

---

## COMMITTEE INFORMATION ITEMS AND DELEGATION SUMMARIES

Greater Vancouver Water District

Board Meeting Date – Friday, February 28, 2025

---

This information item, listing recent information received by committee, is provided for the GVWD Board's information. Please access a complete PDF package [here](#).

### Finance Committee – February 13, 2025

#### *Delegation Summaries:*

- C1 Ray VanMarrewyk, Director at BC Greenhouse Growers' Association and BC Agriculture Council  
Subject: Consideration of Development Cost Charge Reduction for Intensive Agriculture  
Executive Summary provided

## Summary

1. Lack of consultations—the agriculture industry and the Metro Vancouver Agriculture Advisory Committee were not informed or consulted on water and parkland acquisition DCCs prior to the development and implementation of Bylaw No. 257.
2. Agriculture is inaccurately grouped with non-residential, leading to unrealistic charges. The infrastructure charge should be factored into water usage charges rather than being treated as a separate development fee.
3. Need for a separate category, but the term ‘intensive agriculture’ is outdated
4. Exclude agriculture from Parkland Acquisition DCC

## Background

McNeill's report referenced under item #4 on the agenda (pages 43-46) captures the issue well. Below are additional considerations.

## Key Points

**Inaccurate Assessment:** The non-residential *water* infrastructure Development Cost Charge (DCC) rate does not align well with agricultural practices. This is because the impact of agricultural use on the infrastructure can vary significantly from other commercial activities. This variation is particularly noticeable in structures such as greenhouses, which often utilize water (re)collection mechanisms that result in lower water usage.

**Assessment Impact:** So far, several major greenhouse expansion projects are on hold in the Metro Vancouver Regional District. In business, timing is critical, and missing the expansion opportunity could result in losing or prohibiting building relationships with important customers. Therefore, we cannot wait until the review is complete. The new DCCs must be waived for any agriculture development in the interim to prevent further project delays.

### First-hand Example

An agriculture business plans to expand by 16 hectares in 2026/2027. The development cost of construction (DCC) will be \$9.54 per square foot, with a total DCC cost of over \$16 million. To put this into perspective, at over \$ 1 million per hectare, these DCCs could be more expensive than the land it is built on and have no direct link to the burden on resources.

This high cost makes the project unfeasible, leaving the producer with no choice but to build south of the border or in another area outside the Metro Vancouver Regional District (MVRD).

**Agriculture Water Rate:** To enhance agricultural viability, it's essential to implement agriculture-specific rates that account for the unique infrastructure demands of agricultural use. These rates should be integrated into water usage charges rather than being treated as a separate development fee, ensuring that everyone pays based on their actual usage. The FortisBC case may serve as a relevant [example](#), with no endorsement implied. A distributive approach could result in lower rates per user, potentially stimulating growth.

**Definition Consideration:** The term "Intensive Agriculture" is outdated, as it doesn't accurately represent the diverse practices and techniques of agricultural production. A generic term such as 'Agriculture' may be suitable.

**Exclusion of Agriculture from Parkland Acquisition DCC:** Our understanding is that parkland acquisition fees are typically charged on new residential and commercial developments to ensure that there is sufficient park space to accommodate the growing population. However, the agriculture business does not directly contribute to population growth, so no additional demand is created for park facilities.