

DEVELOPMENT COST LEVIES

UPDATES:

September 2011 Annual Inflationary Adjustment of DCL Rates

On July 28, 2011, City Council approved new, inflation adjusted DCL rates for the City-wide and ten Area Specific DCL Districts, with all new rates taking effect on September 30, 2011. Please refer to Table 1: DCL Rates by Area on page 2 for details.

In-Stream Building Permit Applications (for applications submitted after January 1, 2011)

When a DCL By-law with higher rates is introduced, a number of building permit applications may be at various stages of the building permit approval process. In order to ensure fairness to building permit applications that have been submitted prior to the adoption of the DCL By-law, in-stream building permit applications are exempt from DCL rate increases for a period of 12 months from the date of by-law rate amendment. For more information, please see Page 6.

Introduction

Development Cost Levies (DCLs) collected from development help pay for facilities made necessary by growth. Facilities eligible for DCL funding include: parks, child care facilities, replacement housing (social/non-profit housing), and engineering infrastructure.

The DCL by-laws establish the boundaries, set the rates, and describe how to calculate and pay the levy. Levies collected within each DCL district must be spent within the area boundary (except replacement housing projects which can be located outside). This Bulletin provides general information about DCLs: for precise information you should refer to the DCL by-laws.

Vancouver Development Cost Levy By-Law http://vancouver.ca/bylaws/9755c.PDF	Area Specific Development Cost Levy By-law http://vancouver.ca/bylaws/9418c.PDF
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Since January 1997, the City also collects a separate regional Development Cost Charge (DCC) on behalf of the Greater Vancouver Sewerage and Drainage District for expansion of sewerage facilities required by regional growth (see page 6).

Areas

There are three types of DCL districts within the City, each with its own rates:

1. **The Vancouver DCL District** applies to most of the City (effective January 28, 2000). Certain area-specific DCL districts (see Item 2 below) and other planning areas/zones are excluded from the Vancouver DCL District. See map in Figure 1 on following pages.
2. **Area-specific DCL Districts**. Developments in these districts are subject to the area-specific DCL and are exempt from paying the Vancouver DCL. See maps in Figure 2 on following pages.
3. **Layered DCL Districts**. Development in these districts is subject to both the area-specific DCL *and* the Vancouver DCL. See maps in Figure 3 on following pages.

If you are unsure in which DCL area your proposal is located, please contact a DCL Co-ordinator at 604-873-7760.

Table 1: DCL Rates by Area (effective September 30, 2011)

	RESIDENTIAL AT OR BELOW 1.2 FSR AND LANEWAY HOUSE	RES IN DEVELOPMENT OVER 1.2 FSR, COMMERCIAL, AND MOST OTHER USES ¹	INDUSTRIAL ²	DAY CARE	TEMPORARY BUILDINGS	SPECIFIC USES	
City-wide	Vancouver DCL	\$28.42/m ² (\$2.64/sf)	\$121.96 /m ² (\$11.33/sf)	\$48.76/m ² (\$4.53/sf)	\$10.00/Building Permit	\$10.00/Building Permit	Parking garage: \$1.08/m ² (\$0.10/sf) School: \$5.49/m ² (\$0.51/sf) Community energy centre: \$10.00/BU
Layered ³	False Creek Flats		\$52.81/m ² (\$4.91/sf)		\$10.00/Building Permit	\$10.00/Building Permit	Parking garage: \$1.08/m ² (\$0.10/sf) School: \$5.49/m ² (\$0.51/sf) Works Yard: \$1.00/m ² (\$0.09/sf)
	Grandview-Boundary	n/a	\$8.21/m ² (\$0.76/sf)	\$32.83/m ² (\$3.05/sf)			Parking garage: \$1.08/m ² (\$0.10/sf) School: \$1.08/m ² (\$0.10/sf)
	South East False Creek		\$175.37/m ² (\$16.29/sf)	\$26.61/m ² (\$2.47/sf)	n/a	Parking garage: \$1.08/m ² (\$0.10/sf) School: n/a Community energy centre: \$10.00/BU	
Area-specific	Downtown South	n/a	\$168.35/m ² (\$15.64/sf)	No industrial capacity	\$10.00/Building Permit	\$10.00/Building Permit	Parking garage: \$1.08/m ² (\$0.10/sf) School: \$5.49/m ² (\$0.51/sf)
	Burrard Slopes		\$111.06/m ² (\$10.32/sf)	\$44.43/m ² (\$4.13/sf)			
	Arbutus		\$82.38/m ² (\$7.65/sf)	\$32.95/m ² (\$3.06/sf)			
	Dundas/Wall		\$33.43/m ² (\$3.11/sf)	No industrial capacity			
	Triangle West		\$121.96 /m ² (\$11.33/sf)	No industrial capacity			
	Cedar Cottage/ Welwyn Street	\$26.41/m ² (\$2.45/sf)	\$63.80/m ² (\$5.93/sf)	\$39.26/m ² (\$3.65/sf)			
	Oakridge/Langara	\$28.83/m ² (\$2.68/sf)	\$71.11/m ² (\$6.61/sf)	No industrial capacity			

¹ All uses, except for those specified here, are subject to the Commercial-Residential DCL rate.

² Industrial is defined differently in the City-Wide, layered and area-specific areas -see bylaws for definitions.

³ In the layered areas, DCLs apply *in addition to* City-Wide DCLs.

Figure 1: Vancouver DCL District

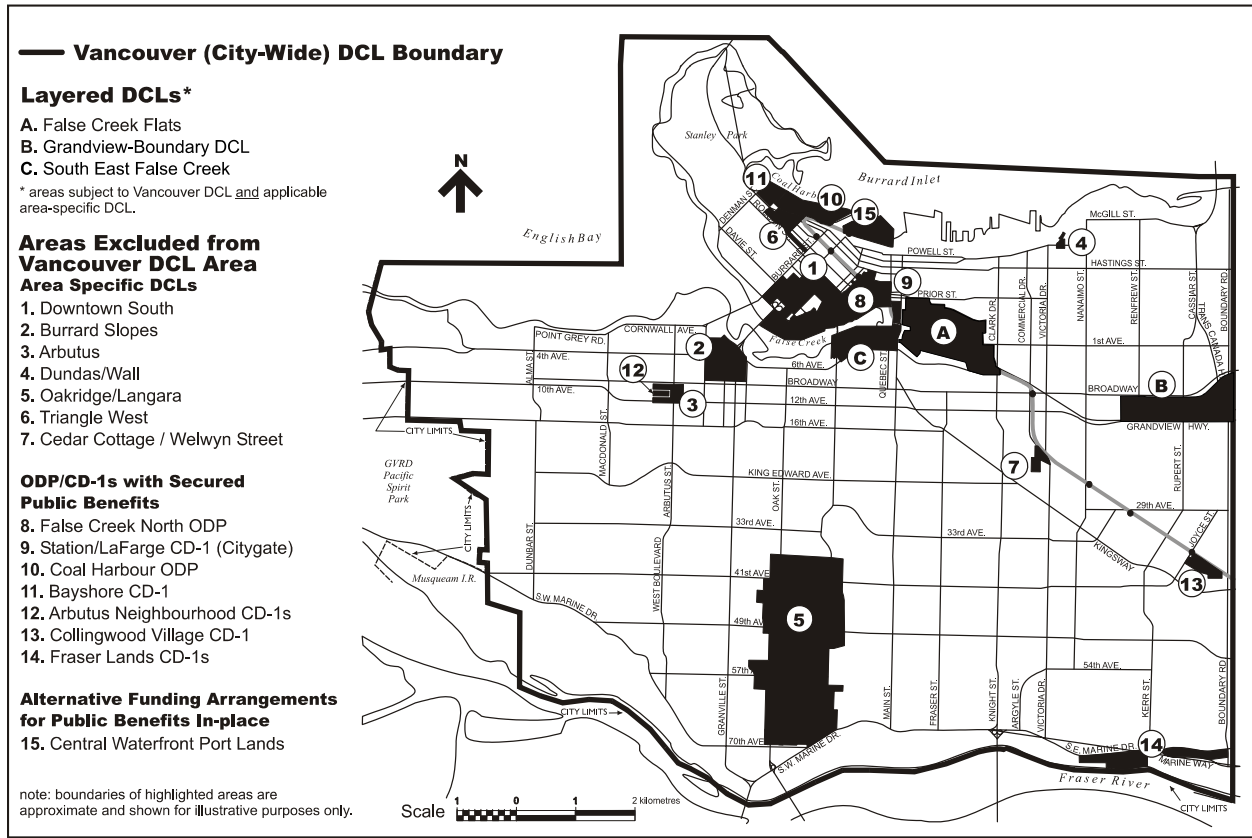


Figure 2: Area-specific DCL District Maps

Downtown South



Burrard Slopes

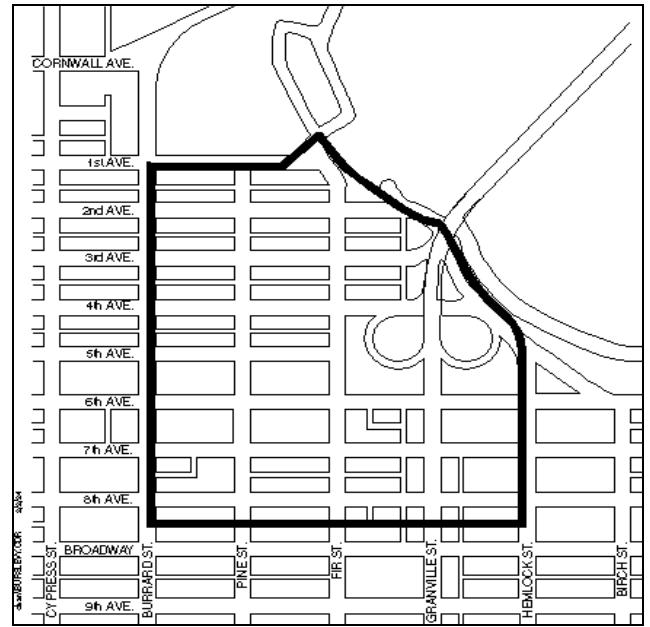
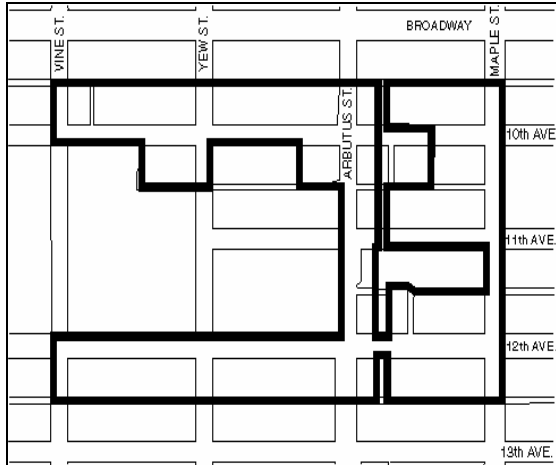
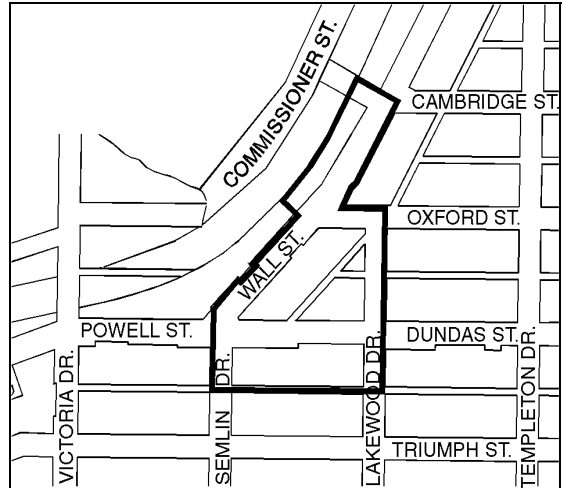


Figure 2: Area-specific DCL District Maps (continued)

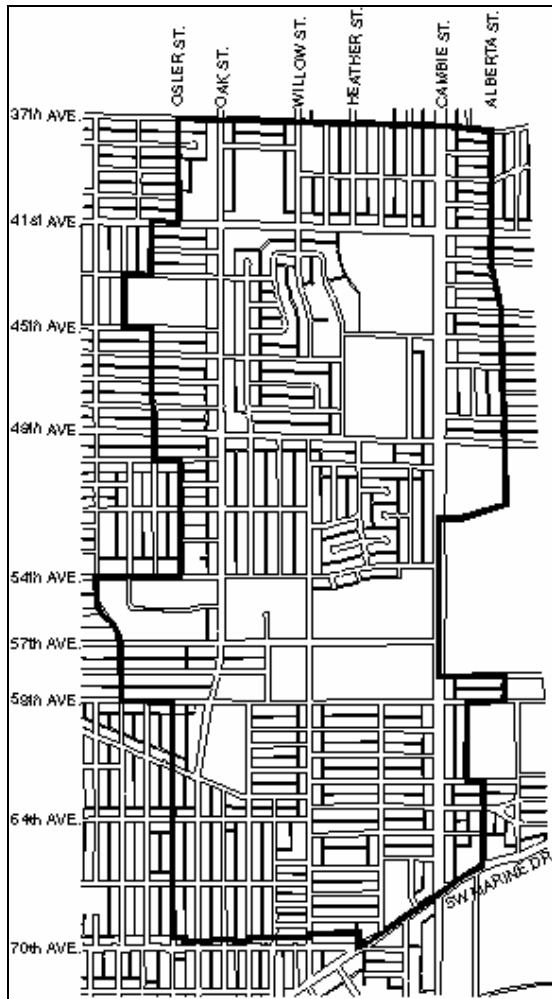
Arbutus



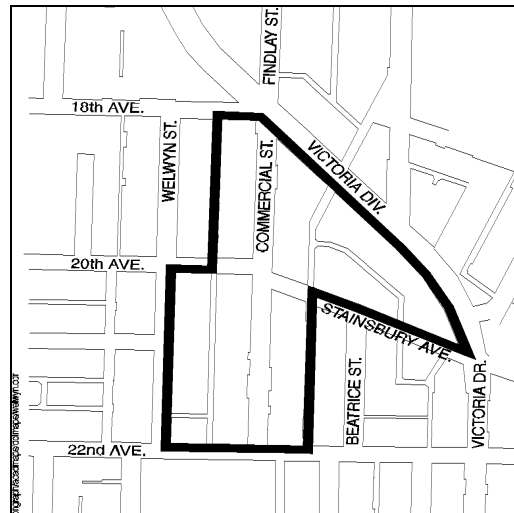
Dundas/Wall



Oakridge/Langara



Cedar Cottage/Welwyn Street



Triangle West

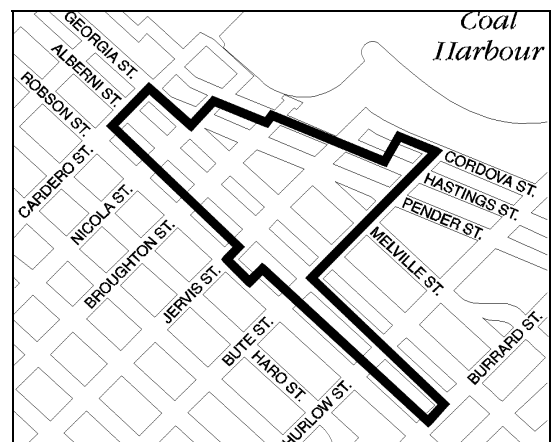
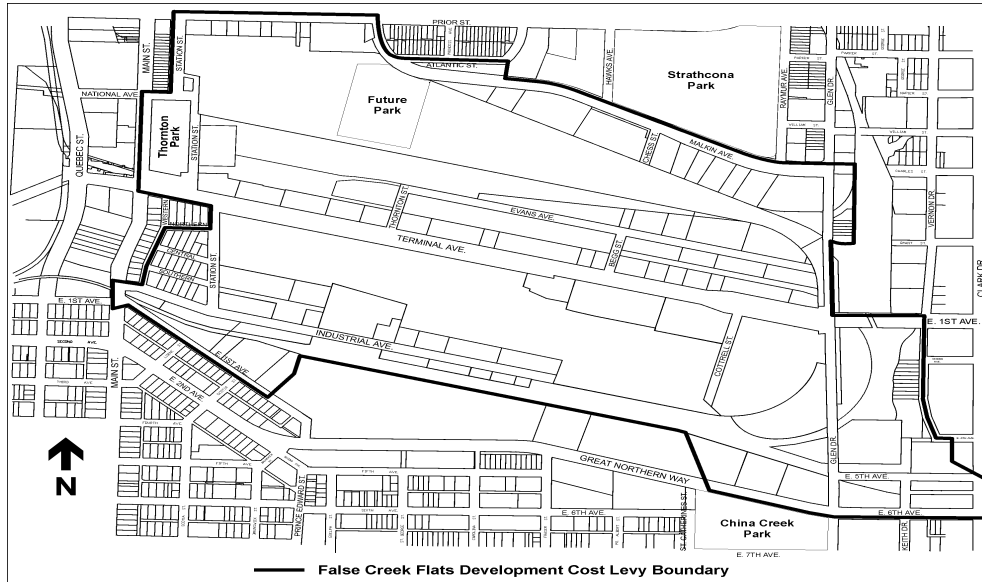
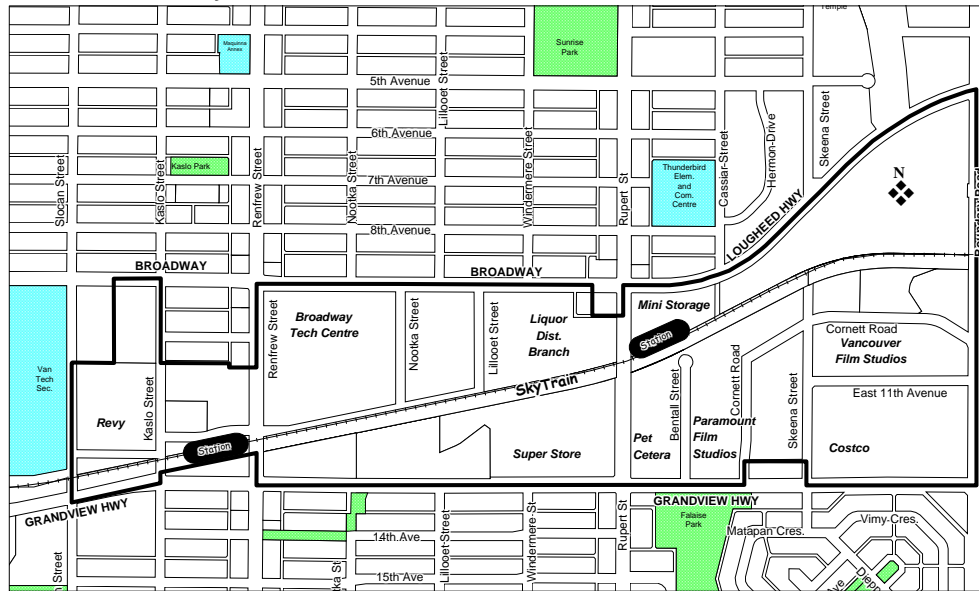


Figure 3: Layered DCL District Maps

False Creek Flats



Grandview-Boundary Industrial



South East False Creek



Timing of Payment

Payment of the levy is a condition of Building Permit issuance and the levy is calculated at the rate in effect on the date of issuance. If a DCL by-law rate amendment occurs after a building permit application is submitted and still in the approvals process, then a 12 month rate protection is applied from the date of by-law amendment. See the “In-Stream Building Permit Applications” section for details. DCLs have the following payment options:

- submit payment in full, or
- submit an initial payment of \$100 and an irrevocable letter of credit (with interest payable) which will be cashed at project completion.

In-Stream Building Permit Applications (for applications submitted after January 1, 2011)

The City of Vancouver adopts DCL by-law amendments on September 30th of each year. When a DCL By-law with higher rates is introduced, a number of building permit applications may be at various stages of the building permit approval process. In order to ensure fairness to building permit applications that have been submitted prior to the adoption of the DCL By-law, in-stream building permit applications are exempt from DCL rate increases for a period of 12 months from the date of by-law rate amendment, provided that:

- the applicant has submitted a building permit application in a form satisfactory to the City; and
- the applicant has paid the applicable building permit fee to the City.

Annual Inflation Adjustment of DCL Rates

The Vancouver (City-wide) DCL and all Area-specific and Layered DCL By-law rates are adjusted annually for changes in property and construction inflation. The City uses public, third-party data to calculate the impact of annual inflation on the DCL rates. Rates are adjusted annually through a report to Council every July, with new rates effective on September 30th of every year.

Visit vancouver.ca/financegrowth for more information.

Waivers

DCLs can be waived or reduced on construction of for-profit affordable rental housing (subject to meeting the DCL By-law definition and requirements of for-profit affordable rental housing). Visit vancouver.ca/STIR for more information.

Exemptions

DCLs do not apply to the following:

1. alterations to an existing building where the total floor area of the building is not increased;
2. social housing (subject to meeting DCL By-law definitions and receiving clearance from the Housing Centre);
3. churches exempt from taxation;
4. additions, which are smaller than 500 square feet, to existing buildings containing fewer than four residential units and no other use; and
5. small residential units of 29 square meters (312 square feet) or less.

Rates

The levy is based on the floor area of the development and the rates vary by use and by DCL area. The current rates are shown on page 2 of the bulletin. The levy will not be more than 10% of the value of the development as determined pursuant to the Building By-law.

Separate Regional Development Cost Charges

Since January 1997, the City also collects a separate regional Development Cost Charge (DCC) on behalf of the Greater Vancouver Sewerage and Drainage District (GVS & DD) for expansion of sewerage facilities required by regional growth. The GVS & DD has two service areas in the City of Vancouver. There are different rates for each area and for different types of development:

Table 3: Regional Development Cost Charges

	Vancouver Sewerage Area	Fraser Sewerage Area
Single family residential use (per dwelling unit)*	\$944.00	\$1,731.00
Townhouse residential use (per dwelling unit)	\$826.00	\$1,515.00
Apartment residential use (per dwelling unit)	\$590.00	\$1,082.00
Non-residential use (per square foot)	\$0.443	\$0.811

* Under the GVS & DD DCC By-law, single family residential use is defined as a dwelling unit in a single building or structure containing up to three dwelling units that is constructed, altered or extended on a single parcel.

The regional DCC for projects containing fewer than four dwelling units is payable prior to subdivision, if applicable. The regional DCC for all other projects is payable prior to the issuance of a Building Permit.

For further information contact a DCC/DCL Coordinator at 604.873.7760.

Reconciling DCLs and Community Amenity Contributions (CACs)

In some cases capital projects, eligible to be funded by DCLs, are provided on-site as part of a rezoning Community Amenity Contribution (CAC) or development application. When this occurs, it should be on prior approval of City Council and cannot be in lieu of payment of DCLs.

Related Information – Community Amenity Contribution Policy for Rezoning

Please see Financing Growth Policies On Community Amenity Contributions for details on the City-Wide Community Amenity Contribution (CAC) Policy which applies to private rezoning applications.

Financing Growth Report and Revisions to the City-Wide Vancouver DCL

The Vancouver City-Wide DCL was first introduced in 2000. In June 2003, City Council adopted Financing Growth policies after a public review of city-wide charges on new development. Financing Growth policies help guide city-wide DCL and Community Amenity Contribution (CAC) policy implementation.

Note: The Vancouver DCL is referred to in the Financing Growth report as the City-Wide DCL. Also, please note that CAC policy only applies to rezoning applications, for more information refer to vancouver.ca/commsvcs/Guidelines/C025.pdf.