

# Development Cost Charges: Questions and Answers

## ***What are DCCs?***

DCCs are fees collected by local governments to help fund the cost of growth-related infrastructure expenditures. DCCs are regulated by the *Local Government Act*. The rates charged reflect the impact growth has on infrastructure, parks, and eligible protective services; the greater the impact, the larger the charge. This helps ensure development contributes its fair share towards the necessary growth-related infrastructure improvements that development benefits from.

## ***Who pays DCCs and when?***

DCCs are paid by applicants at time of approval for subdivision or the first building permit issuance, as applicable.

## ***What do DCCs pay for?***

DCCs pay for capital cost upgrades needed to support growth by assisting in the funding of:

- Transportation Infrastructure
- Sanitary Sewer Infrastructure
- Water Infrastructure
- Drainage Infrastructure
- Parkland Acquisition and Development
- Protective Service Infrastructure (i.e., fire halls and police stations)

A full list of eligible DCC's categories are outlined in the [BC DCC Best Practices Guide](#).

## ***What do DCCs not pay for?***

DCCs cannot be used to pay for:

- Replacing infrastructure solely to service existing residents
- Operations and Maintenance
- Community amenities or facilities such as recreation, affordable housing, libraries, etc.

## ***Will In-Stream Applications have to pay DCCs?***

It is expected that the new DCC bylaw will be brought forward for Council's consideration and adoption on June 24, 2024, with the new DCC bylaw (and the new DCC rates) coming into effect on July 1, 2024.

However, the application of the new DCC bylaw (and new DCC rates) is subject to the following "in-stream" provisions of the *Local Government Act* :

*For subdivision applications:*

**Local Government Act** – Bylaws adopted after application for subdivision submitted

511(1) This section applies in relation to a bylaw under this Part that is adopted after

(b) an application for a subdivision of land within a municipality has been submitted to a designated municipal officer and the applicable subdivision fee has been paid.

(2) If the bylaw would otherwise be applicable to the subdivision, the bylaw has no effect with respect to that subdivision for a period of 12 months after the bylaw is adopted.

(3) Subsection (2) does not apply if the applicant agrees in writing that the bylaw should have effect with respect to the subdivision.

*For building permit applications:*

**Local Government Act** – Effect of bylaws adopted after application for rezoning, development permit or building permit submitted

568(2) Subject to subsection (3), a development cost charge bylaw that would otherwise be applicable to the construction, alteration or extension of a building or structure has no effect with respect to that construction, alteration or extension if:

- (a) the building permit authorizing that construction, alteration or extension is issued within 12 months after the date the bylaw is adopted, and
- (b) a precursor application to that building permit is in-stream on the date the bylaw is adopted.

The DCC rates under *Burnaby Development Cost Charges Bylaw 1979* will apply to any developments that meet the in-stream protection criteria described above.

***Is any development exempt from DCCs?***

Under the *Local Government Act*, the following are exempt from paying DCCs:

- Development in respect of which a DCC has previously been paid;
- Development that does not impose a new capital cost burden on the City;
- Places of Worship;
- Self-contained residential dwelling units no larger than 29 m<sup>2</sup> (312 ft<sup>2</sup>); and
- Building Permits for work that does not exceed \$50,000 in value.