

DEVELOPMENT COST CHARGES



DEPARTMENT OF
COMMUNITY PLANNING

DEVELOPMENT COST CHARGES (DCCs) ARE...

...fees that local governments collect from landowners who are subdividing new lots, adding floor space to an existing building, or developing vacant lands. The money is used by local governments to offset the costs related to the increased demands on city services that result from new development. The City of Parksville collects DCCs on behalf of the Regional District of Nanaimo (RDN) and the City itself.

DCCs are used to support construction and maintenance of the City's public infrastructure such as drinking water, sanitary and storm sewers, roads, and parks. DCCs allow the City to recuperate the cost of infrastructure upgrades from the developer rather than passing the costs onto existing taxpayers who do not directly benefit from the development.

Provincial regulations govern the practice of charging DCCs including when the charges must be paid and in what situations DCCs apply. The charges are one component of the City's overall financial structure and development strategy.

DO I HAVE TO PAY DCCs AND HOW MUCH ARE THEY?

There are two occasions when DCCs are applied: upon issuance of a building permit, where applicable, or at the time of subdivision.

Properties that will be used for low density residential purposes (i.e. one or two dwellings per lot) must pay DCCs before final approval of a subdivision. If the project is a multi-family, industrial, commercial, or institutional development, DCCs are due at the time of building permit issuance. DCCs are paid one time only.

See table, next page, for specific charges. The figures are subject to change at any time.

TYPE OF DEVELOPMENT	CITY DCCs	RDN DCCs	TOTAL DCCs
Residential (1 or 2 homes)	Payable upon subdivision (see Subdivision DCCs)		
Multi-family, low density (2-18 units per hectare)	\$103.39 / m ²	\$76.01 / m ²	\$179.40 / m²
Multi-family, med-high density (19+ units per hectare)	\$66.46 / m ²	\$76.01 / m ²	\$142.47 / m²
Commercial use	\$94.07 / m ²	\$43.14 / m ²	\$137.21 / m²
Industrial use	\$61.18 / m ²	\$43.14 / m ²	\$104.32 / m²
Institutional use	\$100.25 / m ²	\$52.73 / m ²	\$152.98 / m²

SUBDIVISION DCCs

DCCs are payable before final approval of a subdivision that results in the creation of new fee simple or bare land strata lots to be used for low density residential purposes (i.e. one or two dwellings per lot). DCCs apply to each new lot being created and equal **\$24,557.09 per lot** (as of 2019; subject to change). The charge by the RDN is \$10,067.10 per lot and the charge by the City is \$14,489.99 per lot. Subdivision DCCs are not applied to the creation of new industrial, commercial, or institutional lots, since these DCCs are payable upon the development of the lands and are based on building size.

CONSTRUCTION DCCs

DCCs apply when a building permit is issued for new construction or additions to an existing building where the construction value exceeds \$100,000. The exceptions to this are construction or renovation of a single family dwelling and construction of a secondary suite or carriage house on a single family residential lot with an existing residence (as mentioned, these properties incur DCCs when they are subdivided).

DCC WAIVERS

City Council may waive the City's portion of DCCs for developments incorporating affordable housing.

Photo Captions

Cover photo: Matthew Trump. *Houses in Prospect New Town, new urbanist development in Longmont, Colorado*. CC BY-SA 3.0, <https://commons.wikimedia.org/w/index.php?curid=134978>

Information is for convenience only. Contact department staff to discuss current and applicable bylaws



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