



# REPORT TO COUNCIL

To: **Mayor and Councillors**

Subject: **Development Cost Charge Bylaw Update - Progress Report**

File #: 5240-01

Doc #: 188746

From: David Pollock, P.Eng.  
Acting Director of Engineering, Parks & Environment

Date: July 24, 2023

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## RECOMMENDATION:

THAT the report "Development Cost Charge Bylaw Update – Progress Report" dated July 24, 2023 be received for information.

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## PURPOSE:

The purpose of this report is to provide a summary on the progress made to-date to update the City's Development Cost Charge (DCC) Bylaw and to outline the required next steps toward adoption of the bylaw.

## POLICY:

Development Cost Charge Bylaw, No. 2845

## COMMENTS/ANALYSIS:

The City of Langley's current DCC Bylaw No.2845 was adopted in 2012. The City is updating the DCC Bylaw which will help pay for growth-related infrastructure in transportation, water, sewer, drainage, park acquisition and select park development projects necessary to support the ongoing development within the City.

## **What is a DCC?**

DCCs are legislated through Section 14, Division 19 of the Local Government Act, one of several cost recovery tools available to local governments.

DCCs are levied on development to pay for the costs of expanding and upgrading infrastructure, to ensure that growth pays for growth. DCCs are applied to various classes of development either by a unit cost or area.

The rates established for DCCs do not cover the entire cost of the project and in each case it is necessary to calculate the benefit allocation pertaining to growth along with the the amount that the City contributes, known as the assist factor.

## **Rationale for updating City DCCs**

The last DCC bylaw amendment was undertaken in 2010 and was based on the population growth projection at the time and infrastructure deficit findings listed in the City's then existing suite of strategic infrastructure plans including transportation, water and sanitary sewer.

With the introduction of Skytrain to the City and the City's recently adopted Official Community Plan (OCP) bylaw in 2021, the build-out population for the City has increased to approximately 45,000 people over the next 25 years.

The projected additional growth has required the various strategic infrastructure plans be updated to support the future population build-out. A significant number of infrastructure upgrades have been identified and are now incorporated in the proposed upcoming DCC Bylaw update.

The new DCC rates, if supported are effective upon adoption of the new DCC bylaw although the legislation does provide protection to in-stream development applications under certain conditions.

## **Project Status**

The City retained Urban Systems Limited (USL) to review the various strategic infrastructure plans and identify eligible DCC projects for each of the areas and build these projects into the overall list of DCC-eligible projects.

Project costs were reviewed and amended utilizing current market rates; land values and construction rates have increased significantly over the last five years and these cost estimates are important to establish competitive DCC rates relative to other municipalities across Metro Vancouver.

### **Next steps**

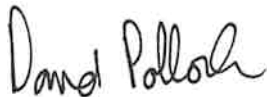
USL have now prepared the draft proposed DCC rates and bylaw and following the presentation to Council at the July 24, 2023 meeting the following steps will be undertaken:

1. Stakeholder engagement, which will include the development industry including Urban Development Institute (UDI) and development professionals as well as the public. Engagement will include a virtual Open House as well as providing information on the City's website and social media.
2. The draft rates, bylaw and background information will be forwarded to the Province for an informal assessment prior to submitting for a official review following direction from Council.
3. The draft DCC bylaw will be brought forward for three readings at Council following the summer break, after which time it will be formally submitted to the Province for review and approval. This review is expected to take three to four months, depending upon the capacity and workload at the Province.
4. Once Ministry approval is secured the DCC Bylaw will come before Council for adoption.

### **BUDGET IMPLICATIONS:**

None.

Respectfully Submitted,



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David Pollock, P.Eng.  
Acting Director of Engineering, Parks & Environment

### **CHIEF ADMINISTRATIVE OFFICER'S COMMENTS:**

I support the recommendation.



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Francis Cheung, P. Eng.  
Chief Administrative Officer