HARRISON HOT SPRINGS

Naturally Refreshed

# AMENITY COST CHARGE (ACC)

VILLAGE OF HARRISON
HOT SPRINGS

# What is ACC?

**Amenity Cost Charges are a development financing tool that allows local governments to collect charges from new development.**

ACCs help fund eligible community amenities needed for growth, such as

- recreation facilities
- libraries
- daycare
- public spaces.

# Legislative Context

**Bill 46 (2023)**
Introduced Amenity Cost Charges as a new development financing tool in BC, effective November 30, 2023.

**Local Government Act**
ACC authority is established under Part 14, Division 19.1 of the Local Government Act.

**ACC Bylaw**
Local governments may implement ACCs through a bylaw to help fund amenities needed to support new development.

# ACCs and DCCs

**→ Development Cost Charges**

- Fund infrastructure and services
- Examples: water, sewer, roads, drainage, parks, fire and police
- Inspector approval required
- Consultation not required by legislation

**→ Amenity Cost Charges**

- Fund community amenities
- Examples: recreation, libraries, daycare, public spaces
- Inspector approval not required
- Public and stakeholder consultation required

# What Can ACCs Fund?

**ACCs may help fund eligible capital costs associated with:**

- Providing a new amenity
- Constructing an amenity
- Expanding an existing amenity
- Altering an existing amenity
- Acquiring land for an eligible amenity
- Capital contributions through partnering agreements

ACCs fund one-time capital costs only.

# ACC Calculation Process

**01** Forecast future development and population growth.

**02** Identify eligible amenity projects

**03** Estimate the total capital cost

**04** Determine the portion benefiting future growth

**05** Apply the municipal assist factor

**06** Allocate recoverable costs to development types

**This produces a charge:**

- Per dwelling unit for residential development
- Per square metre for commercial development

# Potential Amenity Areas

Council identified a range of possible projects for consideration:

- Fire and emergency facilities
- Parks, trails and recreation spaces
- Library and community spaces
- Civic Centre / Hub
- Daycare and healthcare
- Public spaces and land acquisition
- Tree canopy and environmental improvements

These ideas were reviewed to determine whether they were suitable for ACC funding.

# How Were Projects Screened?

Potential projects were assessed based on:

- ACC eligibility
- Relationship to future growth
- Capital nature of the project
- Potential overlap with DCC funding
- Ability to clearly define the project
- Long-term community benefit

Projects with a strong relationship to growth and clear ACC eligibility were given priority.

# Candidate ACC Amenities

| Candidate Amenity | Growth Rationale |
|---|---|
| **Daycare Facility** | Responds to growth-related childcare demand |
| **Civic Centre / Hub** | Provides community facility capacity for growth |
| **Healthcare Capital Contribution** | Addresses growth-related healthcare pressures |

# Residential Growth Forecast

The Village's Housing Needs Report identifies a need for 637 new housing units by 2041.

| Housing Type | New Units | Persons per Unit | New Population |
|---|---|---|---|
| Low Density | 466 | 2.2 | 1,025 |
| Medium Density | 73 | 2.1 | 153 |
| High Density | 98 | 1.9 | 187 |
| **Total** | **637** | | **1,364** |

# Commercial Growth Forecast

Projected Commercial Development

| Growth Input | Forecast |
|---|---|
| Existing Commercial Employment | 335 workers |
| Projected New Workers | 341 workers |
| Floor Space per Worker | 40 $m^2$ |
| Projected Commercial Floor Space | 13,640 $m^2$ |

# Capital Cost Estimates

## Preliminary Amenity Costs

| Candidate Amenity | Estimated Capital Cost |
| --- | --- |
| Daycare Facility | $1,443,333 |
| Civic Centre / Hub | $8,160,880 |
| Healthcare Capital Contribution | $125,000 |
| **Total** | **$9,729,213** |

The estimates are based on high-level construction benchmarks, comparable facilities, soft costs and contingency allowances.

# Benefit to Growth

What Portion Can Be Recovered?
Only the portion of amenity costs related to future growth can be recovered through ACCs.

Existing population: 1,905
Forecast population growth: 1,364
Future service population: 3,269

**Calculation**
1,364 ÷ 3,269 × 100
Benefit to Growth = 41.7%

This means 41.7% of the eligible capital costs are attributed to future growth.

# ACC Recoverable Cost

| Amenity | Growth-Related Cost | Municipal Assist | Recoverable Cost |
|---|---|---|---|
| Daycare | $601,870 | $6,019 | $595,851 |
| Civic Centre / Hub | $3,403,087 | $34,031 | $3,369,056 |
| Healthcare | $52,125 | $521 | $51,604 |
| **Total** | **$4,057,082** | **$40,571** | **$4,016,511** |

**Calculation Method**

Growth-Related Cost
Total Capital Cost × 41.7%

ACC Recoverable Cost
Growth-Related Cost – 1% Municipal Assist

# Allocation and Draft Rates

Residential and Commercial Allocation

- **Daycare:** 100% residential
- **Civic Centre / Hub:** 80% residential, 20% commercial
- **Healthcare:** 80% residential, 20% commercial

Residential Recoverable Cost: $3,332,379
Commercial Recoverable Cost: $684,132

| Development Type | Draft Rate |
|---|---|
| Low-Density Residential | $5,374.80 per unit |
| Medium-Density Residential | $5,130.50 per unit |
| High-Density Residential | $4,641.88 per unit |
| Commercial | $50.16 per m$^2$ |

# ACC Rate Comparison

## VILLAGE OF CUMBERLAND

| Development Type | ACC Rate | Amenity Type |
|---|---|---|
| Low-Density Residential | **$9,035.02 per lot** | Recreation Centre Expansion; Daycare Facility |
| Medium-Density Residential | **$6,076.37 per dwelling unit** | |
| High-Density Residential | **$4,453.88 per dwelling unit** | |
| Commercial | **N/A** | |
| Industrial | **N/A** | |
| Institutional | **N/A** | |

## CITY OF COURTENAY

| Development Type | ACC Rate | Amenities |
|---|---|---|
| **Low Density Residential** | **$6,643.00 per lot/unit** | Community & recreation facilities, sports fields, parks, cultural facilities |
| **Medium Density Residential** | **$3,618.00 per dwelling unit** | |
| **High Density Residential** | **$42.56 per m² GFA** | |
| **Commercial** | **$13.84 per m² GFA** | |

# ACC Rate Comparison

## CITY OF MISSION

| Development Type | ACC Rate | Amenities |
|---|---|---|
| Single-Family | $9,378.05 per dwelling unit | Performing arts/civic space, recreation facilities, turf field, disc golf, public art |
| Townhouse + Plex | $5,275.15 per dwelling unit | |
| Apartment | $3,321.39 per dwelling unit | |
| Congregate Care | $26.38 per m² floor area | |
| Commercial | Not levied | |

## CITY OF PITT MEADOWS

| Development Type | ACC Rate (Apr. 1, 2026–Mar. 31, 2027) | Amenities |
|---|---|---|
| Single-Family Dwelling | $8,480 per dwelling unit | Recreation & culture facilities, public art, heritage conservation, environmental conservation |
| Duplex or Townhouse | $7,330 per dwelling unit | |
| Apartment | $5,240 per dwelling unit | |
| Secondary Suite or Garden Suite | $3,560 per dwelling unit | |

# Implementation and Next Steps

## Proposed Implementation

- Apply the ACC across the entire Village
- Collect low-density residential charges at subdivision
- Collect other residential and commercial charges at building permit
- Deposit revenues into an ACC reserve fund
- Complete annual reporting
- Consult the public and affected parties

## Next Steps

1. Confirm candidate amenities
2. Refine project costs
3. Prepare the draft ACC bylaw
4. Present the report and bylaw to Council
5. Complete consultation
6. Proceed with bylaw adoption