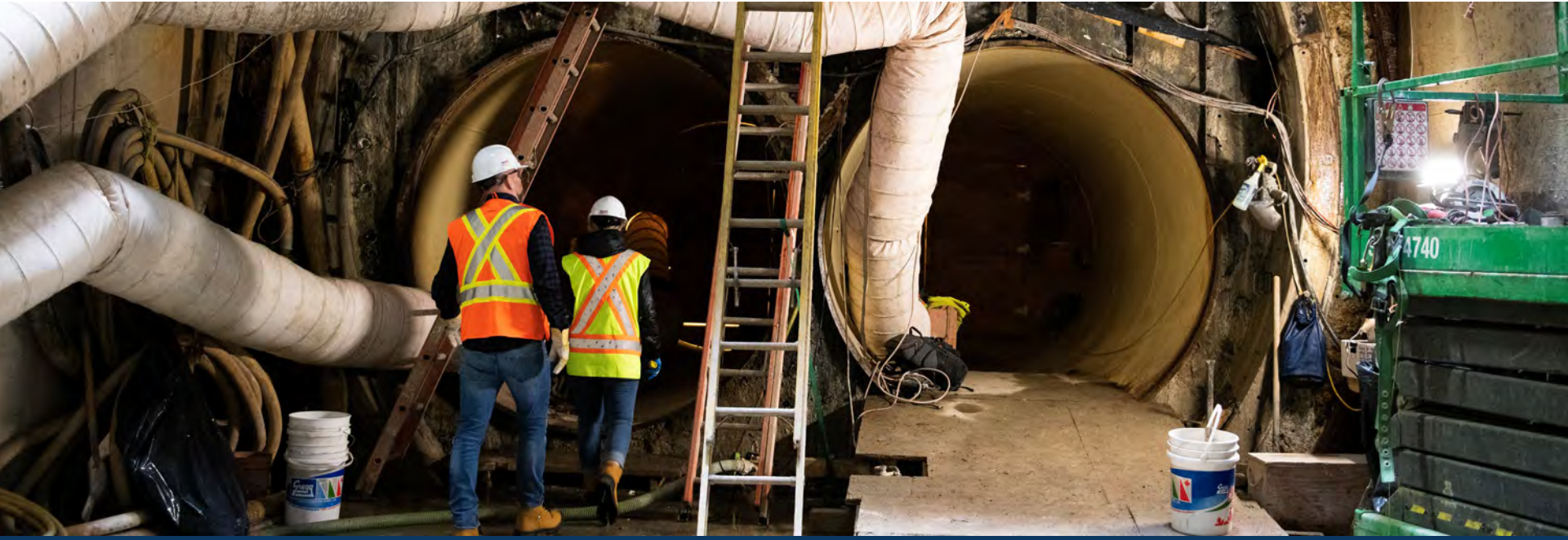


Second Narrows Water Supply Tunnel under construction

Changes to Metro Vancouver DCC Rates for 2026 - 2027

Linda Sabatini
Acting Chief Financial Officer

Heather McNell
Deputy Chief Financial Officer, Policy and Planning

Webinar May 13, 2026

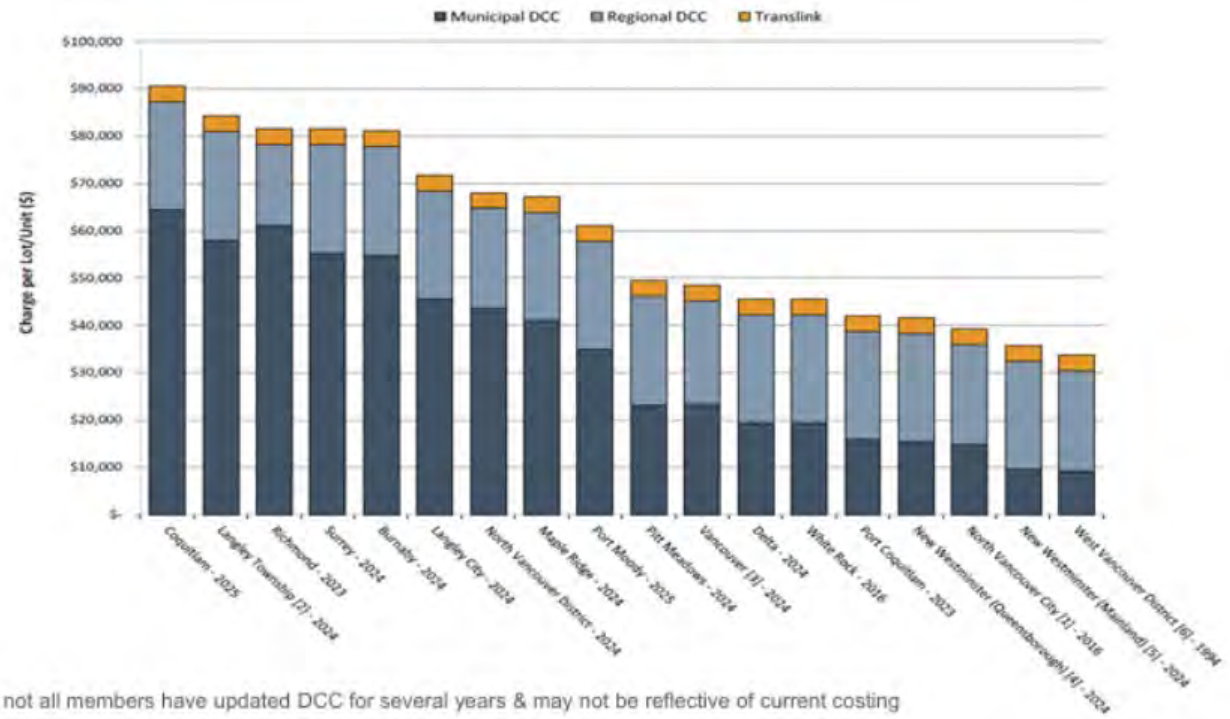
metrovancouver

METRO VANCOUVER'S DCCS

- Board approved 2025, 2026 and 2027 DCC rates in 2024 *by bylaw*
- DCCs for Liquid Waste were started in 1997; Water and Parks Acquisition in 2024 (New – prior to that all paid by existing ratepayers)
- DCCs can *only* be used to fund growth-related infrastructure
- DCCs cannot be combined – if collected for Water, must be used for Water growth capital projects
- Model for DCC revenues gets adjusted every year based on population and dwelling unit projections; economic analysis on impacts of DCCs across the region
- Rates get set every three years
- Major update to program underway – many of you involved

METRO VANCOUVER'S DCC

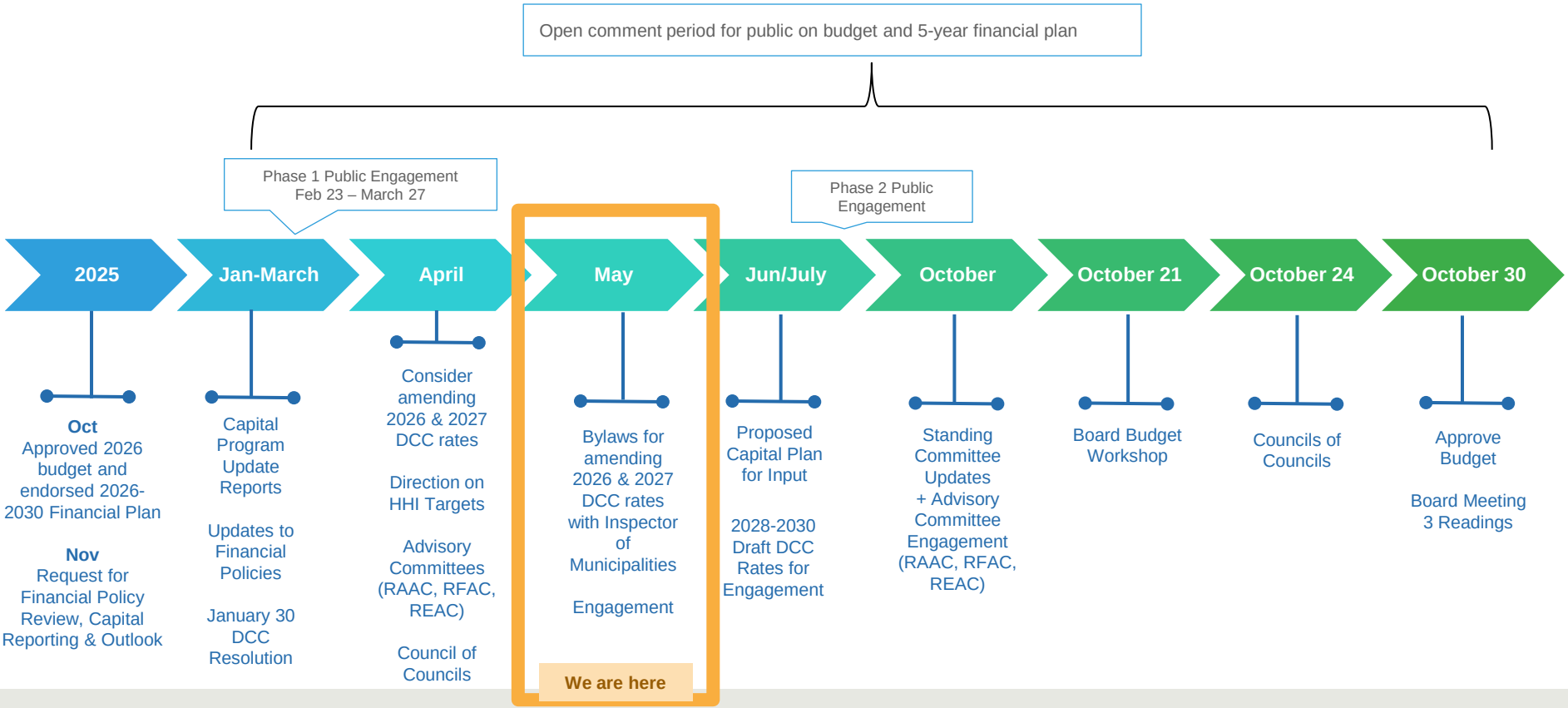
What part of the total Development Cost Charge stack is Metro Vancouver?



Overall Metro Vancouver's DCC rates make up between 21% and 63% of the total DCC payable

Note – not all members have updated DCC for several years & may not be reflective of current costing

WHERE WE ARE: 2027 BUDGET CYCLE TIMELINE



JANUARY 30, 2026 BOARD RESOLUTIONS

That the MVRD/ GVWD/ GVS&DD Boards direct staff to:

a) report back with DCC bylaw amendments to roll back 2026 DCC rates to 2025 levels; and

b) report back with a strategy to offset the roll back of DCC rates to 2025 levels with options including an option that does not increase tax or utility rates in 2026

That the MVRD/ GVWD/ GVS&DD Boards direct staff to:

a) work towards spreading the approved increase in DCC rates for 2027 and then transition to a 1% assist factor over two years instead of one; and

b) direct staff to present options one of which that does not include impacts to Household Impact

BOARD BUDGET WORKSHOP APRIL 15

Respond to Board Direction Regarding DCC Rates

1. Consider 1st-3rd readings of amendment bylaws to roll back and reduce 2026 and 2027 DCC rates
2. If reductions to 2026 and 2027 DCC rates are supported, provide direction on how to fill the funding gap created

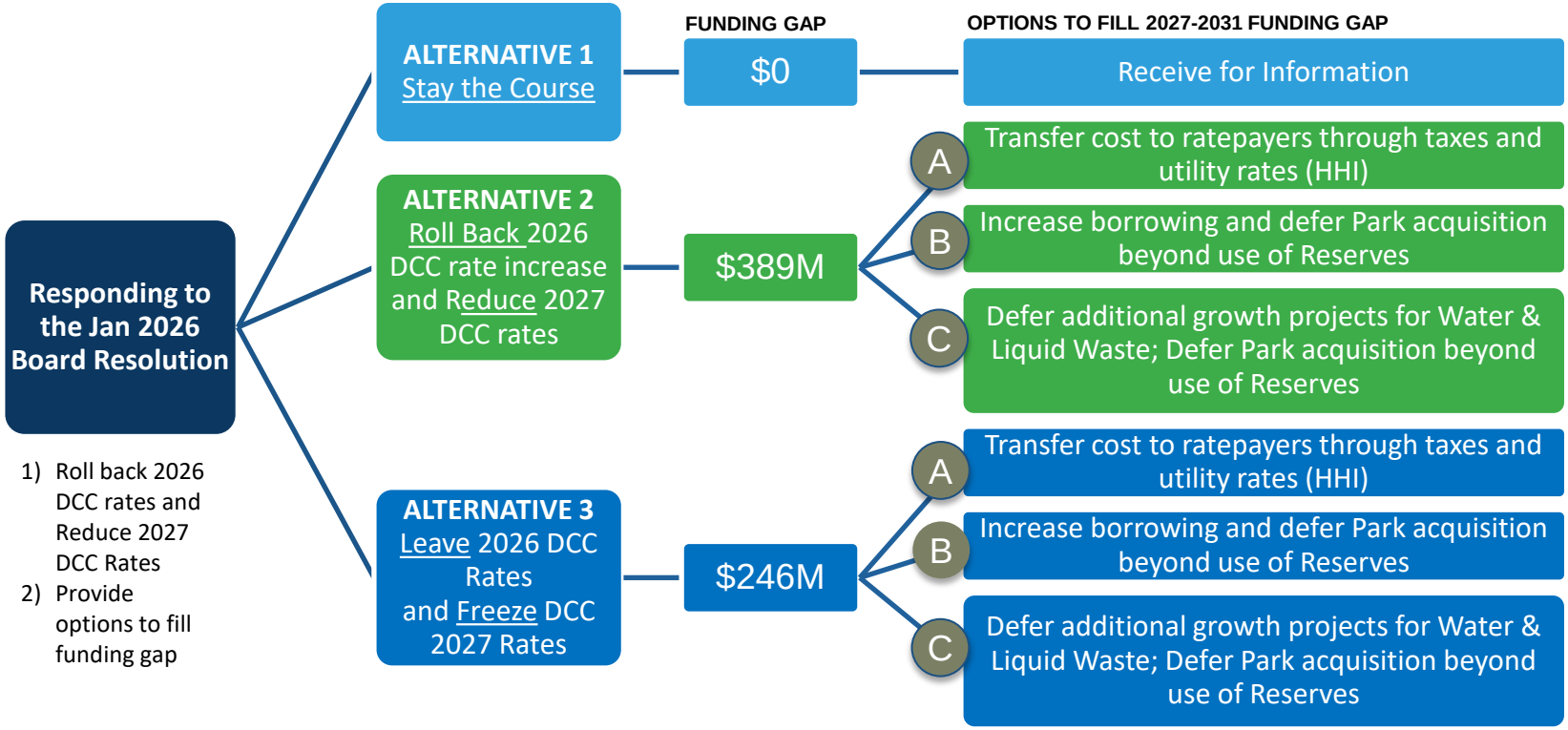
Establish Household Impact Targets for 2027-2031

3. 2027 HHI Target (Direction for October)
4. 2027-2031 HHI Targets (Direction for October)

2026 & 2027 DCC rates and options

Welding of a new watermain in Surrey

DECISION SUMMARY FOR THE BOARD



DECISION SUMMARY FOR THE BOARD

Alternative 1
Stay the Course
Current DCC Bylaws and Endorsed 5-Year Financial Plan

Existing Bylaws	2025	2026	2027	2028	2029	2030
Water	45%	15%	1%	1%	1%	1%
Liquid Waste	16%	10%	1%	1%	1%	1%
Parks Acquisition	75%	50%	1%	1%	1%	1%

Alternative 2
Roll Back and Reduce
January Board Direction ($389M Impact) Amend **2026** and **2027** rates

Board Direction	2025	2026	2027	2028	2029	2030
Water	45%	45%	22%	11%	1%	1%
Liquid Waste	16%	16%	8%	4%	1%	1%
Parks Acquisition	75%	75%	37%	18%	1%	1%

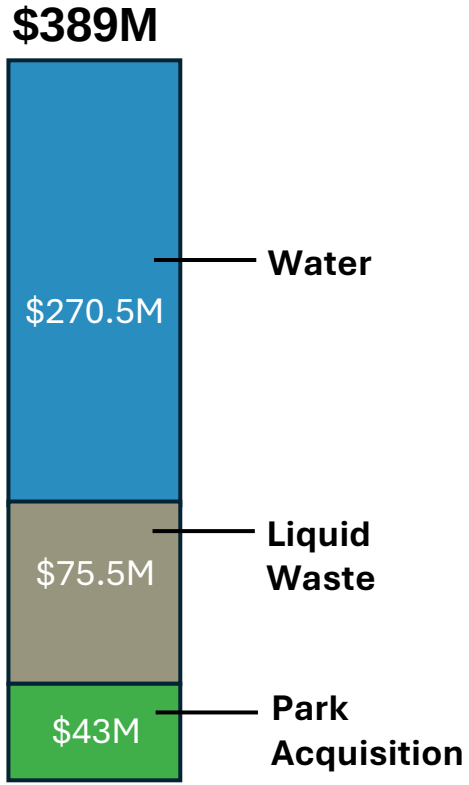
Alternative 3
Leave and Freeze
($246M Impact)
Amend **2027** rates

Alternative	2025	2026	2027	2028	2029	2030
Water	45%	15%	15%	7.5%	1%	1%
Liquid Waste	16%	10%	10%	5%	1%	1%
Parks Acquisition	75%	50%	50%	25%	1%	1%

IMPACT OF THE ROLL BACK AND REDUCE DIRECTION

- The requested changes create an estimated **$389M funding gap** over 2026-2031

- The changes to 2026 and 2027 DCC rates:
  - Impact Water, Liquid Waste, and Parks differently because each is at a different point in growth paying for growth (assist factor) and have different growth capital programs
  - Have impacts for 4+ years because of how DCC payments are phased in over several years



FUNDING GAP CREATED

ROLL BACK AND REDUCE

- Assumptions: Amended rates for 2026 come into effect July 1, 2026; 2027 = ½ previous year assist factor; move to 1% assist factor by 2029
- **$389M of lost DCC collections** from 2026 to 2031

	2026	2027	2028	2029	2030	2031	Total
Water DCC	$12.5M	$47M	$61M	$68M	$49M	$33M	$270.5M
Liquid Waste DCC	$1.5M	$9M	$13M	$17M	$18M	$17M	$75.5M
Parkland Acquisition DCC	$1M	$7M	$9M	$10M	$10M	$6M	$43M
Total	$15M	$63M	$83 M	$95M	$77M	$56M	$389M

BOARD DECISION RE: 2026 & 2027 DCC RATES

The GVS&DD, GVWD and MVRD Boards gave three readings to amendment bylaws to roll back the 2026 increase to 2025 levels, reduce the 2027 rate increase and extend the move to a 1% assist factor to 2029

To address the resulting projected $389M funding gap, the Boards opted to:

- For Liquid Waste and Water, increase the amount of long-term borrowing
- For Parks Acquisition, transfer the amount to ratepayers through the Household Impact

Additional Information

- DCC Amendment bylaws sent to the Province for approval
- Reduced rates become effective after amendment bylaw adoption (June /July 2026)
- There are no refunds or retroactive rates

DRAFT DCC RATES IF AMENDED

ROLL BACK AND REDUCE

Proposed Change in DCC Rate for Apartment Dwelling Unit

	TOTAL GVWD, GVS&DD and MVRD: Apartment Dwelling Unit							
	2026				2027			
	Existing 2026	Proposed 2026	Change	% Change	Existing 2027	Proposed 2027	Change	% Change
Sewerage Area:								
Vancouver	$17,873	$13,392	$(4,481)	-25%	$20,906	$17,323	$(3,583)	-17%
North Shore	$17,549	$13,099	$(4,450)	-25%	$20,533	$16,988	$(3,545)	-17%
Lulu Island	$14,907	$10,610	$(4,297)	-29%	$17,663	$14,296	$(3,367)	-19%
Fraser	$18,956	$14,396	$(4,560)	-24%	$22,108	$18,433	$(3,675)	-17%

DRAFT DCC RATES IF AMENDED

ROLL BACK AND REDUCE

Proposed Change in DCC Rate for Townhouse Dwelling Unit

	TOTAL GVWD, GVS&DD and MVRD: Townhouse Dwelling Unit							
	2026				2027			
	Existing 2026	Proposed 2026	Change	% Change	Existing 2027	Proposed 2027	Change	% Change
Sewerage Area:								
Vancouver	$26,406	$19,874	$(6,532)	-25%	$30,861	$25,625	$(5,236)	-17%
North Shore	$25,748	$19,277	$(6,471)	-25%	$30,113	$24,947	$(5,166)	-17%
Lulu Island	$21,423	$15,208	$(6,215)	-29%	$25,404	$20,537	$(4,867)	-19%
Fraser	$26,865	$20,296	$(6,569)	-24%	$31,375	$26,096	$(5,279)	-17%

DRAFT DCC RATES IF AMENDED

ROLL BACK AND REDUCE

Proposed Change in DCC Rate for Residential Lot Development Unit

	TOTAL GVWD, GVS&DD and MVRD: Residential Lot Development Unit							
	2026				2027			
	Existing 2026	Proposed 2026	Change	% Change	Existing 2027	Proposed 2027	Change	% Change
Sewerage Area:								
Vancouver	$29,197	$21,941	$(7,256)	-25%	$34,133	$28,322	$(5,811)	-17%
North Shore	$28,385	$21,203	$(7,182)	-25%	$33,214	$27,487	$(5,727)	-17%
Lulu Island	$24,059	$17,126	$(6,933)	-29%	$28,512	$23,077	$(5,435)	-19%
Fraser	$30,218	$22,886	$(7,332)	-24%	$35,270	$29,370	$(5,900)	-17%

Questions

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