

CITY OF VANCOUVER BRITISH COLUMBIA



VANCOUVER DEVELOPMENT COST LEVY BY-LAW NO. 9755

**This By-law is printed under and
by authority of the Council of
the City of Vancouver**

**(Consolidated for convenience only
to February 8, 2022)**

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BY-LAW NO. 9755

A By-law to impose development cost levies in the general area of the city

**[Consolidated for convenience
including By-law No. 13266
effective February 8, 2022]**

PREAMBLE

Council is satisfied that the amounts raised by levies imposed by this By-law in the general area are unlikely to exceed the estimated costs of projects for the general area.

Council has determined that imposing levies in the amounts set out in this By-law in the general area to contribute to the costs of projects for the general area are fair and equitable.

Council is excluding those areas of land described in Part 1 of Schedule A from this By-law because Council has previously determined that development anticipated in those areas will contribute to the need to provide capital projects, and has previously imposed development cost levies with respect to those areas.

Council is excluding those areas of land described in Parts 2 and 3 of Schedule A from this By-law because Council has previously determined that development anticipated in those areas will contribute to the need to provide capital projects, and has previously provided for them by way of official development plans, comprehensive district rezoning, alternate funding arrangements, or other appropriate measures.

THE COUNCIL OF THE CITY OF VANCOUVER, in public meeting, enacts as follows:

SECTION 1 INTERPRETATION

Name of By-law

1.1 The name of this By-law, for citation, is the "Vancouver Development Cost Levy By-law".

Definitions

1.2 In this By-law:

"Artist Studio - Class A", which means the use of premises for the production of dance, live music, creative writing, painting, drawings, pottery or sculpture, video, moving or still photography, none of which involves amplified sound or one or more of the materials or

processes specified under Artist Studio - Class B, but does not include premises used for residential purposes;

"Artist Studio - Class B", which means the use of premises for the production of (a) dance or live music involving electronically amplified sound, (b) moving or still photography (excluding video) involving on-site film processing, (c) paintings, drawings, pottery or sculpture involving the use of fibreglass, epoxy and other toxic or hazardous materials or one or more of the following processes: welding, woodworking, spray painting, silk screening or fired ceramics, but does not include premises used for residential purposes;

"building permit" means a building permit issued under the Building By-law;

"child care" means the use of premises operated as a community care facility by one or more persons licensed under the Community Care and Assisted Living Act of British Columbia, as amended or replaced from time to time, on a not for profit basis, for "group child care", "preschool", multi-age child care in accordance with Child Care Licensing Regulation B.C. Reg. No. 332/2007, as amended or replaced from time to time, and may include the use of flexible space operated for child services as determined by the Director of Social Planning for the city but excludes premises operated for "family child care";

"Community Centre /Neighbourhood House" means a community centre /neighbourhood house generally accessible to the public and no smaller than 50 square meters in floor area;

"development" means any construction, alteration, or extension of all or part of a building or structure that requires issuance of a building permit, and includes a surface parking lot but excludes repair or renovation work, being repair or renovation of a building or structure that does not increase the floor area of that building or structure;

"floor area" means the floor area of a development set out in the development permit that applies at the time of entitlement to delivery of the building permit authorizing the development;

"for-profit affordable rental housing" means a new building containing multiple dwelling units, which meets the requirements of section 3.1A to be for-profit affordable rental housing, but does not include alterations of or extensions to those dwelling units;

"general area" means all land within the boundaries of the city as described in Schedule A Part 1, except for those areas of land described in Schedule A Parts 2 and 3;

"industrial zone" means:

- (a) any zoning district designated as "Industrial" by section 9.1 of the Zoning and Development By-law, and includes the following zones: I-2, M-1, M-1A, M-1B, M-2, MC-1, MC-2 zoning districts; and

- (b) the land zoned by CD-1 By-law No. 6654 with respect only to those uses that the by-law permitted on the date of its enactment;

"laneway house" has the meaning ascribed to it by section 2 of the Zoning and Development By-law;

"levy" means development cost levy;

"library" means a library generally accessible to the public and no smaller than 50 square meters in floor space;"

"mixed-employment (light industrial)" means the following zones: (IC-1, IC-2, IC-3, I-1, I3, I-4, I-1A, I-1B and I-1C zoning districts and the land zoned as CD-1 (803) By-law 13257 with respect only to those uses that the CD-1 by-law permitted on January 25, 2022 ;

"parking garage" means all or a portion of a building or structure the principal or intended principal use of which is the parking or storage of motor vehicles but excludes all or a portion of a building or structure that provides no more than four motor vehicle parking or storage spaces accessory to a residential use;

"prime rate" means the floating annual percentage rate of interest established from time to time by the Bank of Montreal, 595 Burrard Street, Vancouver, British Columbia as the base rate that the Bank uses to determine rates of interest charged by it for Canadian dollar loans to customers in Canada and designated by the Bank of Montreal as the prime rate;

"project" means any capital project described in section 2.2 and Schedule C;

"Public Authority Use" means a Public Authority use limited to Police Station or Fire Hall;

"replacement housing" has the meaning given to it in section 523D(2.2) of the Vancouver Charter;

"school" means an institution of learning regularly giving instruction to children that is either:

- (a) under the jurisdiction of The Board of School Trustees of School District No. 39 (Vancouver) constituted under the *School Act*, or
- (b) accepted by the Ministry of Education of the Province of British Columbia, or its successor in function, as providing instruction equivalent to that furnished in the schools referred to in subparagraph (a) above;

"social housing", for the purposes of section 523D(10)(d) of the Vancouver Charter, means rental housing:

- (a) in which at least 30% of the dwelling units are occupied by households with incomes below housing income limits, as set out in the current "Housing

Income Limits” table published by the British Columbia Housing Management Commission, or equivalent publication;

- (b) which is owned by a non-profit corporation, by a non-profit co-operative association, or by or on behalf of the city, the Province of British Columbia, or Canada; and
- (c) in respect of which the registered owner or ground lessee of the freehold or leasehold title to the land on which the housing is situate has granted to the city a section 219 covenant, housing agreement, or other security for the housing commitments required by the city, registered against the freehold or leasehold title, with such priority of registration as the city may require;

except that in the HA-2 district; in the area of the FC-1 district located north of National Avenue; in the area of the M-1, I-2, RT-3 and RM-3A districts located north of Venables Street, Malkin Avenue and Prior Street, south of Hastings Street, east of Gore Avenue and west of Clark Drive; in the Downtown-Eastside Oppenheimer district; and in the area of the Downtown district denoted as C2 on Map 1 of the Downtown Official Development Plan; social housing means rental housing:

- (d) in which at least one third of the dwelling units are occupied by persons eligible for either Income Assistance or a combination of basic Old Age Security pension and Guaranteed Income Supplement and are rented at rates no higher than the shelter component of Income Assistance;
- (e) which is owned by a non-profit corporation, by a non-profit co-operative association, or by or on behalf of the city, the Province of British Columbia, or Canada; and
- (f) in respect of which the registered owner or ground lessee of the freehold or leasehold title to the land on which the housing is situate has granted to the city a section 219 covenant, housing agreement, or other security for the housing commitments required by the city, registered against the freehold or leasehold title, with such priority of registration as the city may require.

"surface parking lot" means a parking lot established on the surface of land that has no portion of a building or structure above or below it; and

"temporary building" means a temporary building, structure, or shelter for which a building permit is necessary under the Building By-law.

Table of contents

1.3 The table of contents for this By-law is for convenient reference only, and is not for assistance in interpreting or enforcing this By-law.

Schedules

1.4 The schedules attached to this By-law form part of this By-law.

Severability

1.5 A decision by a court that any part of this By-law is illegal, void, or unenforceable severs that part from this By-law and is not to affect the balance of this By-law.

**SECTION 2
LEVY AREA**

Levy area

2.1 Council designates that the general area is subject to imposition of a levy under this By-law.

2.2 Development cost levies are imposed under this by-law for the purpose of providing funds to assist the City in paying the capital cost of providing, constructing, altering, or expanding sewage, water, drainage, highway facilities, replacement housing, childcare, and providing and improving parkland.

**SECTION 3
DEVELOPMENT COST LEVIES**

Imposition of levies

3.1 Subject to this By-law, Council imposes, on every person entitled to delivery of a building permit authorizing development in the general area, the levies set out in Schedule C.

Waiver for for-profit-affordable housing

3.1A Notwithstanding section 3.1, Council waives the levy otherwise required under Schedule C for construction of for-profit affordable rental housing, which shall mean housing where:

- (a) all dwelling units in the building are rental units;
- (b) no dwelling units are strata units;
- (c) the average size of the dwelling units of each unit type is not greater than:

Bedroom Type	Multi-family Apartment	Townhouse
Studio	42 square meters	-----
One Bedroom	56 square meters	56 square meters
Two Bedroom	77 square meters	90 square meters
Three Bedroom	97 square meters	112 square meters
Four Bedroom	-----	125 square meters

except that the floor area used for stairways within the townhouse units of two or more storeys is excluded from the calculation of maximum unit size;

(d) At least 20% of the residential floor area that is counted in the calculation of the floor space ratio consists of units with average rents per unit type for initial occupancy that do not exceed the following specified rents:

- (i) \$950 per month for studio units,
- (ii) \$1,200 per month for one bedroom units,
- (iii) \$1,600 per month for two bedroom units; and
- (iv) \$2,000 per month for units with three or more bedrooms, or

where, instead of complying with (d);

(e) agreed upon average rents per unit type for initial occupancy do not exceed the average rents for studio units, one bedroom units, two bedroom units and units with three or more bedrooms built in the City since 2005, as published by the Canada Mortgage and Housing Corporation in the Rental Market Rental Report in the previous calendar year, except that such rents may be 10% higher than the rents otherwise stipulated under this section if the housing is located in the West Area as shown on the map attached to this By-law as Appendix "A", and rents shall also be adjusted annually on January 1:

- (i) for all studio units, one bedroom units, two bedroom units and units with three or more bedrooms to reflect the change in average rents for studio units, one bedroom units, two bedroom units, and units with three or more bedrooms built in the City since 2005, as those rents are set out by the Canada Mortgage and Housing Corporation in the Rental Market Report published in the previous calendar year, or the most recently published data for the newest building age category for private rental apartment units published in the Canada Mortgage and Housing Corporation's Rental Market Report; or
- (ii) when the average rent data for any bedroom type is not reported in the Canada Mortgage and Housing Corporation's Rental Market Report, the change in average rents will reflect the average rents for the most recent building age category available in the Canada Mortgage and Housing Corporation's Housing Market Information Portal, as those rents are set out for the previous calendar year; and

(f) the owner of the property on which such housing is situate has registered against title to that property an instrument, in form and substance, and with priority of registration, satisfactory to the Director of Legal Services, ensuring the initial rents are in accordance with 3.1A (d) or 3.1A (e), and otherwise in compliance with this By-law, and restricting the tenure of such housing to rental for:

- (i) the longer of the life of the building in which they are situate and 60 years, or
- (ii) such other term to which the City and owner may agree.

Administration of waiver

3.1B The waiver under section 3.1A shall be administered as follows:

- (a) rents to be agreed upon shall not exceed the rents stipulated in section 3.1A and this By-law at the time of Council's approval in principle of any zoning by-law required to authorize the development of the site in cases where the application is subject to a Community Amenity Contribution, or at the time the 'prior-to permit issuance' letter related to the development permit is issued and for clarity, the rents to be agreed upon may be lower than the rents stipulated under this By-law, but may not exceed the rents stipulated under this By-law;
- (b) if the rezoning of a property has already been approved in principle at the time of enactment of this section of the By-law, the agreed upon rents shall be, where applicable, the rents stipulated in the conditions of enactment imposed by Council;
- (c) notwithstanding section 3.1B (a), if the rents are determined under 3.1A (e), rather than under 3.1A (d), the rents that may be charged at initial occupancy may be increased annually from the time that the rents are agreed upon at the applicable triggering event specified in section 3.1B (a) until initial occupancy in accordance with the annual maximum increases authorized by the province of British Columbia under section 22 of the Residential Tenancy Regulation, B.C. Reg. 477/2003;
- (d) any waiver of a development cost levy authorized under section 3.1A is to be calculated and determined at the time of issuance of a building permit authorizing construction of the building subject to the waiver;
- (e) a building that qualifies under section 3.1A for a development cost levy waiver shall not forfeit the waiver because other housing otherwise exempt from development costs levies under City by-laws or the Vancouver Charter is also located in the building; and
- (f) all units of all unit types must meet all the requirements in section 3.1A (a) and (b), all units of all unit types must be used to calculate the averages specified in 3.1A (c), all units of all unit types that comprise the 20% of residential floor area used to calculate 3.1A (d) must meet the rents specified in 3.1A (d), and all units of all units types must be used to calculate the average rents specified in 3.1A (e), except that a building that contains studio units, one bedroom units and two bedroom units that meet all requirements in 3.1A (a),(b),(c), and (e) qualifies for a waiver for all those units in each of those unit types on a pro rata basis even if the building contains units with three or more bedrooms that do not meet the requirements in section 3.1A (e), in which case none of the units with three or

more bedrooms qualifies for the waiver.

General area levy

3.2 Schedule C sets out the levies imposed under this By-law.

Application of levy to less than four dwelling units

3.3 A levy is payable where a building permit authorizes the construction, alteration, or extension of a building that, after the construction, alteration, or extension, will:

- (a) contain less than four self-contained dwelling units;
- (b) be put to no other use other than residential use in those dwelling units; and
- (c) in the case of an alteration or extension, except for the alteration or extension of a garage into a laneway house, include an addition of 46.5 m² or more of floor area.

Alteration or extension of existing building or structure

3.4 If a development consists only of the alteration or extension of an existing building or structure to increase its floor area, except for the alteration or extension of a garage into a laneway house, the levy applies only to the additional floor area.

Staged development

3.5 If a development takes place in stages authorized by separate building permits, a levy is payable, under section 3.2 with respect to each such building permit.

Aggregate levy

3.6 If a development includes uses, or buildings or structures, to which different levies apply, the levy for the development is to be the aggregate of them.

Payment of levy by installments

3.7 Rather than paying a levy upon issuance of a building permit, the person responsible for payment of the levy, at the time and as a condition of issuance of the building permit, may:

- (a) pay \$100.00 to the city; and
- (b) post with the city an irrevocable and unconditional letter of credit for the balance of the amount of the levy, together with an amount equal to one year's interest thereon at a rate that is two percent above the prime rate on the day of application for the building permit, for a term of not less than 12 months.

Realization on security

3.8 The city may realize on the letter of credit referred to in section 3.7, or on any renewal of it:

- (a) within 30 days before the date of its expiry unless, before the date 11 months following the date of its issuance, the person who posted the letter of credit or its renewal posts with the city a renewal or further renewal of the letter of credit on the same terms and conditions as the original letter of credit except that fixing of the prime rate is to occur on the day of renewal or further renewal of the letter of credit; or
- (b) if the levy that it secures remains unpaid on the date of issuance of the occupancy permit permitting occupancy of the development in respect of which the levy is payable.

Default in payment of levy installments

3.9 If a levy payable by installments under section 3.7 of this By-law or any portion of it remains unpaid after its due date, Council authorizes the Collector of Taxes to insert the amount of the levy, or unpaid portion, in the real property tax roll as a charge imposed with respect to the parcel or parcels in relation to which the city issued the building permit.

Change in use of excluded floor area

3.10 If the conversion of space that is not floor area to a use that makes it floor area occurs Council deems such space to be floor area as at the date of issuance of the building permit authorizing its development.

Change in use of excluded land or development

3.11 If the development or change of use of land or a building or structure, that is exempt from a levy, makes it subject to a levy, such levy is due and payable at the time of such development, alteration, or change of use.

Rate for LOCH increases

3.12 If the permitted maximum floor space ratio for Low Operational Cost Housing has been increased under section 10.16 of the Zoning and Development By-law, and the resulting increase in floor space ratio would increase the rate charged under this By-law, the rate that would have applied prior to the density increase under section 10.16 shall be the rate charged.

**SECTION 4
REPEAL AND ENACTMENT**

Repeal

4.1 Council repeals By-law No. 8149.

Force and effect

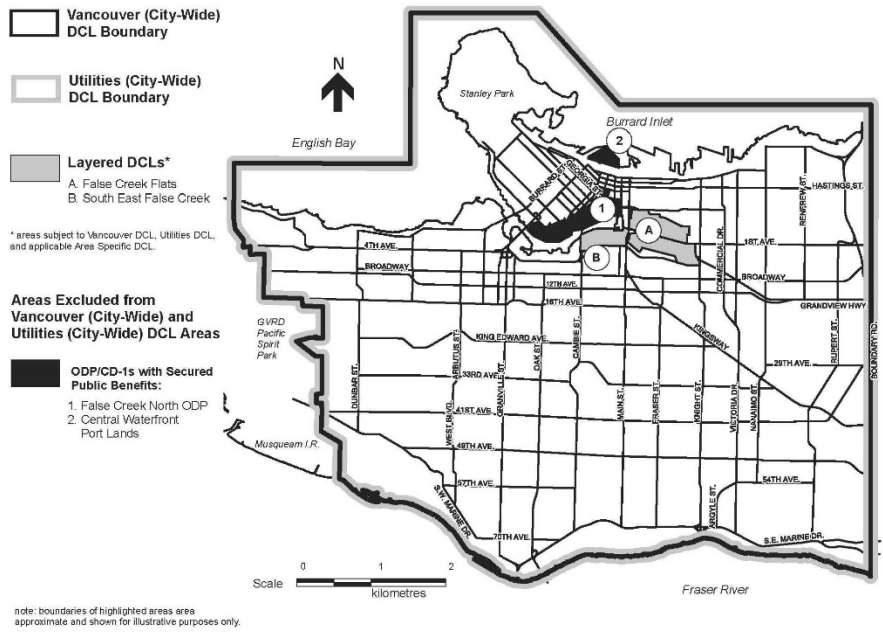
4.2 This By-law is to come into force and take effect on the date of its enactment.

ENACTED by Council this 25th day of November, 2008

Signed _____ "Sam Sullivan"
Mayor

Signed _____ "Marg Coulson"
City Clerk

SCHEDULE A - PART 1



SCHEDULE A - PART 2

Those areas of land listed in Column 1, and designated or described,
as at January 28, 2000, in the by-laws listed in Column 2

Column 1	Column 2
Lands zoned CD (Comprehensive Development District) and subject to the False Creek North Official Development Plan	By-law No. 6650

SCHEDULE A - PART 3

PID 024-041-238
Lot B

PID 024-041-246
Lot C

PID 024-041-254
Lot D

Public Harbour of Burrard Inlet
New Westminster District
Plan LMP36518

SCHEDULE "C"

Category/Use	Total Development Cost Levy (Effective September 30, 2021)	Unit/ area cost
RESIDENTIAL		
Residential at or below 1.2 FSR and Laneway House	\$45.54	Per m ²
Medium Density Residential Above 1.2 to 1.5 FSR	\$98.05	Per m ²
Higher Density Residential Above 1.5 FSR	\$196.32	Per m ²
NON-RESIDENTIAL		
Industrial (I-2, M-1, M-1A, M-1B, M-2, MC-1, MC-2 Zoning Districts)	\$66.13	Per m ²
Mixed Employment (Light Industrial) (IC-1, IC-2, IC-3, I-1, I-3, I-4, I-1A, I-1B Zoning Districts)	\$124.30	Per m ²
Commercial & Other	\$165.70	Per m ²

Category/Use	Rate	Unit/ Area cost
School use	\$5.49	Per m ²
Parking Garage	\$1.08	Per m ²
Childcare Use	\$10.00	Per Building Permit
Temporary Building	\$10.00	
Community Energy Centre	\$10.00	
Artist Studio Class A & Class B	\$10.00	
Community Centre/ Neighbourhood House	\$10.00	
Library	\$10.00	
Public Authority Use	\$10.00	
Social Service Centre	\$10.00	

Appendix A

Vancouver Map - East and West Areas

