



To: Chief Administrative Officer **Date:** June 19, 2023
From: Doug Stewart, Director of Finance
Subject: **2022 Development Cost Charge Report**

Recommendation(s)

That Council receive and consider the City of Mission 2022 Development Cost Charge report.

Purpose

The purpose of this report is to present the 2022 Development Cost Charge report to Council for consideration in accordance with Section 569 of the *Local Government Act*.

Background

Development Cost Charges (DCCs) are special charges collected by local governments through certain subdivision and/or building permit applications to help pay for infrastructure expenditures that are required to service growth. The authority to levy DCCs is provided through the *Local Government Act*.

In accordance with Section 569 of the *Local Government Act*, the City is required, before June 30th of each year, to prepare and consider a report regarding DCC charges with respect to the previous year. The report must include:

- (a) The amount of DCCs received;
- (b) The expenditures from the DCC reserve funds;
- (c) The balance in the DCC reserve funds at the start and at the end of the year; and
- (d) Any waivers and reductions provided under section 563 of the *Local Government Act*.

Discussion and Analysis

The DCC report (Attachment A) summarizes, for 2022, the amount of DCCs received, the expenditures from the DCC reserve funds, and the balance in the DCC reserve funds at the start and end of the year. At December 31, 2022, the City had approximately \$19.8 million of DCCs on hand in the DCC reserve funds.

In prior years, to allow for construction of growth-related infrastructure prior to collecting DCC funds, some projects were funded from other City reserve funds. The intention was to repay these reserves as future DCCs were collected. In 2022, all of the internal loans were repaid.

Section 563 of the *Local Government Act* permits DCCs to be waived for certain categories of “eligible development”, such as not-for-profit rental housing, for-profit affordable rental housing, and developments designed to result in a low environmental impact, provided a bylaw is established that outlines the criteria for waivers. The City does not have a bylaw in place to provide for any waivers under Section 563, therefore no waivers or reductions were granted in 2022.

Financial Implications

There are no financial implications directly associated with this report.

Communication

No further communication is required.

Summary and Conclusion

This report is provided to satisfy the legislated annual reporting requirements pertaining to DCCs for the year 2022, in accordance with Section 569 of the *Local Government Act*.

Report Prepared by: Doug Stewart, Director of Finance

Reviewed by: Scott Ross, Manager of Accounting Services

Approved for Inclusion: Mike Younie, Chief Administrative Officer

Attachment(s)

Attachment A: 2022 Development Cost Charge Report