AMENITY COST CHARGE (ACC) BYLAW DEVELOPMENT

CITY OF COURTENAY

BACKGROUND REPORT – DECEMBER 2025

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EXECUTIVE SUMMARY

In 2024, the City of Courtenay (City) initiated the process to develop an Amenity Cost Charge (ACC) bylaw.

The City does not currently collect ACCs. The ACC program has been created with the aim of capturing current growth trends and the amenities needed to support growth.

The new ACC program will capture current capital costs for amenities that are driven by growth. The proposed rates ensure that those who will use and benefit from City-provided amenities share the growth-related costs in a fair and equitable manner. Key drivers for the development of the City of Courtenay's ACC program include:

- Meeting the needs arising from future development and growth; and,
- Ensuring timely and transparent recovery on the capital costs of amenities.

The City's proposed ACC program aligns with the proposed updates to the DCC program (minor update last completed in 2024, major update last completed in 2016); the development of both programs drew on capital planning, the Official Community Plan, as well as conversations with key staff across various departments. Where possible, key inputs prepared and reviewed for the DCC program were carried over to the ACC program to ensure greater alignment and administrative ease.

This report presents the City's proposed ACC rates and program. The proposed 2025 ACC rates are provided in **Table ES-1**. No ACCs are being levied on Industrial or Institutional uses.

Table ES-1: Proposed 2025 ACC Rates

Land Use	Unit	Total Proposed ACC Rate
Low-Density Residential	per lot or dwelling unit	**$6,643.00**
Medium Density Residential	per unit	**$3,618.00**
High Density Residential	per m^2 of GFA	**$42.56**
Commercial	per m^2 of GFA	**$13.84**

1.1 ACC KEY ELEMENTS

There are key elements within an ACC program that should be considered when determining rates. **Table ES-2** outlines the key elements, decisions, and supporting rationale used in this update. More information on these elements can be found throughout the report.

All aspects of the program are intended to align with the information outlined in the ACC Best Practices Guide and, where possible, the City's DCC program.

Table ES-2: Key Elements - ACCs

Key Element	ACC Program	Rationale
Time Horizon	20 Years	• Aligns with capital plans, OCP and infrastructure planning studies • Aligns with DCC Program and Bylaw
Jurisdiction-wide or area-specific charge	City-wide charge	• ACC projects are components of City-wide services and amenities and therefore provide a City-wide benefit
Grant Assistance	None	• No identified ACC projects include grant assistance
Developer Contribution	None	• No identified ACC projects include a developer contribution
Financing	No	• No identified ACC projects include financing

Benefit Factor	25-50%	• Baseline Population Growth
		  ○ **25% -** Based on the projected growth expected to occur in the City over the ACC program timeframe (20 years)
		• Rule of Thumb
		  ○ **30% -** Primarily benefits existing residents, with some benefit to new development
		  ○ **50% -** Benefits both existing residents and new development somewhat equally

Municipal Assist Factor (MAF)	1%	• A 1% municipal assist factor is proposed.
Units of Charge	Per lot, per dwelling unit, and per square metre of gross floor area	• ***Per lot* or *per dwelling unit*** for low density residential. ACCs are levied on single family dwellings at time of subdivision or building permit, as determined by the City, to collect ACCs as early in the process as possible. • ***Per dwelling unit*** for medium density residential. ACCs are levied on ground-oriented attached dwellings and apartment units at building permit when the number of units is known. • ***Per square metre of gross floor area (GFA)*** for high density residential and commercial uses as impact on infrastructure is expected to correlate most closely with floor space. **Note: the ACC will not be levied on Industrial or Institutional uses.*
Economic Viability	Completed	• The province requires that economic analysis be conducted to determine the economic impacts of ACCs on development. • Financial testing of ACC implementation was completed by City Squared in 2025 and involved proforma analysis on several development case studies. • Given market conditions, the report recommends that the ACC remain at the modest rate proposed.

2.0 INTRODUCTION AND PURPOSE

In 2024, the City of Courtenay (City) initiated the process to develop an Amenity Cost Charge (ACC) bylaw.

The City does not currently collect ACCs. The ACC program has been created with the aim of capturing current growth trends and amenities needed to support growth.

As a new cost-recovery tool, many municipalities across B.C. are beginning to implement ACCs to support municipal financial sustainability. The advantages of implementing an ACC Bylaw are as follows:

- Provides certainty to the development community about amenity upgrade costs and what projects these costs will pay for;
- Ensures costs for future amenities are fairly distributed across the benefiting developments;
- Fosters fairness by ensuring the development community and existing property taxpayers share the costs of growth-related amenities; and,
- Minimizes financial risk by allowing the City to save for growth-related amenity costs.

The new ACC program will capture current capital costs for amenities that are driven by growth. The proposed rates ensures that those who will use and benefit from City-provided amenities share the growth-related costs in a fair and equitable manner. Key drivers for the development of the City of Courtenay ACC program include:

- Meeting the needs arising from future development and growth; and,
- Ensuring timely and transparent recovery on the capital cost of amenities.

The City's proposed ACC program aligns with the proposed updates to the existing DCC program (minor update last completed in 2024, major update last completed in 2016); the development of both programs drew on capital planning, the Official Community Plan, as well as conversations with key staff across various departments. Where possible, inputs prepared and reviewed for the DCC program were carried over to the ACC program to ensure greater alignment and administrative ease.

Please note that the material provided in this report is meant for information only. The City's adopted *Amenity Cost Charges Bylaw No. 3207, 2025* should be referred to for rates and requirements.

3.0 LEGISLATIVE AND POLICY CONTEXT

3.1 LEGISLATIVE FRAMEWORKS AND PROVINCIAL REQUIREMENTS

The ACC project list was reviewed to ensure it meets the criteria set out in the *Local Government Act* and the Amenity Cost Charge Best Practices Guide (Guide). The Guide sets a framework for local governments to underpin the creation and implementation process for new ACC bylaws. The proposed rates in this report follow the structure of the guide to ensure consistency with best practices.

3.2 LOCAL GOVERNMENT POLICIES AND DOCUMENTS

As the City's ACC program was developed, the following municipal documents were consulted:

- The Official Community Plan (OCP)
- The Housing Needs Assessment

- The existing DCC program and Bylaw (2024)
- The proposed DCC program and Bylaw

In addition to the above documents, staff were regularly consulted on the proposed program. These discussions supported program refinement and finalization.

4.0 ACC PROJECTS

4.1 ACC PROJECTS

All projects included in the ACC program are reflective of current hard costs (i.e., construction, materials) and were vetted for eligibility according to the Ministerial requirements for ACCs. Capital costs for projects are based on new project lists and include contingency and engineering allowances. A summary of the ACC project list is included in **Table 1**.

Table 1: ACC Project List Summary

Service	Project List Summary
Amenities	• Community Centre Expansion • Florence Filberg Centre Expansion • Recreation Facility Expansion • Sportsfield Improvements • Pickleball Court Improvements and Construction • Dog Park Construction and Improvements • Cultural Facility Expansion • LINC and Skateboard Park Improvements • Spray Park Construction • Park Amenity Program

Note: The City of Courtenay will own and control all projects in this ACC program.

5.0 ASSUMPTIONS AND METHODOLOGIES

5.1 CALCULATION METHODOLOGY

5.1.1 COST ESTIMATES

The ACC program was prepared using cost estimates provided and confirmed by City staff.

5.1.2 GROWTH PROJECTIONS

Updated growth projections were used to calculate the proposed ACC rates. These residential and non-residential projections outlined in **Table 2** were prepared using multiple sources and references, including:

Unit and Growth Projections

- BC Stats. (2025). *Population Estimates, Projection, and Statistics – City of Courtenay*. Government of British Columbia.
- Statistics Canada (2025). *2021 Census – Structural Type of Dwelling and Household Size*. Government of Canada.

Other References

- City of Courtenay. (2024). *Housing Needs Report*;
- City of Courtenay. (2019-2023). *Building Permit Data*; and,
- Conversations with staff across departments.

These references provided information on the expected population increase and related dwelling unit construction over a 20-year time frame. Projections were then refined through collaboration with staff as new and ongoing building permit applications were received. As a result, adjustments were made to better reflect recent permit data and development trends.

As the proposed ACC will not be charged on industrial and institutional uses, no growth projections were included for these categories.

Table 2: ACC Growth Projections

Land Use	Unit(s) of Growth	20-Year Growth Projections (Rounded)
Low-Density Residential	lot or dwelling units	650
Medium-Density Residential	dwelling units	2,600
High-Density Residential	m^2 of gross floor area	239,500
Commercial	m^2 of gross floor area	144,300

5.1.3 EQUIVALENCIES

Different land uses have different impacts on amenities. To reflect these differences, equivalent units are used to allocate ACC costs across land uses.

The amenity equivalencies included in **Table 3** are based on future service population and anticipated needs for future land use. They align with the average household sizes from the 2021 Census data for the City of Courtenay and weighted based on building typology allocations from available building permit data.

Table 3: ACC Equivalent Units

Land Use Category	ACC Equivalency Factor
Low-Density Residential	3.36
Medium-Density Residential	1.83
High-Density Residential	1.60

Commercial	0.0070
Industrial	N/A
Institutional	N/A

5.2 ACC COSTS

5.2.1 CAPITAL COST ESTIMATES AND REVENUE PROJECTIONS

The total ACC Program Costs amount to **$73 M**—of those costs, **$26 M** are eligible for recovery through ACCs (i.e., paid by the development community). The City is responsible for funding the remaining **$47 M** (**$2.3 M/year**) through City revenues (e.g., property tax). This is a key consideration for Council when considering the City's financial sustainability and the costs to developers and existing taxpayers. These costs are included in **Table 4**.

Table 4: Total Cost of Proposed ACC Program

	Program Inputs			Developer Responsibility	Municipal Responsibility	
Service	**Total Capital Costs**	**Benefit Factor**	**Municipal Assist Factor**	**ACC Recoverable Program Costs**	**Municipal Costs**	**Annual Municipal Costs (20 y)**
Amenities	$73 M	25-50%	1%	$26 M	$47 M	$2.3 M

5.2.2 INTEREST ON LONG-TERM DEBT

No interest on long-term debt is included in the ACC program.

5.3 BENEFIT ALLOCATIONS

As is also the case with DCCs, project benefit factors (or benefit allocations) for ACCs are used to determine to what extent a proposed project benefits future growth versus existing users and are determined on a project-by-project basis.

Some ACC projects may benefit the population at large, in which case the capital costs (or a portion of them) should be shared by the entire community. Other projects will only benefit new growth, in which case the new users benefiting from these services will pay most of the project costs.

The benefit factor of each ACC eligible project was evaluated using an approach based on anticipated population change.

Baseline Population Growth: 25% – Benefits existing development and adds proportionate capacity for future population (expected to grow by 25% over 20 years).

Rule of Thumb:

- **30%** – Primarily benefits existing residents, but some benefit to new development.
- **50%** – Benefits existing development and new development somewhat equally.

A summary of the benefit factor methodology is included in **Table 5.**

Table 5: Benefit Factor Methodology

Service	Benefit Allocation (Developer Responsibility)	Benefit Factor Methodology
Amenities	25%-50%	• **25%** - Baseline Population Growth • **30%** - Rule of Thumb • **50%** - Rule of Thumb

5.4 MUNICIPAL ASSIST FACTOR

The City is proposing a 1% assist factor. When selecting this assist factor, considerations included the impact of the proposed rates on development viability, as well as amenity needs over the course of the program's time frame of 20 years.

To reduce the initial impact of the ACC rates on development viability, Council may opt to increase the Municipal Assist Factor (MAF) and reduce it annually (i.e., an assist factor of 25% in Year 1, followed by 5% reductions each subsequent year until it reaches the minimum 1%). Increasing the assist factor would result in increased costs to the City. No phase-in of the ACC rates in the initial years of program implementation is proposed at this time.

5.5 DETAILED RATE ANALYSIS

ACC rates are determined by applying the key elements, growth projections, and equivalencies described earlier in this report to projects that are ACC eligible and expected to be built within the specified ACC timeframe.

Table 6 below summarizes the total proposed ACC rates for the City, along with each ACC program. The ACC calculations were based on a 1% assist factor.

Table 6: ACC Rates

Land Use	Unit	Total
Low-Density Residential	per lot or dwelling unit	**$6,643.00**
Medium Density Residential	per unit	**$3,618.00**
High Density Residential	per m^2 of GFA	**$42.56**
Commercial	per m^2 of GFA	**$13.84**

**The ACC rates include a 1% Municipal Assist Factor*

6.0 CONSULTATION SUMMARY

Per the *Local Government Act*, local governments are required to consult with the public, development community, and other interested parties that are affected by the development of an ACC bylaw. The ACC Best Practices Guide outlines best practices for consulting interested parties on the development of, or update to, an ACC Bylaw.

A developer roundtable engagement session was held on October 21 from 12:00-2:00PM at the Courtenay Museum (Rotary Gallery) to provide an in-person opportunity for the development

community to provide feedback on the proposed ACC rates, along with the City's DCCs and OCP. Invitations to this event were emailed out to the City's list of known developers. Engagement was done in tandem with the City's OCP update and Density Bonusing considerations. The event featured a presentation on the proposed ACC rates, opportunities for discussion with staff and other interest holders. Approximately 14 people attended the event.

For those unable to attend the roundtable, information regarding the proposed ACC program was posted on Engage Comox Valley. Feedback was also requested on the City's proposed DCCs and ACCs through a survey sent directly to a mailing list with development community contacts. The survey consisted of 17 questions and focused on various development-related topics in the City, such as timelines, zoning, and the OCP. 14 responses were received, with 10 respondents self-identifying as members of the development or building communities. The survey was sent out to

Feedback specific to the proposed ACCs from both the roundtable and the survey included:

- Support for more efficient permitting timelines for building permits, development approvals, and variances to reduce borrowing costs and off-set proposed DCC and ACC rate increases;
- Concern about the proposed ACC and DCC rates and their impact on development viability and affordable housing;
- An understanding that growth creates demand for expanded community amenities; and,
- Interest in the creation of additional ACC and DCC waivers and exemptions for eligible developments.

Council has taken this feedback into consideration alongside feedback on the DCCs when setting the ACC rates.

7.0 ACC IMPLEMENTATION

7.1 FINANCIAL FEASIBILITY

As outlined in the *LGA* and ACC Best Practices Guide, local governments are required to consider whether ACCs will deter development and discourage the construction of reasonably priced housing or the provision of reasonably priced serviced land.

The extent of the analysis can vary based on several factors, including the magnitude of the proposed charges, the local housing market, and land supply conditions.

The City retained a consultant (City Squared) to complete financial testing for ACC implementation. The final report, entitled "City of Courtenay – Financial Testing of Amenity Cost Charges (ACC), Inclusionary Zoning (IZ) and Density Bonus (DB)" was completed in the fall of 2025 and presented to Council in October 2025. As part of this work, proforma analysis was completed on several development case studies using the proposed ACC rates.

The report recommends that the ACC remain at the modest rate proposed and that the City also consider minimum base densities to ensure development remains viable, particularly in this challenging economic market of high interest rates and depressed demand.

7.2 BYLAW EXEMPTIONS

As per s. 570.4 of the *LGA,* an amenity cost charge is not payable if any of the following apply at the time of application for a building permit:

- No increase in the population of residents or workers is expected to result from the development;
- An ACC in respect of a particular amenity is not payable if an ACC in respect of that amenity has previously been paid for the same development, unless further development is expected to result in an increase in the population of residents or workers;
- An ACC is not payable in relation to affordable and special needs housing units that are required under an affordable and special needs housing zoning bylaw as defined under section 478.1 and 482.7 of the *LGA*;
- Units created through Inclusionary Zoning bylaws;
- The development falls within a class of rental units, supportive housing, cooperative housing, transitional housing, or emergency shelters as prescribed by regulation; or,
- The building permit authorizes the construction, alteration, or extension of a building or part of a building that is, or will be, after the construction, alteration, or extension, exempt from taxation under section 220(1)(h) or 224(2)(f) of the *Community Charter*;
- The *LGA* or any regulations thereunder provide that no ACC is payable.

7.3 COLLECTION OF CHARGES – BUILDING PERMIT AND SUBDIVISION

The *LGA* allows for ACCs to be collected at one of two times:

1. Subdivision approval; or,
2. Issuance of a building permit.

Of these two collection times, subdivision approval occurs earlier.

Local governments should consider the timing of amenity construction, along with the potential impacts of collection time on cash flow. For administrative simplicity, it is recommended that municipalities align ACC collection times with those set for DCCs.

The City will collect ACCs for Low Density Residential uses at time of final subdivision approval. Collecting ACCs early will allow the City to ensure the timely provision of amenities. ACCs for other residential land use categories will be collected prior to building permit issuance, when the final number of apartment or townhouse units are known.

Non-residential land uses will also be levied ACCs at time of building permit when the total floor area is known.

7.4 COLLECTION OF ACCs ON REDEVELOPED OR EXPANDED DEVELOPMENTS

Collection of ACCs in cases of redevelopment or expansion will follow the precedent set by DCC collection: where a credit is provided for the existing development, ACCs would only apply to any additional floor space added.

7.5 IN-STREAM PROTECTION

The proposed ACC rates would be in force the date the ACC Bylaw is adopted. Protection from rate increases for development applications that are submitted prior to the adoption date will be provided as per legislation.

There are two ways a developer can qualify for exclusion from the new ACC rates:

1. Pursuant to section 511 of the *LGA* (subdivision).

   If the new ACC Bylaw is adopted after a subdivision application is submitted and the applicable subdivision fee is paid, the new ACC Bylaw has no application to the subdivision for 12 months after the ACC Bylaw is adopted. As such, if the subdivision is approved during the 12 months' in-stream protection period, no ACC rates apply. This only applies in cases where ACCs are levied at subdivision.

OR

2. Pursuant to section 568 and 570.91 of the *LGA* (building permits).

   The new ACC Bylaw is not applicable to a construction, alteration, or extension if: (a) a building permit is issued within 12 months of the new ACC Bylaw adoption, AND (b) either a building permit application, a development permit application or a rezoning application associated with the construction (defined as "precursor application") is in-stream when the new ACC Bylaw is adopted, and the applicable application fee has been paid. The development authorized by the building permit must be entirely within the area subject to the precursor application.

The above is a summary of sections 511, 568, and 570.91 of the *LGA* and not an interpretation or an explanation of these sections. Developers are responsible for complying with all applicable laws and bylaws and seeking legal advice as needed.

Note: One year in-stream protection is based on the adoption date of the ACC Bylaw, not the effective date.

To reduce the initial impact of the ACC rates on development viability, Council may opt to increase the Municipal Assist Factor (MAF) and reduce it annually (i.e., an assist factor of 25% in Year 1, followed by 5% reductions each subsequent year until it reaches the minimum 1%).

7.6 REBATES AND CREDITS

The City should establish a practice to guide staff in the collection of ACCs and the use of ACC credits. Policies for ACC credits, rebates and latecomer agreements are often drafted to assist staff with development financing.

7.7 ACC MONITORING AND ACCOUNTING

To monitor the ACC Program, the City should enter all the projects contained in the ACC program into a tracking system. The tracking system would monitor the status of the project from the conceptual stage through to its final construction. The tracking system would include information about the estimated costs, the actual construction costs, and the funding sources for the projects. The construction costs would be based on the tender prices received, and the land costs based on the actual price of utility areas and or other land and improvements required for servicing purposes. The tracking system would indicate when projects are completed, their actual costs, and would include new projects that are added to the program.

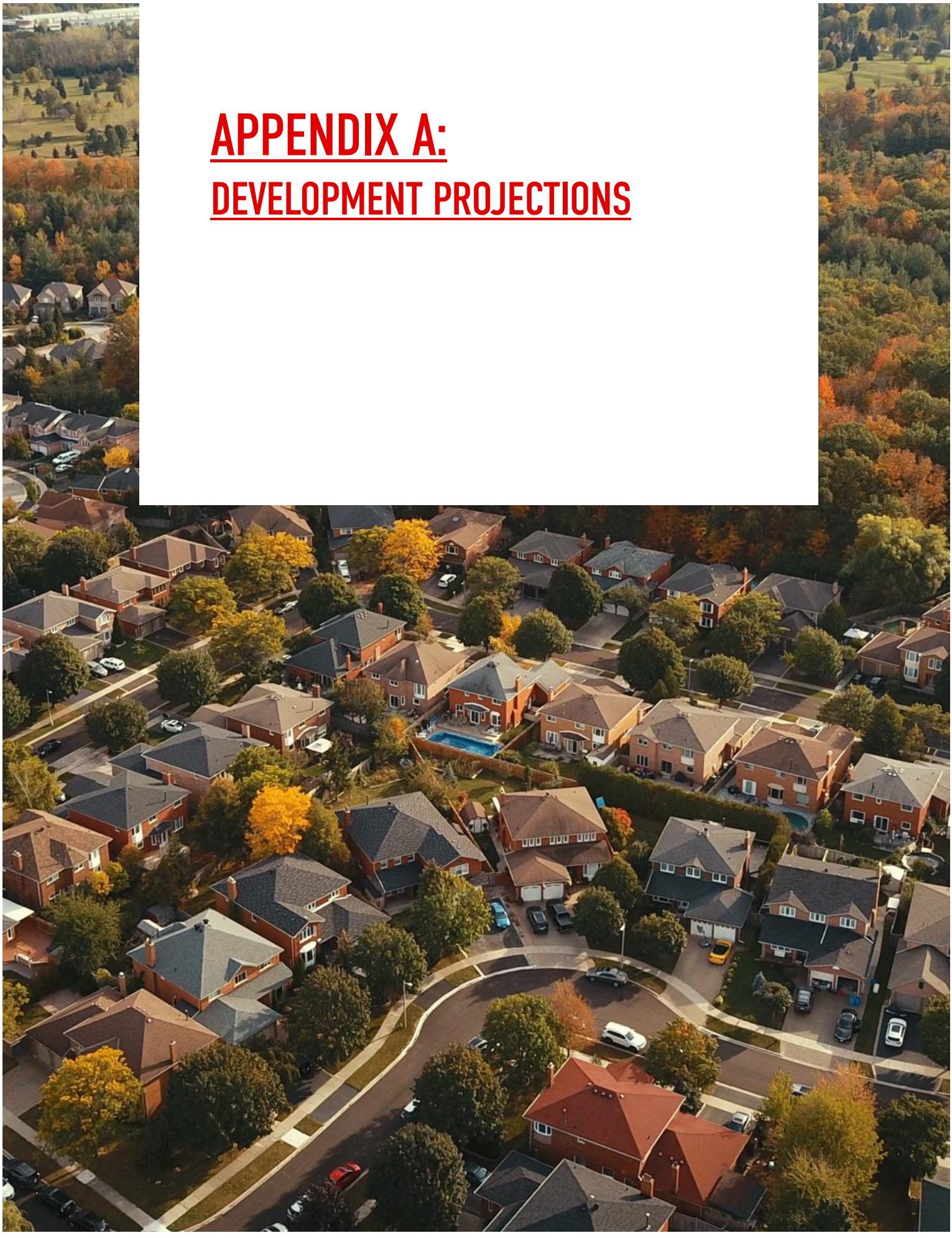
As part of the creation of an ACC program, s. 570.8 of the *LGA* requires that the City deposit ACCs into a statutory reserve fund established by separate bylaw.

7.8 ACC REVIEWS

As ACC reviews and updates do not require Ministry approval, the program may be updated as needed. However, it is recommended to complete ACC bylaw updates in tandem or with consideration with DCC updates, financial planning, OCP, Housing Needs Report, or Zoning Bylaw updates to support efficiency and greater alignment. Regular updates can prevent sudden rate increases, which may affect development viability.

APPENDIX A:

DEVELOPMENT PROJECTIONS



CITY OF COURTENAY
DEVELOPMENT FORECAST
ACC PROGRAM

FINAL PROJECTIONS

Land Use	Unit	Growth Projections (20y) City-wide	Rounded Growth Projections (20y) City-wide
Low Density Residential	lot or dwelling unit	645	**650**
Medium Density Residential	unit	2,578	**2,600**
High Density Residential	unit *sq. m. gross floor area*	3,223 239,533	3,200 ***239,500***
Commercial	sq. m. gross floor area	144,336	**144,300**

FINAL EQUIVALENCIES

Land Use	Units	ACCs (Equivalent Pop. Factor)
Low Density Residential	lot or dwelling unit	3.36
Medium Density Residential	unit	1.83
High Density Residential	unit	1.60
Commercial	sq. m. gross floor area	0.0070

Notes and Assumptions:
- Growth estimates pulled in from DCC program and revised 2025-08-25
- Average unit size pulled in from DCC Program and based on typical size in City

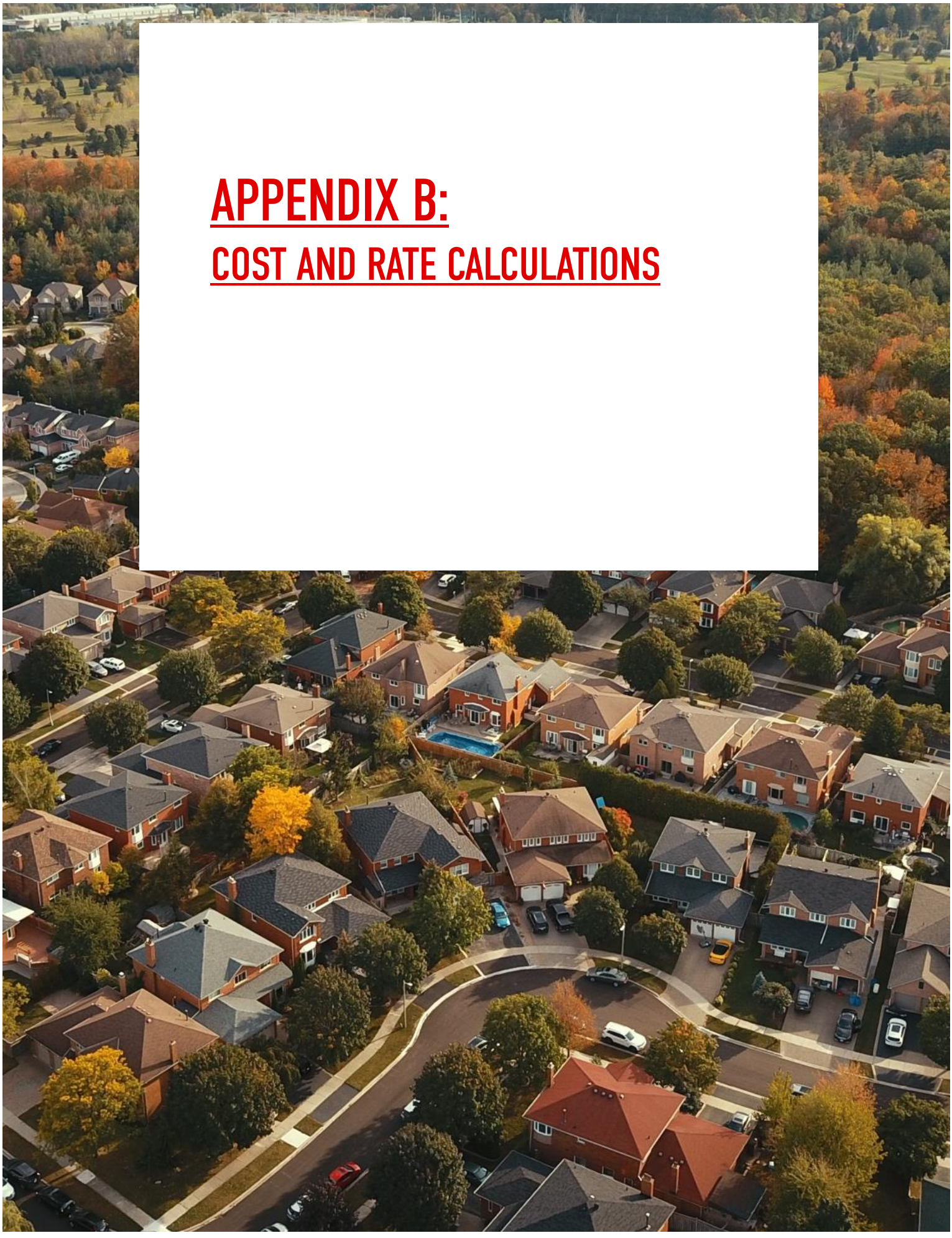
Land Use	Average Unit Size (sq.m.)
Low Density Residential	232.26
Medium Density Residential	139.35
High Density Residential	74.32

Sources:

BC Stats. (2025). *Population Estimates, Projection, and Statistics - City of Courtenay.* Government of British Columbia.
Statistics Canada. (2025). *2021 Census - Structural Type of Dwelling and Household Size.* Government of Canada.
City of Courtenay. (2024). *Housing Needs Report.*
City of Courtenay. (2019-2023). Building Permit Data.
Staff conversations across departments.

APPENDIX B:

COST AND RATE CALCULATIONS



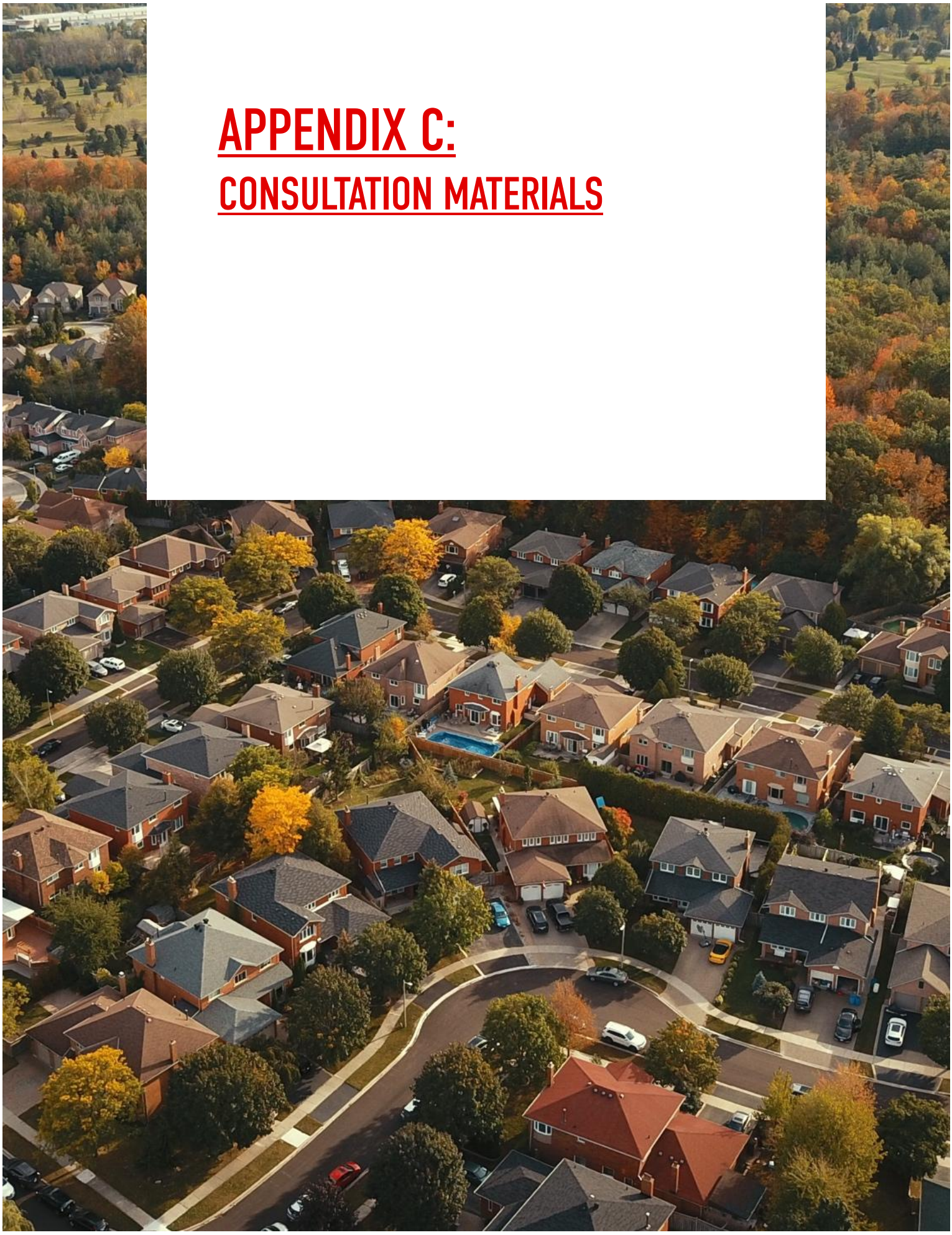
CITY OF COURTENAY
ACC PROGRAM

ACC Project ID	Project Name	Cost Estimate (2024$)	Benefit Factor %	Benefit to New Development	Municipal Assist Factor 1%	ACC Recoverable	Total Municipal Responsibility
A-001	Community Centre Expansion	$20,000,000	50%	$10,000,000	$100,000	$9,900,000	$10,100,000
A-002	Florence Filberg Centre Expansion	$5,000,000	25%	$1,250,000	$12,500	$1,237,500	$3,762,500
A-003	Recreation Facility Expansion	$32,000,000	30%	$9,600,000	$96,000	$9,504,000	$22,496,000
A-004	Sportsfields Improvements (e.g., field and diamond addition)	$5,000,000	25%	$1,250,000	$12,500	$1,237,500	$3,762,500
A-005	Pickleball Court Improvements and Construction	$600,000	30%	$180,000	$1,800	$178,200	$421,800
A-006	Dog Park Construction and Improvements	$150,000	50%	$75,000	$750	$74,250	$75,750
A-007	Cultural Facility Expansion	$5,000,000	50%	$2,500,000	$25,000	$2,475,000	$2,525,000
A-008	LINC & Skateboard Park Improvements	$1,000,000	25%	$250,000	$2,500	$247,500	$752,500
A-009	Spray Park	$2,000,000	25%	$500,000	$5,000	$495,000	$1,505,000
A-010	Park Amenity Program	$2,000,000	25%	$500,000	$5,000	$495,000	$1,505,000
TOTALS		**$72,750,000**		**$26,105,000**	**$261,050**	**$25,843,950**	**$46,906,050**

CITY OF COURTENAY
ACC RATE CALCULATION

A: ACC Calculation					
Land Use	Col. (1)	Col. (2)	Col. (3)	Col. (4) = (1) x (3)	Col. (5) = (4) / (a)
	Estimated New Development	Unit	Person per unit (residential)/ Equivalent Population/m2 (other land uses)	Multiple	% Population Equivalent
Low Density Residential	650	lot or dwelling unit	3.36	2,184	17%
Medium Density Residential	2,600	unit	1.83	4,758	36%
High Density Residential	3,200 *239,500*	unit *sq. m. gross floor area*	1.60	5,120	39%
Commercial	144,300	sq. m. gross floor area	0.0070	1,010	8%
			Total Equivalent Population	13,072 (a)	100%
B: Unit ACC Calculation					
Net ACC Program Recoverable		$25,843,950	(b)		
Existing ACC Reserve Monies		$0	(c)		
Net Amount to be Paid by ACCs		$25,843,950	(d) = (b) - (c)		
ACC per Person		$1,977.03	(e) = (d) / (a)		
C: Resulting ACCs					**DCC Revenue Estimates**
Low Density Residential		$6,643.00	per lot or dwelling unit	(e) x Col. (3)	$4,317,950
Medium Density Residential		$3,618.00	per dwelling unit	(e) x Col. (3)	$9,406,800
High Density Residential		$3,163.00 *$42.56*	per dwelling unit *per sq. m. gross floor area*	(e) x Col. (3)	$10,121,600
Commercial		$13.84	per sq. m. gross floor area	(e) x Col. (3)	$1,997,112

APPENDIX C:
CONSULTATION MATERIALS



ACC Bylaw Development Process

PROGRAM DEVELOPMENT

★ *WE ARE HERE*

- Estimate growth
- Develop ACC project list
- **Consider draft Assist Factor** — *COUNCIL INPUT*
- Calculate draft ACC Rates

BYLAW ADOPTION

- **Present Draft ACC Rates to Council** — *COUNCIL INPUT*
- Consult with Interested Parties ★
- **Adopt ACC Bylaw** — *COUNCIL INPUT*

Note: Upon bylaw adoption, there is a 12-month grace period for in-stream development

What are ACCs?

- Help communities recover the costs of **amenities that provide social, cultural, heritage, recreational, or environmental benefits to a community**
- Closely resemble DCCs
  - Charges for one-time capital costs
  - Growth-driven
- **Provincially-regulated** development finance tool
  - Bill 46
  - Division 19.1 of the *Local Government Act*
  - ACC Best Practices Guide



Why use ACCs?

- Fosters a **fair and equitable** approach where growth pays for growth and infrastructure costs are **transparent**
- Creates **consistency and clarity** for the development community compared to negotiated CACs
- Ensures certainty that amenities support **growth and development**
- **Minimizes financial risk** to the City
- Ensures **timely processing** of development applications



How is the ACC Rate Determined?



GROWTH PROJECTIONS

Identify where more housing supply/growth is expected

Technical Inputs



IDENTIFY AMENITIES

Determine amenities needed, costs, and timing

Technical Inputs



ACC RATES

Prepare ACC program and determine ACC rates

Technical Inputs



CONSULTATION

Consult with stakeholders on the ACCs

Technical Inputs



BYLAW ADOPTION

Council Adoption of the ACC Bylaw

Policy Inputs

Note: Economic analysis to determine the impacts of the ACC program on development viability is now a requirement (extent of the analysis varies)

What Works are ACC-eligible?

ACCs can be used to fund:

Amenities (non-exhaustive)

- Community, youth, or seniors' centre
- Recreation or athletic facility
- Library
- Daycare facility
- Public square

ACCs cannot be used to fund:

- Projects otherwise eligible for DCCs
- Projects needed to serve the **existing** population (deficiencies, asset replacement), i.e., **ACC projects must be growth-related**
- Operations and Maintenance Costs

Allocating Benefit

- Each project is assigned a benefit allocation between 1% and 100%
  (projects that are not growth-driven (0%) are ineligible for ACCs)
- Percent is based on the extent to which a project will benefit new development
- Ensures costs are shared equitably between existing and future users (benefiters)
- Majority of projects in an infill setting/built out community are likely to have a shared benefit allocation



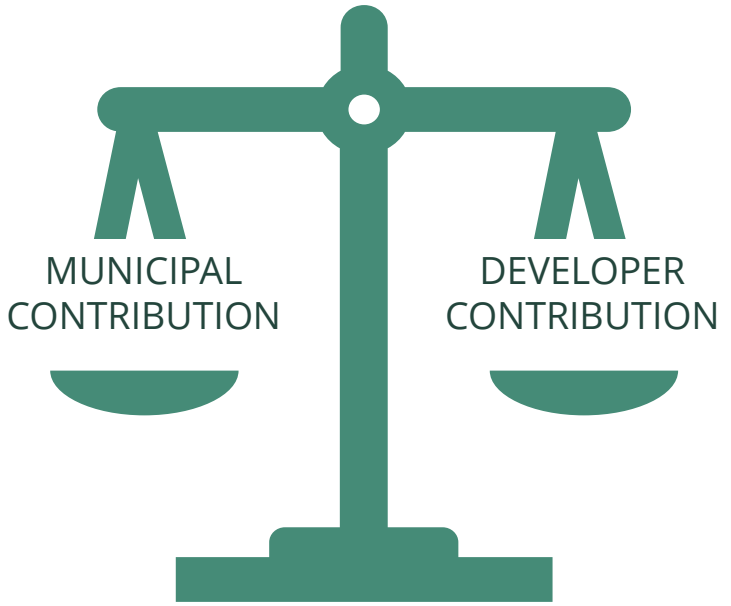
LOW BENEFIT TO DEVELOPMENT
PRIMARILY SERVES EXISTING POP.
MINIMAL ACCs RECOVERABLE

SHARED BENEFIT TO DEVELOPMENT
SERVES FUTURE & EXISTING POP.
SOME ACCs ARE RECOVERABLE

HIGH BENEFIT TO DEVELOPMENT
PRIMARILY SERVES FUTURE POP.
MAXIMUM ACCs RECOVERABLE

Municipal Assist Factor

- Legislation requires local governments to assist development for ACCs
- Assist amount must be made up through non-ACC revenue (general taxation)
- **Council has complete discretion** to set an assist factor between 1% (least assistance) and 99% (most assistance)
- The assist factor can be set by **project category** (e.g., library amenities, public square, daycare amenities); not by land use type



The assist factor is Council's tool to adjust rates.

Statutory Exemptions (Under Legislation)

ACC Exemptions
• Buildings for public worship • Development does not result in growth • ACCs have been charged previously • In-stream applications (complete) • Inclusionary housing • Cooperative housing • Supportive housing • Transitional housing • Emergency shelters • Classes of affordable housing

In-stream Protection

A complete application is one:

- ☑ That has been received
- ☑ Is complete
- ☑ Has been paid

New ACC rates apply upon bylaw adoption, but in-stream protection may apply for eligible ***complete*** applications:

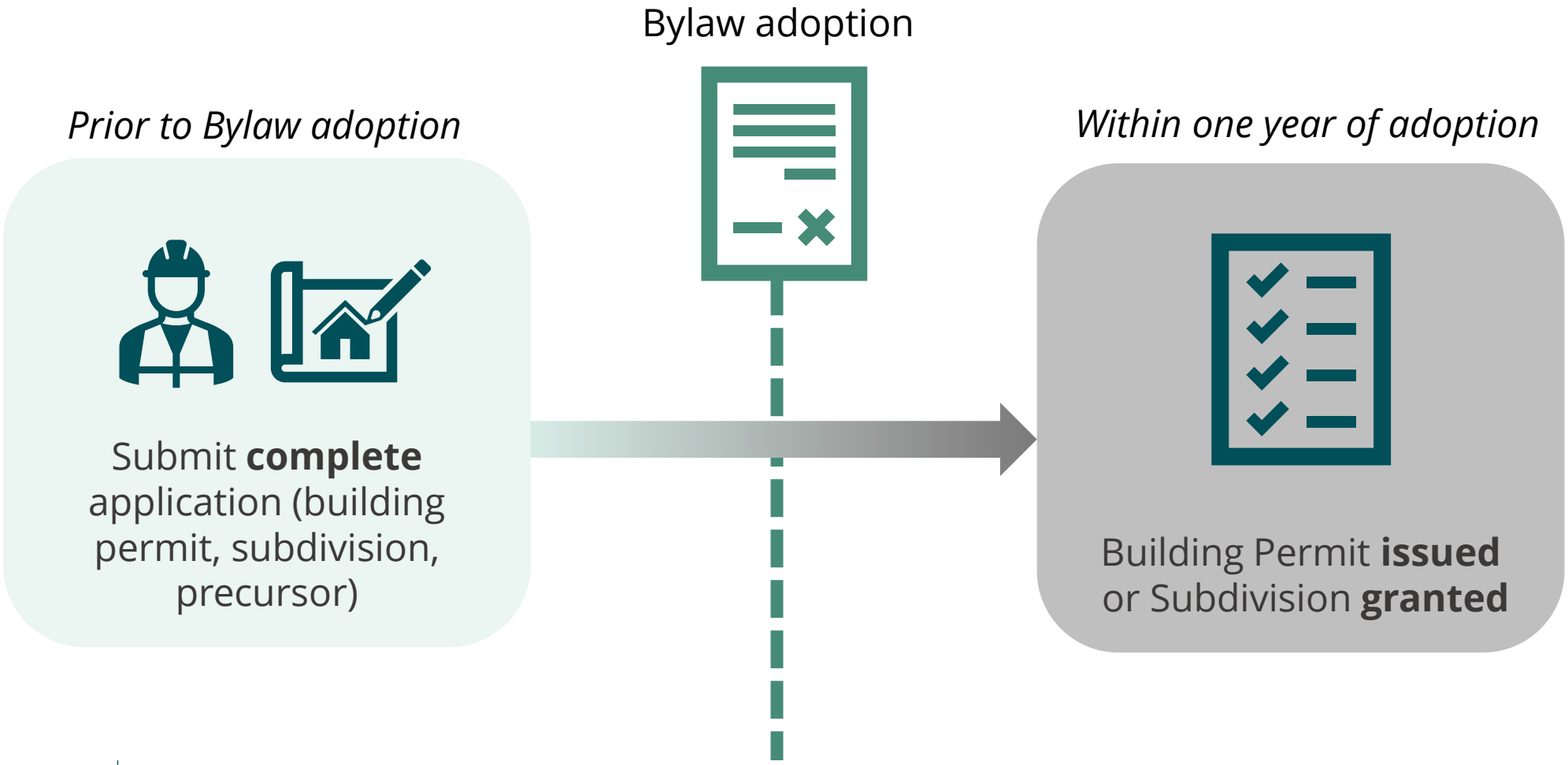
Subdivision (LGA Sec. 511)

- Subdivision application submitted before bylaw adoption and fee paid
- Exempt from new rates for 12 months
- Subdivision must be approved within that time

Building Permit (LGA Sec. 568)

- Building permit issued within 12 months of adoption
- Requires precursor application (building, DP, or rezoning) submitted and paid before adoption
- Development must be fully within precursor area

In-stream Protection



Waivers and Reductions

Council can waive or reduce ACCs on eligible developments, including:

ACCs:

- Not-for-profit affordable housing
- For-profit rental housing
- Housing subject to requirements under an affordable and special needs housing zoning bylaw

- Waivers and Reductions can be established in a separate bylaw (does not require Ministerial approval); the City currently has Bylaw 3118 in place to support DCC waivers for affordable housing, which should be reviewed in advance of its 2027 expiry
- Where an ACC is waived or reduced, **the amount waived must be supported by non-ACC revenues (e.g., taxation)**

Proposed ACC Rates

ACC Project List

- Community Centre Expansion
- Florence Filberg Centre Expansion
- Outdoor Pool Expansion
- Sportsfield Improvements
- Pickleball Court Improvements and Construction
- Dog Park Construction and Improvements
- Cultural Facility Expansion
- LINC and Skateboard Park Improvements
- Spray Park Construction
- Park Amenity Program



Proposed ACC Rates

Land Use	Unit of Charge	Proposed ACC Rates (1% MAF)
Low Density Residential	Per Lot / Dwelling Unit	**$6,643.00**
Medium Density Residential	Per Unit	**$3,618.00**
High Density Residential	Per m^2 Gross Floor Area (GFA)	**$42.56**
Commercial	Per m^2 GFA	**$13.84**

ACC Cost Summary

Service	Total Capital Costs ($M)	Benefit Allocation	Municipal Assist Factor	ACC Recoverable ($M)	Municipal Costs ($M)	Annual Municipal Costs (20 Y; $M)
Amenities	$73	25-50%	1%	$26	$47	$2.3

Payment by Instalments – NEW! EFFECTIVE JANUARY 1, 2026

- Updated regulations provide greater flexibility for payment of DCCs and ACCs by instalment
- Applies to DCCs and ACCs over $50,000
- Qualified developers and homebuilders will be able to:
  - Use on-demand surety bonds province-wide
  - Pay 25% of DCC and ACC charges at permit approval and pay the remaining 75% at the earlier of occupancy or 4 years

ACC Bylaw Development Process

PROGRAM DEVELOPMENT

★ *WE ARE HERE*

- Estimate growth
- Develop ACC project list
- **Consider draft Assist Factor** — *COUNCIL INPUT*
- Calculate draft ACC Rates

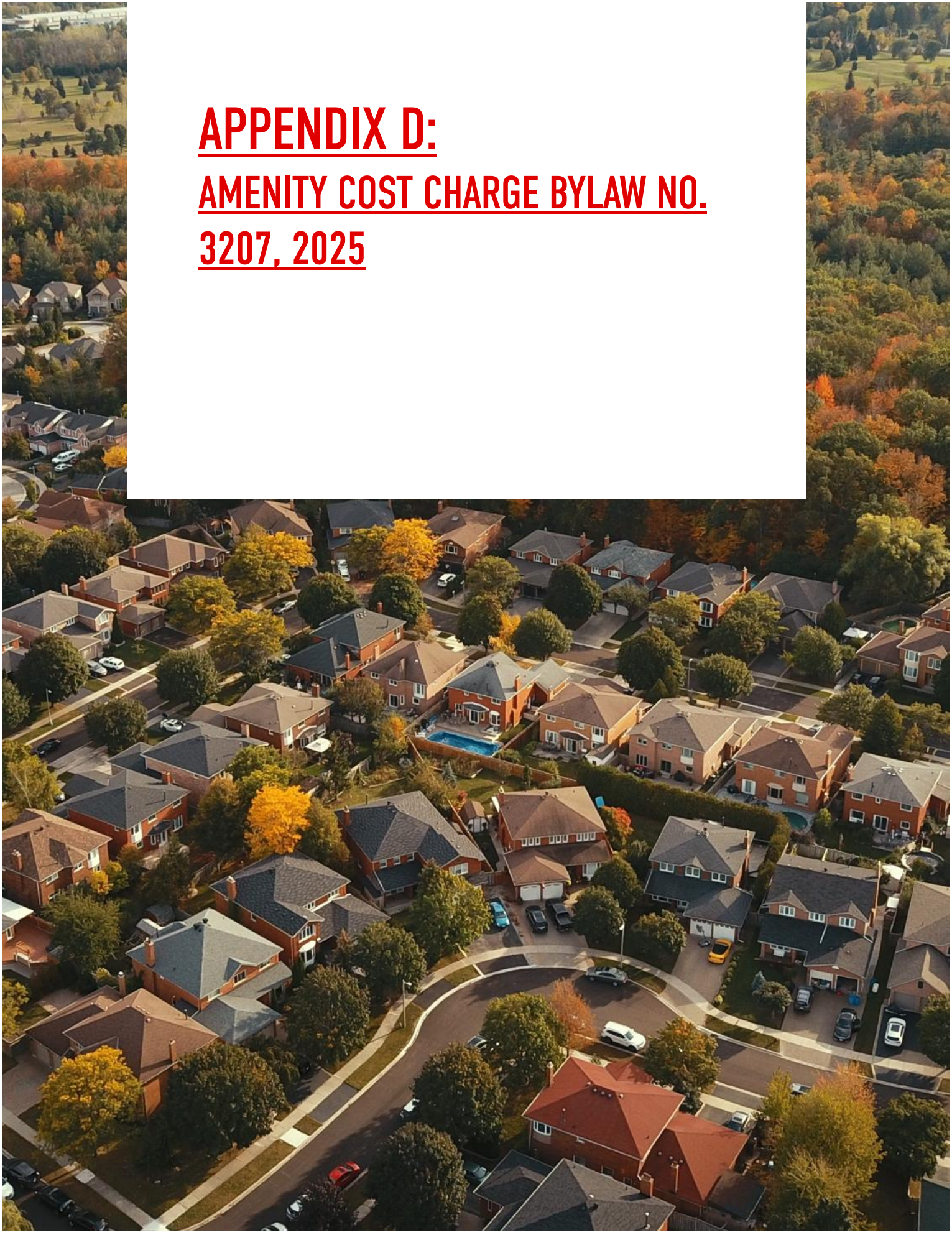
BYLAW ADOPTION

- **Present Draft ACC Rates to Council** — *COUNCIL INPUT*
- Consult with Interested Parties ★
- **Adopt ACC Bylaw** — *COUNCIL INPUT*

Note: Upon bylaw adoption, there is a 12-month grace period for in-stream development

APPENDIX D:

AMENITY COST CHARGE BYLAW NO. 3207, 2025



The Corporation of the City of Courtenay

Bylaw No. 3207

A bylaw to impose Amenity Cost Charges

WHEREAS pursuant to the *Local Government Act,* the Council of the City of Courtenay may, by bylaw, impose amenity cost charges;

AND WHEREAS amenity cost charges may be imposed for the purpose of providing funds to assist the municipality in paying the capital costs of providing, constructing, altering, or expanding a facility or feature (amenity) that provides social, cultural, heritage, recreational or environmental benefits to a community and service, directly or indirectly, the development for which the charges are imposed;

AND WHEREAS Council has considered the charges imposed by this bylaw in relation to future land use patterns and development, the phasing of works and services and the provision of park land described in the Official Community Plan, expected increases in population growth of residents and workers, the Financial Plan, and how development designed to result in a low environmental impact may affect the capital costs of facilities or features;

AND WHEREAS in the opinion of the Council, the charges imposed by this Bylaw are related to capital costs attributable to projects included in the municipality's financial plan and long-term capital plans, and to capital projects consistent with the Official Community Plan.

NOW THEREFORE the Council of the City of Courtenay, in open meeting assembled, enacts as follows:

Citation

1. This Bylaw shall be cited as "**Amenity Cost Charges Bylaw No. 3207, 2025**".

Definitions

2. In this Bylaw:

"Building Permit"	means any permit required under the City of Courtenay Building Bylaw, as amended, or repealed and replaced from time to time.
"City"	means the City of Courtenay.
"Commercial"	means a Commercial Development in a Commercial Zone, or a 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 permitted uses, is of a Commercial nature. Commercial uses generally include buying, selling, or trading of goods or services direct to consumers, administrative, professional or other business operations.
"Construction"	includes building, erection, installation, repair, alteration, addition, enlargement, moving, relocating, reconstruction, demolition, removal, excavation, or shoring requiring a Building Permit.
"Detached Accessory	means a self-contained Dwelling Unit designed to the applicable

Dwelling Unit"	regulations under the Zoning Bylaw, that is detached from and clearly accessory to a One-Unit Dwelling or Two-Unit Dwelling and includes coach houses, carriage houses, or laneway houses, and may be situated above a detached garage.
"Development"	means Construction that requires the issuance of a Building Permit or Subdivision.
"Dwelling, Multiple-Unit"	means a principal building consisting of three (3) or more Dwelling Units.
"Dwelling, One-Unit"	means a principal building used exclusively for residential purposes and consisting of one (1) Dwelling Unit and may include a fully enclosed Secondary Suite as an independent Dwelling Unit located within the principal building.
"Dwelling, Two-Unit"	means a principal building used exclusively for residential purposes and consisting of two (2) principal Dwelling Units, and each principal Dwelling Unit in a Two-Unit Dwelling may include one fully enclosed Secondary Suite as an independent Dwelling Unit located within the principal building.
"Dwelling Unit"	means a room, a suite of rooms or a building or structure that is used or intended to be used as a self-contained private residence for one (1) household that may contain eating, living, sleeping and sanitary facilities.
"Gross Floor Area" or "GFA"	means the sum of the total floor area on a Lot of each storey in each building measured to the outside face of the exterior walls; excludes the areas of canopies, sundecks, outside stairs, concealed parking, separate and attached carports and garages.
"High Density Residential"	means a Multiple-Unit Dwelling with self-contained Dwelling Units accessed through a common hallway, one or more of which are wholly or partly above another self-contained Dwelling Unit. For the purpose of calculating amenity cost charges, High Density Residential also includes a Detached Accessory Dwelling Unit except for one Detached Accessory Dwelling Unit associated with a One-Unit Dwelling.
"Industrial"	means an Industrial Development in an Industrial Zone, 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. Industrial uses generally include manufacturing, processing, fabricating, distilling, brewing, assembling, storing, transporting, distributing, wholesaling, testing, servicing, repairing, wrecking, recycling or salvaging of goods, materials or things for direct use or resale to individual business customers, and not for the general public and includes cannabis grow operations.
"Institutional"	means an Institutional Development in an Institutional Zone or a 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 Institutional nature. Institutional use generally includes non-profit civic facilities, services dedicated to religious, charitable, educational, health, or welfare purposes, and Community Care Facilities.
"Lot"	means any Lot, parcel, block, or other area in which land is held or into which it is legally subdivided, and for certainty, includes a bare land strata Lot under the *Strata Property Act*.
"Low Density Residential"	means a One-Unit Dwelling, or One-Unit Dwelling plus one Detached Accessory Dwelling Unit.
"Mobile Home"	means a building containing one (1) Dwelling Unit, built in a factory environment in one or more sections, intended to be occupied in a place other than its manufacture and is constructed to the CAN/CSA Z-240 (Mobile Home) standard, but excludes recreational vehicles.
"Mobile Home Park"	means a Lot used for the accommodation of two or more Mobile Homes placed on constructed pads.
"Medium Density Residential"	means a Two-Unit Dwelling or Multiple-Unit Dwelling with self-contained Dwelling Units accessible through separate, ground-oriented entrances. Forms include Mobile Home Parks, duplexes, triplexes, fourplexes and townhouses.
"Secondary Suite"	means a self-contained Dwelling Unit that is smaller than, secondary to, and connected to a principal Dwelling Unit located within a principal building on the same Lot. For the purposes of this Bylaw a Secondary Suite is deemed not to be a separate Dwelling Unit from the principal Dwelling Unit.
"Subdivision"	means a Subdivision as defined in the *Land Title Act* or *Strata Property Act*.
"Zone"	means the Zones identified and defined in the Zoning Bylaw.
"Zoning Bylaw"	means the City of Courtenay Zoning Bylaw, as amended, or repealed and replaced from time to time.

Interpretation

3. **In this Bylaw**

   a. words importing the singular number include the plural and vice versa and words importing the neuter gender include the masculine and the feminine genders;

   b. headings given to sections are for convenience of reference only and do not form part of this Bylaw;

   c. unless expressly stated otherwise, a reference to a "section" is a reference to a section in this Bylaw and a reference to a "part" is a reference to a part in this Bylaw;

   d. in the event of a conflict with any term of this Bylaw with the provisions of the *Local*

Government Act authorizing the imposition of amenity cost charges, this Bylaw is to be interpreted so that it is consistent with the authority set out in the *Local Government Act*; and,

e. any reference to a statute or regulation refers to an enactment of British Columbia as amended, revised, consolidated, or replaced from time to time, and any reference to a bylaw refers to a bylaw of the City of Courtenay, as amended, revised, consolidated, or replaced from time to time.

Application

4. This Bylaw applies to all applications for Subdivision and for issuance of a Building Permit for parcels located within the City of Courtenay.

5. The attached **Schedules "A" and "B"** form part of this Bylaw.

Amenity Cost Charges

6. Pursuant to section 570.2(1) of the *Local Government Act* for the purpose of providing funds to assist the City in paying the capital costs of providing, constructing, altering or expanding the amenities set out in Schedule "B" to this bylaw to service, directly or indirectly, the Development and the increased population of residents or workers that results from the Development for which the charge is being imposed, the Amenity Cost Charges set out in Schedule "A", attached hereto and forming part of this Bylaw, are hereby imposed on every person who obtains:

    a. approval of a Subdivision of land under the *Land Title Act* or the *Strata Property Act*, that results in two (2) or more Lots on which the Zoning Bylaw permits the Construction of Low Density Residential; and,

    b. approval of a Building Permit for all other types of Development to which this Bylaw applies.

    and the amenity cost charge shall be paid upon approval of a Subdivision or issuance of a Building Permit, as the case may be.

7. All charges imposed by this Bylaw may be paid by instalments in accordance with the permissions provided in the *Local Government Act*.

Exemptions

8. Despite any other provision of this Bylaw, an amenity cost charge is not payable if any of the following applies in relation to a Development authorized by a Building Permit:

    a. the permit authorizes the Construction of a building or part of a building that is, or will be, after the Construction, exempt from taxation under section 220(1)(h) or 224(2)(f) of the *Community Charter*;

9. Despite any other provision of this Bylaw, an amenity cost charge is not payable:

    a. in relation to affordable and special needs housing units that are required under an affordable and special needs housing zoning bylaw as defined under section 478.1 of the *Local Government Act*;

    b. if no increase in the population of residents or workers is expected to result from the

development;

c. in respect of a particular amenity, if an amenity cost charge in respect of that amenity has previously been paid for the same Development, unless further Development is expected to result in an increase in the population of residents or workers;

d. in respect of a capital cost for which a development cost charge may be imposed;

e. in relation to a Development for any class of affordable housing prescribed by regulation; or,

f. the *Local Government Act* or any regulations thereunder provide that no amenity cost charge is payable.

Calculation of Applicable Charges

10. The amount of amenity cost charges payable in relation to a particular Development shall be calculated using the applicable charges set out in Schedule "A" of this Bylaw.

11. Where a type of Development is not specifically identified in Schedule "A" the amount of amenity cost charges to be paid to the municipality shall be equal to the amenity cost charges that are payable for the most comparable type of Development.

12. When a Lot or a building or structure on a Lot is used or Developed or intended to be used or Developed for more than one class of use, charges under this Bylaw shall be the aggregate of the applicable charges set out in Schedule "A" multiplied by the number of proposed Dwelling Units for Low Density Residential or Medium Density Residential and by the total square metres of GFA for High Density Residential or Commercial.

13. Where a Low Density Residential charge has been paid on a lot, the charge shall include a Dwelling, One-Unit, and one or both of the following a Secondary Suite and/or Detached Accessory Dwelling Unit.

14. The City will consider provision of an amenity in lieu of an amenity cost charge payment in accordance with section 570.9 of the *Local Government Act*.

Effective Date

15. This Bylaw shall come into force and effect the date of adoption.

Severability

16. If any portion of this Bylaw is declared invalid by a court of competent jurisdiction, then the invalid portion must be severed, and the remainder of the Bylaw is deemed valid.

Read a first time this [day] day of [month], 2025

Read a second time this [day] day of [month], 2025

Read a third time this [day] day of [month], 2025

Adopted this [day] day of [month], 2025

_____ _____

Mayor Bob Wells Corporate Officer, Adriana Proton

The Corporation of the City of Courtenay

Bylaw No. 3207

Schedule A – "Amenity Cost Charge Schedule"

Land Use	Unit	TOTAL
Low Density Residential	Per Dwelling Unit/Lot	$6,643.00
Medium Density Residential	Per Dwelling Unit	$3,618.00
High Density Residential	Per square metre of GFA*	$42.56
Commercial	Per square metre of GFA	$13.84
Institutional	Per square metre of GFA	$0.00
Industrial	Per square metre of GFA	$0.00

*GFA = Gross Floor Area

Schedule B – "Amenity List"

List of Amenities:

1. Community Centre Expansion
2. Florence Filberg Centre Expansion
3. Recreation Facility Expansion
4. Sportsfield Improvements
5. Pickleball Court Improvements and Construction
6. Dog Park Construction and Improvements
7. Cultural Facility Expansion
8. LINC and Skateboard Park Improvements
9. Spray Park Construction
10. Park Amenity Program