



# Development Cost Charges (DCC) Update

September 2024

On September 23, 2024, the District of Sooke (District) Council adopted Development Cost Charges Bylaw No. 909 (775-01), which amends the existing Development Cost Charges Bylaw No. 775, 2021 and contains the latest DCC rates now in effect. The following brochure provides background information on DCCs, the updated rates, and answers several frequently asked questions.

## What Are DCCs?

DCCs are charges collected by local governments to help fund growth-driven infrastructure expenditures. They are a Provincially regulated tool; the Local Government Act sets out the general requirements under which local governments may administer DCC programs. Funds generated through DCCs are used to help accommodate growth and development through capital cost investment.

## What Do DCCs Pay For?

The District's DCCs help fund capital upgrades needed to support growth in the following areas:

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

## What Do DCCs Not Pay For?

There are several items that DCCs cannot pay for, including:

- Infrastructure or parks needed for existing development (e.g., asset replacement);
- Utility service connections;
- Operations and maintenance costs;
- Vehicles and equipment; and,
- Community facilities, such as recreation centres, libraries, and firehalls

## Who Pays DCCs & When?

DCCs are paid by applicants/developers at the time of:

- Subdivision, for approval to create new single-family lots; or,
- Building Permit, upon application to construct multi-family residential, commercial, industrial, and institutional developments, or for a single family dwelling on a lot created prior to July 11, 2005

## In-Stream Applications

Anytime a new DCC Bylaw is enacted, an existing development application submitted prior to the adoption of the new Bylaw is granted 12-month in-stream protection.

In-stream protection will apply to both complete building permit and complete subdivision applications received prior to the adoption of any new DCC Bylaw. Protection is also extended to rezoning and development permit applications that were submitted prior to the adoption of any new DCC Bylaw and that will result in a building permit within 12 months of bylaw adoption. If an application meets the required criteria of being submitted prior to the adoption of the new DCC Bylaw, it is provided protection from rate increases.

## DCC Waivers & Reductions

As per the District's Town Centre Revitalization Bylaw No. 408, 2009, DCCs may be reduced or waived for the following eligible development within the Town Centre Revitalization Area (please see bylaw for 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;
  - For-profit affordable rental housing, which provides below-market rents subject to a housing agreement

*\*Please refer to Bylaw No. 408 for more information*

## DCC Credits

As per Development Cost Charge (DCC) Credit Policy for Developer Constructed Infrastructure (No. CO-021), the District will consider providing Owners or Developers with a DCC credit for works constructed in the DCC program as a condition of Building Permit or Subdivision Approval.

Credits may be provided to any Owner/Developer that has constructed a DCC project, based on the following:

- A DCC credit will only be provided for the lesser of the total DCC project cost (actual) or DCC project value (project list);
- A DCC credit will only be provided in the form of a deduction or reimbursement to an Owner/Developer on the full amount of DCCs paid at the time of subdivision or building permit, once the Certificate of Completion has been issued by the Professional Engineer of Record for the DCC project;
- A DCC credit may only be applied to the DCCs owed by an Owner/Developer for the same infrastructure category as the DCC project constructed by the Owner/Developer

If the DCCs payable exceed the amount of the DCC credit, the Owner/Developer must pay the net differential DCCs owing, in accordance with the District's DCC Bylaw.

All DCC credits provided will be in accordance with the latest rates.

*\*Please refer to Policy No. CO-021 for more information on DCC credits*

## Exemptions From DCCs

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



- Development(s) in which a DCC has previously been paid;
- Places of Worship;
- Self-contained residential dwelling units less than 29 square metres (312 sq. ft.);
- Building permits for work less than \$50,000 in value



# Development Cost Charges (DCC) Update

September 2024

**Questions?** If you have any questions, please contact:

District of Sooke - 2205 Otter Point Road, Sooke, B.C. V9Z 1J2




T: (250) 642-1634 | E: info@sooke.ca

## What are the different DCC categories?

### Residential

-  **Low Density Residential** – residential development consisting of one or more single-detached dwellings built on separate parcels (excludes manufactured homes)
-  **Medium Density Multi Family** – residential development which includes attached dwellings and manufactured homes
-  **High Density Multi Family** – residential building which contains multiple dwelling units accessible via a common hallway or corridor and shared entrance facilities, includes apartment buildings

### Non-Residential

-  **Commercial** – commercial development in a commercial zone listed in the Zoning Bylaw or a similar development in another zone permitted in accordance with the Zoning Bylaw, in which the predominant use, as determined by its purpose and list of permitted uses, is of a commercial nature
-  **Industrial** – industrial development in a zone listed in the Zoning Bylaw, or similar development in another zone permitted in accordance with the Zoning Bylaw, in which the predominant use, as determined by its general purpose and list of permitted uses, is of an industrial nature
-  **Institutional** – institutional development in a public or institutional zone listed in the Zoning Bylaw or a similar development in another zone permitted in accordance with the Zoning Bylaw, in which the predominant use, as determined by its purpose and list of permitted uses, is of an institutional nature

## What are the DCC rates?

The following table lists the DCC rates by land use category as well as infrastructure category, with the total DCC for each land use category shown on the far-right column. DCCs are levied on a per lot basis for Low Density Residential, on a per unit basis for Medium Density Multi-Family and High Density Multi-Family, and on a per square metre of gross floor area (GFA) basis for commercial, industrial, and institutional development.

Category	Unit of measure	Transportation	Drainage	Sewer	Parks	Total
Low Density Residential	Per lot	\$12,313.18	\$62.33	\$7,014.90	\$1,177.80	<b>\$20,568.21</b>
Medium Density Multi-Family*	Per unit	\$6,849.21	\$31.17	\$3,720.02	\$624.59	<b>\$11,224.99</b>
High Density Multi-Family**	Per unit	\$3,770.91	\$7.48	\$2,391.44	\$401.52	<b>\$6,571.36</b>
Commercial	Per square metre of gross floor area	\$84.65	\$0.69	\$15.94	\$0.45	<b>\$101.73</b>
Industrial	Per square metre of gross floor area	\$60.03	\$0.49	\$7.97	-	<b>\$68.48</b>
Institutional	Per square metre of gross floor area	\$84.65	\$0.69	\$15.94	-	<b>\$101.28</b>

From Development Cost Charges Bylaw No. 909 (775-01), which amends Development Cost Charges Bylaw No. 775, 2021

\*Duplex, Triplex, Fourplex, Townhouse, Manufactured Home  
\*\*Apartment