market and industry standards.

In November 2025, Council approved a contract award for a joint Mobile Command Unit that will service the City and will be operated jointly by the Richmond Detachment RCMP and Richmond Fire-Rescue (RFR). Additionally, the five fully-electric ice resurfacers procured the previous year were received and put into service in 2025.

The Fleet Operations department continues to explore opportunities to extend the life of the current fleet where practical and cost-effective to mitigate industry pressures.

3. Sole/Single Source Contract Awards

The majority of sole/single source contracts awarded in 2025 were executed on the basis of compatibility with existing City infrastructure and systems. Of the \$72,854,688 in contracts in excess of \$75,000.00 awarded in 2025, approximately \$3.3M (5%) of those contracts were awarded on a sole or single source basis. For increased transparency, approximately \$3.4M were awarded following the public posting of a Notice of Intent to Contract (NOITC) on BC Bid.

These statistics demonstrate that the City is successful in achieving on its core objectives of ensuring competitive and transparent procurement processes, while maximizing value for money in the acquisition of goods and services.

4. Purchasing Card Program

The Citywide Purchasing Card (P-Card) Program enables approved cardholders to procure permitted low-dollar value purchases. Internal controls are in place to ensure transaction limits for approved purchases are in line with the spending limits set out in the City's Financial Signing Authorities Policy 3709. Approvals of Purchasing Card issuance are granted on a case-by-case basis at the discretion of General Managers and Directors to allow authorized employees to make business-related purchases.

In 2025, City Purchasing Cards facilitated 17,408 transactions for a total spend of approximately \$6.5M, equating to an average value of \$376.00 per transaction. A rebate based on the City's Purchasing Card spend in 2025 was received, which was approximately \$62K in value.

Purchasing Cards continue to be an efficient and cost-effective mechanism for purchasing and paying for low value goods and services. They complement the standard purchasing process where purchase orders are typically issued to vendors when ordering goods and services, and offer the flexibility needed by City crews when goods or parts are required at short notice or in an emergency.

A feature of the City's Purchasing Card program is its ability to rely on strict controls over spending. More specifically, the program is designed to ensure prohibited purchases from certain types of merchants are blocked and only authorized business-related purchases are permitted. All purchases are subject to one-over-one approval to ensure proper oversight and to confirm legitimacy and accuracy of the expense reported.

Compliance training was also further expanded in 2025 to include a new e-learning module to ensure all cardholders and approvers who use Purchasing Cards are aware of and comply with all relevant policies, procedures, guidelines and bylaws.

Internal audits of Purchasing Card transactions are conducted to ensure individual transactions are authorized, legitimate and properly supported. A Purchasing Card audit was completed in July 2025, and all recommended actions resulting from the 2025 audit have since been completed or are underway. Moving forward, Purchasing Card audits will be conducted once per year and will next occur in 2026. Staff are continuing to explore opportunities to leverage advanced data technologies analytics and artificial intelligence to support Purchasing Card monitoring activities.

Financial Impact

None.

Conclusion

This procurement report covers the period from January 1, 2025, to December 31, 2025, and documents the City of Richmond's procurement activities.



David Aarons
Manager, Purchasing
(604-276-4061)

Att. 1: Contracts awarded in 2025 (in excess of \$75,000)

Contracts awarded in 2025 (in excess of \$75,000)

	Description	Awarded Vendor	Awarded Amount
1	655J - Community Safety Building - Emergency Power Upgrades	Ashton Mechanical Ltd.	\$465,071
2	664F - Cab and Chassis - Model 548 (One Tandem Axle) Truck 2025	Peterbilt Pacific Inc.	\$221,540
3	665S - Inclusionary Zoning and Density Bonusing Framework: Financial Feasibility Assessment	Urban Systems Ltd.	\$93,066
4	8393P - Works Yard Replacement Project Phase 1 - Design Review Services	Kasian Architecture Interior Design and Planning Ltd.	\$453,787
5	311CM - City Hall and City Hall Annex Security Upgrades	Heatherbrae Builders Co. Ltd.	\$475,880
6	8358P - Corporate Leadership Training Program (3 year term)	Citizencentric Consulting Inc.	\$350,100
7	8365P - Geospatial and Digital Twin Strategy	ESRI Canada Ltd.	\$157,355
8	682F - Supply and Delivery of One (1) Fully Electric Wheelchair Accessible Bus	Greenpower Motor Company Inc.	\$190,538
9	8286P - Community Public Engagement Platform License (4 year term)	Social Pinpoint Software Inc.	\$113,448
10	8169CM - Richmond Animal Shelter - Flooring Upgrades - Construction Services	Edifice Construction Inc.	\$211,914
11	277CM - Britannia Shipyards - Building Envelope and Structural Renewals	Scott Special Projects Ltd.	\$6,669,500
12	689IQ - Services to Secure Historical Objects in the Britannia Shipyard Building	Charlemain Productions Ltd.	\$91,679
13	644J - Fire Hall No.5 Mechanical Systems Renewal	Ashton Mechanical Ltd.	\$648,352

	Description	Awarded Vendor	Awarded Amount
14	690S - Service Catalogue and KPI Development	KPMG LLP	\$80,000
15	8424 NOITC - FME Server and FME Desktop Maintenance and Support Renewal Contract (4 year term)	Safe Software Inc.	\$130,000
16	8332Q - Supply and Delivery of One (1) Compact Radius Excavator	Finning (Canada)	\$312,620
17	8426 NOITC - Solution Support for Oracle EPM Implementation	Novamodus Solutions Inc.	\$75,000
18	692S - Amanda Annual Support and Maintenance Contract Renewal 2025	Granicus LLC	\$130,471
19	8268P - Works Yard Electrical Distribution and Electric Vehicle Infrastructure Installation	PCL Constructors Westcoast Inc.	\$414,121
20	8383Q - Supply and Delivery of One (1) Four (4) Ton Hot Box mounted on a Trailer	PSE Equipment Ltd.	\$75,389
21	8006Q - Supply and Delivery of One (1) Fully Electric Bus	Greenpower Motor Company Inc.	\$293,294
22	694F - Pay Parking Meter and Mobile Payment Service	Imperial Parking Canada Corporation (Impark)	\$144,000
23	8315Q - Tent and Supply Rentals for Various Events and Festivals (2 year term)	Elite Tents & Events Ltd. Cascade Tents Inc.	\$209,447
24	715IQ - Street Light LED Upgrade Program	Westburne Rexel Group	\$229,156
25	716IQ - Decorative LED Luminaires for the Street Light LED Upgrade Program	Wesco Distribution Canada LP	\$107,797
26	703F - Development Coordinated Drainage Works to Improve Laneway Drainage	Anderson Creek Site Developing Ltd.	\$80,149

	Description	Awarded Vendor	Awarded Amount
27	707IQ - Supply and Delivery of Two (2) Four-Cylinder Hybrid Minivans	Open Road Toyota Richmond	\$99,424
28	8415Q - Data Center Server Refresh Including Support and Maintenance - Dell Server	CDW Canada	\$232,501
29	8384P - Nature-Based Flood Protection Solutions Assessment	Kerr Wood Leidel Associates Limited	\$149,463
30	8416P - Seepage Assessment and Groundwater Management Plan	WSP Canada Inc.	\$92,105
31	711F - IT Resiliency Assessment	KPMG LLP	\$80,000
32	8419P - MRN & non-MRN - Asphaltic Concrete Paving Program 2025	1166618 B.C. DBA Save On Blacktop	\$5,494,071
33	725IQ - Virtualized Server Infrastructure - VMWare Service License Upgrades and Support 2025	Long View Systems	\$101,647
34	8413P - Engineering Design & Construction Services for the No. 3 Road South Drainage Pump Station and Dike Upgrade Project	Aplin & Martin Consultants Ltd.	\$900,950
35	733F - East Richmond Agricultural Water Supply Update Project	Aecom Canada Ltd.	\$172,117
36	735IQ - Asphalt Paving for Shell Road West and Seagrave Road East Laneway Upgrade Projects	1166618 B.C. Ltd. DBA Save on Blacktop	\$141,140
37	8398Q - Supply and Installation of Conduits and Water Service Pipes Using Trenchless Technology and Other Related Civil Works (3 year term)	Ulmer Contracting Ltd.	\$7,653,189
38	8446 NOITC - ArcGIS Software Support and Maintenance Renewal Contract (3 year term)	ESRI Canada Ltd.	\$825,990
39	8345Q - Pest and Animal Control Contractor (3 year term)	Envirogreen Pest Solutions Ltd. Ridall Pest Control	\$122,000

	Description	Awarded Vendor	Awarded Amount
40	474CM - Richmond Curling Club - Phase 2 Repairs	Heatherbrae Builders Co. Ltd.	\$2,115,981
41	8447 NOITC - Emergency Notification System Licensing, Support and Maintenance (3 year term)	Everbridge Inc.	\$181,116
42	755S - Removal of Nine Utility Poles at Westminster Highway & Gilley Road - Network# 2947951	Telus Communications Inc.	\$113,909
43	T.8435 - Lansdowne Road Multi-Use Pathway, Gilbert Road to Pearson Way	B.A. Blacktop Infrastructure Inc.	\$189,402
44	760F - Security Services for Access Control Repairs and Alarms Monitoring	Safe & Sound Security Systems Ltd.	\$180,000
45	8407 NOITC - Soil Stabilization Field Trial	Groundwater Technology Inc.	\$1,575,000
46	8335Q - Supply and Delivery of Three (3) Extended Two (2) Ton Dual Rear Wheel Cab and Chassis Trucks	Mainland Ford Ltd.	\$354,850
47	759F - Construction Management Consultant Services - Major Projects	Bowland Consulting Inc.	\$182,000
48	8427Q - Palo Alto Firewall Refresh, Premium Support Licenses and Subscriptions	Ion United Inc.	\$102,732
49	8434 NOITC - Inspection, Preventative Maintenance and Repairs of Boilers and Chiller Equipment (2 year term)	Trane Canada ULC	\$386,113
50	8318P - Planning Study for Automated Building Code Review Software	SMARTreview Inc.	\$86,400
51	8036P - Steveston Park Washroom and Electrical Distribution Centre	Scott Construction Ltd.	\$2,774,476
52	8432P - Steveston and South Arm Outdoor Pool Renewals - Design and Contract Administration	Kasian Architecture Interior Design and	\$295,759

	Description	Awarded Vendor	Awarded Amount
53	770S - BC Hydro Pole Relocation - No 4 Road & Cambie Road	BC Hydro	\$80,834
54	677CM - Richmond Ice Centre Forum and Gardens Rinks Structural Roof Truss Repainting	PCL Constructors Westcoast Inc.	\$784,675
55	8363Q - F550 Extended Cab c/w Eloquip Side and Rear Dump Body	Viking-Cives, Ltd.	\$142,089
56	8455P - Gilbert Road Multi-Use Pathway between Granville Avenue and Elmbridge Way	Arsalan Construction Ltd.	\$3,598,888
57	8352P - Economic Development Strategy	Cascadia Strategy Consulting	\$258,520
58	774F - Argus Online Collection Management Database SaaS Subscription (5 year term)	Lucidea Technologies Corp	\$82,807
59	778F- Mill and Overlay of Minoru Boulevard between Granville Avenue and the Rainbow Crosswalk	Hexcel Construction Ltd.	\$110,500
60	779IQ - Construction Services - Rowing Club Washroom Roof Repair	Holaco Construction Ltd.	\$107,300
61	473CM - Fire Hall No. 7 System Renewals	Edifice Construction Inc.	\$1,389,970
62	8421Q - Supply and Delivery of Electronic Key Cabinets and Key Management Systems	ECOS Systems Inc.	\$99,364
63	8471 NOITC - Supply and Delivery of LUCAS 3 Chest Compression System	Stryker Canada ULC	\$224,034
64	8456Q - Supply and Delivery of Multiple Conventional Two (2) Ton Dual Wheel Crew Cabs with 9' (nine foot) Dump Bodies	Mainland Ford Ltd.	\$280,736
65	8209Q - Supply and Delivery of Two (2) Fully Electric Vans	Metro Motors Ltd.	\$172,300

	Description	Awarded Vendor	Awarded Amount
66	8457P - Invasive Species Management Services (4 year term)	Green Admiral Nature Restoration	\$447,438
67	789IQ - Review of Corporate Risk Framework	Price Waterhouse Coopers LLP	\$142,580
68	8423P - Provision of Engineering Quality Assurance Program (2 year term)	E.X.L. Engineering Inc.	\$213,000
69	8454Q - Supply and Delivery of One (1) Asphalt Paver	Rollins Machinery Ltd.	\$410,900
70	8338Q Supply and Delivery of Multiple One Ton Crew Cab Pickup Trucks	Mainland Ford Ltd.	\$132,351
71	8036P - Steveston Community Centre and Library - Temporary Community Centre and Library	Scott Construction Ltd.	\$1,301,125
72	8462P - Cambie and No. 4 Road Intersection Improvements	B.A. Blacktop Infrastructure Inc.	\$1,621,284
73	801F - Adobe Software Subscriptions - August 2025 - August 2026	CDW Canada	\$119,588
74	803S - Supply and Delivery of Flyt Pumps for Miller Road Drainage Pump Station	Xylem Canada LP	\$151,170
75	814IQ - Concrete Barriers for Westminster Highway at No. 2 Road Transportation Improvement Program	Eagle West Crane & Rigging	\$84,112
76	804IQ - City Hall Annex First Floor Tenant Improvements - Design and Contract Administration Services	Mallen Gowing Berzins Architecture	\$127,253
77	T8444 - Paving for the Canal Stabilization Projects on Sidaway Road, No. 6. Road, Westminster Highway and No. 7 Road	GB Paving Ltd.	\$1,827,540
78	8473Q - Supply and Delivery - Lease a Mailing and a Folder/Inserter/Sealer and an Envelope Opener System - (5 year term)	Pitney Bowes of Canada Ltd.	\$93,900

	Description	Awarded Vendor	Awarded Amount
79	816IQ - PeopleSoft Pay Advice Services	Attain Solutions Inc.	\$88,600
80	8394P - Phoenix Net Loft Concept Design and Interior Program	Iredale Architecture Inc.	\$95,115
81	8488P - Richmond Ice Centre Interior Renewals - Design and Contract Administration	Mallen Gowing Berzins Architecture	\$159,470
82	824IQ - King George/Cambie Community Park Shade Structure - Design Build Services	Parkworks Solutions Corp.	\$82,114
83	8443Q - Supply and Delivery of Oracle SPARC Servers	Eclipsys Solutions Inc.	\$398,445
84	800IQ - Supply and Delivery of Scott Air SCBA Packs	Brogan Fire & Safety	\$114,968
85	829F - Supply and Delivery of One (1) High Roof Cargo Van with Rear Crew Seat	Mercedes-Benz Boundary	\$100,119
86	766CM - Gateway Theatre - Operator Requested Upgrades	Edifice Construction Inc.	\$389,089
87	8409P - Document and Records Management System Modernization	Cadence Solutions Inc.	\$2,210,000
88	8451P - Richmond Curling Club Priority Repairs - Design and Contract Administration	Mallen Gowing Berzins Architecture	\$141,750
89	855IQ - Childcare Facilities - Security Access Control Upgrades	Unified Systems Inc.	\$98,609
90	858CM - Brighthouse Library Workspace Renovation	Edifice Construction Inc.	\$406,429
91	859IQ - Works Yard Portable Office Trailer Relocation	Nickel Bros House Moving Ltd.	\$109,030

	Description	Awarded Vendor	Awarded Amount
92	860F - Environmental Consulting & Monitoring for Gilley Road & Westminster Highway Canal, Utility and Roadwork Improvements	Pottinger Gaherty Environmental	\$107,400
93	8480Q - Provision of Janitorial Services - Watermania (5 year term)	Dexterra Group Inc.	\$759,872
94	8036P - Demolition of Existing Steveston Community Centre and Library	Scott Construction Ltd.	\$1,113,596
95	863S - Tempest Annual Support Contract Renewal	Centralsquare Canada Software Inc	\$112,532
96	864IQ - Screen Rentals for Richmond Celebrates Soccer 2026	SW Event Technology	\$79,128
97	831S - Supply and Delivery of Two (2) Flygt Pumps - No. 7 Road North Drainage Pump Station	Xylem Canada LP	\$224,664
98	832S - Supply and Delivery of One (1) Flygt Pump - No. 6 Road Drainage Pump Station	Xylem Canada LP	\$75,585
99	834IQ - City Hall Exterior Door Replacement	Assa Aabloy Entrance Systems	\$187,946
100	8475P - Engineering Consulting Services for Preliminary Design of Perimeter Dike Upgrades along River Road - Packages A,B & C	R F Binnie and Associates Ltd. McElhanney Ltd.	\$1,120,373
101	838IQ - Payroll Integration from UKG Pro to PeopleSoft HCM Phases 1 & 2 from October 13, 2025 - April 30, 2026	Attain Solutions Inc.	\$81,120
102	8439Q - Supply and Delivery of Two (2) Crew Cab and Chassis One Ton Utility Trucks	Abbotsford Chrysler Dodge Jeep Ram Ltd.	\$304,076
103	842IQ - Garratt Wellness Centre Renewals	Francl Architecture Inc.	\$75,936
104	845F - Rat Risk Index for Municipal Rodent Management	Mitacs Inc.	\$90,000

	Description	Awarded Vendor	Awarded Amount
105	8438P - Provision of Hydrovac Services (3 year term)	McRae's Environmental Services Ltd.	\$9,286,266
106	866IQ - City Centre Community Centre - Change Room Shower Waterproofing	Humphries Construction Group Ltd.	\$96,015
107	868IQ - Archaeological Consulting Services	In Situ Archaeology	\$1,118,015
108	8489P - Provision of Engineering Consulting Services for Dike Maintenance Repair Projects, City Wide	McElhanny Consulting Services Ltd.	\$488,708
109	8397Q - Supply and Delivery of Vehicle and Equipment Tires and Certified Tire Services (3 year term)	Fountain Tire Ltd & Goodyear Canada Inc.	\$1,009,872
110	874S - REDMS Support Services (2 year term)	Open Text Corporation	\$258,845
111	8450P - Park Playground Supply and Installation Services - Design-Build Services	Park N Play Design Company Ltd. & Parkworks Solutions Corp.	\$609,148
112	876S - Supply and Delivery of Flygt Pumps for No. 9 Road Drainage Pump Station	Xylem Canada LP	\$142,256
113	880IQ - Chinese Bunkhouse Renewals	Omicron Canada Inc.	\$89,330
		Total	\$72,854,688



City of Richmond

Report to Committee

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

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"/>	
SENIOR STAFF REPORT REVIEW	INITIALS: 	APPROVED BY CAO 

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 parking¹;
- Sewage (Sanitary) Facilities;
- Water Facilities;
- Drainage (Storm Drainage) Facilities;

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

- Fire Protection Facilities¹;
- Police Facilities¹;
- Solid Waste and Recycling Facilities¹; 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

	Recommended		
	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 ² of building area	\$35.45	\$12.27	\$47.72
Apartment	ft ² of building area	\$37.55	\$12.94	\$50.49
Commercial/Institutional	ft ² of building area	\$24.25	\$4.69	\$28.49
Light Industrial	ft ² 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 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)

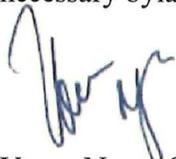
The recommended approach would provide additional time for the market to respond to the new rates. This staggered approach will also spread out the cost impact over a period of time rather than both rate changes being introduced at the same time. However, it should be noted that this approach would add 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.



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- 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



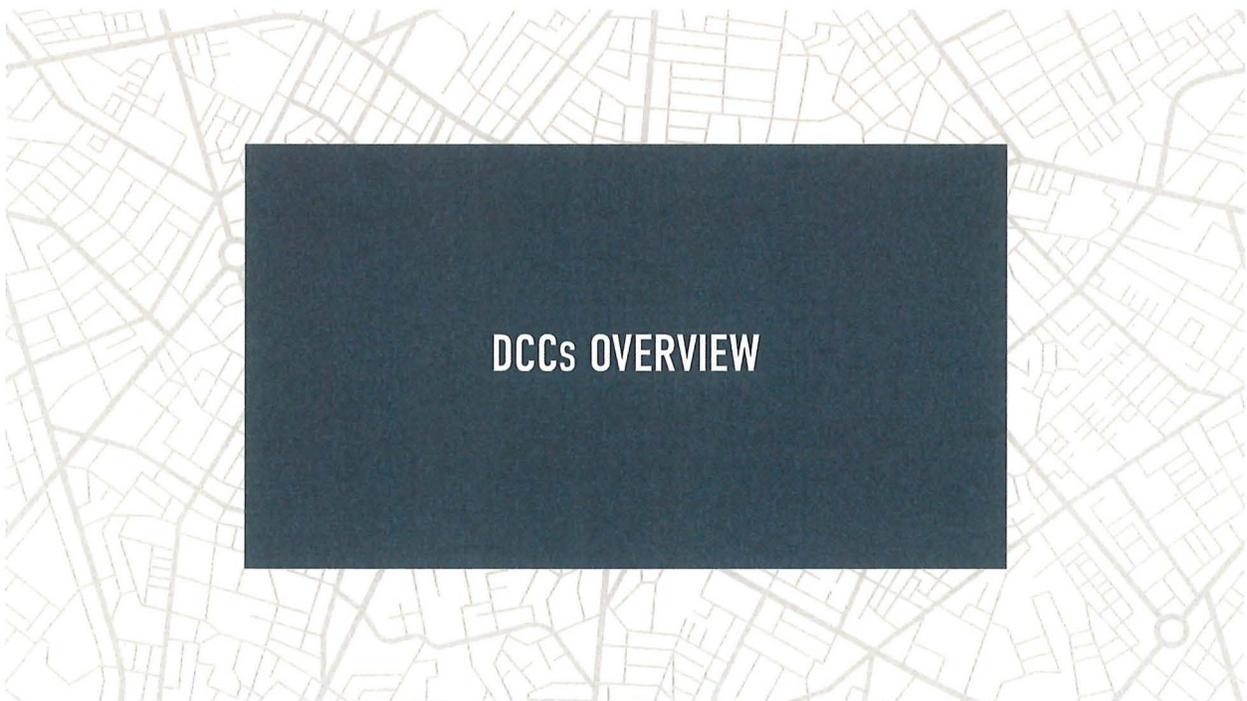
AGENDA

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



WHY NOW?

- 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:

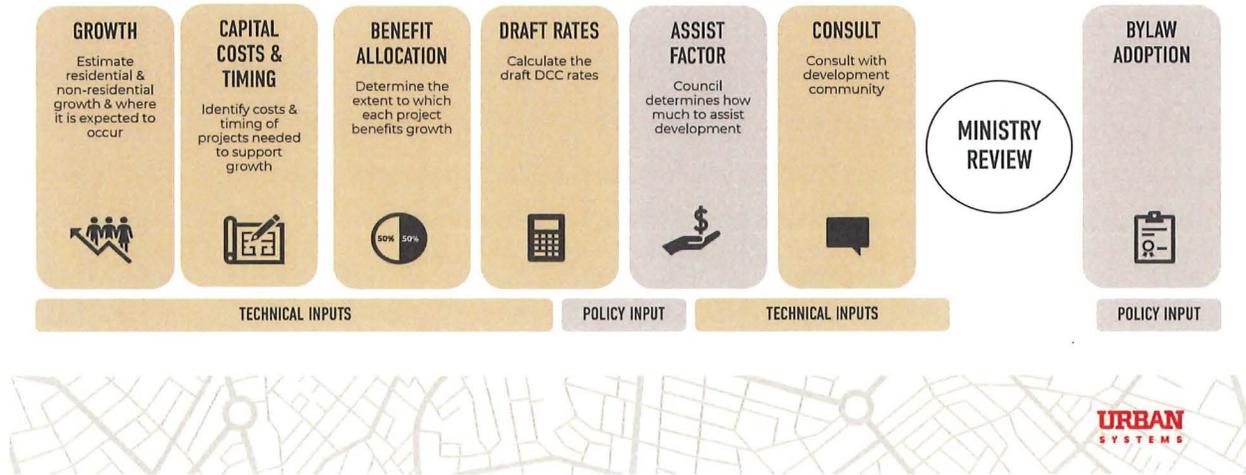
- Transportation services
- Water services
- Drainage services
- Sewer services
- Parkland acquisition and improvements
- Fire protection facilities
- Police facilities
- Solid waste and recycling facilities

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?

- 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

- 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)

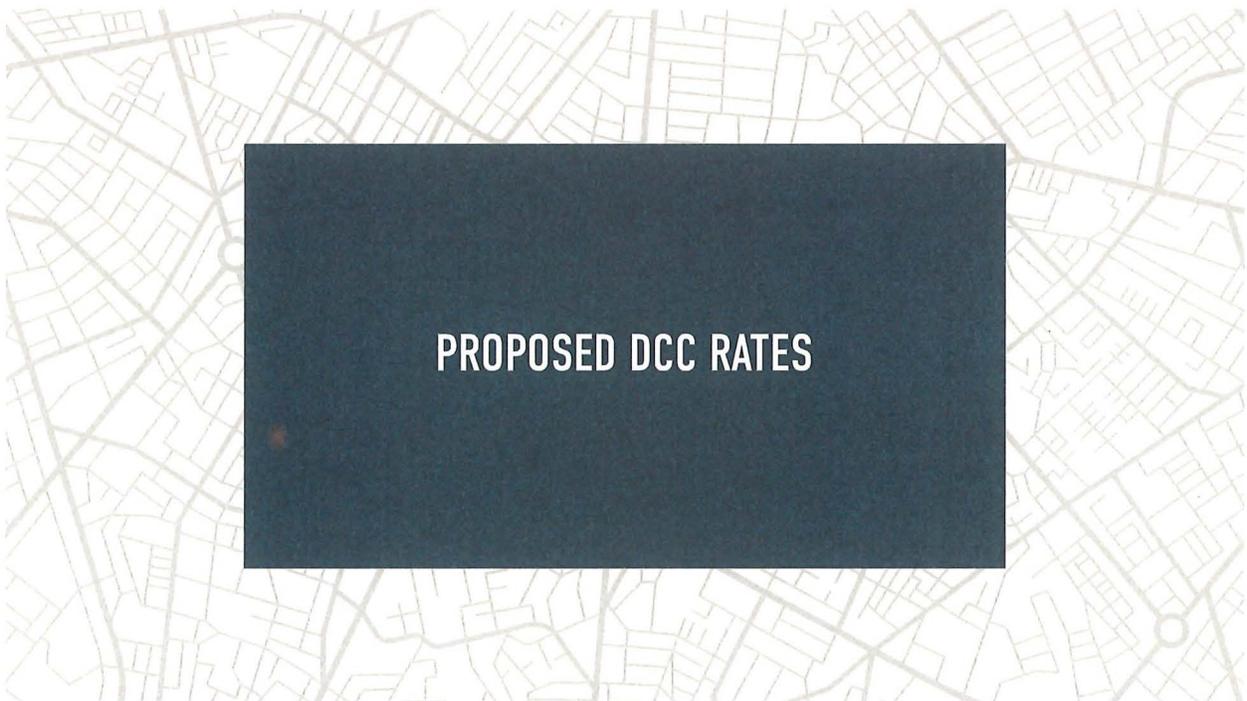


IN-STREAM PROTECTION

- 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 <i>(1% MAF)</i>	% Increase
Single Family Residential	Per Lot	\$63,767.14	\$66,908	5%
SSMUH	Per Dwelling Unit	n/a	\$47,182	n/a
Townhouse	Per ft ² DU	\$33.79	\$35.45	5%
Apartment	Per ft ² DU	\$35.79	\$37.55	5%
Commercial	Per ft ² BA	\$23.10	\$24.25	5%
Institutional	Per ft ² BA	\$23.10	\$24.25	5%
Light Industrial	Per ft ² BA	\$18.97	\$19.92	5%
Heavy Industrial	Per acre of GSA	\$215,118.05	\$225,900.62	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"> • Intersection upgrades • Sidewalks • Roundabouts
Water	<ul style="list-style-type: none"> • Watermains • Water Master Plan
Drainage	<ul style="list-style-type: none"> • Dikes • Drainage Mains • Box Culverts
Sanitary Sewer	<ul style="list-style-type: none"> • Gravity Mains • Pump Stations • Forcemains
Parkland Acquisition	<ul style="list-style-type: none"> • Parkland acquisition to maintain level of service
Parkland Development	<ul style="list-style-type: none"> • Development of new trails • Washroom facilities • Playground Equipment

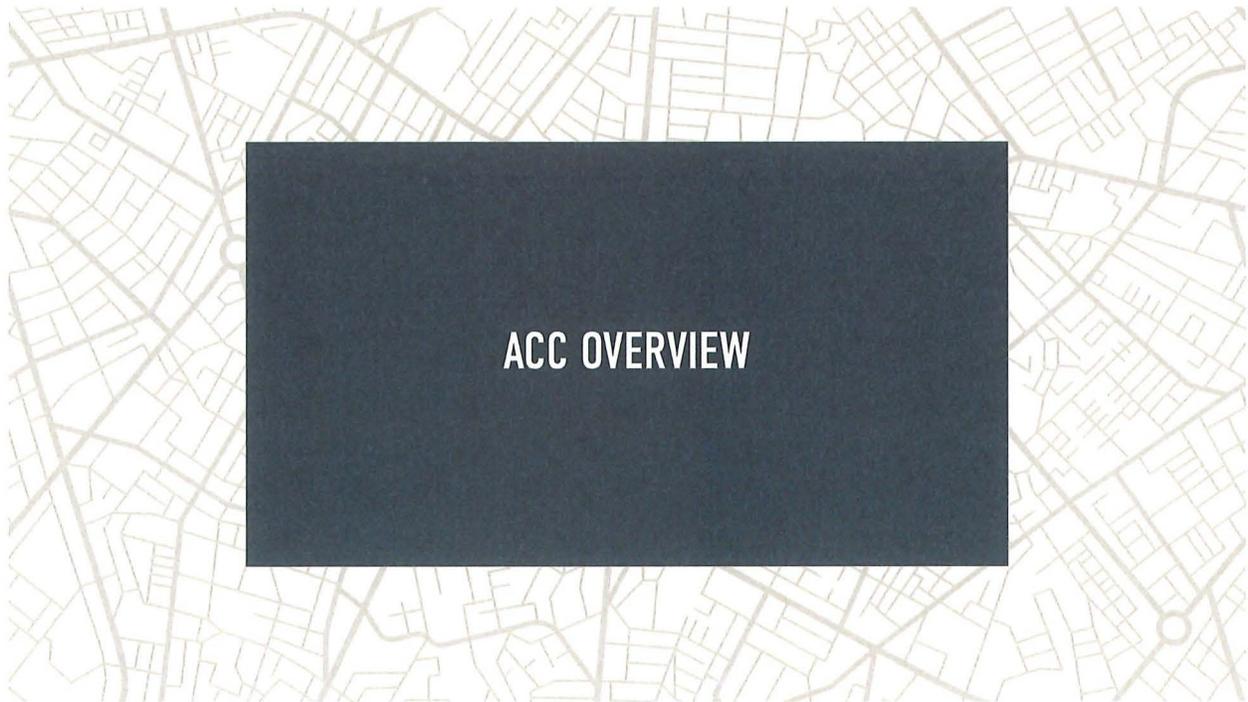


DCC CAPITAL COST SUMMARY

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
Total*	\$3,260.6M	\$2,253.9M	\$1,006.5M

*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?

- 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!)



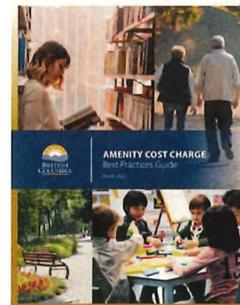
WHAT IS THE UPTAKE OF ACC BYLAWS?

- 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)

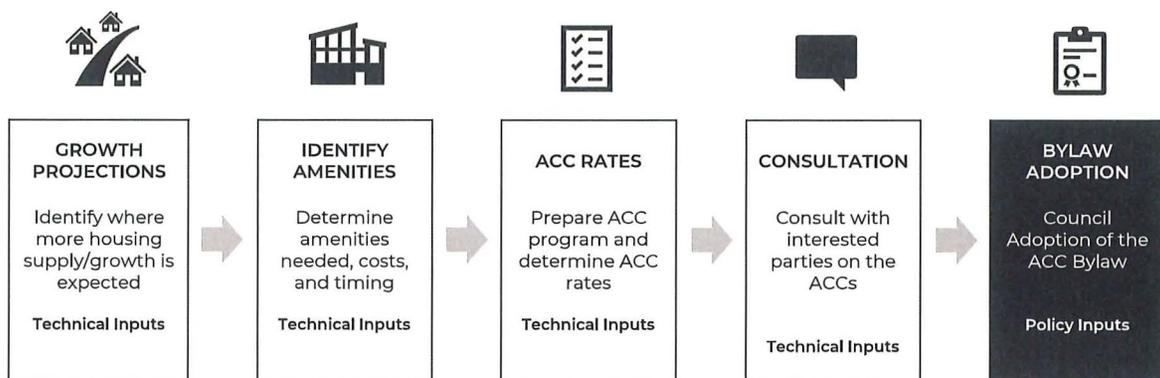
- Community, youth, or seniors' centre
- Recreation or athletic facility
- Library
- Childcare facility
- Public square

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)



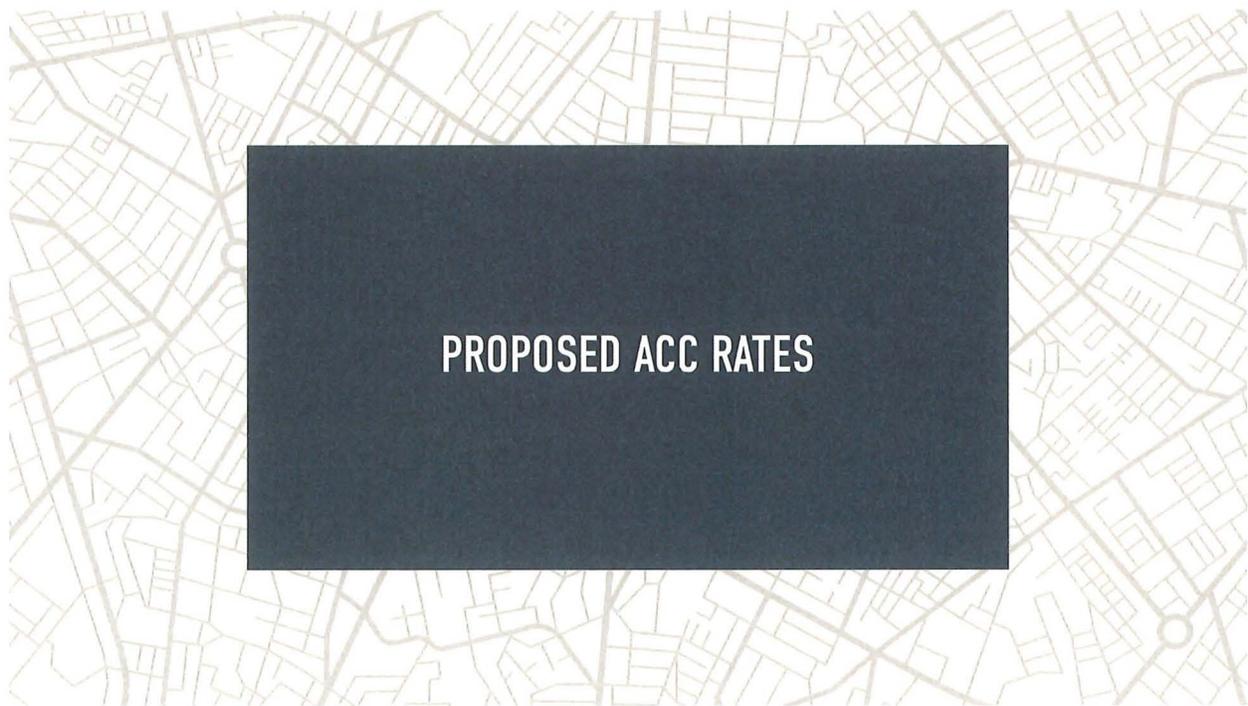
IN-STREAM PROTECTION

- 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	\$22,003
SSMUH	Per Dwelling Unit	\$12,102
Townhouse	Per ft ² DU	\$12.27
Apartment	Per ft ² DU	\$12.94
Commercial	Per ft ² BA	\$4.69
Institutional	Per ft ² BA	\$4.69
Light Industrial	Per ft ² BA	\$3.91
Heavy Industrial	Per acre of GSA	\$3,561.84



ACC PROGRAM SUMMARY

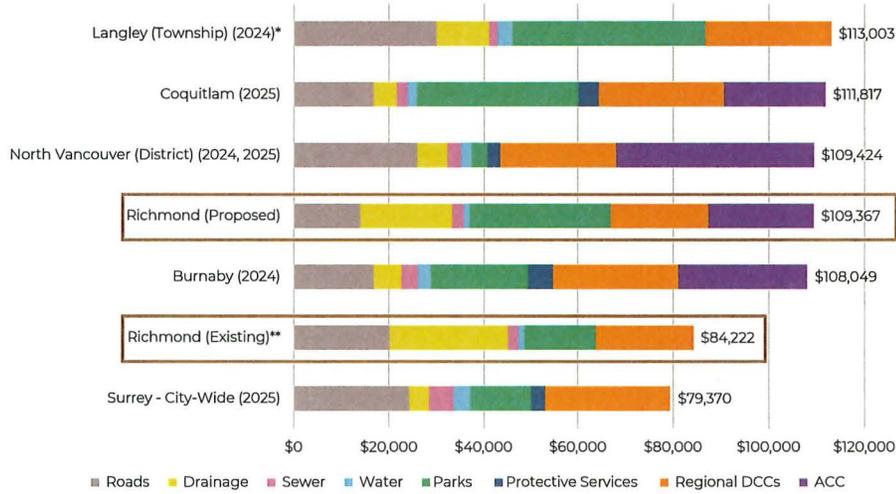
Service	Total Capital Costs (\$M)	Benefit Allocation (%)	ACC Recoverable (\$M)	Municipal Assist Factor (%)	Municipal Costs (Benefit to Existing + 1% MAF) (\$M)
Amenities	250.1	20-100%	195.9	1%	54.2
Total*	\$250.1M		\$195.9M		\$54.2M

*Values may not total due to rounding

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



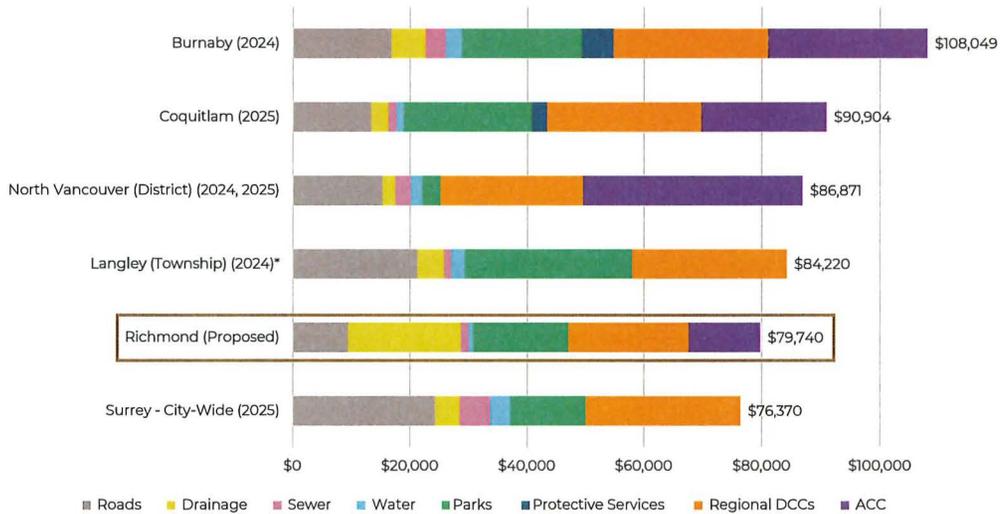
SINGLE FAMILY (PER LOT)



*Community undertaking DCC/ACC Update

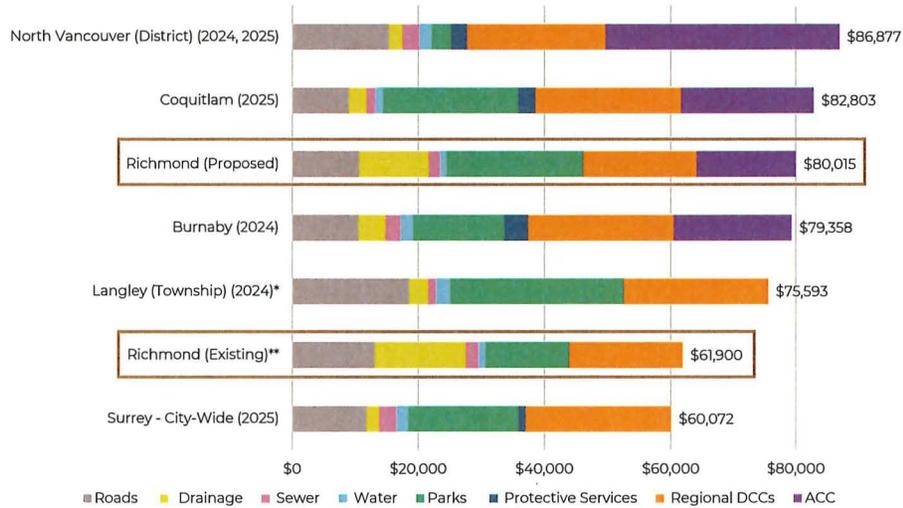
** Richmond's existing rate does not include applicable Community Amenity Contributions/ Density Bonus rates to be replaced by ACCs

SSMUH (PER DWELLING UNIT)



*Community undertaking DCC/ACC Update

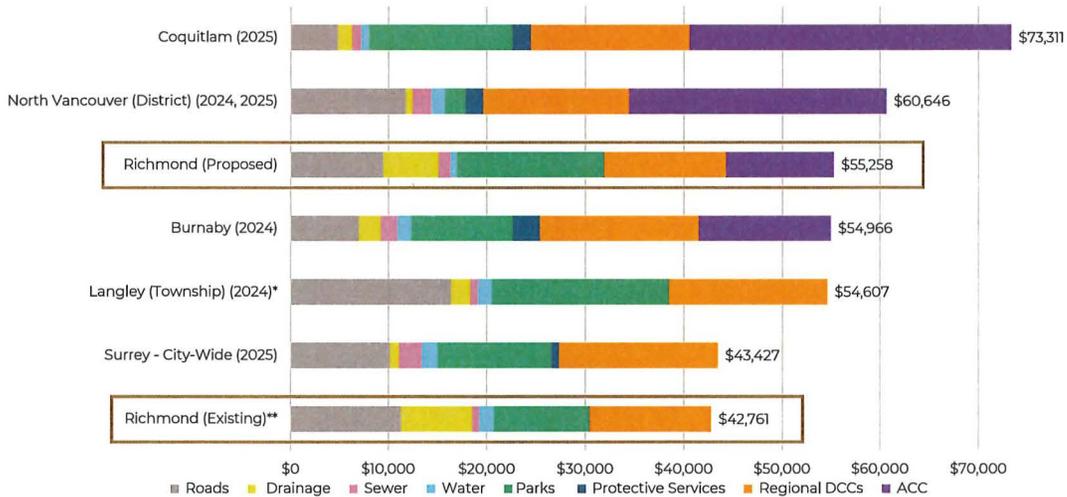
TOWNHOUSE (PER DWELLING UNIT)



*Community undertaking DCC/ACC Update

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

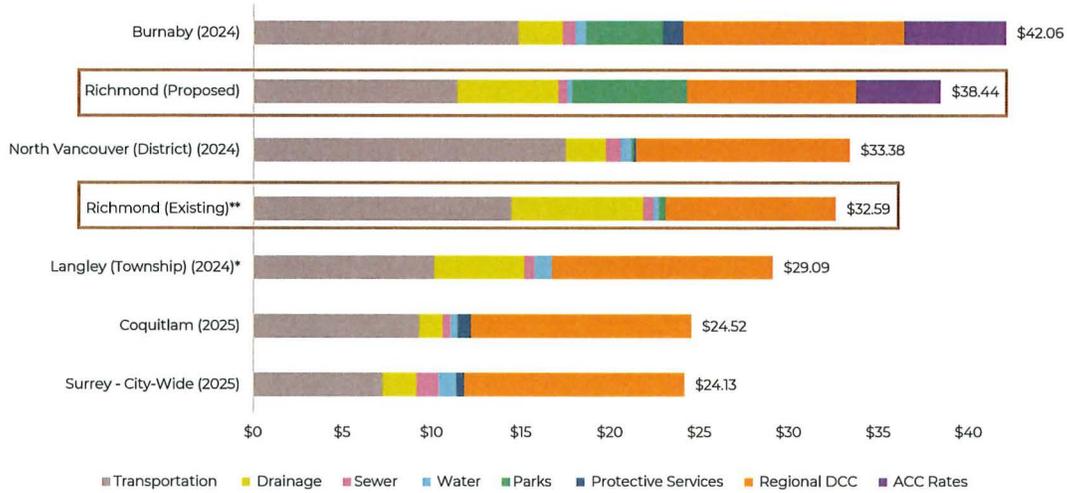
APARTMENT (PER DWELLING UNIT)



*Community undertaking DCC/ACC Update

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

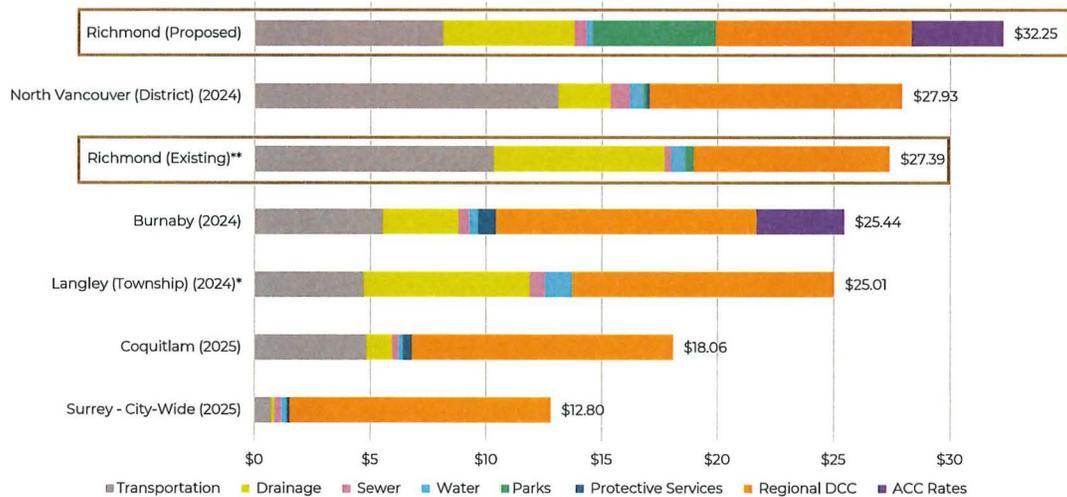
COMMERCIAL (PER SQUARE FOOT)



*Community undertaking DCC/ACC Update

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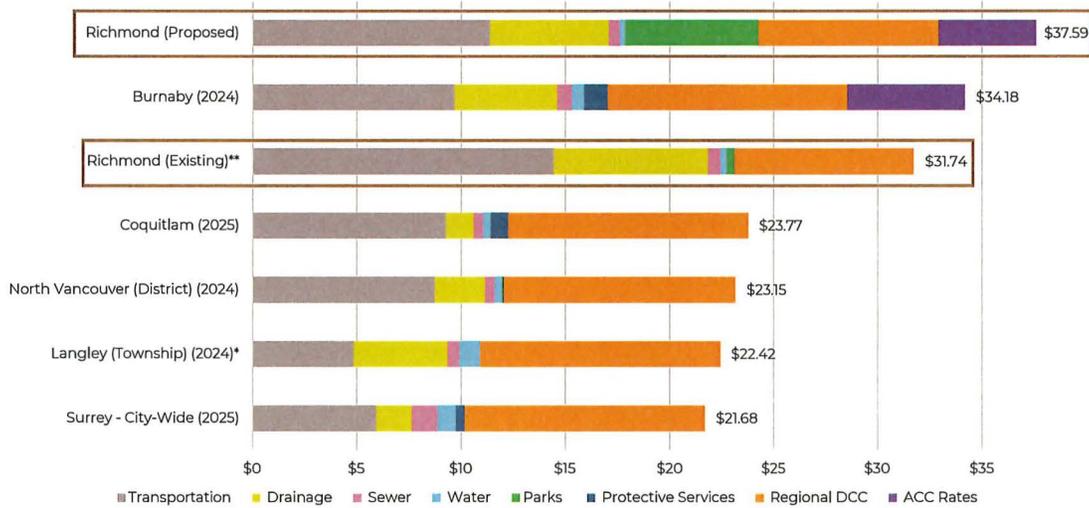
INDUSTRIAL (PER SQUARE FOOT)



*Community undertaking DCC/ACC Update

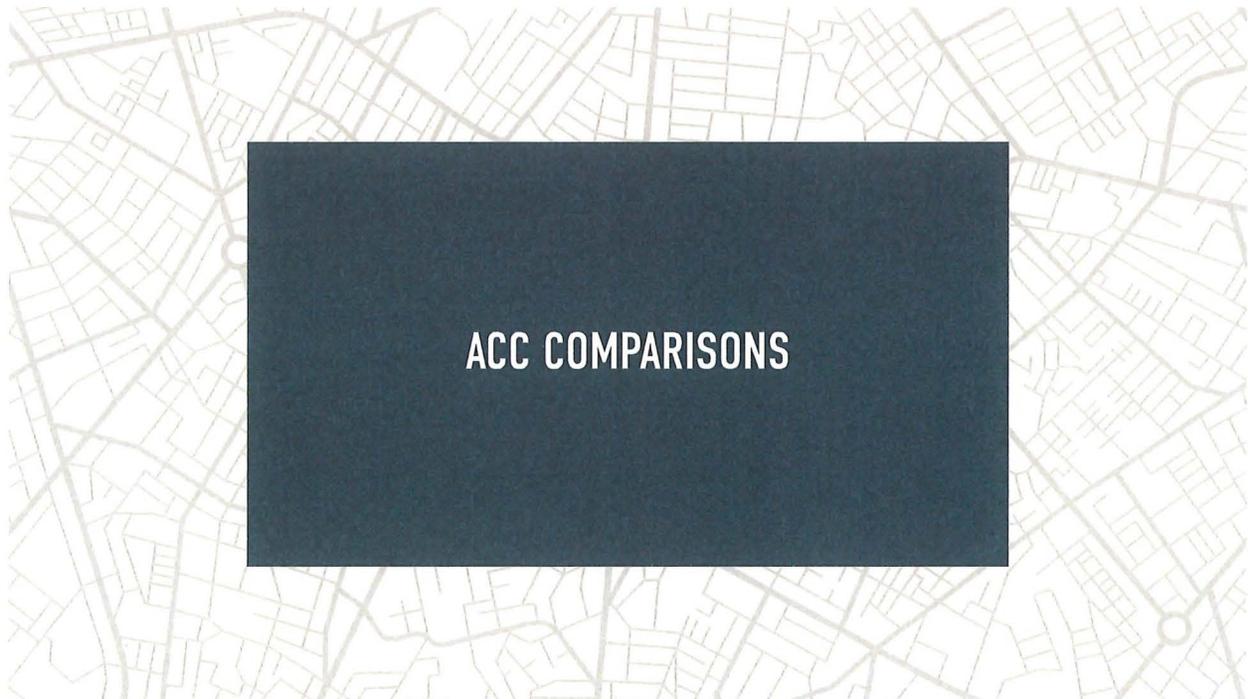
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INSTITUTIONAL (PER SQUARE FOOT)



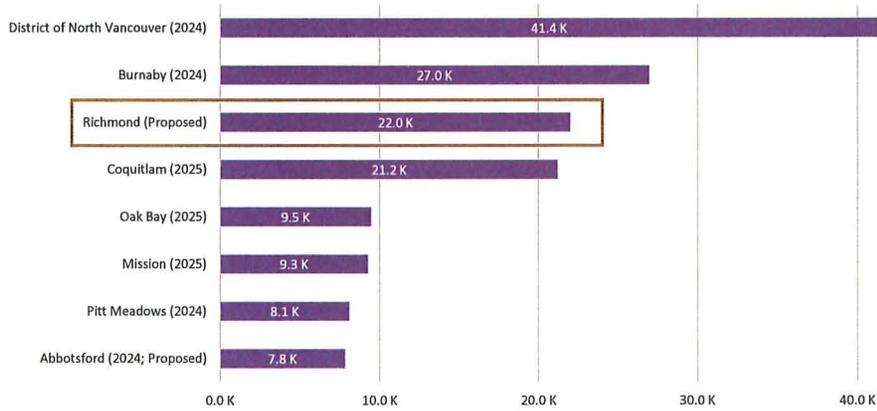
*Community undertaking DCC/ACC Update

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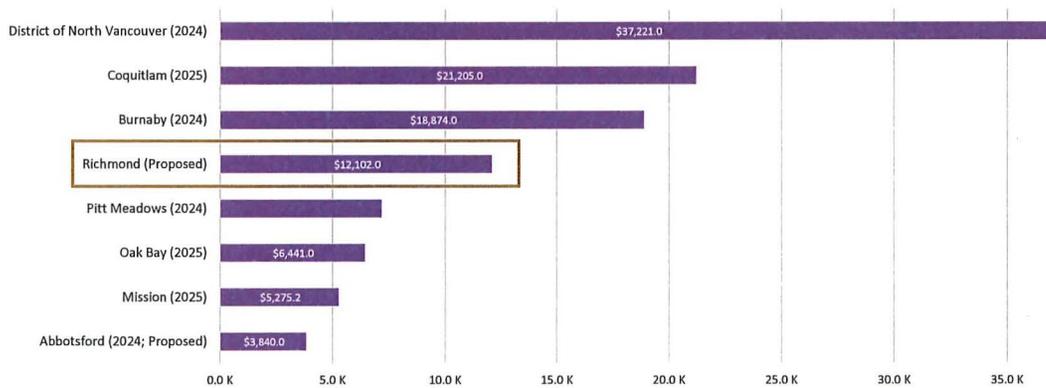


ACC COMPARISONS

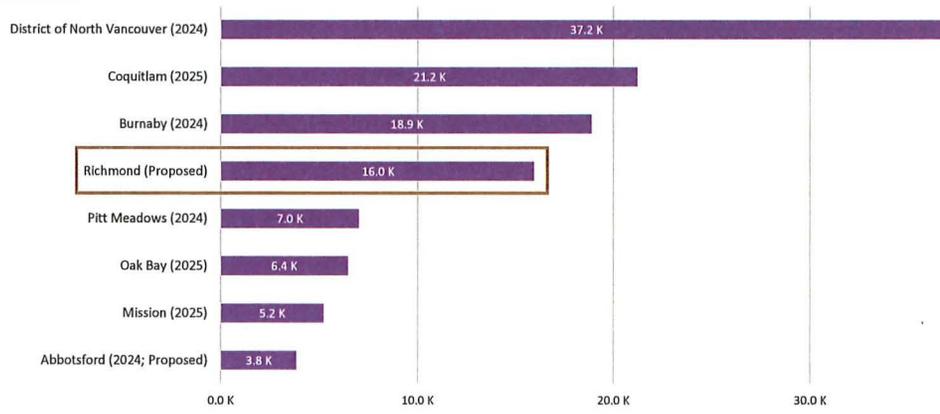
ACC - SINGLE FAMILY (PER LOT)



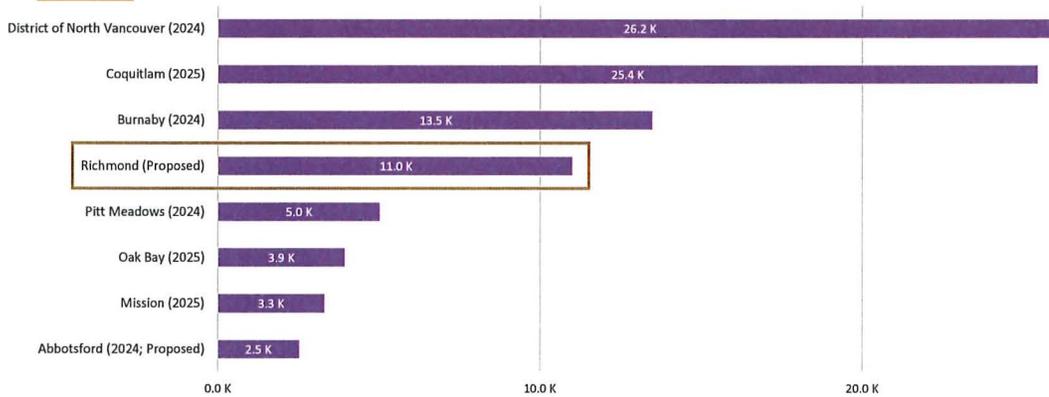
ACC - SSMUH (PER DWELLING UNIT)



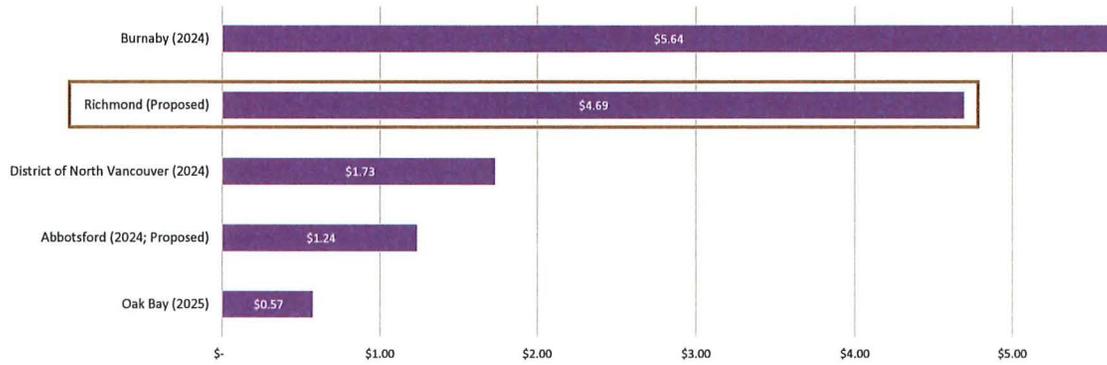
ACC - TOWNHOUSE (PER DWELLING UNIT)



ACC - APARTMENT (PER DWELLING UNIT)



ACC - COMMERCIAL (PER SQUARE FOOT)



FEASIBILITY CONSIDERATIONS

- 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

- Requesting feedback from interested parties until *December 19, 2025*, send written comments to 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,

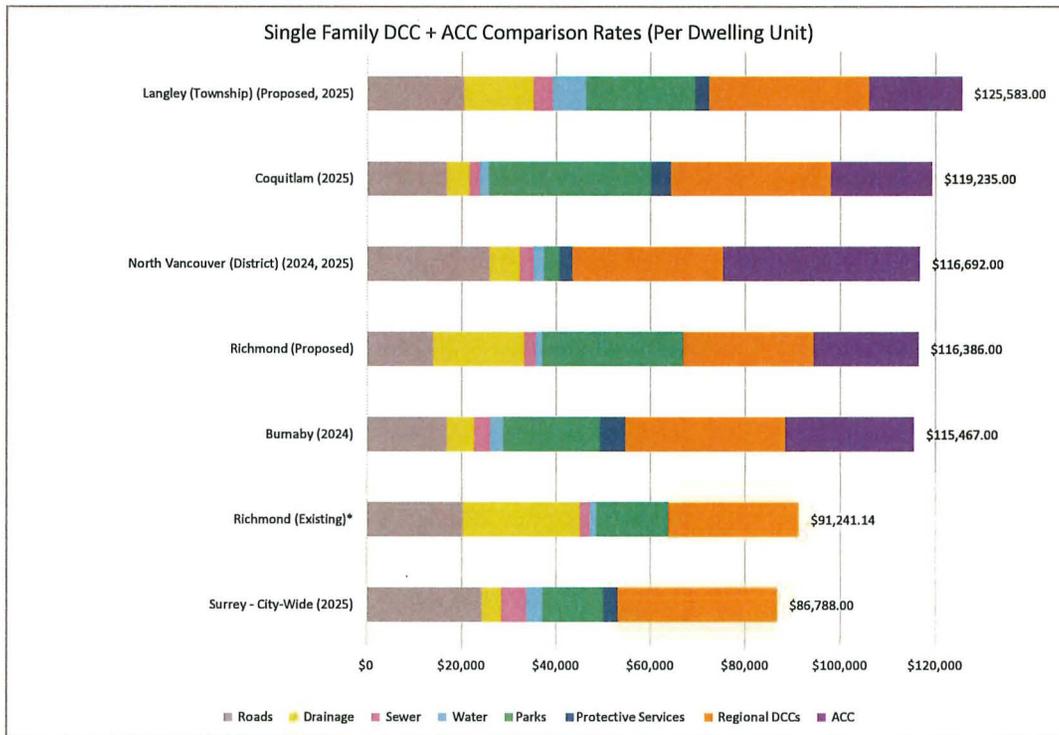
Shalen Dhinjal

Summary of Feedback and Discussion

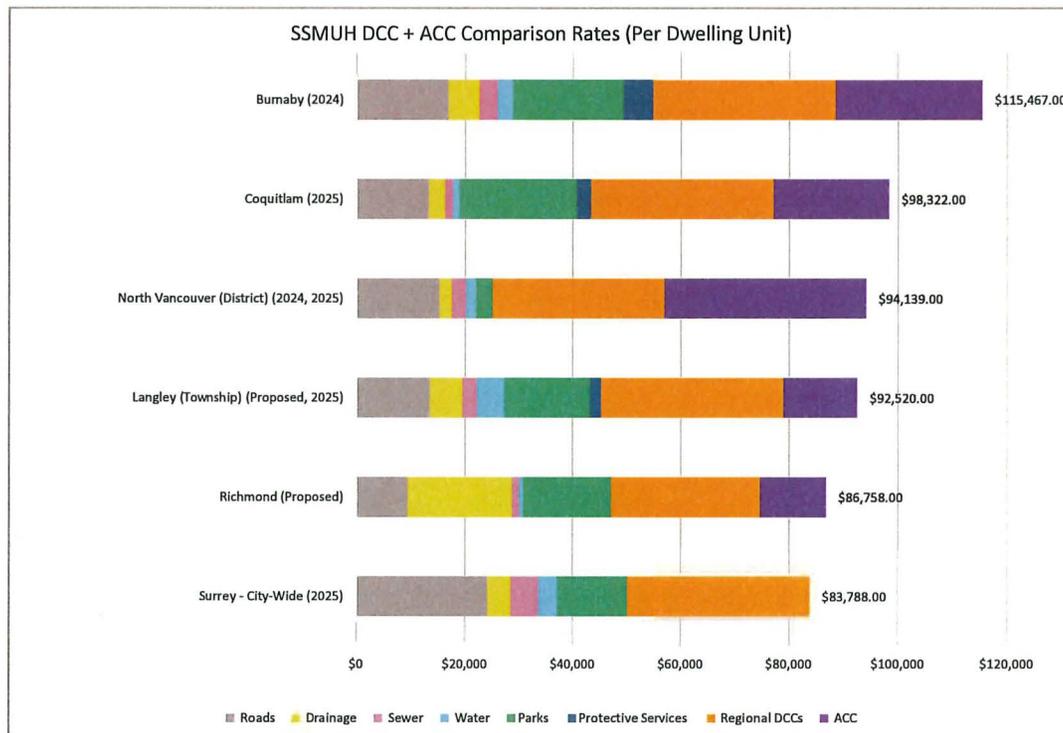
Feedback Received	Discussion
Freeze or reduce DCC rates	<ul style="list-style-type: none"> • The City has not increased DCC rates since July 2024. • City also faces rising construction costs in delivering growth-related infrastructure. • Freezing/reducing rates would underfund growth-related infrastructure (e.g. parks, trails and critical infrastructure), shifting costs to taxpayers/ratepayers or future developments.
Support Development by Easing Cost Pressures	<ul style="list-style-type: none"> • 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. • 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.
Follow Other Cities in Freezing/Cutting DCCs	<ul style="list-style-type: none"> • Surrey and Vancouver are required to freeze DCCs in order to access Federal grant funding. • Many other cities (e.g., New Westminster, Coquitlam, Burnaby etc.) recently increased their DCC rates along with established new ACC. • 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.
The proposed DCC Increase Will Reduce Housing Delivery / Make Projects Unviable	<ul style="list-style-type: none"> • The proposed 4.9% increase that reflects project cost adjustments is consistent with the Province's DCC Best Practices Guide for predictability. • Estimated cost impact of proposed DCC increase: <ul style="list-style-type: none"> ➢ Current DCC: averages 2.9% to 4.2% of home price ➢ Proposed DCC: averages 3.3% to 4.7% of home price Estimated impact to profit margin is not expected to make projects unviable. • 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.
The City's Development Fees Are the Highest	<ul style="list-style-type: none"> • 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.

Feedback Received	Discussion
Need for Affordable Housing Incentives and Waivers	<ul style="list-style-type: none"> • In 2024, the City updated the framework of its Low-End Market Rental (LEMR) housing program to improve the financial viability of maintaining and operating LEMR homes over the long-term. • 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. • 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. • 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. • 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.
Ensure cost allocation is fair	<ul style="list-style-type: none"> • Cost allocations follow provincial guidelines. • 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. • This approach has been previously reviewed and approved by the Inspector of Municipalities.
Request for Financial Feasibility Analysis	<ul style="list-style-type: none"> • The proposed 4.9% DCC increase adds minimal impact to project costs, thus not significantly affect project viability. • 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.

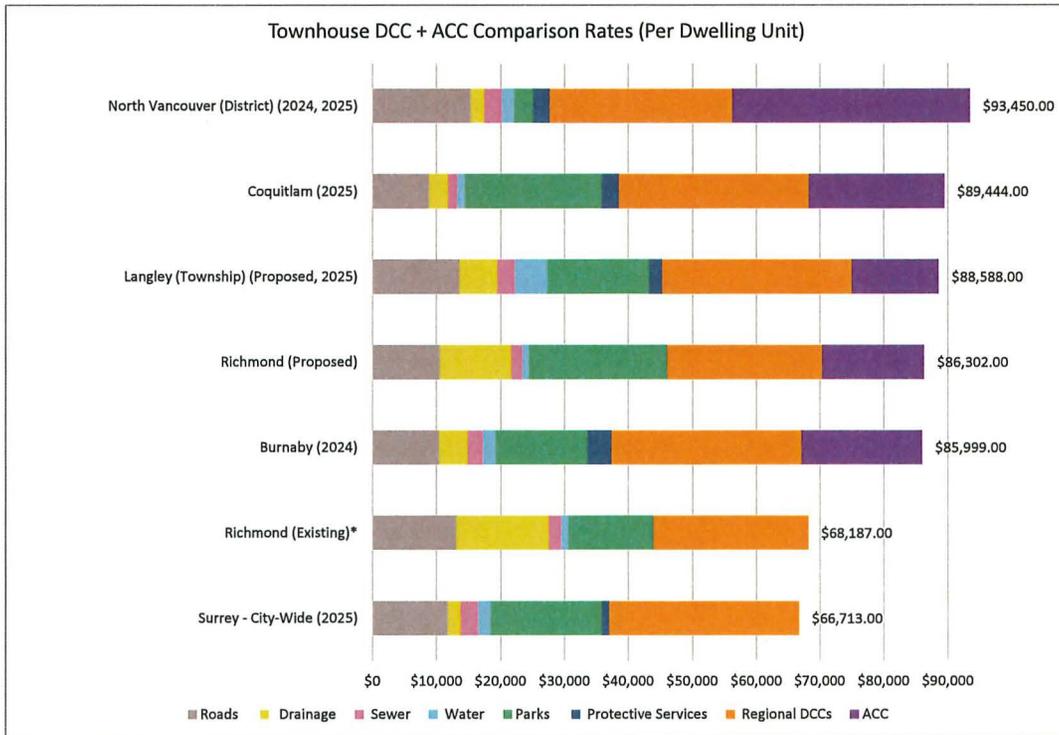
Municipal DCC, ACC and Regional DCC Comparison Charts (with updated 2026 rates)



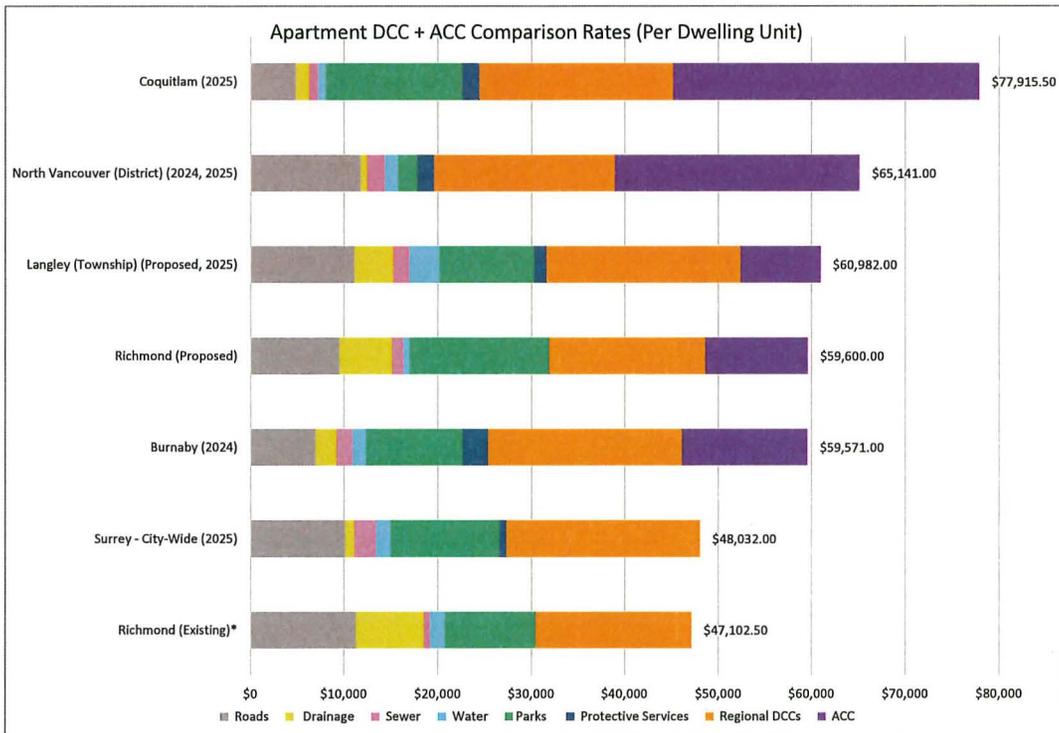
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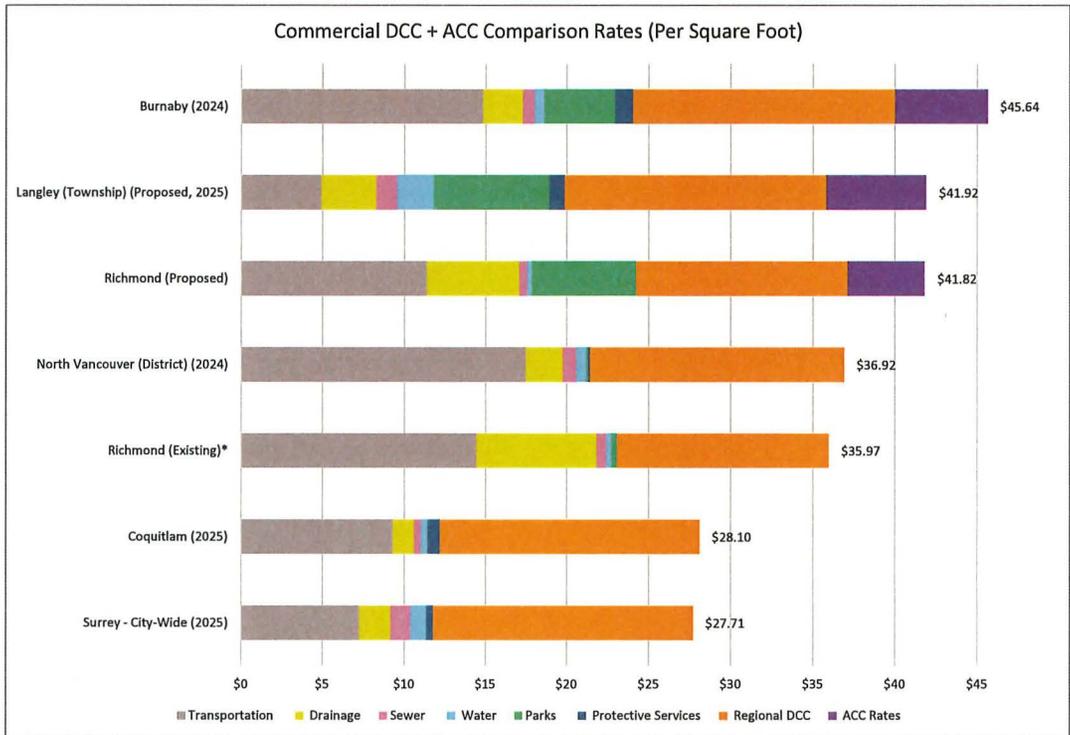
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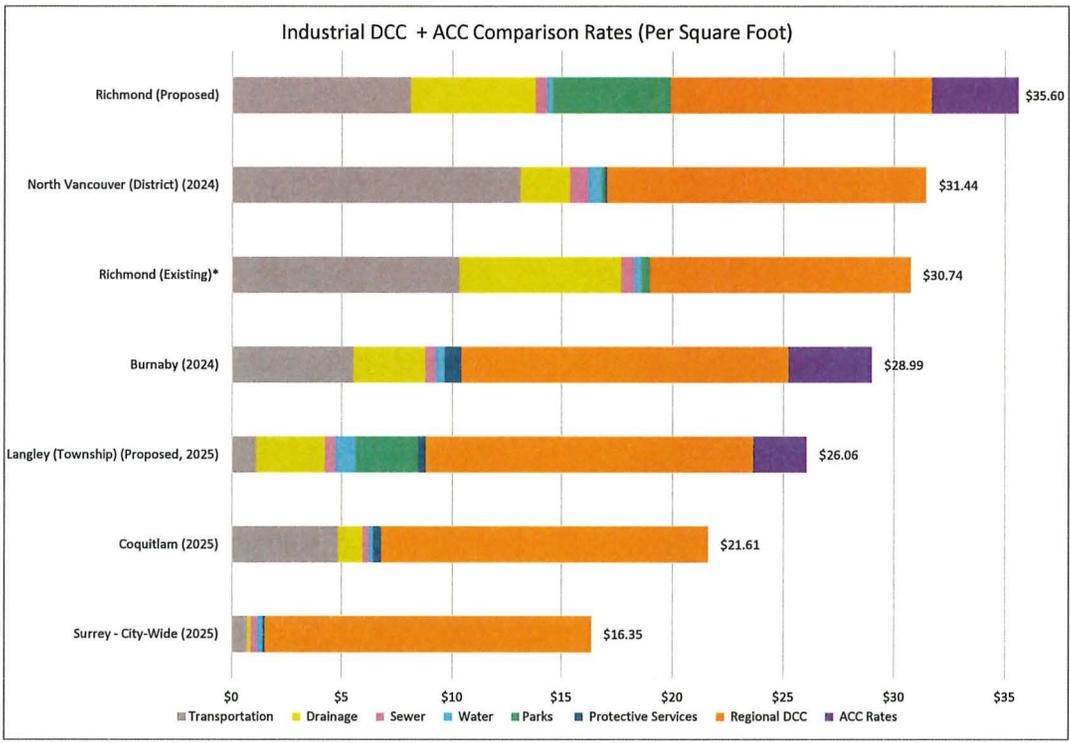
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Municipal ACC Comparison Charts

