



AMENITY COST CHARGE

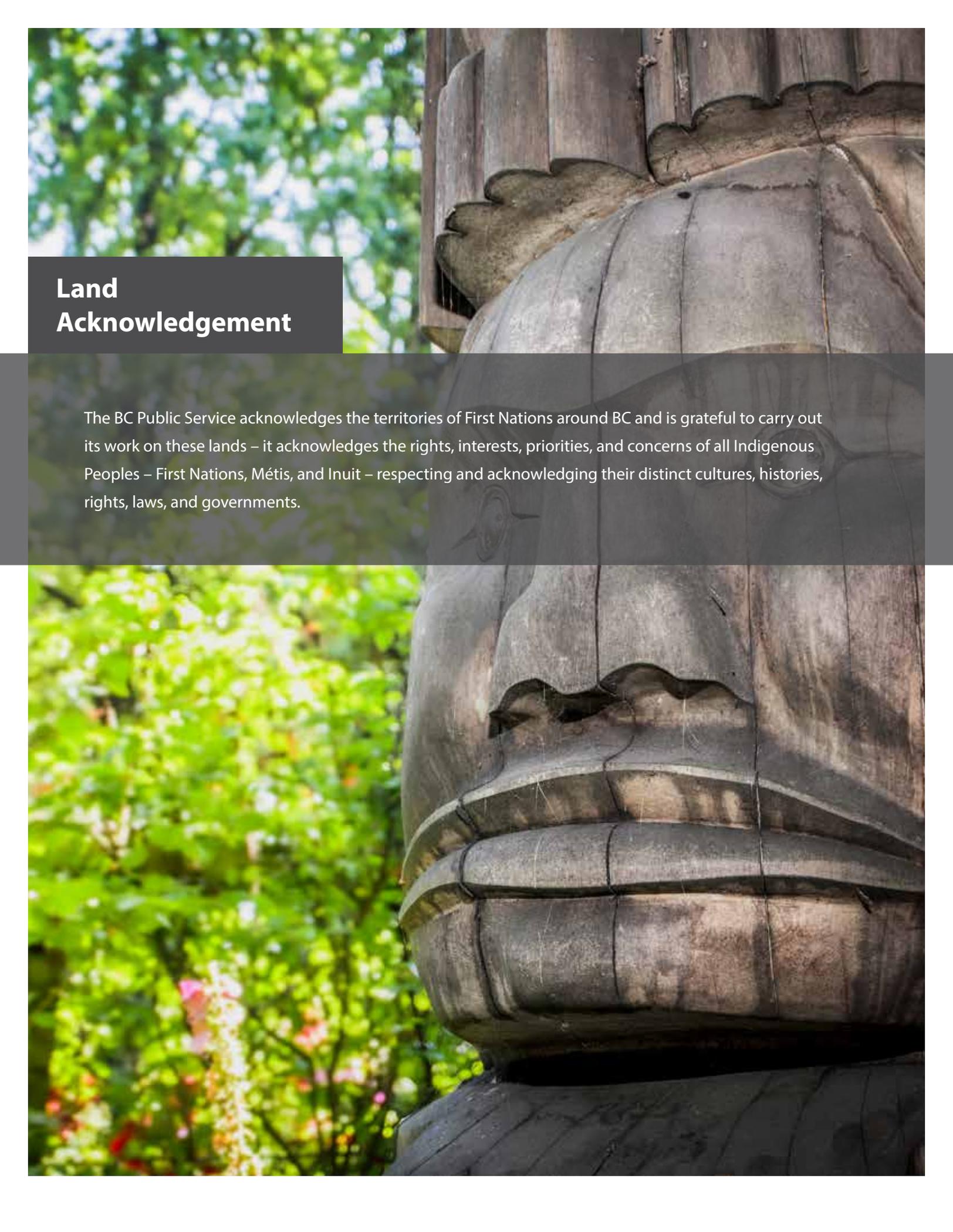
Guide for Elected Officials

Released April 10, 2025
Updated August 25, 2025



Document Table of Revisions

Number	Date of Revision	Nature of Revisions
1	August 25, 2025	Various housekeeping amendments

A large wooden carving of a face, possibly a totem pole, is the central focus of the image. The carving is made of dark, weathered wood and features a prominent nose and a wide, slightly open mouth. The background is a blurred green landscape with trees and foliage. A dark grey rectangular overlay is positioned in the upper left quadrant, containing the text 'Land Acknowledgement'.

Land Acknowledgement

The BC Public Service acknowledges the territories of First Nations around BC and is grateful to carry out its work on these lands – it acknowledges the rights, interests, priorities, and concerns of all Indigenous Peoples – First Nations, Métis, and Inuit – respecting and acknowledging their distinct cultures, histories, rights, laws, and governments.

Preface

The *Amenity Cost Charge Guide for Elected Officials* (“the Guide”) is designed to assist elected officials navigate the decision-making process for developing and implementing an Amenity Cost Charge (ACC) bylaw. The best practices in the Guide were developed through collaboration between the Province, local governments, and representatives from the development community.

Development Finance Guidance

Several companion documents provide additional information and further details about other development financing tools and the legislative requirements and best practices included in this Guide – they include the:

- [Amenity Cost Charge Best Practices Guide](#);
- [Development Cost Charge Best Practices Guide](#);
- [Development Cost Charge Best Practices Guide for Elected Officials](#); and,
- [Development Finance Choices Guide](#).

Enquiries

Contact the Ministry of Housing and Municipal Affairs (Ministry) for answers to questions about the material contained in this Guide. Ministry staff can also provide additional information about Amenity Cost Charges in British Columbia:

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Disclaimer

The information contained in this Guide is provided as a general reference and while all attempts have been made to ensure the accuracy of the material, the Guide is not a substitute for provincial legislation.

Please refer directly to the latest consolidation of provincial statutes at BC Laws (www.bclaws.ca) for specific development finance-related provisions and requirements within the *Local Government Act*, the *Community Charter* and/or the *Vancouver Charter*.



Introduction

The Province established a regulatory framework for Amenity Cost Charges (ACCs) for local governments to fund the amenities to support the increase in population and workers as a result of new development.

As communities grow in British Columbia, there will be an increased need for amenities, such as libraries, daycares, recreation centres, and public squares to support this growth.

The costs associated with these new amenities create significant cost burdens for the public and local government may require that development share these costs, under the “benefiter pays” principle.

A range of development finance tools exist to enable local governments to collect a portion of growth-related expenditures from development. Amenity Cost Charges (ACCs) represent one such tool.

ACCs are a development financing tool that enables local governments to collect funds from new developments that result in an increase in population or workers to help pay for community amenities that support this growth.

This Guide is designed to help local government elected officials to better understand their role throughout the process of preparing and implementing ACC bylaws.

What Are ACCs?

- ACCs are one-time charges that allow local governments to collect funds for amenities such as community centres, recreation facilities, libraries, daycares and public spaces from new development that results in an increase in the population of residents or workers.

- ACCs fund capital costs, including planning, engineering, legal costs, and the provision, construction, alteration, or expansion of amenities.
- ACCs can be used by local governments to pay principal and interest costs on the debt necessary to finance amenity acquisition before sufficient funds are received from developers.
- ACCs are imposed at building permit issuance or at subdivision approval stage and are applied to residential and non-residential developments (e.g. institutional, commercial or industrial developments)..
- ACCs must be adopted by bylaw and comply with applicable legislation and regulations. ACC bylaws do not require approval from the Inspector of Municipalities.

Why Are ACCs Important?

- ACCs ensure that new developments contribute to the cost of amenities that serve growing populations.
- ACCs reduce the burden on existing taxpayers of servicing new development.
- ACCs create predictable and transparent funding for community amenities.



Your Role as an Elected Official in Developing and Adopting ACC Bylaws

The key steps in developing and adopting an ACC bylaw are outlined below, with an emphasis on your role as an elected official throughout the process. While this four-step process represents a typical approach, the specific steps taken by your staff may vary. For comprehensive information on the development of ACCs, please refer to the *Amenity Cost Charge Best Practices Guide*.

STEP 1: Developing the ACC Background Report and Information

This step is led by staff, with direction and input from elected officials

This early stage focuses on conducting the background work necessary to inform the development of an ACC bylaw. Staff work during this phase will be focused on:

■ Identifying broader planning documents

Staff will determine which planning documents, such as Housing Needs Reports, Financial Plans, Official Community Plans, Capital Plans, Asset Management Plans, and Recreation Plans, should inform the ACC bylaw. The Financial Plan and ACC program should align where the Financial Plan includes details about specific projects.

■ Establishing development forecasts

Staff will estimate the amount, type, and location of future development over a timeframe specified for the estimates (e.g. 10 years, 20 years) and the forecasted increase in the population of residents or workers.

■ Identifying growth-related amenities

Staff will propose which amenities require funding based on servicing needs of estimated future development.

■ Estimating costs of infrastructure

Staff will work with technical experts to ensure cost estimates are fair and feasible. Amenity projects identified for ACC purposes may include costs related to planning, engineering, land acquisition, interest costs, contract administration, and public consultation.

■ Allocating costs to growth and existing users

Not all ACC-funded projects will serve only new developments; some will also benefit existing users. Development is expected to pay only for the increased need resulting from the increase in population or workers and the existing users are expected to pay for

the portion which they receive benefit from. Staff will assess and allocate benefit to projects using a suitable means of apportionment.

■ Developing possible ACC rates

Staff will work with technical experts to ensure fairness and feasibility of proposed ACC rates. This will include the appropriateness of area-specific and/or jurisdiction-wide charges as well as the structure of the ACC rates (e.g., per unit, per square metre).

■ Establishing geographic application

Staff will define whether ACCs will apply jurisdiction-wide or be area-specific.

■ Assessing potential development impact

Staff will evaluate and advise elected officials whether proposed ACCs will deter development or discourage the construction of reasonably priced housing. Adjustments by elected officials to the assist factor or providing a grace period or phasing in of ACC rates could be considered at this stage.

■ Applying the assist factor

Staff will develop recommendations regarding the assist factor. The assist factor is chosen by elected officials and is the contribution that the existing users provide to assist development in paying for their share of the cost of service. This contribution is in addition to the portion of the cost of amenities that is allocated to the existing users and must be at least one percent of the amenity cost. The assist factor will reduce the ACC rates by the specific level of assistance chosen.

■ Conducting early engagement with affected parties

Staff will identify and consult with developers, non-profit organizations, the public, and other affected parties to gather information.

Step 1: Your Role as an Elected Official

During this early phase, staff will provide regular updates to elected officials on the items listed above. You may be asked to provide feedback on which amenities should be prioritized, share the perspectives of your community, and provide direction on alignment with broader planning documents and local government policies.





STEP 2: Drafting the ACC Bylaw

This step is led by staff, with input and direction from elected officials

This phase focuses on drafting the ACC bylaw, ensuring it is clear, equitable, and compliant with legislative requirements that build on the findings from developing the background report, early engagement, and direction from elected officials. Staff will lead the technical work, while elected officials will provide input and direction throughout the process. Key activities include:

■ Reviewing findings from early consultation

Staff will outline statutory exemptions as well as potential discretionary exemptions and waivers and reductions for eligible developments.

■ Identifying provisions for exemptions, waivers, and reductions

Staff will outline statutory exemptions as well as potential waivers for eligible developments.

■ Ensuring compliance with the *Local Government Act*

Staff are responsible for confirming that the bylaw meets all legislative requirements.

Step 2: Your Role as an Elected Official

As the bylaw is developed, staff will provide regular updates and present key decision points for you. These updates will cover considerations such as which amenities should be included, how charges should be calculated (e.g., per unit or per square metre), the areas where the bylaw should apply, and potential waivers and reductions (e.g., for affordable housing projects), as well as findings from early engagement. Staff will ensure you have opportunities to review options, provide input, and make informed decisions before the bylaw is finalized and brought forward for adoption.

STEP 3: Public Consultation and Engagement

This step is led by staff with input and direction from elected officials

This phase ensures transparency and allows for meaningful input from affected parties before finalizing the ACC bylaw. It provides an opportunity to refine the bylaw based on community needs and concerns. Staff will lead this phase of work and will focus on:

■ Holding engagement sessions in-person or online

Staff will present the ACC framework and collect feedback from affected parties.

■ Identifying concerns

Staff will assess issues raised by developers, non-profit organizations, advocacy organizations, businesses, and community members.

■ Making bylaw adjustments

Staff will revise the bylaw as necessary based on feedback and direction from the council or board.

Step 3: Your Role as an Elected Official

Staff will compile findings from the consultation process, including feedback themes and proposed adjustments, and present them to elected officials for review and direction. As an elected official, your role may include attending public meetings to hear community feedback, ensuring that concerns from developers, non-profit organizations, businesses, and residents are carefully considered, and requesting clarifications or adjustments from staff if any concerns arise. Once the consultation phase is complete and necessary adjustments are made, the ACC bylaw may move to the final stage for consideration and adoption.

STEP 4: Council/Board Approval Process

In this step, staff present the bylaw, and elected officials give feedback and make decisions leading up to the final adoption of the ACC bylaw

The final step in adopting the ACC bylaw involves a structured approval process by the Council or Board. This phase ensures that you as elected officials have a final opportunity to review, discuss, ask questions, and approve the bylaw before it is adopted. The key stages in this process include:

■ First reading

The draft ACC bylaw and background report are formally introduced to the Council or Board by staff.

Staff present an overview of the bylaw, including key provisions, the proposed ACC rates, and a summary of work conducted to date.

Elected officials discuss and provide feedback. You may direct staff to make revisions to the draft bylaw at this stage.

■ Second and third readings

Staff present the bylaw again, with any revisions that were requested after first reading.

Debate and discussion will ensure the bylaw aligns with growth planning objectives, affordability considerations, and legislative requirements.

If necessary, the Council or Board may direct staff to make final adjustments prior to adopting the bylaw

■ Bylaw adoption

Once the ACC bylaw passes third reading, it may be formally adopted.

Step 4: Your Role as an Elected Official

After the ACC bylaw has been adopted, staff will monitor its implementation and report to elected officials, ensuring the bylaw remains effective and aligned with community needs. Although staff will administer the ACC funds, you as an elected official will continue to play an important role in overseeing their use and ensuring the ACCs continue to align with the broader financial sustainability objectives of your local government.

Your Role as an Elected Official to Ensure Alignment and Fairness

As an elected official, your primary role in developing and implementing ACCs is described in the previous section; however, there are additional matters you need to be aware of.

Elected officials play a role in ensuring that ACCs align with community priorities and financial principles of integration, benefiter pays, fairness and equity, accountability, certainty, and with consultative input, as outlined in the Guiding Principles section of the [*Amenity Cost Charge Best Practices Guide*](#).

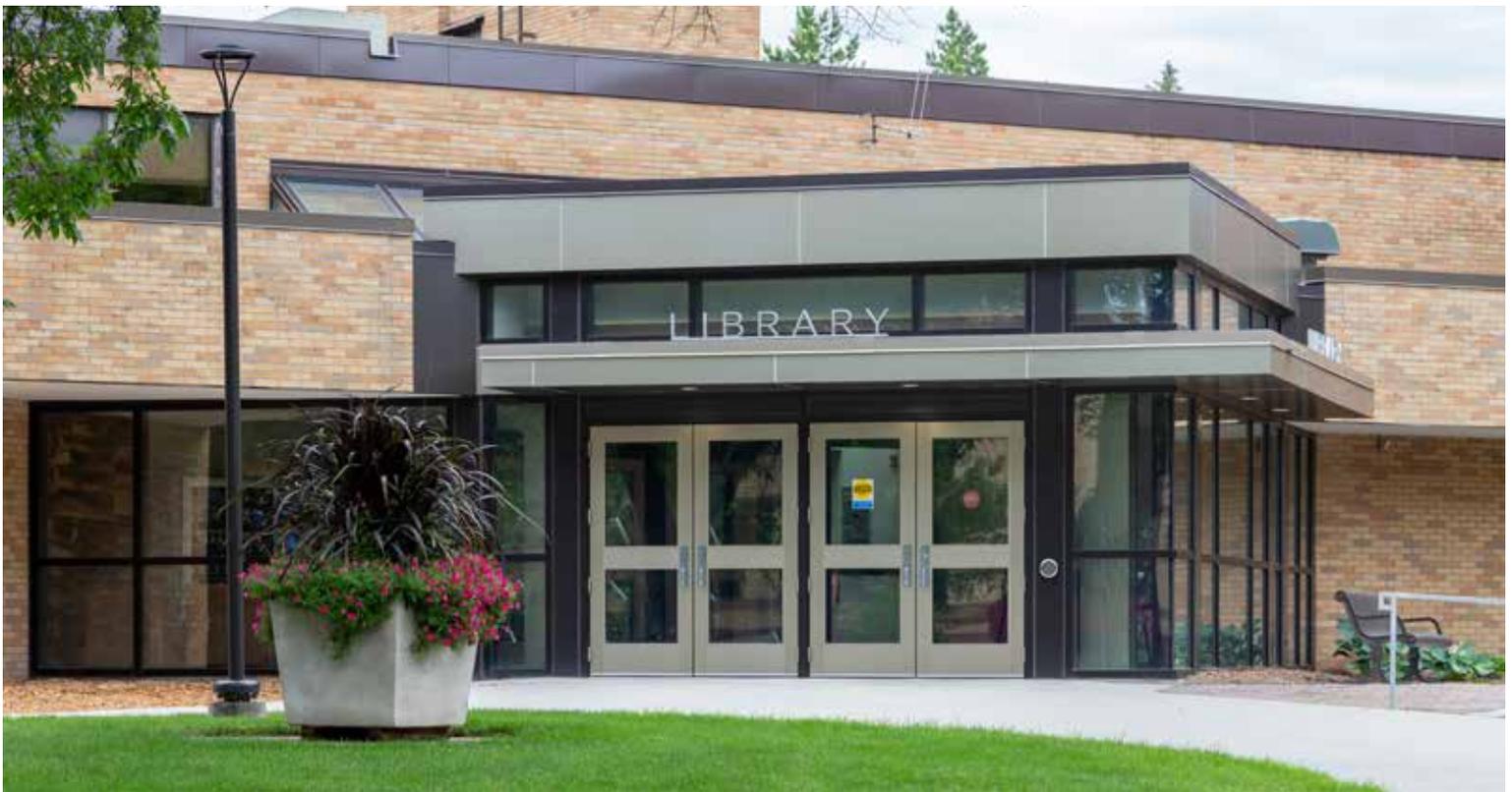
Consider the following key elements to guide your decision-making process.

Policy and Planning Alignment

- Consider grace periods and in-stream protections and how this will affect amenity projects and the collection of funds.
- ACCs should align with broader local government planning documents such as OCPs, Financial Plans, and Housing Needs Reports.
- ACCs should fund amenities that support the Council or Board's plans and policies for creating complete, livable communities.
- ACCs should align with your local government's broader financing strategy, and elected officials should consider how they interact with other planning tools such as development cost charges (DCCs), inclusionary zoning, and density bonusing.

Setting Fair and Effective ACC Rates

- ACCs must balance financial sustainability with development viability. Charges should be set at a level that ensures growth-related costs are recovered and do not deter development.
- As an elected official, you will need to be aware of the results of the financial feasibility analysis in the background report prepared by staff. Elected officials should seek to broadly understand the impacts of the proposed changes, including how the assist factor influences the portion of costs allocated to new development versus existing funding sources such as property taxes or utility fees.



- As an elected official, it is important to understand why ACCs are being imposed jurisdiction-wide or in specific areas. Charges should be based on where benefits from the amenities being funded will be seen.
- ACC rates should be based on sound financial analysis, including projections of future development, cost estimates for planned amenities, and affordability considerations for developers, businesses, and residents. ACC-funded amenities should adequately service the needs of future development.
- ACC rates must be set with consideration for whether the charges will deter development or discourage construction of reasonably priced housing or the provision of serviced land.
- ACC waivers and reductions may be created by separate bylaw to support affordable housing.
- Staff should ensure that ACCs are structured equitably. Charges should be fairly distributed based on the expected servicing needs of different development types. (e.g., residential and non-residential).

Engagement and Consultation

- The *Local Government Act* requires local governments to provide meaningful opportunities for consultation with developers, community groups, and other affected parties.

- Engaging with affected parties can help local governments demonstrate that they have adequately considered whether the ACCs are excessive, deter development, or discourage the construction of reasonably priced housing or provision of reasonably priced serviced land. Ensure a meaningful engagement process is conducted, including how stakeholders will be notified of meetings and when information will be made available for public review.
- Consider the perspectives of developers, businesses, and non-profit organizations when setting ACCs to ensure policies are practical and do not create unintended barriers to development.

Financial Sustainability and Administration

- ACC revenues must be placed in reserve funds and used only for the amenities listed in the bylaw. These reserve funds are established by bylaw.
- It is likely that the ACC bylaw will need regular updates to reflect changes in development patterns, amenity costs, and priorities.
- Ensure monitoring and reporting mechanisms are in place to track ACC collections, expenditures, and the effectiveness of the bylaw over time. You will receive an annual report from staff by June 30 each year.

Additional Considerations for Elected Officials

Grace Periods

A grace period is a timeframe provided for in the ACC bylaw by a local government to notify affected parties of upcoming changes to ACCs. A grace period is a delayed effective date after the adoption of a new ACC bylaw and can typically last up to a year, although a set duration is not mandated by the *Local Government Act*. The purpose of the grace period is to give developers time to adjust to the new rates and prepare for future changes.

In-stream Protection

The *Local Government Act* includes provisions to protect development applications that are already in progress (“in-stream” or “precursor applications”) from being subject to new or updated charges.

When a local government first adopts an ACC bylaw, the charges do not apply to any development with a complete application submitted before the bylaw’s adoption. This includes applications for a building permit, development permit, or zoning bylaw amendment.

For subsequent ACC Bylaws, developers who have submitted complete applications for a subdivision, building permit, development permit, or zoning bylaw amendment are granted a 12-month period where the new ACC rates have no effect (starting from the date the ACC bylaw is adopted). This 12-month period applies as long as the applicant obtains their building permit within that period.

It is important to distinguish between the in-stream protection and grace period:

- **In-stream Protection:** A legal mechanism that safeguards certain projects from sudden changes in ACC rates, provided developers meet specific timing criteria for subdivision and building permit applications.
- **Grace Period:** A transition tool provided by the Council or Board to ease affected parties into new ACC rates by providing advance notice and time for adaptation.

Both serve transitional purposes: in-stream protection actively protects specific projects based on their application timing, while the grace period broadly targets all affected parties.

When are ACCs Collected?

ACCs are collected either at the time of subdivision approval or when a building permit is issued.

Depending on the length of time between subdivision approval and building permit issuance, there may be a financial advantage to collecting ACCs at the earlier date. However, this must be weighed against added costs to developers, which can increase project expenses and impact housing affordability, especially as amenities are often built later in the development timeline.

How are ACC Funds Managed?

Local governments are required to deposit ACCs into reserve funds established by bylaw for each area in which ACCs are collected to enhance transparency and accountability. These reserve funds, including any accrued interest, can only be used to pay:

- the capital costs of providing, constructing, altering, or expanding amenities listed in the ACC bylaw;
- the principal and interest on debt incurred because of an expenditure; and,
- a person subject to an ACC for some or all of the capital costs they have incurred in completing a project, provided the project was completed under a partnering agreement.

What are the Reporting Requirements for ACCs?

Local governments are required to prepare an annual report describing the collection and use of ACC funds before June 30 of each year. Staff will prepare and present this report to elected officials. Afterwards, the report must be publicly accessible until June 30 of the following year.

How is the ACC Program Monitored and Updated?

Ongoing monitoring and review of the ACC bylaw should be conducted by staff. It will be important to regularly consider whether the ACC bylaw needs to be updated to reflect changes in growth patterns, changes in the estimated costs of amenities, or new amenities that need funding. It is important to note that ACC funds that have been collected can only be used for the specific amenity that is identified in the ACC Bylaw. ACC funds cannot be used for new amenities unless the bylaw is amended.

How do ACCs Work Together with DCCs?

Local governments may collect DCCs to help pay for the capital costs of infrastructure for certain services required to support growth. There is a clear distinction between the services and amenities that can be funded by ACCs and those eligible for DCCs:

- **ACCs** fund a broader set of amenities, such as community centres, recreation facilities, libraries, daycares, and public spaces, as defined in the *Local Government Act*. DCCs cannot be used to fund these amenities.
- **DCCs** fund engineering services (water, sewer, roads, and drainage), protection services (fire and police), parks (parkland), and waste management (solid waste and recycling). ACCs cannot be used to fund these services.

ACCs cannot be used to fund services and projects that receive DCC funding (see Table 1: Difference Between ACCs and DCCs).

What Should Elected Officials Consider When Providing ACC Waivers or Reductions?

Elected officials should begin by clarifying their objectives for financial assistance when deciding on discretionary waivers and reductions to ACCs. Two key questions can guide this process:

1. Where will financial incentives make a difference?

Incentives should target developments that would not be financially viable without assistance. The focus should be on developments where waivers or reductions enable feasibility.

2. What types of eligible developments align with municipal objectives?

Elected officials should prioritize incentives for projects that support goals outlined in the OCP and other strategic council or board policies.

Elected officials may develop a separate bylaw that defines certain types of housing for which ACCs may be waived or reduced. By prioritizing projects that balance financial feasibility with policy objectives, elected officials can maximize the impact of ACC waivers or reductions while avoiding inefficient resource allocation.

A strategic approach ensures these measures promote sustainable growth while advancing elected officials priorities. When used effectively, waivers and reductions can enhance project viability while aligning with community needs and policy goals.

Table 1
Difference Between ACCs and DCCs

	Amenity Cost Charges (ACCs)	Development Cost Charges (DCCs)
Can be levied to recover costs for:	Any "Amenity" that provides social, cultural, heritage, recreational and environmental benefits, including but not limited to: <ul style="list-style-type: none"> • Community, youth or seniors' centres • Recreation or athletic facilities • Libraries • Day care facilities • Public squares 	<ul style="list-style-type: none"> • Water • Sewer • Drainage • Highway Facilities • Parks Acquisition and Improvements • Fire Protection • Police • Solid Waste Facilities • Recycling Facilities
Inspector of Municipalities Approval:	Not required <i>(Inspector may request information)</i>	Required for bylaw passage
Consultation Requirement:	Consultation with public and affected persons, public authorities and organizations must occur one or more times	Not required by legislation <i>(but will be considered as part of Inspector review)</i>



Note that ACCs, DCCs, and other development financing tools (such as *Inclusionary Zoning and Density Bonus*) are interconnected. Therefore, decisions to waive or reduce ACCs must also account for several key factors:

- **Cumulative Impacts of Charges:** Different development financing tools can collectively influence project feasibility. Staff will provide an analysis of the combined impact of ACCs, DCCs, and other charges on various development types, including market-rate housing, affordable housing, and commercial projects.
- **Alignment with Objectives:** ACCs should be structured to support broader local government goals, such as increasing Small-Scale Multi-Unit Housing or expanding affordable housing stock. Waiving or reducing charges in targeted cases can incentivize developments that align with these priorities.
- **Financial Impacts:** Revenue shortfalls from ACC waivers or reductions cannot be offset by increasing charges on non-exempt developments. Elected officials must consider that any waived amount must be covered by alternative funding sources, typically property taxes. Balancing the need for development incentives with the financial impact on residents is a critical consideration.

In-kind Amenities

Through an agreement with a local government, developers may provide an in-kind amenity or land instead of the developer paying for all or part of the ACC costs.

In-kind amenities:

- should be listed in the ACC bylaw. For example, a developer would be prevented from building a daycare in an office building as an in-kind contribution if the daycare was not part of the ACC program; and,
- do not necessarily need to be located on the development site, or adjacent. However, the location must be approved by the local government and should be within the area covered by the ACC bylaw.

A local government must enter into an agreement with the developer when an applicant provides an amenity or

land in-kind. Elected officials should refer to the *Amenity Cost Charge Best Practices Guide* for more details on in-kind amenity agreements.

Conclusion

As an elected official, your role in implementing ACCs is to ensure they support community growth while maintaining fairness, transparency, and financial sustainability.

Elected officials need to understand the two significant places in which they insert themselves into the process of determining ACC amount. The first is the assist factor, which allows elected officials to relieve of a portion of the costs to be recovered by ACCs. The second is waivers and reductions, which allow elected officials to further relieve certain types of developments of some or all of the remaining charges.

ACCs provide a structured way to fund the amenities needed to support the increase in residents and workers that result from new development, helping to balance development contributions with broader public investment. Keep in mind:

- **Evaluating all funding options:** ACCs are one of many tools available to support community amenities; consider how they interact with other financing mechanisms.
- **Aligning with community priorities:** ACCs should reflect long-term planning goals and support the creation of complete, livable communities without creating barriers to development or affordability.
- **Ensuring fairness and transparency:** Charges must be equitably structured, with clear financial analysis, and stakeholder engagement.
- **Reviewing and updating regularly:** ACC bylaws should be monitored to ensure they align with changing development patterns, amenity costs, and community needs.

By understanding your role in developing and implementing an ACC bylaw, you can help manage growth responsibly while balancing the needs of new development and existing taxpayers.

