

March 13, 2026

Mayor Ross Siemens and Council  
City of Abbotsford  
32315 South Fraser Way  
Abbotsford, BC V2T 1W7

Dear Mayor and Council,

***RE: Request to Extend Development Cost Charge (DCC) Implementation Timeline***

On behalf of the Urban Development Institute (UDI) and its members, we are writing to request that Council consider further extending the implementation timeline associated for the City's new Development Cost Charge (DCC) Bylaw. While UDI appreciated Council's previous decision to delay the implementation of the new DCC rates to February 1, 2027, current market conditions and the timelines associated with municipal approvals continue to present challenges for projects already in the development pipeline. As such, UDI respectfully recommends that Council extend the implementation timeline for in-stream applications for an additional six months to August 1, 2027.

Across Metro Vancouver and the Fraser Valley, the housing sector is facing a cost-of-delivery crisis. Elevated construction costs, the cumulative impact of government-imposed charges and regulatory requirements at multiple levels, and constrained financing conditions have made the rents and prices of new homes beyond what tenants and homebuyers can afford. This has led to much slower market absorption that is making it increasingly difficult for projects to proceed to construction, even after receiving development approvals. Industry feedback indicates that many projects that were viable only a few years ago are now struggling to move forward due to these combined cost pressures.

While the City's decision to delay the DCC implementation date has been helpful, many projects currently progressing through the municipal approvals process may still be unable to reach the building permit stage to take advantage of the extension. Development approvals can often take several years.

Beyond approval timelines, current market conditions are also affecting the pace at which projects can move forward. In particular, slower sales activity is forcing many multi-phased developments already under construction to adjust their delivery timelines. As a result, builders and developers are often delaying subsequent phase building permit applications until market conditions improve. These delays can unintentionally trigger the application of higher DCC rates for later phases, even for projects that were originally planned and approved under earlier assumptions. Providing additional time through an

extended exemption period would help ensure that these projects can continue progressing as intended and avoid further impacts to project viability if higher DCCs had to be paid.

Extending the exemption timeline by six months would provide additional certainty for projects already in the approvals process, help mitigate financial risks associated with current market conditions, and support the continued delivery of much-needed housing in Abbotsford.

We note that the Township of Langley, recognizing the current challenges facing the development industry, has twice amended its DCC Bylaw to extend in-stream protections for projects already in the approvals process. In addition, the Township is currently at third reading of a revised DCC Bylaw that proposes reductions to the current DCC rates, demonstrating its recognition of the financial pressures facing the industry.

We hope that Council and City staff will consider these concerns and our recommendation to extend the exemption timeline in order to improve project viability and support the continued delivery of much-needed housing and job generating projects. UDI remains committed to working collaboratively with the City of Abbotsford as it advances its growth plans and we look forward to continuing to work together on this and other initiatives.

Thank you for your consideration.

Yours sincerely,



Michael Drummond  
Interim President & CEO, Urban Development Institute

**cc:**

Komal Basatia, General Manager, Finance & Procurement Services, City of Abbotsford  
Mark Neill, General Manager, Planning & Development Services, City of Abbotsford