

### **Supporting a Growing Community: Amenity Cost Charges (ACCs)**

#### **What are Amenity Cost Charges or ACCs?**

ACCs are a new development finance tool introduced by the Province to help local governments recover the cost of providing essential community amenities such as recreation centres, libraries, and community centres in response to a growing population. These amenities support livable, complete communities, particularly in areas experiencing rapid development.

#### **Why is the City of Coquitlam Implementing ACCs?**

With the implementation of the Province's new housing legislation, the City's longstanding, transparent and well-functioning system of Density Bonus and Community Amenity Contributions (CACs) programs, can no longer operate in the same capacity as has been done historically.

Bill 46 introduces ACCs, which will largely replace these programs and differ significantly from the City's existing system. Like Development Cost Charges (DCCs), ACCs must be used to recover the cost of capital investments, require a municipal contribution (through the benefit to existing residents and the municipal assist factor, representing the City-required contribution), and are based on population projections. In contrast, Density Bonus was a voluntary tool, based on land value, that was structured to allow developers and the municipality to share in the land lift related to the additional density provided in high-density zones, causing revenues to fluctuate based on market conditions. Restrictions on how ACCs can be used limit their flexibility and effectiveness compared to the previous programs.

The City is implementing ACCs to ensure that growth continues to pay for growth. ACCs will be used to help fund community centres and athletic facilities, libraries and public squares, and cultural and community spaces. Without ACCs, the cost of new amenities would need to be covered by taxpayers, requiring significant property tax increases and/or reductions in City services.

#### **How do ACCs Differ from Density Bonus and Community Amenity Contributions?**

While ACCs will help fund key community spaces, they do not provide the same flexibility in rate setting or use of collected funds, as the previous system, requiring the City to explore alternative funding options to address gaps.

<b>Development Finance Tool</b>	<b>Density Bonus (former)</b>	<b>Community Amenity Contributions (former)</b>	<b>Amenity Cost Charges (new)</b>
<b>Voluntary vs. Mandatory</b>	Voluntary – Developers chose to contribute in exchange for extra density.	Voluntary – Developers contributed through site-specific rezoning agreements.	Mandatory – ACCs apply fixed charges to all new development with the exception of mandatory exemptions.
<b>Flexibility</b>	Ability to use to funds for various amenities. Coquitlam also used the funding to deliver various community priorities, such as affordable housing and non-DCC eligible projects (e.g. transportation).	Ability to use funds for various amenities.	Funds can only be used for specific amenities such as recreation centres, libraries, and public spaces which need to be included in the ACC Program. ACCs require the municipality to cover a share of the costs through a municipal assist factor.
<b>Market Responsiveness</b>	Contributions varied based on land values and demand for density, ensuring funding aligned with current market conditions.	Contributions were determined based on development size, impact, and economic feasibility.	Fixed fees that do not adjust based on market conditions. Will require regular bylaw review to update program and rates.

### How Will ACCs be Applied in Coquitlam?

The City has developed an ACC framework in line with provincial legislation and the ACC Best Practices Guide recently released by the Provincial government. Similar to Development Cost Charges (DCCs) – which fund roads, utilities, and public safety infrastructure – ACCs will be collected from new development to help fund the amenities that support a growing population.

Developers often highlight municipal cost recoveries as a key factor affecting housing affordability. However, the ACC cost is a relatively small part of the overall development project, with the City's cost recovery fees (like ACCs and DCCs) generally making up 5-9% of total development costs, not including land costs – an amount that isn't enough to significantly impact whether a project moves forward.

Without these development financing tools, municipalities will not be able to deliver the services, amenities, and infrastructure necessary to support a growing community and will be forced to explore alternatives such as property taxes and/or reducing services.

## Draft ACC Rates

### Proposed ACC Rates

<i>Development Type</i>	<i>ACC Rate</i>
<b>Low-Rise Residential<sup>1</sup></b>	\$21,205/dwelling unit
<b>Mid-Rise Apartments<sup>2</sup></b>	\$21.31/ft <sup>2</sup>
<b>High-Rise Apartments<sup>3</sup></b>	\$38.53/ft <sup>2</sup>
<b>Industrial, Commercial &amp; Institutional</b>	\$0

<sup>1</sup> Low-rise residential is defined as single-detached residential, small-scale residential including duplex, triplex, fourplex, multiplexes, and townhomes.

<sup>2</sup> Mid-rise apartments are defined as apartment buildings up to 12 floors.

<sup>3</sup> High-rise apartments are defined as apartment buildings above 12 floors.

## Next Steps

The City will engage with the public and industry interest holders before finalizing the ACC Bylaw. Public engagement will take place over the coming weeks, with information available on the [LetsTalkCoquitlam.ca/ACCs](https://letstalkcoquitlam.ca/ACCs). The City will also have targeted engagement with interest holders in the development sector and a public information session.

## A History of Housing Leadership

Coquitlam is committed to addressing housing affordability and supply challenges within the framework of provincial legislation. The City is actively implementing the changes imposed by the provincial government, including enabling small-scale multi-unit housing, increasing density in transit-oriented areas and updating its Official Community Plan. These steps build on Coquitlam's strong housing record, with more than 5,100 new homes created since 2021, including non-market units and below-market rentals.

Coquitlam's award-winning Housing Affordability Strategy remains a key driver in delivering diverse and inclusive housing options. While these efforts align with provincial objectives, the City emphasizes the importance of local expertise in community planning.

For more information on Coquitlam's response to provincial housing legislation, visit [coquitlam.ca/ProvincialHousingChanges](https://coquitlam.ca/ProvincialHousingChanges).