

The Daily Courier

Construction industry seeks delay in increase to city development fees

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Fees paid by developers to cover the costs of growth should rise between five and 15 per cent, Kelowna city council will hear today.

But a group that represents the construction industry opposes the higher fees, warning they could negatively affect building in Kelowna.

The Urban Development Institute would like to see implementation of the higher fees postponed while an independent consultant is recruited to review the development cost charge program.

DCCs are fees paid by builders to help the city pay for such things as new roads, waterlines, sanitary sewers and parkland.

Actual fees applied to construction of a new home vary considerably, depending where the home is being built.

For example, new DCCs for a new home in the Mission are proposed to be \$37,800, up from \$33,100, while DCCs for a new home in the downtown area are planned to be \$20,600, up from \$18,900.

The difference reflects varying costs of infrastructure based on such things as geography, local real estate values and the existing condition of public amenities in each neighbourhood.

City staff say they appreciate the UDI's concerns, but nevertheless suggest council approve the new fees, in part because the schedule of charges hasn't been revised for five years.

http://www.kelownadailycourier.ca/business_news/article_dcaa17ca-e425-11e5-98a8-c752db68636c.html