

## First set of Development Cost Charge changes approved

(Penticton, BC – March 2, 2021) – The first set of changes to the City’s Development Cost Charges (DCC) Bylaw were adopted by Council at their meeting on March 2, 2021. Effective immediately, all DCCs assessed to new developments to fund the extension of roads, water, sewer, and storm water services will increase by 25 per cent.

DCCs are a one-time fee collected from the developer to help fund the cost of growth-related infrastructure. The charges are assigned when single and two-family residential lots are created (subdivision) or when building permits are issued for multi-family, commercial, industrial or institutional developments.

The City last updated its DCC Bylaw in 2007 and with the adoption of a new Official Community Plan (OCP) in 2019, initiated a full review of the program for 2021. As an interim measure while the review is being completed, the City requested approval from the Province’s Inspector of Municipalities for a 25 per cent increase to the rates to reflect construction cost inflation. The City received approval from the Province’s Inspector of Municipalities this week which made it possible for Council to adopt the interim changes to the bylaw.

“Council has made it a priority to modernize the bylaw this term to ensure the costs of growth-related infrastructure are distributed fairly amongst the people that will benefit,” said Mayor John Vassilaki. “This increase is an important step towards this goal and we’re pleased to hear the full review is progressing.”

The City expects to request approval for a new set of DCC rates once the full review of the bylaw is completed later this year. In addition to revised rates, the new DCC program will include a new list of eligible water, sewer, storm water, transportation and parks projects, based on the revised growth plan contained in the OCP. Interested citizens, members of the development community and other stakeholders will be invited to participate in the process to review changes to the program in upcoming engagement activities scheduled to begin in April. All recommendations resulting from the review will need to be approved by the Province’s Inspector of Municipalities before they can be implemented. More information about this work will be available on [shapeyourcitypenticton.ca](http://shapeyourcitypenticton.ca) in the next several weeks.

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