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## INTERIM COMMUNITY AMENITY CONTRIBUTION POLICY

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### 1. PURPOSE

The purpose of this policy is to provide guidance for developers, staff, and Council in negotiating appropriate CACs at the time of application for zoning bylaw amendments. The CACs will generally be secured by covenant prior to adoption of the zoning amendment bylaw.

This policy is intended to be temporary, and sections will become obsolete when the *DCC Bylaw* review project is completed and new DCC rates come into effect.

### 2. SCOPE

Staff will consider this policy when reviewing any applications for zoning bylaw amendments. Staff will communicate this policy to the development industry, property owners, and the public.

In considering applications for zoning bylaw amendments, Council will consider this policy. However, nothing in this policy fetters Council’s discretion in considering applications for zoning bylaw amendments.

This policy will generally not be considered for zoning bylaw amendments where the bylaw amendments received readings from Council prior to October of 2024.

### 3. ACRONYMS & DEFINITIONS

#### 3.1. Acronyms

The following acronyms are used in place of the full term.

<u>Acronym</u>	<u>Full term</u>
CAC	Community Amenity Contribution
DCC	Development Cost Charge
OCP	Official Community Plan

#### 3.2. Definitions

The following defined terms are italicized when used in this policy.

*“DCC Bylaw”* is Development Cost Charges Bylaw No. 3460, 2012.

*“Subject Property”* means the property that is the subject of an application for a zoning amendment application.

#### 4. SHORT-TERM INFRASTRUCTURE FUND

The DCC rates established in the *DCC Bylaw* are based on infrastructure costs that were established in 2011. A project is underway to amend or replace the *DCC Bylaw* to implement updated DCC rates. However, infrastructure modelling projects have revealed that several major infrastructure upgrades are required in the near-term before *DCC Bylaw* can be amended or replaced and adequate funds can be collected through the updated DCCs.

- 4.1. All applications for zoning bylaw amendments that will allow for an increase in density on the *subject property* may be subject to a request for the developer to contribute to a fund to support near-term development of infrastructure. The amount of the requested CACs will be equal to three times the amount established in the *DCC Bylaw* Phase 3 (July 1, 2015, onwards). The final amount of any CACs will be as negotiated between North Cowichan and the developer.
- 4.2. The payment of negotiated CACs to the short-term infrastructure fund may be reduced or waived where a developer is required to build off-site infrastructure, that is in addition to the required services established by the Subdivision Bylaw or Works and Services Bylaw as a condition of their development (e.g., when system-level infrastructure upgrades must be completed as a precondition of the development).
- 4.3. After the date of adoption of the amendment or replacement to the *DCC Bylaw*, the developer may avoid the payment of negotiated CACs to the short-term infrastructure fund by agreeing in writing to pay DCCs calculated in accordance with the amendment or replacement to the *DCC Bylaw*. Where the developer provides such agreement in writing, any covenant requirements for the payment of negotiated CACs to the short-term infrastructure fund will be discharged on the basis that the developer will be paying the updated DCCs.
- 4.4. As of one year after the date of adoption of the amendment or replacement to the *DCC Bylaw*, contributions to the short-term infrastructure fund will no longer be requested and any covenant requirement for the payment of CACs to the short-term infrastructure fund will be discharged on the basis that the developer will be paying the updated DCCs.

#### 5. AFFORDABLE HOUSING FUND

Contributions to the Affordable Housing Reserve Fund will allow the Municipality to provide modest support to affordable housing projects in the community.

- 5.1. All applications for zoning amendments that will allow for an increase in density on the *subject property* may be requested to contribute to the Affordable Housing Reserve Fund. The amount of the requested contribution will be equal to:
  - a) \$4,000 per additional single detached lot,
  - b) \$2,000 per additional ground-oriented unit,
  - c) \$1,000 per additional apartment/condo unit,

- d) \$11 per additional square metre of commercial space,<sup>1</sup> and
- e) \$4.5 per additional square metre of industrial space.<sup>2</sup>

The final amount of any CACs will be as negotiated between North Cowichan and the developer.

## 6. CONSIDERATIONS FOR NEGOTIATIONS

All CACs are to be negotiated between North Cowichan and the developer seeking a zoning bylaw amendment. The CAC amounts will be negotiated based on the specific characteristics of the application and proposed development.

- 6.1. The following factors may be considered in CAC negotiations related to this policy, noting that this is not an exhaustive list:
  - a) Impacts and benefits of the project on the immediate neighbourhood and broader community;
  - b) Other CACs being provided, considering amenities identified in OCP policy 4.12(b), and with particular consideration for direct provision of affordable housing (e.g., an affordable housing development meeting the definitions established in the Affordable Housing Policy and Implementation Plan, or where a housing agreement is in place); and
  - c) Scale of the amendment/proposed development.
- 6.2. In addition to the total amount of the negotiated CACs provided for a project, the timing of payment can be important to the proponent. Negotiations may consider:
  - a) Phasing negotiated CAC payment, by splitting the total amount to be paid at different times, when possible and practical, considering the planned use of the negotiated CAC.
  - b) The timing of negotiated CAC payment, when possible and practical, considering the planned use of the negotiated CAC. Options may include payment after third reading but prior to bylaw adoption; payment secured by covenant paid prior to subdivision or building permit application/issuance; and/or payment at the time of building occupancy with provision of adequate security.

## 7. TRANSPARENCY

To allow project proponents to see the positive impact of the negotiated CACs they provide, North Cowichan will track and make available information on the amounts of CACs collected and the projects that they fund.

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<sup>1</sup> This clause (commercial space) will generally not be considered for zoning bylaw amendment applications where the bylaw amendment received readings from Council prior to February 2026.

<sup>2</sup> This clause (industrial space) will generally not be considered for zoning bylaw amendment applications where the bylaw amendment received readings from Council prior to February 2026.

**RELATED POLICIES & PROCEDURES**

Development Cost Charges Bylaw No. 3460, 2012

Council Policy - Affordable Housing Policy and Implementation Plan

Official Community Plan Bylaw No. 3900, 2022

**APPROVAL HISTORY**

WRITTEN BY: Bell McKinnon Local Area Plan Technical Steering Committee	APPROVED BY: Council	DATE: February 4, 2026
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