metrovancouver

Understanding Metro Vancouver's Development Cost Charges

A guide for developers and municipal staff

Effective September 2026 to December 2027

Second Narrows Water Supply Tunnel Construction

Metro Vancouver’s Regional Development Cost Charges

Development cost charges (DCCs) are one-time fees collected by local governments and are applied to new developments at the time of building permit issuance (or subdivision approval). DCCs are a tool provided by the Province, regulated by the *Local Government Act*, and help fund the cost of growth-related infrastructure.

Metro Vancouver’s DCCs are collected to fund growth-related expansion of regional sewerage, drinking water infrastructure, and parkland acquisitions. DCCs do not pay for upgrading or maintaining existing infrastructure.

Revising Metro Vancouver’s DCC rates

Metro Vancouver regularly updates its DCC program about every three years based on the Capital Plan and growth projections, as well as current social, political, and economic circumstances. This work is integrated with the regular review and update of Metro Vancouver’s Capital Plan, which informs the proposed DCC rates.

In March 2024, Metro Vancouver revised the sewer and water DCC rates, introduced a parkland acquisition DCC, and published rates for 2026 to 2028.

In July 2026, Metro Vancouver rolled back Metro Vancouver’s 2026 DCC increases to 2025 rates, reduced the planned 2027 increases, and extended the move to a 1 per cent assist factor from 2027 to 2029.

The current update for 2028-30 rates began in 2025 and will continue through 2027, with new rates planned to take effect in 2028.

Engagement

Metro Vancouver continuously engages with member jurisdictions, provincial and federal governments, the development and agricultural sectors, and other stakeholders on DCCs.

DCC Framework

The framework of the three DCCs — liquid waste, water, and parkland acquisition include the following characteristics:

Land use categories

DCCs are based on four land use categories: residential lot development unit (single-detached, duplex, and triplex) townhouses, apartment, and non-residential.

Units for charging DCCs

Residential developments (including townhouses and apartments) will be charged per unit/dwelling, while a DCC for a non-residential development will be charged per square foot.

Assist factor

The assist factor is the percentage of the growth costs that are to be funded from utility/user fees rather than DCCs.

Fee structure

The water and parkland acquisition DCCs have one fee structure for the whole region. The sewer DCC bylaw has four different fee structures aligned with the four sewerage areas in the region.

Metro Vancouver has been transitioning toward a 1 per cent assist factor as part of its long-term DCC framework. Under the previous approach, the transition was scheduled to be completed by January 2027. In 2026, the Board approved changes to slow the pace of this transition in order to moderate the impact of DCC rate increases. As a result, the move to a 1 per cent assist factor will now be phased in through January 2029. The proposed regional DCC rates for 2028-2030 have been developed to reflect this revised transition schedule.

In-stream applications

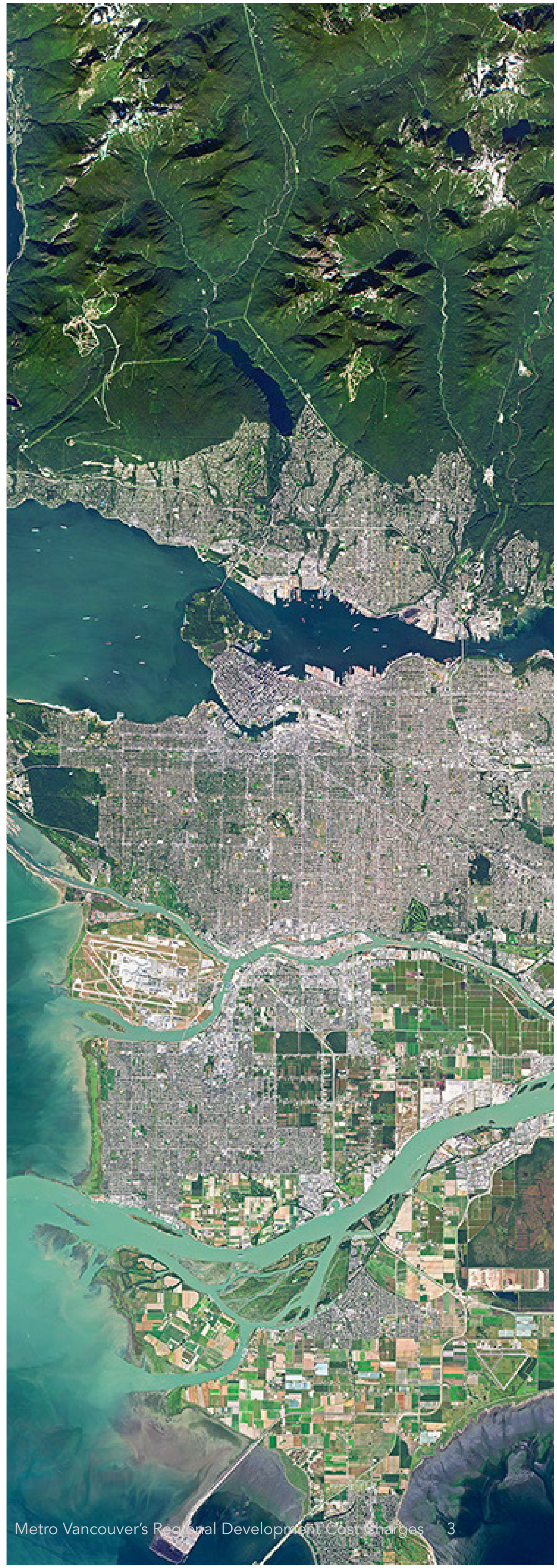
New development cost charge bylaws are subject to "in-stream" provisions as determined by section 568 the *Local Government Act*. DCCs are collected at the subdivision or building permit stage.

Developments with complete rezoning, development or building permit applications submitted before July 24, 2026 may be considered an in-stream application. The *Local Government Act* requires in-stream applications provide written agreement to the municipality or issuing jurisdiction to have the amended (reduced) bylaws apply. Otherwise, these applications will continue to be charged the higher DCC rates that were in effect when the application was submitted. Written agreement is required until the in-stream period expires on July 24, 2027

Waivers and reductions

Regional DCCs may be waived or reduced for not-for-profit rental housing that is owned, leased or otherwise held by a not-for-profit society, BC Housing, Canada Mortgage and Housing Corporation (CMHC), a non-profit municipal housing corporation, a registered charity or a post-secondary institution with student rental housing at the time of any application for, or issuance of, a waiver or reduction of DCCs.

Regional DCCs may be waived for agricultural developments that are designed to result in a low environmental impact that meet criteria. Details, other waiver conditions, and application form can be found on Metro Vancouver's website: **metrovancouver.org** (Search "DCCs" for more information)



Frequently Asked Questions

These are frequently asked questions about Metro Vancouver's DCCs. Should you have any additional questions, please contact the project team at **dccs@metrovancouver.org**.

How are DCCs applied to a Residential Lot Development Unit, such as single-detached homes, duplexes, and triplexes?

Each dwelling on a lot is charged a DCC upon approval of a building permit or subdivision plan. In most cases, one DCC is charged on a detached-family dwelling, two and three for a duplex and triplex respectively.

How are DCCs applied to secondary suites and laneway houses?

One DCC is applied to a detached principal single family dwelling that can have one secondary suite, one laneway house, or both. If the construction, alteration or extension of a secondary suite or laneway house occurs after a detached principal single family dwelling receives its original building permit, there is no additional DCC charge as the original charge was already incurred.

Are DCC credits offered for demolitions?

DCCs will not be charged if the development will not result in new capital cost burdens. DCC credits may be available when existing structures are being demolished. This approach recognizes existing development and ensures DCCs are based on the net number of units that are impacting the infrastructure.

For different land uses, such as residential or non-residential, credits are typically applied on a 'like-for-like' basis. For example, if three single detached dwellings are demolished and replaced with 20 apartment dwellings, the calculation would be: (20 x current apartment DCC rate) – (3 x current residential lot development unit DCC rate) = net DCC payable. A similar method also applies to non-residential development.

Is a semi-annual DCC Remittance Summary report still required?

Yes. Every member jurisdiction must remit the total regional DCCs collected for sewer, water, and parkland acquisition within 30 days following June 30 and December 31 of each year. Metro Vancouver's sewer, water, and parkland acquisition DCCs follow this identical process for collection, reporting, and remittance. The final summary report can be sent directly to **dccs@metrovancouver.org**.

Is the Letter of Credit and Surety Bond acceptance process the same for sewer, water and parkland acquisition DCC?

Yes, the process is identical across all three regional DCCs. Under the updated January 2026 regulation, developers can secure this with an initial 25 per cent payment upfront, with the remaining balance secured by an approved Letter of Credit or Surety Bond due at the earlier of four years or building occupancy. This is subject to conditions — check with your municipality or permit issuer.

How will future DCC rate adjustments be communicated?

Proposed DCC rate adjustments are communicated through Metro Vancouver's engagement process. Information is shared through the Metro Vancouver website, email notification to mailing list subscribers, industry and municipal networks, public reports from the Metro Vancouver Boards, and social media.

Sign up below for the DCC mailing list if you want to be notified of any events or information updates: **Development Cost Charges | Metro Vancouver**

Greater Vancouver Sewer and Drainage District (GVS&DD) DCC Bylaw 371 (rate amending Bylaw 396, 2026), Water District (GVWD) DCC Bylaw 257 (rate amending Bylaw 270, 2026) and Metro Vancouver Regional District (MVRD) Bylaw 1369 (rate amending Bylaw 1452, 2026)

This summary is intended to assist in administration of the regional DCCs and is not a substitute for the provisions detailed in GVS&DD DCC Bylaw 371, GVWD DCC Bylaw 257 and MVRD Bylaw 1369. For more information, please refer to the relevant Bylaw or contact dccs@metrovancouver.org.

In-stream application:

Building Permit (BP)	Complete Development, BP or rezoning application submitted by July 24, 2026, AND related BP approved by December 31, 2027.	DCC based on amended annual rate schedule with written agreement
Subdivision Application (SA)	Complete subdivision application submitted by July 24, 2026 AND related SA approved by December 31, 2027.	DCC based on amended annual rate schedule with written agreement

In-stream applications are defined as those with completed rezoning, development, or building permit applications with fees paid prior to and including July 24, 2026. The *Local Government Act* requires in-stream applications must provide written agreement to the municipality or issuing jurisdiction to have the amended (reduced) bylaws apply. Otherwise, these applications will continue to be charged the higher DCC rates that were in effect when the application was submitted.

Regular application:

Building Permit (BP)	Application submitted after July 24, 2026	DCC based on amended annual rate schedule
Subdivision Application (SA)	Application submitted after July 24, 2026	DCC based on amended annual rate schedule

Regular application applies to new applications submitted and building permit issued or subdivision approved after July 24, 2026. No applicant written agreement is required.

Demolitions/credits:

Non-residential	If increase in square feet or new capital cost burdens created	DCC payable on net new square footage
Residential	If net new additional dwellings or capital cost burdens created	DCC payable on net new dwellings

One of the premises of the DCC bylaws is that the charges will not be payable if the development will not result in new capital cost burdens. To that end the practice has been to allow a credit when existing structures are demolished and new structures are built. In the case of a rebuild, the DCC will be calculated on the net increase in non-residential square footage or dwelling units (secondary suite or laneway house for Residential Lot Development Unit are not considered additional dwelling units).

Waiver for affordable rental and student housing units:

Affordable rental units and student housing units	Applicant must complete GVS&DD/ GVWD/MVRD waiver application form	DCC is not payable to the municipality if the application is approved

More information including the eligibility criteria and application forms for a waiver or reduction in water, sewer, and parkland acquisition DCCs for affordable rental housing and student housing units can be found on Metro Vancouver's website: metrovancouver.org (Search "DCCs" for more information).

Waiver/reduction for agricultural developments designed to result in a low environmental impact:

Waiver/Reduction for agricultural developments designed to result in a low environmental impact	Applicant must complete GVS&DD/ GVWD/MVRD waiver/reduction application form	DCC is either not payable or is payable to the municipality at a reduced amount if the application is approved

More information including the eligibility criteria and application forms for a waiver or reduction in water, sewer, and parkland acquisition DCCs for agricultural developments can be found on Metro Vancouver's website: metrovancouver.org (Search "DCCs" for more information).

Other:

Parking and bicycle storage	Square feet of floor area for parking or bicycle storage	No DCC due
Not capable of being serviced by GVS&DD, GVWD, and MVRD	See 4.2(a) of GVS&DD, GVWD and MVRD DCC Bylaw[1]	No DCC due
No new capital cost burdens	Will not impose new capital cost burdens	No DCC due
Place of worship	Exempt from taxation under 220 (1)(h) of Community Charter	No DCC due
Building Permit less than $50K	Value of the work does not exceed $50K	No DCC due
Residential units less than 312 sq feet	Each dwelling unit in building 312sq ft and for no other use than residential	No DCC due
Secondary suite or laneway house	Where one detached principal dwelling unit exists, there can be one secondary suite, one laneway house, or both	No DCC due

1 Applies if the development is not connected to the municipal water or sewer system.