



**URBAN DEVELOPMENT INSTITUTE- OKANAGAN CHAPTER**

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February 24, 2016

City of Kelowna  
1435 Water Street  
Kelowna, BC V1Y 1J4

**Attention: Mayor and Council, Ron Mattiussi, Doug Gilchrist and the City Clerk**

**Subject: Request to Address Council on Development Cost Charge (DCC) Increase & for a 180 Day Grace Period**

The Urban Development Institute (UDI) is a national association (with international affiliations) of the development industry and its related professions. The corporate members of the UDI - Okanagan Chapter represent hundreds of individuals involved in all facets of land development and planning, including: developers, property managers, financial lenders, lawyers, engineers, planners, architects, appraisers, real estate professionals, local governments and government agencies.

As a Partner in Community Building, the UDI Okanagan Chapter is committed to working with communities and governments to create and achieve the vision of balanced, well-planned, sustainable and affordable communities.

In our recent communications received from City staff, a timeline for the DCC Minor Cost Update was provided. Based on the timeline received, it does not appear that there is an upcoming Public Hearing or other opportunity to address Council. In light of this, we would like to request an opportunity to appear in front of Council to more fully express our concerns and recommendations related to this DCC Update.

For many years, UDI Okanagan has been asking City of Kelowna staff to reassess some of the fundamental aspects of the City's DCC program, namely around some of the calculations and assumptions related to existing benefit allocations. Even a Major DCC Update will not address the fundamentals of the DCC program as major DCC updates only look at the capital projects.

Although we believe that this Minor DCC Cost Update should not move ahead until the fundamentals of the DCC program are reassessed, we recognize that it is the City's prerogative to do so and have received indication that this will be continuing to move forward, despite our objections.

In light of this, and given the fact that we did not receive advance warning that this cost update was on the horizon, other than the letter that we received from City staff on December 21, 2015, we would like to propose an alternative recommendation which is to provide at least a 180 day grace period. This

would be much appreciated and would allow more time for our members to finalize their applications and get them in stream before the new rates come into effect. This is important because some developers have Development Permits or Rezoning applications submitted but would not be able to submit a complete building permit in time to fall under the legislative protection for 12 months. The impact of this can be hundreds of thousands of dollars for a project that already may have financing approved and this late hit could seriously impact the feasibility of a project.

We thank you in advance for considering our requests.

Sincerely,

**URBAN DEVELOPMENT INSTITUTE OKANAGAN CHAPTER**

A handwritten signature in black ink, appearing to read 'Andrew Gaucher', with a long horizontal flourish extending to the right.

Per: Andrew Gaucher, Chair of UDI Okanagan