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January 5, 2026

Mayor Dan Ruimy and Council
City of Maple Ridge
11995 Haney Place
Maple Ridge, BC V2X 6A9

Dear Mayor Ruimy and Members of Council,

Re: Development Cost Charges and Housing Delivery in Maple Ridge

The Urban Development Institute (UDI) is writing to encourage the City of Maple Ridge to undertake a review of its Development Cost Charge (DCC) program to reduce them, with the objective of supporting housing delivery in the current market.

UDI and our members remain committed to working collaboratively with the City of Maple Ridge to help deliver the housing needed to support the community's continued growth. We recognize the importance of infrastructure and the role that DCCs play in its funding. However, given current economic conditions and the mounting cost pressures facing development, we believe now is an important opportunity for the City to reassess how its DCC program can better respond to market realities and help ensure approved housing projects can proceed.

The Cost of Delivery Crisis

Across Metro Vancouver, the housing sector is facing a deepening cost of delivery crisis. Our members cannot deliver new homes at prices and rents that homebuyers and tenants can afford. As a result, projects that have already secured rezoning or development approvals are increasingly unable to proceed due to elevated construction costs, constrained financing, and the cumulative impact of government-imposed charges and regulatory requirements at all levels.

In addition to municipal development fees, projects in Maple Ridge and across the region are now absorbing higher Metro Vancouver Development Cost Charges, with further regional increases already scheduled. While these regional charges fall outside the City's DCC framework, they represent a growing external burden that compounds overall project costs and further strains housing delivery when layered alongside Maple Ridge's fees.

At the same time, new adaptability and seismic requirements introduced through the *BC Building Code (BCBC)* came into effect last year, adding cost, complexity, and design constraints to projects that are already under significant financial pressure. This is on top of changes to the *BCBC* made in 2024 that have further increased construction costs, including new mechanical, radon mitigation and secondary suite requirements.

Recent policy changes in Maple Ridge, including the City's move to *Energy Step Code 3*, implementation of the *Zero Carbon Step Code*, and adoption of the *Off-Street Parking and Loading Bylaw*, have introduced additional construction and design costs for projects.

As a result, we are hearing from our members that projects in the City are becoming unviable. Projects are increasingly being delayed or shelved altogether because the economics no longer work. In the current market, these additional costs cannot be absorbed. Instead, they directly undermine project viability, stall housing delivery, and increase the risk that approved projects will never be built.

Importantly, these cost pressures do not only reduce near term housing starts - they also delay a broader market recovery. As costs continue to rise, the gap between what it costs to build and what the market can support widens, extending the period before projects can again become financially viable. Each additional layer of cost pushes recovery further out, slows the return of construction activity, and delays the delivery of much needed housing, jobs, and economic activity.

Recognition Across the Region

Importantly, local governments across Metro Vancouver are recognizing these realities and adjusting course accordingly. Over the past year, several municipalities have taken deliberate steps, particularly with respect to Development Cost Charges, to ease cost pressures and support housing delivery:

- The City of Vancouver has implemented a temporary 20 percent discount on Development Cost Levies to help projects move forward during the current downturn.
- The City of Surrey rolled back its DCC rates to 2023 levels while explicitly acknowledging the need to avoid further burdening new housing.
- The Township of Langley twice deferred its planned DCC increases and has since proposed rates lower than those previously contemplated.

Risk to Housing Delivery

Maple Ridge has demonstrated strong recent housing performance and has met its provincial housing targets in the most recent reporting period. This achievement is noteworthy and reflects the City's efforts to advance housing supply during a period of

rapid growth. However, it is important to recognize that the majority of projects contributing to these completions were approved and financed under a very different economic reality.

The homes that completed in 2024 were initiated and sold prior to the sharp escalation in construction costs, interest rates, development charges, and regulatory requirements that have emerged over the past two years. The current pipeline of approved and proposed projects is facing materially different conditions. Rising construction and servicing costs, higher borrowing costs, and the cumulative impact of municipal, regional, and provincial charges are placing significant pressure on project viability.

These pressures are further exacerbated by longer approval timelines and weaker market absorption, with approval processes extending well beyond historical norms and monthly absorption estimated at roughly 40 percent of ten-year averages. Without adjustments to policy frameworks, particularly Development Cost Charges, many of these projects risk being delayed or not proceeding at all.

As a result, while Maple Ridge has recently met its housing targets, maintaining this level of delivery going forward is far from assured.

Recommendation

Given current economic conditions and regional experience, UDI encourages Council to initiate a review of the City's Development Cost Charge program with the goal of reducing DCCs to support housing delivery by ensuring charges remain aligned with current market conditions and project viability.

Without such a review, Maple Ridge risks a significant slowdown in housing starts, making it increasingly unlikely to meet future provincial housing targets and undermining recent progress on housing supply.

UDI recognizes the complex balance Council must strike between funding infrastructure and enabling new housing. We share the City's objective of building complete, resilient communities and expanding housing supply to meet the needs of current and future Maple Ridge residents.

We would welcome the opportunity to work with Council and staff to identify practical approaches that respond to today's economic realities while positioning Maple Ridge for long-term success. We believe that a proactive review of the City's DCC program, including targeted reductions would be a constructive step toward achieving our shared goal of delivering more new homes for Maple Ridge. Thank you for your consideration.

Yours sincerely,



Anne McMullin
President & CEO, Urban Development Institute