



Development Cost Charges (DCC) Update

July 2022

On June 13, 2022 District of Sooke Council adopted Development Cost Charges Bylaw No. 775, 2021 which contain the latest DCC rates now in effect. The following guide provides background information on DCCs and answers several frequently asked questions.

What are DCCs?

DCCs are fees collected from developers on a user pay basis to help fund the cost of growth-related infrastructure and parks. DCCs are regulated through the *Local Government Act*. The rates charged reflect the impact growth has on infrastructure and parks; the greater the impact, the larger the charge. This helps ensure developers pay their fair share of the costs required to develop new infrastructure to support growth.

Who pays DCCs and when?

DCCs are paid by applicants / developers at time of:

- Subdivision, for approval to create new single-family lots; or
- Building Permit, upon application to construct multi-family residential, commercial, industrial or institutional developments.

What do DCCs pay for?

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

- Transportation Infrastructure
- Drainage Infrastructure
- Sanitary Sewer Infrastructure
- Parkland Acquisition and Development
- Water Infrastructure (collected by Sooke on behalf of the Capital Regional District)

What do DCCs not pay for?

There are a number of components that DCCs cannot pay for, including:

- Replacing infrastructure solely to service existing residents
- Operations and maintenance
- Community facilities such as recreation centres, libraries and fire halls
- Vehicles and equipment

DCC Rates

The following table (from Bylaw No. 775, 2021) lists the Development Cost Charge rates by land use as well as infrastructure category, with the total DCC for each land use category shown on the right hand column. DCCs are levied on a per lot basis for low density residential, on a per unit basis for multi-family residential and on a per square metre of gross floor area (GFA) basis for commercial, industrial and institutional development. As noted, Water DCCs are collected by the District of Sooke at the same time as other DCCs, and remitted to the Capital Regional District (CRD) for its water infrastructure capital program.

SCHEDULE A

Attached to District of Sooke Development Cost Charges Bylaw No. 775, 2021

	 Unit of measure	 Transportation	 Drainage	 Sewer	 Parks	Total
Low Density Residential	Per lot	\$8,694	\$63	\$6,155	\$1,415	\$16,327
Medium Density Multi-Family*	Per unit	\$4,836	\$32	\$3,264	\$750	\$8,882
High Density Multi-Family**	Per unit	\$2,662	\$8	\$2,098	\$482	\$5,251
Commercial	Per square metre of gross floor area	\$59.77	\$0.69	\$13.99	\$0.54	\$74.99
Industrial	Per square metre of gross floor area	\$42.38	\$0.49	\$6.99	-	\$49.87
Institutional	Per square metre of gross floor area	\$59.77	\$0.69	\$13.99	-	\$74.45

*Duplex, Triplex, Fourplex, Townhouse, Manufactured Home

** Apartments



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In-Stream Applications Submitted Prior to June 13, 2022

The new DCC rates came into force immediately after the Development Cost Charge Bylaw was adopted by Council on June 13, 2022. However, the *Local Government Act* provides special protection from rate increases for development applications that are submitted prior to the adoption date.

In-stream protection applies to complete building permit and subdivision applications that were received prior to the adoption of the new DCC Bylaw on June 13, 2022. Protection is also extended to complete rezoning and development permit applications that were submitted prior to the adoption of the new DCC Bylaw. The previous DCC rates will apply to any developments which receive final subdivision or building permit approval within 12 months of the adoption of the Bylaw. Therefore, if an application meets the required criteria of being submitted prior to the adoption of the new DCC Bylaw, it is provided protection from DCC rate increases until June 13, 2023 if final subdivision approval or building permit is obtained.

Questions?

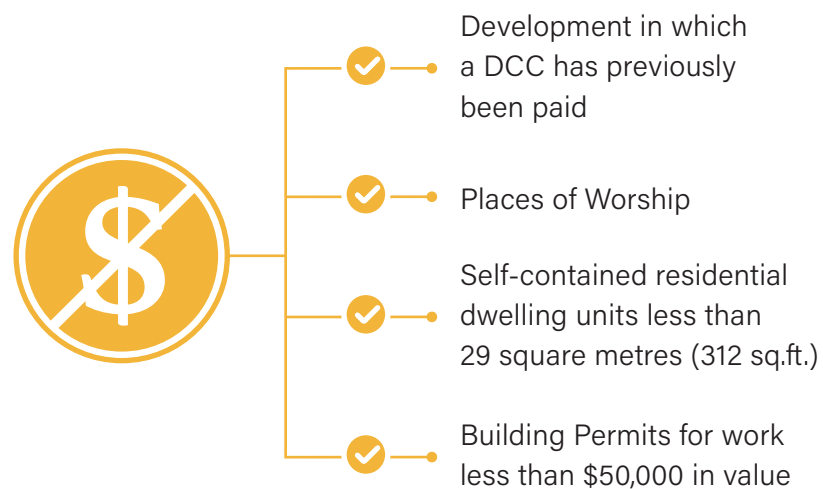
If you have any questions, please contact:

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Exemptions from DCCs

As per provincial legislation, a number of developments are exempt from paying DCCs including the following:



Additional

The very first DCC Bylaw in Sooke was adopted on July 11, 2005. For any existing vacant lots that were created prior to that date, DCC's would not have been paid.

Applications for a building permit on a vacant lot created prior to July 11, 2005 will be levied DCC's at the current rates. If the lot was created between July 11, 2005 – June 13, 2022, and no development has taken place on the lot, then a credit of one Medium Density Residential DCC will be applied against the DCC's payable if the building permit is for a medium density development. If the lot was created after June 13, 2022, and no development has taken place on the lot, then a credit of one Low Density Residential DCC will be applied against the DCC's payable (only if building permit is for a medium density development).

DCC Waivers and Reductions

As per the District of Sooke Town Centre Revitalization Bylaw No. 408, 2009, DCCs are reduced or waived for the following eligible development within the Town Centre Revitalization Area (see bylaw for location map):

- 30% DCC reduction for residential development having a density of at least fifty (50) dwelling units per hectare (uph);
- An additional 30% DCC reduction for improvements that are a Green Project (i.e. LEED® Silver, Gold or Platinum certification, or Built Green® Canada Silver, Gold, or Platinum certification); and
- A DCC waiver (i.e. 100% DCC reduction) for Eligible Housing projects including:
 - Not-for-profit rental housing, including supportive housing; and
 - For-profit affordable rental housing, which provides below fair-market rents subject to a housing agreement.