

New Utilities Development Cost Levy

BACKGROUND INFORMATION

The City of Vancouver recently introduced a separate Development Cost Levy (DCL) for utilities to improve transparency and certainty for developers. This handout provides answers to frequently asked questions about the Utilities DCL.

WHAT IS A UTILITIES DEVELOPMENT COST LEVY (DCL)?

DCLs are fees collected from developers to help fund the cost of growth-related utilities infrastructure. DCLs are regulated through the *Vancouver Charter*. The rates charged reflect the impact growth has on infrastructure.

WHO PAYS DCLs?

DCLs are paid by almost all applicants for building permits. The Utilities DCL is levied on a City-wide basis in addition to the existing City-wide DCL.

WHAT DOES THE UTILITIES DCL PAY FOR?

The Utilities DCL helps fund capital upgrades for:



DRAINAGE
INFRASTRUCTURE



SEWER
INFRASTRUCTURE



WATER
INFRASTRUCTURE

The City anticipates approximately \$1.02B in upgrades required to support our growing City over the next 8 years. The Utilities DCL will support the \$550M growth-related portion.

WHAT DO DCLs NOT PAY FOR?

- Local serving utility upgrades, generally along block frontages where there is little to no benefit beyond the proposed development
- Costs associated with new or replacement utilities infrastructure needed only for existing residents
- Operations and maintenance
- Projects not specifically prioritized on the Utilities DCL Project List



WHAT ARE THE NEW UTILITIES DCL RATES?

	RESIDENTIAL AT OR BELOW 1.2 FSR AND LANEWAY HOUSE	MEDIUM DENSITY RESIDENTIAL ABOVE 1.2 FSR TO 1.5 FSR	RESIDENTIAL IN DEVELOPMENT OVER 1.5 FSR	COMMERCIAL AND MOST OTHER USES ⁵	INDUSTRIAL ⁶	MIXED EMPLOYMENT (LIGHT INDUSTRIAL) ⁷
Base⁸						
City-wide Utilities DCL⁹ (B)	\$24.97/m ² (\$2.32/ft ²)	\$54.25/m ² (\$5.04/ft ²)	West Side: \$108.61/m ² (\$10.09/ft ²) East Side: \$54.36/m ² (\$5.05/ft ²)	\$54.25/m ² (\$5.04/ft ²)	\$21.74/m ² (\$2.02/ft ²)	\$40.69/m ² (\$3.78/ft ²)

Notes:

- Effective Sept 30, 2018
- *Industrial applies to I-2, M-1, M-1A, M-1B, M-2, MC-1, MC-2 zoning districts
- **Mixed Employment (Light Industrial) applies to IC-1, IC-2, IC-3, I-1, I-3, and I-4 zoning districts
- DCLs are levied per sq. ft. of gross floor area

WHEN DO THE NEW RATES COME INTO EFFECT?

- New Utilities DCL rates come into effect September 30th, 2018
- Projects that are “in-stream” (i.e., have a complete building permit, development permit, or rezoning application submitted to the City before September 30th, 2018) are protected from rate increases provided a building permit is issued prior to September 30th, 2019

FOR MORE INFORMATION

Please visit: <https://vancouver.ca/home-property-development/utilities-dcl.aspx>

or contact:

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