AMENITY COST CHARGE (ACC) BYLAW DEVELOPMENT

VILLAGE OF CUMBERLAND

BACKGROUND REPORT

URBAN SYSTEMS

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EXECUTIVE SUMMARY

In 2025, the Village of Cumberland (Village) initiated the process to develop an Amenity Cost Charge (ACC) bylaw.

The Village does not currently collect ACCs. The ACC program has been created with the aim of capturing current growth trends and the amenities needed to support growth.

The new ACC program will capture current capital costs for amenities that are driven by growth. The proposed rates ensure that those who will use and benefit from Village-provided amenities share the growth-related costs in a fair and equitable manner. Key drivers for the development of the Village of Cumberland's ACC program include:

- Meeting the needs arising from future development and growth; and,
- Ensuring timely and transparent recovery on the capital costs of amenities.

The Village's proposed ACC program aligns with the existing DCC program (last updated 2022); the development of both programs drew on capital planning, the Official Community Plan, as well as conversations with key staff across various departments. Where possible, key inputs prepared and reviewed for the DCC program were carried over to the ACC program to ensure greater alignment and administrative ease.

This report presents the Village's proposed ACC rates and program. The proposed 2025 ACC rates are provided in **Table ES-1**. Note that these rates were revised in Fall 2025 to reflect updated BC Stats population and household projections, which were higher than the ones used previously. This change has resulted in a lower ACC rate.

Table ES-1: Proposed 2025 ACC Rates

Land Use	Unit	Total Proposed ACC Rate
Low-Density Residential	per lot	**$9,035.02**
Medium-Density Residential	per unit	**$6,076.37**
High-Density Residential	per unit	**$4,453.88**
Commercial	per m^2 of GFA	**$0.00**
Industrial	per m^2 of GFA	**$0.00**
Institutional	per m^2 of GFA	**$0.00**

1.1 ACC KEY ELEMENTS

There are key elements within an ACC program that should be considered when determining rates. **Table ES-2** outlines the key elements, decisions, and supporting rationale used in this update. More information on these elements can be found throughout the report.

All aspects of the program are intended to align with the information outlined in the ACC Best Practices Guide and, where possible, the Village's DCC program.

Table ES-2: Key Elements - ACCs

Key Element	ACC Program	Rationale
Time Horizon	20 Years	• Aligns with capital plans, OCP and infrastructure planning studies • Aligns with DCC Bylaw
Jurisdiction-wide or area-specific charge	Village-wide charge	• ACC projects are components of Village-wide services and amenities and therefore provide a Village-wide benefit
Grant Assistance	None	• No identified ACC projects include grant assistance
Developer Contribution	None	• No identified ACC projects include a developer contribution
Financing	No	• No identified ACC projects include financing
Benefit Factor	25%	• Baseline Population Growth o **25% -** Based on the projected growth expected to occur in the Village over the ACC program timeframe (20 years)
Municipal Assist Factor (MAF)	1%	• A 1% municipal assist factor is proposed.
Units of Charge	Per lot and per dwelling unit	• ***Per lot*** for low density residential. ACCs are levied on single family dwellings at time of subdivision or building permit, as determined by the Village, to collect ACCs as early in the process as possible. • ***Per dwelling unit*** for medium density and high density residential. ACCs are levied on ground-oriented attached dwellings and apartment units at building permit when the number of units is known. **Note: the ACC will not be levied on non-residential (Commercial, Industrial, Institutional) uses*
Economic Viability	Complete	• The province requires that economic analysis be conducted to determine the economic impacts of ACCs on development. • A separate financial feasibility assessment for Village-owned properties on Union Road was completed in 2025, concurrently with ACC program development. The findings informed the implementation of the ACCs along with OCP land use designation and zoning amendments (scheduled to be complete in a similar timeline to ACC implementation). • Given market conditions, the report recommends that the ACC remain at the modest rate proposed.

2.0 INTRODUCTION AND PURPOSE

In 2025, the Village of Cumberland (Village) initiated the process to develop an Amenity Cost Charge (ACC) bylaw.

The Village does not currently collect ACCs. The ACC program has been created with the aim of capturing current growth trends and amenities needed to support growth.

As a new cost-recovery tool, many municipalities across B.C. are beginning to implement ACCs to support municipal financial sustainability. The advantages of implementing an ACC Bylaw are as follows:

- Provides certainty to the development community about amenity upgrade costs and what projects these costs will pay for;
- Ensures costs for future amenities are fairly distributed across the benefiting developments;
- Fosters fairness by ensuring the development community and existing property taxpayers share the costs of growth-related amenities; and,
- Minimizes financial risk by allowing the Village to save for growth-related amenity costs.

The new ACC program will capture current capital costs for amenities that are driven by growth. The proposed rates ensures that those who will use and benefit from Village-provided amenities share the growth-related costs in a fair and equitable manner. Key drivers for the development of the Village of Cumberland ACC program include:

- Meeting the needs arising from future development and growth; and,
- Ensuring timely and transparent recovery on the capital cost of amenities.

The Village's proposed ACC program aligns with the existing DCC program (updated in 2022); the development of both programs drew on capital planning, the Official Community Plan, as well as conversations with key staff across various departments. Where possible, inputs prepared and reviewed for the DCC program were carried over to the ACC program to ensure greater alignment and administrative ease.

Please note that the material provided in this report is meant for information only. The Village's adopted ACC Bylaw should be referred to for rates and requirements.

3.0 LEGISLATIVE AND POLICY CONTEXT

3.1 LEGISLATIVE FRAMEWORKS AND PROVINCIAL REQUIREMENTS

The ACC project list was reviewed to ensure it meets the criteria set out in the *Local Government Act* and the Amenity Cost Charge Best Practices Guide (Guide). The Guide sets a framework for local governments to underpin the creation and implementation process for new ACC bylaws. The proposed rates in this report follow the structure of the guide to ensure consistency with best practices.

3.2 LOCAL GOVERNMENT POLICIES AND DOCUMENTS

As the Village's ACC program was developed, the following municipal documents were consulted:

- The Official Community Plan (OCP)
- The Housing Needs Assessment

- The existing DCC program and Bylaw (2022)

In addition to the above documents, staff were regularly consulted on the proposed program. These discussions supported program refinement and finalization.

4.0 ACC PROJECTS

4.1 ACC PROJECTS

All projects included in the ACC program are reflective of current hard costs (i.e., construction, materials) and were vetted for eligibility according to the Ministerial requirements for ACCs. Capital costs for projects are based on new project lists and include contingency and engineering allowances. A summary of the ACC project list is included in **Table 1**.

Table 1: ACC Project List Summary

Service	Project List Summary
Amenities	• Recreation Centre Expansion • Daycare Facility

Note: The Village of Cumberland will own and control all projects in this ACC program.

5.0 ASSUMPTIONS AND METHODOLOGIES

5.1 CALCULATION METHODOLOGY

5.1.1 COST ESTIMATES

The ACC program was prepared using cost estimates from 2025 as follows:

- **Recreation Centre:** Cost estimates were prepared by Village staff based on the need for an additional 17,195 sq. ft. at an estimated unit cost of $779/sq. ft.
- **Daycare Facility:** Cost estimates were prepared by looking at pricing for other daycare projects across Vancouver Island, resulting in an estimated unit cost of $700/sq. ft. for a 3,225 sq. ft. facility.

5.1.2 GROWTH PROJECTIONS

Updated growth projections were used to calculate the proposed ACC rates. These residential and non-residential projections outlined in **Table 2** were prepared using multiple sources and references, including:

Unit and Growth Projections

- BC Stats. (July 2025). *Population Estimates, Projection, and Statistics – Village of Cumberland.* Government of British Columbia.
- Statistics Canada (2025). *2021 Census – Structural Type of Dwelling and Household Size.* Government of Canada.

Other References

- Village of Cumberland. (2021). *Housing Needs Assessment*;
- Village of Cumberland. (2020-2024). *Building Permits*; and,
- Conversations with staff across departments.

Using these references, which provided information on the expected population increase and related dwelling unit construction over a 20-year time frame (2025-2046). These projections were then refined through collaboration with staff as new and ongoing building permit applications were received. As a result, adjustments were made to better reflect recent permit data and development trends. The development projections are recommended to be conservative in comparison to Housing Need Report targets and will be reviewed regularly to ensure the Village 's ACC and DCC projections reflect development trends.

As the proposed ACC will not be charged on non-industrial (commercial, industrial, and institutional) uses, no growth projections were prepared for these categories.

Note: the projections were updated in Fall 2025 to reflect new BC Stats data, which projects a higher population in the Village over the next 20 years.

Table 2: ACC Growth Projections

Land Use	Unit(s) of Growth	20-Year Growth Projections (Rounded)
Low-Density Residential	lot(s)	330
Medium-Density Residential	dwelling units	160
High-Density Residential	dwelling units	330
Commercial	m^2 of gross floor area	N/A
Industrial	m^2 of gross floor area	N/A
Institutional	m^2 of gross floor area	N/A

5.1.3 EQUIVALENCIES

Different land uses have different impacts on amenities. To reflect these differences, equivalent units are used to allocate ACC costs across land uses.

The amenity equivalencies included in **Table 3** are based on future service population and anticipated needs for future land use. They align with the average household sizes from the 2021 Census data for the Village of Cumberland and weighted based on building typology allocations from available building permit data.

Table 3: ACC Equivalent Units

Land Use Category	ACC Equivalency Factor
Low-Density Residential	2.840
Medium-Density Residential	1.910
High-Density Residential	1.400
Commercial	N/A
Industrial	N/A
Institutional	N/A

5.2 ACC COSTS

5.2.1 CAPITAL COST ESTIMATES AND REVENUE PROJECTIONS

The total ACC Program Costs amount to **$21.9 M**—of those costs, **$5.4 M** are eligible for recovery through ACCs (i.e., paid by the development community). The Village is responsible for funding the remaining **$16.5 M** (**$0.82 M/year**) through Village revenues (e.g., property tax). This is a key consideration for Council when considering the Village's financial sustainability and the costs to developers and existing taxpayers. These costs are included in **Table 4**.

Table 4: Total Cost of Proposed ACC Program

	Program Inputs			Developer Responsibility	Municipal Responsibility	
Service	Total Capital Costs	Benefit Factor	Municipal Assist Factor	ACC Recoverable Program Costs	Municipal Costs	Annual Municipal Costs (20 y)
Amenities	$21.9 M	25%	1%	$5.4 M	$16.5 M	$0.82 M

5.2.2 INTEREST ON LONG-TERM DEBT

No interest on long-term debt is included in the ACC program.

5.3 BENEFIT ALLOCATIONS

As is also the case with DCCs, project benefit factors (or benefit allocations) for ACCs are used to determine to what extent a proposed project benefits future growth versus existing users and are determined on a project-by-project basis.

Some ACC projects may benefit the population at large, in which case the capital costs (or a portion of them) should be shared by the entire community. Other projects will only benefit new growth, in which case the new users benefiting from these services will pay most of the project costs.

The benefit factor of each ACC eligible project was evaluated using an approach based on anticipated population change.

Baseline Population Growth: 25% – Benefits existing development and adds proportionate capacity for future population (expected to grow by 25% over 20 years).

A summary of the benefit factor methodology is included in **Table 5.**

Table 5: Benefit Factor Methodology

Service	Benefit Allocation (Developer Responsibility)	Benefit Factor Methodology
Amenities	25%	• Baseline Population Growth

5.4 MUNICIPAL ASSIST FACTOR

The Village is proposing a 1% assist factor. When selecting this assist factor, considerations included the impact of the proposed rates on development viability, as well as amenity needs over the course of the program's time frame of 20 years. As a result, no phase-in of the ACC rates in the initial years of program implementation is proposed.

5.5 DETAILED RATE ANALYSIS

ACC rates are determined by applying the key elements, growth projections, and equivalencies described earlier in this report to projects that are ACC eligible and expected to be built within the specified ACC timeframe.

Table 6 below summarizes the total proposed ACC rates for the Village, along with each ACC program. The ACC calculations were based on a 1% assist factor for all categories.

Note that these rates were revised in Fall 2025 to reflect updated BC Stats population and household projections, which were higher than the ones used previously. This change has resulted in a lower ACC rate.

Table 6: Total Draft ACC Rates

Land Use	Unit	Total
Low-Density Residential	per lot	**$9,035.02**
Medium-Density Residential	per unit	**$6,076.37**
High-Density Residential	per unit	**$4,453.88**
Commercial	per m^2 of GFA	**$0.00**
Industrial	per m^2 of GFA	**$0.00**
Institutional	per m^2 of GFA	**$0.00**
**The ACC rates include a 1% Municipal Assist Factor*		

6.0 CONSULTATION SUMMARY

Per the *Local Government Act*, local governments are required to consult with the public, development community, and other interested parties that are affected by the development of an ACC bylaw. The ACC Best Practices Guide outlines best practices for consulting interested parties on the development of, or update to, an ACC Bylaw.

In collaboration with the Comox Valley Regional District, the Town of Comox, and the City of Courtenay—all of which were updating DCC or ACC programs concurrently with the Village—a regional joint stakeholder consultation session was held in-person at the Native Sons Hall in Courtenay, BC, on July 21, 2025 from 12:00-2:00pm. Prior to the session, each local government sent out e-mail invitations to members of the development community and other interested parties. Registration for the event was available online and open to all.

Approximately 53 attendees were at the session, along with 12 local government staff and consultants. The session consisted of a general presentation, followed by the opportunity to walk around the space and engage directly with each local government and regional district on their proposed programs.

Some feedback received regarding the Village's proposed ACCs included:

- Interest in understanding the combined DCC and ACC total (i.e., interested parties were curious about the 'fee stack'), more so than individual DCC and ACC rates;
- Questions about how the Village's ACC rate compares to those in other communities across the Province; and,
- Concerns about introduction of rates and the resultant impact on development viability.

This feedback was taken into consideration when setting the ACC rates.

7.0 ACC IMPLEMENTATION

7.1 FINANCIAL FEASIBILITY

As outlined in the *LGA* and ACC Best Practices Guide, local governments are required to consider whether ACCs will deter development and discourage the construction of reasonably priced housing or the provision of reasonably priced serviced land.

The extent of the analysis can vary based on several factors, including the magnitude of the proposed charges, the local housing market, and land supply conditions.

Studies completed as part of concurrent financial feasibility analysis undertaken for the Village-owned properties on Union Road in 2025 recommend that the ACC remain at the modest rate proposed and that the Village implement the ACC in tandem with OCP land use designation and pre-zoning initiative that are intended to potentially increase land values associated with increase densities and permitted uses that provide additional flexibility to ensure development remains viable, particularly in this challenging economic market. Other financial feasibility assessments completed for other development finance work in the region were also referenced as part of the development of this ACC.

7.2 BYLAW EXEMPTIONS

As per s. 570.4 of the *LGA,* an amenity cost charge is not payable if any of the following apply at the time of application for a building permit:

- No increase in the population of residents or workers is expected to result from the development;
- An ACC in respect of a particular amenity is not payable if an ACC in respect of that amenity has previously been paid for the same development, unless further development is expected to result in an increase in the population of residents or workers;

- An ACC is not payable in relation to affordable and special needs housing units that are required under an affordable and special needs housing zoning bylaw as defined under section 478.1 and 482.7 of the *LGA*;
- Units created through Inclusionary Zoning bylaws;
- The development falls within a class of rental units, supportive housing, cooperative housing, transitional housing, or emergency shelters as prescribed by regulation; or,
- The building permit authorizes the construction, alteration, or extension of a building or part of a building that is, or will be, after the construction, alteration, or extension, exempt from taxation under section 220(1)(h) or 224(2)(f) of the *Community Charter*;
- The *LGA* or any regulations thereunder provide that no ACC is payable.

7.3 COLLECTION OF CHARGES – BUILDING PERMIT AND SUBDIVISION

The *LGA* allows for ACCs to be collected at one of two times:

1. Subdivision approval; or,
2. Issuance of a building permit.

Of these two collection times, subdivision approval occurs earlier.

Local governments should consider the timing of amenity construction, along with the potential impacts of collection time on cash flow. For administrative simplicity, it is recommended that municipalities align ACC collection times with those set for DCCs.

The Village will collect ACCs for Low Density Residential uses at time of final subdivision approval. Collecting ACCs early will allow the Village to ensure the timely provision of amenities. ACCs for other residential land use categories will be collected prior to building permit issuance, when the final number of apartment or townhouse units are known.

Non-residential land uses will also be levied ACCs at time of building permit when the total floor area is known.

7.4 COLLECTION OF ACCs ON REDEVELOPED OR EXPANDED DEVELOPMENTS

Collection of ACCs in cases of redevelopment or expansion will follow the precedent set by DCC collection: where a credit is provided for the existing development, ACCs would only apply to any additional floor space added.

7.5 IN-STREAM PROTECTION AND PHASE-IN OF ACC RATES

The proposed ACC rates would be in force the date the ACC Bylaw is adopted. Protection from rate increases for development applications that are submitted prior to the adoption date will be provided as per legislation.

There are two ways a developer can qualify for exclusion from the new ACC rates:

1. Pursuant to section 511 of the *LGA* (subdivision).

   If the new ACC Bylaw is adopted after a subdivision application is submitted and the applicable subdivision fee is paid, the new ACC Bylaw has no application to the subdivision for 12 months after the ACC Bylaw is adopted. As such, if the subdivision is approved during the 12 months' in-stream protection period, no ACC rates apply. This only applies in cases where ACCs are levied at subdivision.

OR

2. Pursuant to section 568 and 570.91 of the *LGA* (building permits).

   The new ACC Bylaw is not applicable to a construction, alteration, or extension if: (a) a building permit is issued within 12 months of the new ACC Bylaw adoption, AND (b) either a building permit application, a development permit application or a rezoning application associated with the construction (defined as "precursor application") is in-stream when the new ACC Bylaw is adopted, and the applicable application fee has been paid. The development authorized by the building permit must be entirely within the area subject to the precursor application.

The above is a summary of sections 511, 568, and 570.91 of the *LGA* and not an interpretation or an explanation of these sections. Developers are responsible for complying with all applicable laws and bylaws and seeking legal advice as needed.

Note: One year in-stream protection is based on the adoption date of the ACC Bylaw, not the effective date.

To reduce the initial impact of the ACC rates on development viability, Council may opt to increase the Municipal Assist Factor (MAF) and reduce it annually (i.e., an assist factor of 25% in Year 1, followed by 5% reductions each subsequent year until it reaches the minimum 1%).

7.6 REBATES AND CREDITS

It is recommended the Village establish a practice to guide staff in the collection of ACCs and the use of ACC credits. Policies for ACC credits, rebates and latecomer agreements are often drafted to assist staff with development financing.

7.7 ACC MONITORING AND ACCOUNTING

To monitor the ACC Program, the Village should enter all the projects contained in the ACC program into a tracking system. The tracking system would monitor the status of the project from the conceptual stage through to its final construction. The tracking system would include information about the estimated costs, the actual construction costs, and the funding sources for the projects. The construction costs would be based on the tender prices received, and the land costs based on the actual price of utility areas and or other land and improvements required for servicing purposes. The tracking system would indicate when projects are completed, their actual costs, and would include new projects that are added to the program.

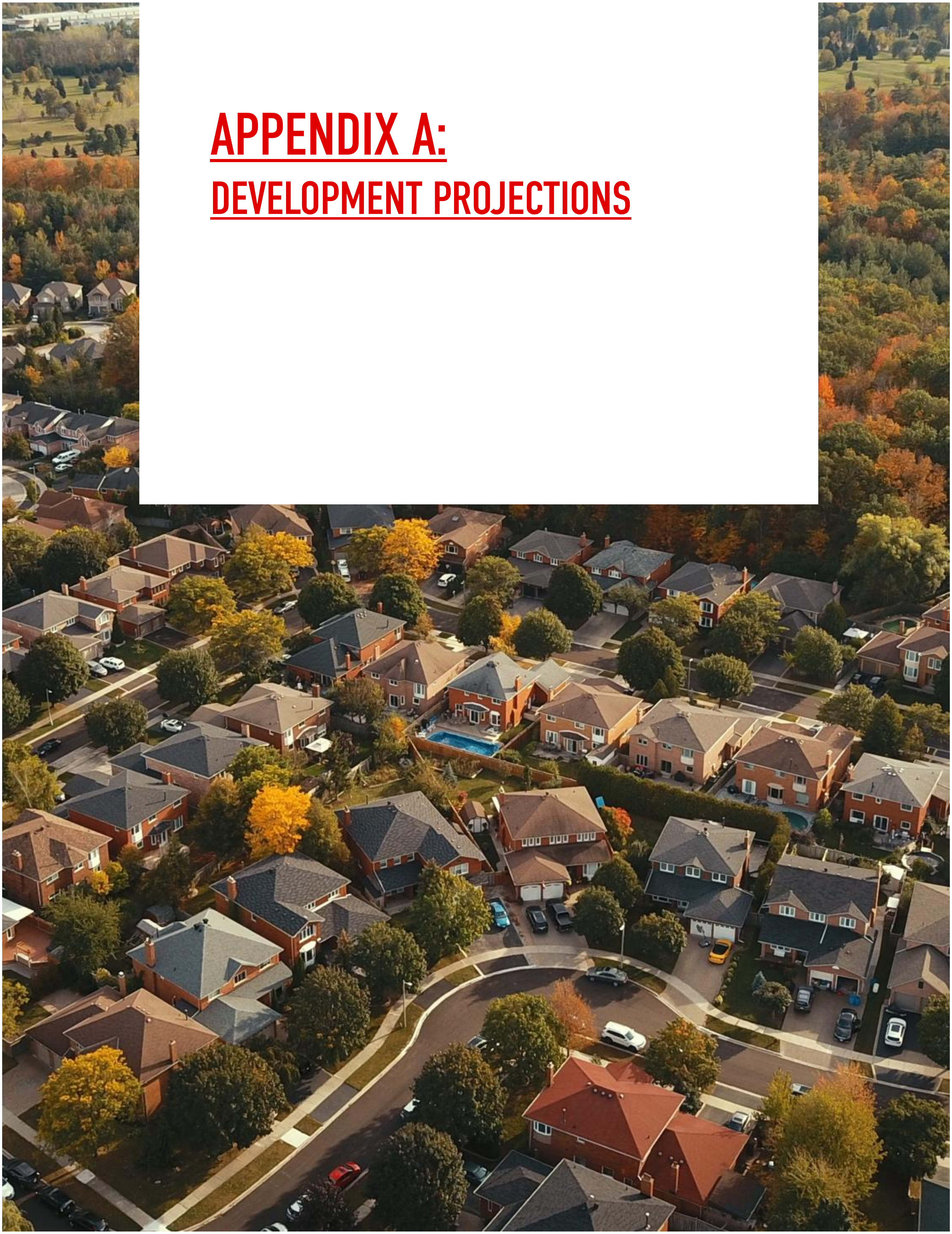
As part of the creation of an ACC program, s. 570.8 of the *LGA* requires that the Village deposit ACCs into a statutory reserve fund established by separate bylaw.

7.8 ACC REVIEWS

As ACC reviews and updates do not require Ministry approval, the program may be updated as needed. However, it is recommended to complete ACC bylaw updates in tandem or with consideration with DCC updates, financial planning, OCP, Housing Needs Report, or Zoning Bylaw updates to support efficiency and greater alignment. Regular updates can prevent sudden rate increases, which may affect development viability.

APPENDIX A:

DEVELOPMENT PROJECTIONS



VILLAGE OF CUMBERLAND
DEVELOPMENT FORECAST
ACC PROGRAM

FINAL PROJECTIONS

Final 20-Year Growth Scenario	Unit	Total New Units	Total New Units
Notes		**Village-wide combined**	**Village-wide combined (rounded)**
Low-Density Residential	Per lot	326	**330**
Medium-Density Residential	Per unit	163	**160**
High-Density Residential	Per unit	326	**330**
All Residential (Total)		815	**820**

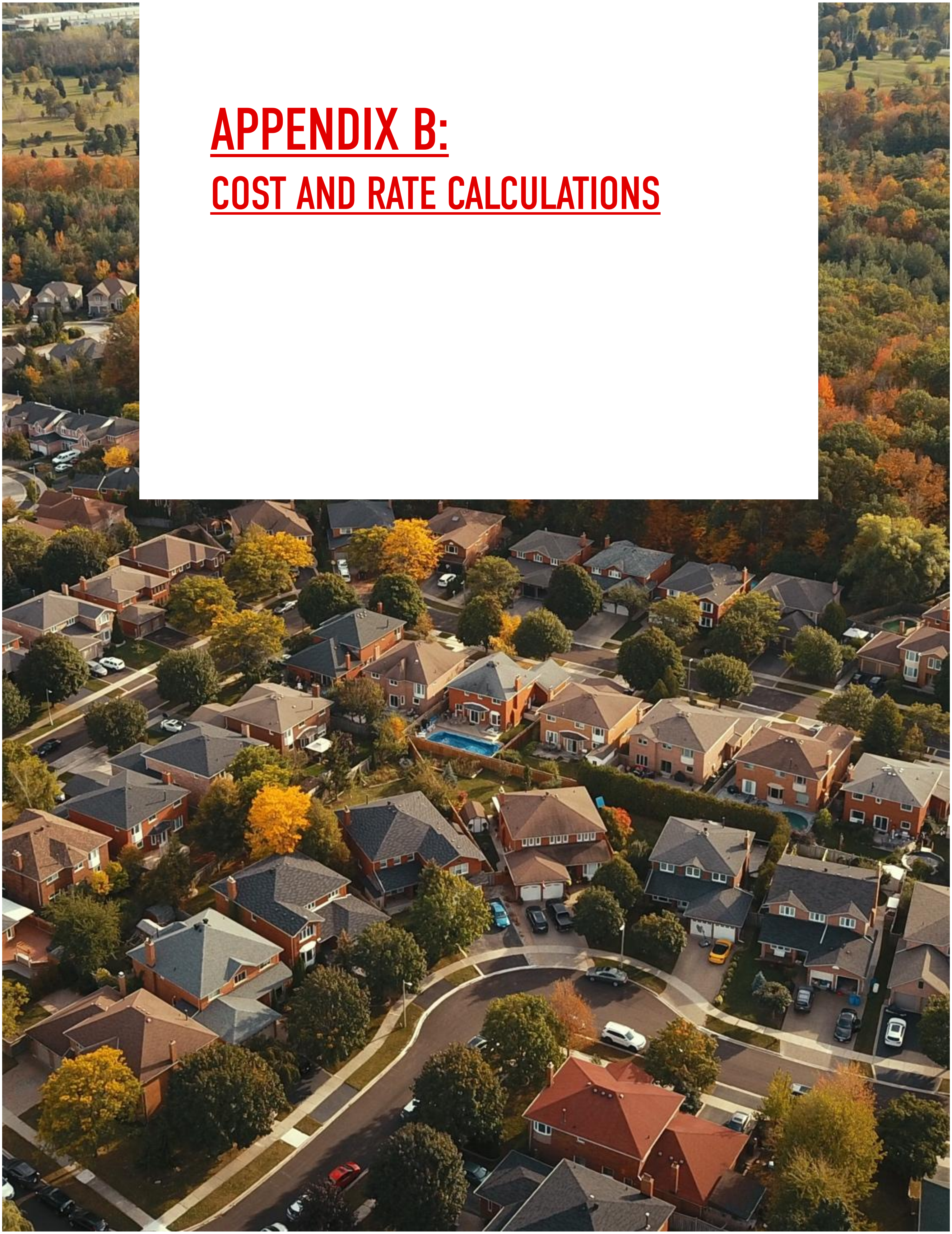
NOTES AND ASSUMPTIONS

- Unit typology percentages were based on available building permit data and were as follows: Low Density (40%, 10% of which is allocated for ADUs), Medium Density (20%), Apartment (40%)
- The Low Density Residential rate includes considerations for secondary suites

SOURCES AND REFERENCES

- BC Stats. (July 2025). *Population Estimates, Projection, and Statistics – Village of Cumberland.* Government of British Columbia.
- Statistics Canada (2025). *2021 Census – Structural Type of Dwelling and Household Size.* Government of Canada.
- Village of Cumberland. (2021). *Housing Needs Assessment* ;
- Village of Cumberland. (2020-2024). *Building Permits* ; and,
- Conversations with staff across departments.

APPENDIX B:
COST AND RATE CALCULATIONS



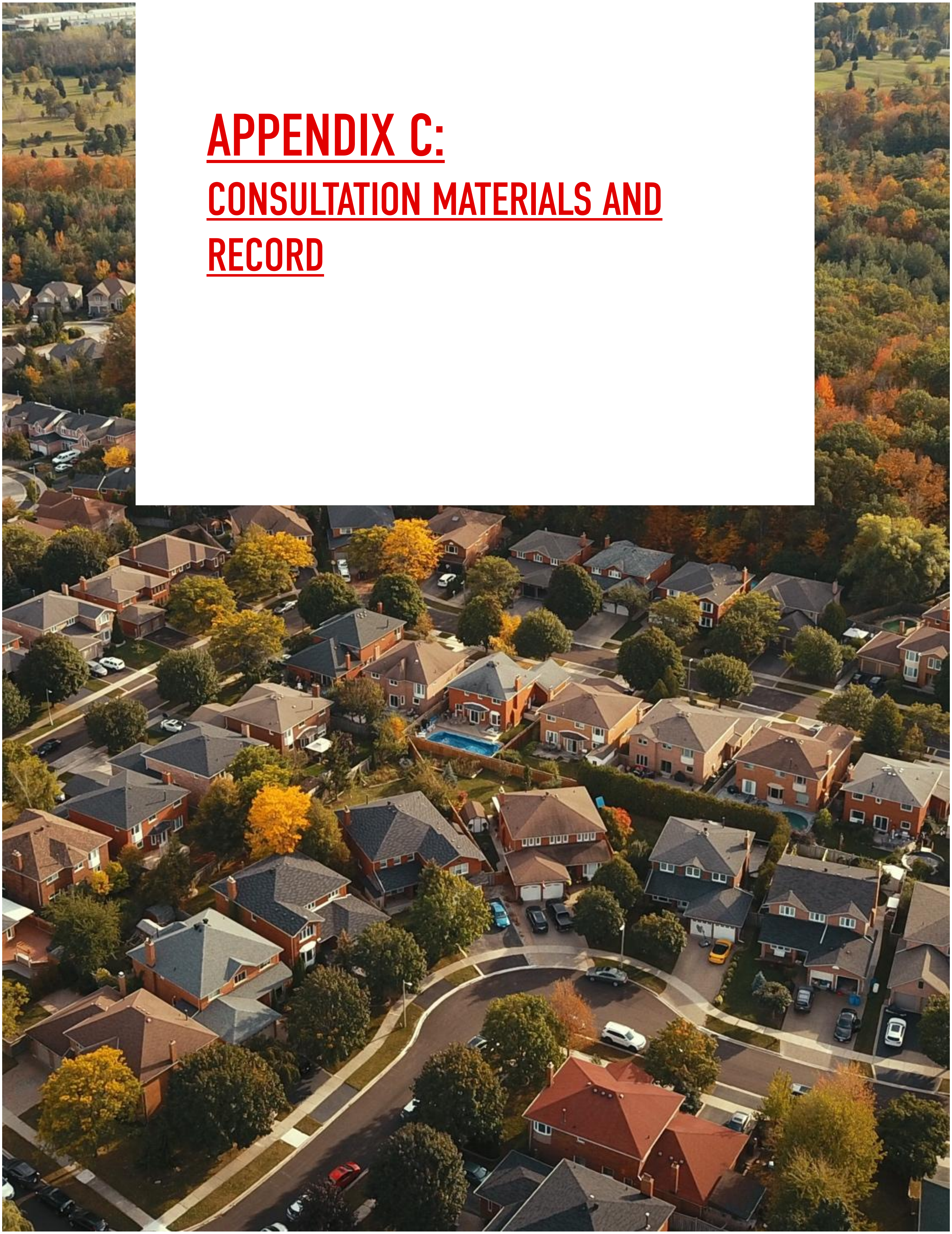
VILLAGE OF CUMBERLAND
ACC PROGRAM

ACC Project ID	Project Name	Cost Estimate w/ cont. *40%*	Benefit Factor *%*	Benefit to New Development	Municipal Assist Factor *1%*	ACC Recoverable	Total Municipal Responsibility
A-001	Recreation Centre Expansion	$ 18,752,867	25%	$ 4,688,217	$ 46,882	$ 4,641,335	$ 14,111,532
A-002	Daycare Facility	$ 3,160,500	25%	$ 790,125	$ 7,901	$ 782,224	$ 2,378,276
	TOTALS	**$ 21,913,367**		**$ 5,478,342**	**$ 54,783**	**$ 5,423,558**	**$ 16,489,809**

VILLAGE OF CUMBERLAND
ACC RATE CALCULATION

A: Amenities ACC Calculation					
Land Use	Col. (1)	Col. (2)	Col. (3)	Col. (4) = (1) x (3)	Col. (5) = (4) / (a)
	Estimated New Development	Unit	Person per unit (residential)	Multiple	% Population Equivalent
Low Density Residential	330	Dwelling Unit/ Lot	2.840	937	55%
Medium Density Residential	160	Dwelling Unit	1.910	306	18%
High Density Residential	330	Dwelling Unit	1.400	462	27%
Commercial	0	m2 Gross Floor Area	0.000	0	0%
Industrial	0	m2 Gross Floor Area	0.000	0	0%
Institutional	0	m2 Gross Floor Area	0.000	0	0%
			Total Equivalent Population	1,705 (a)	100%
B: Unit ACC Calculation					
Net Amenities DCC Program Recoverable		$5,423,558	(b)		
Existing ACC Reserve Monies		$0	(c)		
Net Amount to be Paid by ACCs		$5,423,558	(d) = (b) - (c)		
ACC per Person		$3,181.35	(e) = (d) / (a)		
C: Resulting ACCs					**ACC Revenue Estimates**
Low Density Residential		**$9,035.02**	Per Lot	(e) x Col. (3)	$2,981,557
Medium Density Residential		**$6,076.37**	Per Dwelling Unit	(e) x Col. (3)	$972,219
High Density Residential		**$4,453.88**	Per Dwelling Unit	(e) x Col. (3)	$1,469,782
Commercial		**$0.00**	Per m2 Gross Floor Area	(e) x Col. (3)	$0
Industrial		**$0.00**	Per m2 Gross Floor Area	(e) x Col. (3)	$0
Institutional		**$0.00**	Per m2 Gross Floor Area	(e) x Col. (3)	$0

APPENDIX C:
CONSULTATION MATERIALS AND RECORD



JOINT ENGAGEMENT SESSION: DCC AND ACC BYLAW UPDATES

Information Session

July 21, 2025

WHO ARE WE?

Nancy Henderson
Project Lead, Senior Local Government Advisor
she/her

Jenn Waite
Community Planner, Development Finance Specialist
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Sam Bowen
Community Planner, Development Finance Specialist
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Aaron Penner
Community Planner, Development Finance Specialist
he/him

Sarah Rebitt
Community Planner, Development Finance Specialist
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AGENDA

1. Objectives
2. DCC and ACC Overview
3. Draft DCC and ACC Rates
4. General Q&A

After the presentation, please visit the local government/regional district stations to learn more about each draft program

OBJECTIVES

OBJECTIVE: PROVIDE INTERESTED PARTIES WITH A STREAMLINED OPPORTUNITY TO LEARN ABOUT ONGOING DEVELOPMENT FINANCE UPDATES IN THE COMOX VALLEY

- Three local governments (Courtenay, Comox, Cumberland) and the Comox Valley Regional District (CVRD) are updating their development finance programs
- Recognizing the potential efficiencies for the development industry, it was decided that a joint engagement session would be held for interested parties

OVERVIEW

WHAT ARE DCCs AND ACCs?

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

WHY USE DCCs AND ACCs?

- Fosters a **fair** and **equitable** approach where growth pays for growth and infrastructure costs are **transparent**
- Creates **consistency** for the development community through a clear policy framework
- Ensures **certainty** that services support growth and development
- **Minimizes financial risk** to the local government/regional district
- Ensures **timely** processing of development applications

WHAT PROJECTS ARE DCC-ELIGIBLE?

DCCs CAN BE USED TO FUND	DCCs CANNOT BE USED TO FUND
Capital costs for planning, engineering, design, or studies for: • Transportation services • Water services • Drainage services • Sewer services • Parkland acquisition and improvements • Fire protection facilities **(new)** • Police facilities **(new)** • Solid waste and recycling facilities **(new)**	• 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

WHAT WORKS ARE ACC-ELIGIBLE?

ACCs CAN BE USED TO FUND	ACCs CANNOT BE USED TO FUND

Amenities (non-exhaustive)

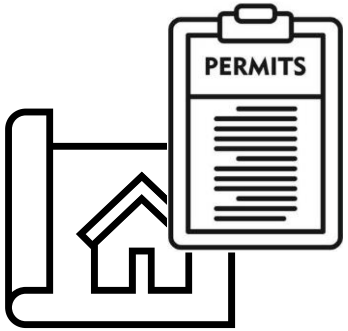
- Community, youth, or seniors' centre
- Recreation or athletic facility
- Library
- Daycare facility
- Public square

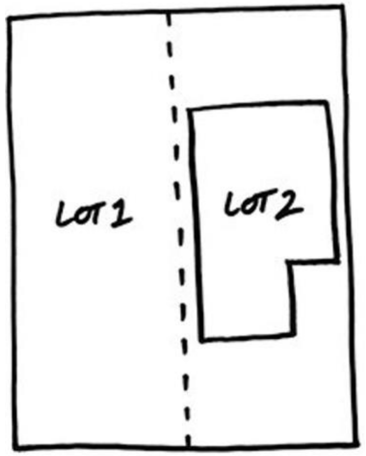
- Projects otherwise eligible for DCCs
- Projects needed to serve the **existing** population (deficiencies, asset replacement), i.e., **ACC projects must be growth-related**
- Operations and Maintenance Costs

HOW AND WHEN ARE DCCs AND ACCs COLLECTED?

DCCs and ACCs must be paid by applicants at either:

- **subdivision approval** for low density development sites, or
- **building permits** for medium- and high-density residential uses, commercial, industrial, and institutional development (if applicable).





Where subdivision is not applicable for low-density development sites, DCCs and ACCs may be charged at building permit.

HOW DO WE DETERMINE THE RATES?

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

CAPITAL COSTS & TIMING
Identify costs & timing of projects needed to support growth

BENEFIT ALLOCATION
Determine the extent to which each project benefits growth
50% 50%

DRAFT RATES
Calculate the draft DCC & ACC rates

ASSIST FACTOR
Council determines how much to assist development

FEASIBILITY TESTING
Assess the impact of charges on development feasibility

CONSULT
Consult with development community

MINISTRY REVIEW (DCCs ONLY)

BYLAW ADOPTION

TECHNICAL INPUTS	POLICY INPUT	TECHNICAL INPUTS	POLICY INPUT
Growth; Capital Costs & Timing; Benefit Allocation; Draft Rates	Assist Factor	Feasibility Testing; Consult	Bylaw Adoption

MUNICIPAL ASSIST FACTOR

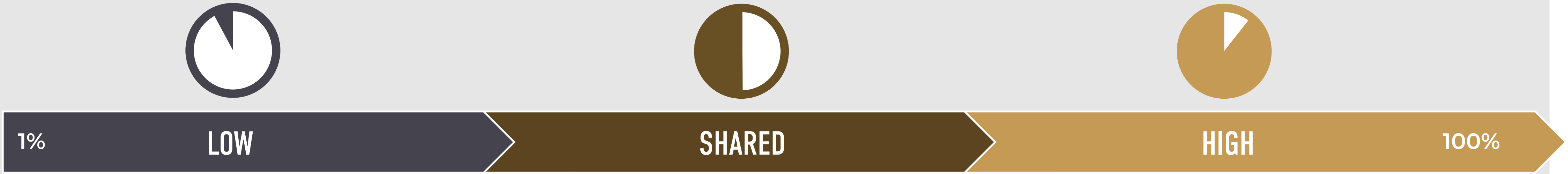
- Legislation requires local government to assist development for DCCs and ACCs
- Assist amount must be **made up through other revenue sources** (e.g., taxation)
- **Councils/Boards have complete discretion** to set an assist factor between 1% (least assistance) and 99% (most assistance)
- The assist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

The assist factor cannot be varied by land use type.

ALLOCATING BENEFIT

- Each project is assigned a benefit allocation between 1%* and 100%
  **projects that are not growth-driven (i.e., 0%) are ineligible for DCCs or ACCs*
- Percent is based on the extent to which a project will benefit new development
- Ensures costs are shared equitably between existing and future users

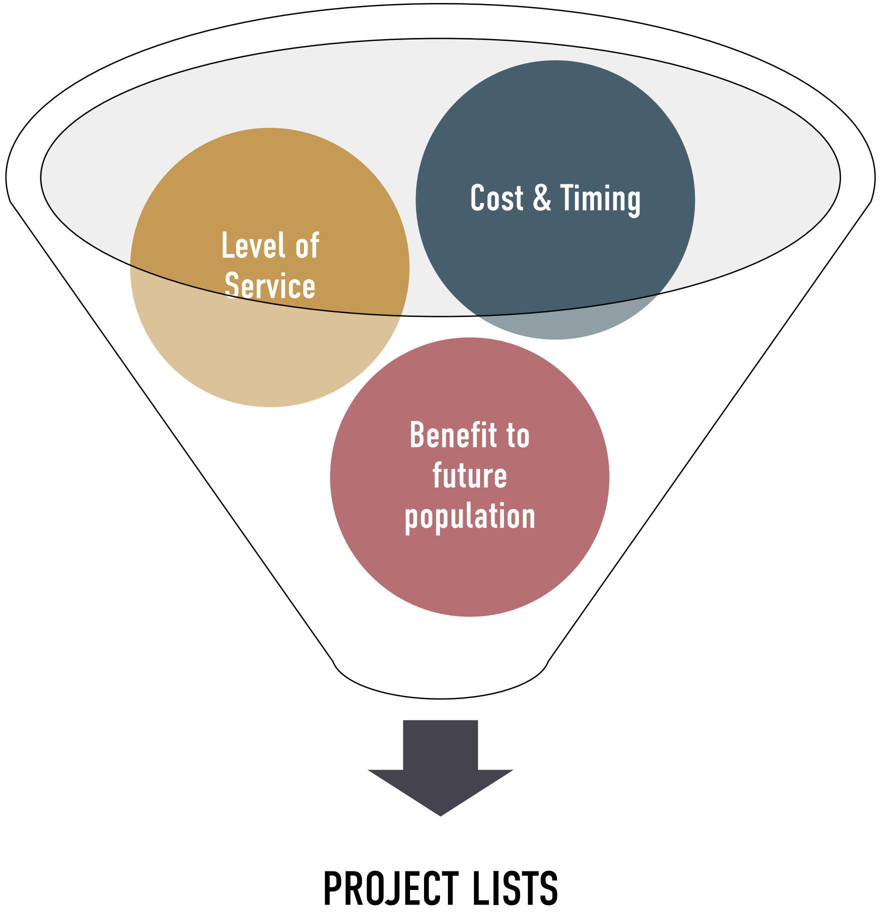
SHARE OF BENEFIT (TO DEVELOPMENT):



LOW	SHARED	HIGH
PRIMARILY SERVES EXISTING POPULATION **MINIMAL DCCs/ACCs RECOVERABLE**	SERVES FUTURE & EXISTING POPULATION **SOME DCCs/ACCs ARE RECOVERABLE**	PRIMARILY SERVES FUTURE POPULATION **MAXIMUM DCCs/ACCs RECOVERABLE**

PROJECT PRIORITIZATION

- DCCs and ACCs should reflect the costs of capital projects needed for new development
- Projects are prioritized in the context of the project list based on:
  - **Cost and timing** of projects
  - Target **levels of service** to be achieved
  - **Benefit** to future population



IN-STREAM PROTECTION

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

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

Subdivision (*LGA* s. 511)

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

Building Permit (*LGA* s. 568)

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

STATUTORY EXEMPTIONS (UNDER LEGISLATION)

<table>
<tr><th>DCC Exemptions</th><th>ACC Exemptions</th></tr>
<tr><td>• Buildings for public worship
• Development does not impose a new capital cost burden
• DCCs have been charged previously

Can be varied by Council:
• Building permits for ≤ $50,000
• Residential units ≤ 29m² in size
• Fewer than 4 units, i.e. duplex/triplexes</td><td>• Development does not result in growth
• ACCs have been charged previously
• In some cases, affordable housing</td></tr>
</table>

REGIONAL COLLABORATION APPROACH

- Development of the three DCC Bylaws (Courtenay, Comox, CVRD) has been coordinated to simplify fee calculation and support greater regional consistency
- Staff from each jurisdiction also discussed developing consistent:
  - Land use category definitions (i.e., Low Density Residential, Commercial)
  - Units of charge (i.e., per dwelling unit, per square metre)

REGIONAL COLLABORATION: CATEGORY AND UNIT UPDATES

- The land use category definitions and units of charge are as follows:
  - **Low Density Residential (charged per unit at subdivision):** Both a detached accessory dwelling unit (ADU) and a suite (attached) are included
  - **Medium Density Residential (charged per unit at building permit):** Applies to duplexes, townhomes, and mobile home parks
    - Duplexes will be charged two (2) Medium Density rates (one per unit)
  - **High Density Residential (charged per square metre at building permit):** Applies to apartment units, any ADUs in medium density developments, and on the second ADU in low density developments

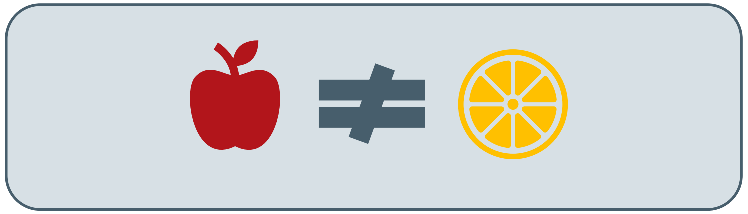
    **NOTE: Cumberland's ACC program charges High Density Residential per dwelling unit, in alignment with the Village's existing DCC bylaw*
  - **Commercial, Industrial, Institutional (charged per square metre at building permit):** Applies to non-residential development

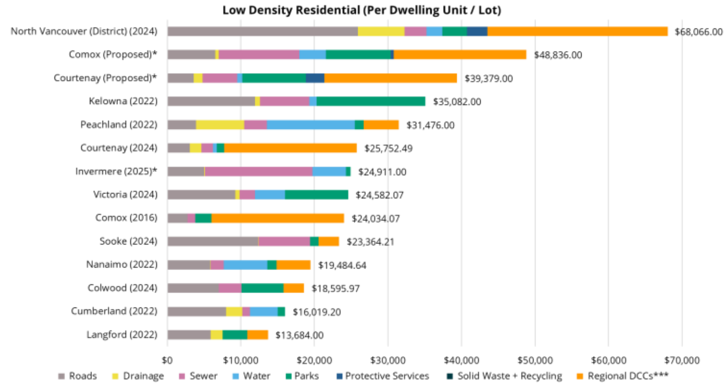
City of Courtenay
TOWN OF COMOX
Village of Cumberland
Comox Valley REGIONAL DISTRICT
URBAN SYSTEMS

DRAFT DCC AND ACC RATES

APPLES TO ORANGES COMPARISONS

- When reviewing rates, note that individual jurisdictions have unique infrastructure needs (like comparing apples to oranges!)
- The infrastructure to facilitate planned growth is what drives the projects and rates
- Project construction facilitates development
- Rates reflect master planning to date
- Best practice is to update rates regularly
    - Minor Review (costs **not** projects) every 1-3 years
    - Major Review (costs **and** projects) every 3-5 years





City of Courtenay
TOWN OF COMOX
Village of Cumberland Incorporated 1898
Comox Valley REGIONAL DISTRICT
URBAN SYSTEMS

COURTENAY DCCs: DRAFT RATES

For more information on Courtenay's programs and costs, please visit their station after this presentation

Land Use	Unit of Charge	Transportation	Water	Drainage	Sewer	Parks	Fire	Total
Low Density Residential	lot / dwelling unit	$3,603.00	$654.00	$1,192.00	$4,727.00	$8,686.00	$2,475.00	**$21,337.00**
Medium Density Residential	dwelling unit	$2,024.00	$356.00	$953.00	$2,574.00	$4,731.00	$1,348.00	**$11,986.00**
High Density Residential	m^2 GFA*	$27.00	$4.18	$4.82	$30.29	$55.65	$15.86	**$137.80**
Commercial	m^2 GFA	$47.43	$1.36	$5.36	$9.85	$18.10	$5.16	**$87.26**
Institutional	m^2 GFA	$47.43	$1.36	$5.36	$9.85	$0.00	$5.16	**$69.16**
Industrial	m^2 GFA	$3.87	$0.88	$2.03	$6.33	$0.00	$3.31	**$16.42**

**GFA = Gross Floor Area*

COMOX DCCs AND ACCs: DRAFT RATES

For more information on Comox's programs and costs, please visit their station after this presentation

Land Use	Unit of Charge	Transport-ation	Water	Drainage	Sewer	Parks	Fire	ACC	Total
Low Density Residential	lot / dwelling unit	$6,498	$3,658	$516	$10,912	$8,763	$445	$9,991	**$40,783**
Medium Density Residential	dwelling unit	$2,962	$1,710	$387	$5,102	$4,097	$208	$4,671	**$19,137**
High Density Residential	m^2 GFA*	$25.58	$20.35	$2.62	$60.71	$48.75	$2.48	$55.58	**$216.07**
Commercial	m^2 GFA	$6.69	$9.50	$1.96	$28.34	$0.00	$1.16	n/a	**$47.65**
Institutional	m^2 GFA	$7.64	$14.25	$1.96	$42.51	$0.00	$1.73	n/a	**$68.09**
Industrial	m^2 GFA	$8.60	$4.75	$1.08	$14.17	$0.00	$0.58	n/a	**$29.18**

**GFA = Gross Floor Area*

CUMBERLAND ACCs: DRAFT RATES

For more information on Cumberland's programs and costs, please visit their station after this presentation

Land Use	Unit of Charge	ACC
Low Density Residential	lot / dwelling unit	**$9,621.40**
Medium Density Residential	dwelling unit	**$6,470.73**
High Density Residential	dwelling unit	**$4,742.95**
Commercial	m^2 GFA*	**$0.00**
Institutional	m^2 GFA	**$0.00**
Industrial	m^2 GFA	**$0.00**

**GFA = Gross Floor Area*

CVRD DCCs: DRAFT RATES

For more information on the Comox Valley Regional District's programs and costs, please visit their station after this presentation

Land Use	Unit of Charge	Sewer
Low Density Residential	lot / dwelling unit	**$18,042**
Medium Density Residential	dwelling unit	**$9,826**
High Density Residential	per m^2 GFA*	**$88.57**
Commercial	per m^2 GFA	**$37.60**
Institutional	per m^2 GFA	**$37.60**
Industrial	per m^2 GFA	**$24.16**

**GFA = Gross Floor Area*

THANK YOU!
ANY QUESTIONS?

Please save any program-specific questions for the respective local government/regional district's station

REGISTRATION & AGENDA

Time	Activity
12:00 – 12:45PM	Registration and Board Interaction
12:45 – 1:15PM	Presentation and Q&A
1:00 – 2:00PM	Board Interaction

Please ensure you have registered before heading into the space!

City of Courtenay

TOWN OF COMOX

Comox Valley REGIONAL DISTRICT

Village of Cumberland Incorporated 1898

IN-STREAM PROTECTION

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

Subdivision *(LGA Sec. 511)*	**Building Permit** *(LGA Sec. 568)*
• Subdivision application submitted before bylaw adoption and fee paid • Exempt from new rates for 12 months • Subdivision must be approved within that time	• Building permit issued within 12 months of adoption • Requires precursor application (building, DP, or rezoning) submitted and paid before adoption • Development must be fully within precursor area

A complete application is one that:

- [x] That has been received
- [x] Is complete
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HOW RATES ARE CALCULATED

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

CAPITAL COSTS & TIMING
Identify costs & timing of projects needed to support growth

BENEFIT ALLOCATION
Determine the extent to which each project benefits growth

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Calculate the draft DCC & ACC rates

TECHNICAL INPUTS

ASSIST FACTOR
Council determines how much to assist development

POLICY INPUT

FEASIBILITY TESTING
Assess the impact of charges on development feasibility

CONSULT
Consult with development community

TECHNICAL INPUTS

MINISTRY REVIEW
(DCCS ONLY)

BYLAW ADOPTION

POLICY INPUT

ELIGIBLE PROJECT EXAMPLES

Development Cost Charges (DCCs)	Amenity Cost Charges (ACCs)
Capital costs for planning, engineering, design, or studies for: ☑ Transportation services ☑ Water services ☑ Drainage services ☑ Sewer services ☑ Parkland acquisition and improvements ☑ Fire protection facilities **(new)** ☑ Police facilities **(new)** ☑ Solid waste and recycling facilities **(new)**	Capital costs for planning, engineering, design, or studies for: ☑ Community, youth, or seniors' centre ☑ Recreation or athletic facility ☑ Library ☑ Daycare facility ☑ Public square

Proposed ACC Rates

Land Use	Unit of Charge	Proposed ACC
Low Density Residential	lot / dwelling unit	**$9,621.40**
Medium Density Residential	dwelling unit	**$6,470.73**
High Density Residential	dwelling unit	**$4,742.95**
Commercial	m2 gross floor area	**$0.00**
Institutional	m2 gross floor area	**$0.00**
Industrial	m2 gross floor area	**$0.00**

Program Details

- ☑ Program is on a 20-year time horizon
- ☑ Recreation Centre Expansion
- ☑ Daycare Facility

Capital Cost Summary

Service	Total Capital Cost ($M)	Benefit Allocation	Municipal Assist Factor	Recoverable ($M)	Municipal Contribution ($M) [1]
ACC	$21.90	25%	1%	$5.40	$16.50
Total [2]	**$21.9M**			**$5.4M**	**$16.5M**

(1) Includes municipal assist factor and portion allocated to existing development.
(2) Figures may not add due to rounding.

REGIONAL COLLABORATION

- All three municipalities and the CVRD are currently developing or revising DCC and/or ACC programs
- Development of the three DCC Bylaws (Courtenay, Comox, CVRD) has been coordinated to simplify fee calculation and support greater regional consistency
- Staff from each jurisdiction discussed developing consistent:
  - Land use category definitions (i.e., Low Density Residential, Commercial)
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  **NOTE: Cumberland's ACC program charges High Density Residential <u>per dwelling unit</u>, in alignment with their existing DCC bylaw*
- **Commercial, Industrial, Institutional (charged per square metre at building permit):** applies to non-residential development