Development Cost Charge (DCC) Bylaw No. 1394

July 15, 2025 Committee of the Whole Meeting Item I.3



Statutory Context

 Section 559 of the Local Government Act stipulates that a Council may, by bylaw, impose development cost charges (DCCs) on every person who obtains either a subdivision approval or a building permit authorizing the construction, alteration or extension of a building or structure.

Background

- DCCs may be imposed for the purpose of providing funds to assist with the capital costs of providing, constructing, altering or expanding:
 - Sewage;
 - Water;
 - Drainage;
 - Fire protection;

- Police;
- Highway;
- Solid waste and recycling facilities;
- Providing and improving park land

DCC Bylaw Update Project

- In 2023, TRUE Engineering Limited was engaged to complete an updated Technical Appendix to support the introduction of updated DCCs via the DCC Bylaw Update project.
- The Technical Appendix takes into consideration the new Zoning Bylaw No. 1395, Provincial regulatory updates relating to Small-Scale Multi-Unit Housing, and the recently completed Housing Needs Report Update (2025).

Previous Council Consideration

May 13, 2025 Committee of the Whole Meeting – Council initiated Bylaw No. 1394, "with the amendment of the Commercial DCCs being reduced to 85".

Public Process

- No statutory requirements for public consultation (unlike those associated with OCP and zoning bylaws).
- Inspector of Municipalities has the discretion to refuse approval of a DCC bylaw if the prescribed DCCs are excessive or may deter development or discourage construction of reasonably prices housing.



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PUBLIC OPEN HOUSE

Development Cost Charge (DCC) Bylaw Review

Please be advised that the Town is hosting an Open House in relation to a proposal to repeal and replace the Town's current Development Cost Charge (DCC) Bylaw No. 1322. This project proposes the establishment of updated DCC rates for new development within the Town. To attend, please refer to the following information:

> Time: 2:00 pm - 4:00 pm Date: June 17th, 2025 Location: Council Chambers, 8707 Main Street, Osoyoos, BC

The Town of Osoyoos currently levies Development Cost Charges (DCCs) on new development to pay for new or expanded infrastructure such as sewer, water, drainage, parks and roads necessary to adequately service the demands of new development.

It is considered good practice to update a DCC Bylaw every five (5) years in order to ensure that the estimates of new development and infrastructure costs are kept current. The Town's current DCC Bylaw No. 1322 was adopted in 2016 and seen to require updating.

The purpose of the subject Open House is to provide a venue for interested members of the public to learn about proposed updates to the Town's DCC Bylaw.

Town staff, along with staff from TRUE Engineering Limited, will be available at the Open House to answer any questions residents may have regarding this project.

For more information on the DCC Bylaw Review project, including a Technical Appendix to proposed DCC Bylaw No. 1394 and an associated administrative report, please visit the project webpage at https://www.osoyoos.ca/ (Planning & Development -> Strategic Land Use Projects → Development Cost Charge (DCC) Bylaw Update) or use the QR code.

Planning and Development Services

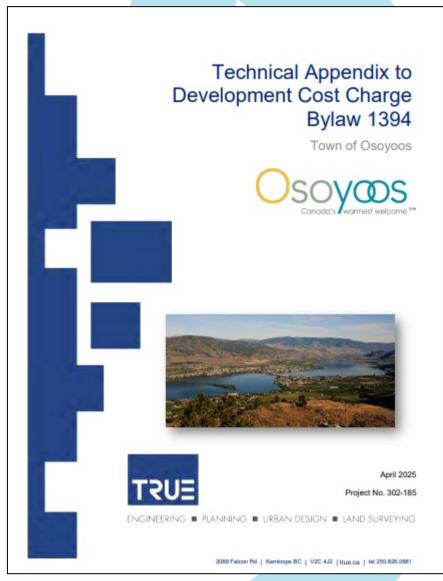
(T) 250.495.6191





Public Process

- To address these issues, public consultation was undertaken leading up to the consideration of readings of the bylaw, and included:
 - Creation of a project webpage;
 - Newspaper advertisements;
 - eNews notification;
 - Targeted Public Information Meeting notifications to development companies that operate within the Town:
 - In-Person Public Information Meeting on June 17, 2025
 - Attended by two members of the public



DCC Bylaw No. 1394

- Informed by the Technical Appendix prepared by TRUE.
- DCC program highlights:
 - Use of a 10-year "revolving" program for determining capital project requirements and DCCs;
 - An average growth rate of 3.6% and development infill rate of 25%;
 - DCCs established on a municipal-wide basis;
 - 1% "Assist Factor" for all DCCs;
 - Collection at building permit submission.

DCC Bylaw No. 1394

- Key changes from DCC Bylaw No. 1322:
 - Increase in DCC rates;
 - Removal of DCCs for RV Park or Campground sites (no "trigger");
 - Introduction of criteria and procedures for waiving or reducing DCCs for eligible developments (e.g., not-for-profit rentals);
 - Introduction of criteria to allow a developer to elect to pay their DCCs in installments within 2 years of the charge being assessed;
 - Introduction of a new DCC for solid waste facilities (funds to be applied to a "Design, Operations and Closure Plan for the Osoyoos Landfill").

Revisions since Previous Council Consideration

- The following revisions have been made to the bylaw since the May 13, 2025 Committee meeting:
 - Reduction of Commercial DCCs from \$110.94 → \$84.96
 - Reduction of Institutional DCCs from \$108.25 → \$84.96
 - DCC Best Practices Guidelines show population factors to be similar/same for commercial and institutional uses.
 - Reduction of Commercial Accommodation Unit DCC from \$7,284.58 → \$6,352.89
 - Calculation partially based on commercial uses, reflects reduction to commercial DCC.
 - Reduction of Industrial use DCC from \$65.74 → \$65.67
 - Corrects discrepancy in summation error which did not include the Recycling Facilities and Solid Waste Management DCC rate of \$0.07

Next Steps

- If Council supports 1st, 2nd and 3rd readings, Section 560 of the Local Government Act requires that the bylaw be approved by the Inspector of Municipalities.
- Administration would forward a copy of the bylaw to the Inspector for review and approval.
 - Review/approval timeline is unknown.

Options

- 1. Town of Osoyoos Development Cost Charge Bylaw No. 1394, 2025, be read a first, second and third time;
- 2. Status Quo