



URBAN
DEVELOPMENT
INSTITUTE

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March 31, 2026

Mayor Lahti and Council
City of Port Moody
100 Newport Dr
Port Moody, BC V3H 5C3

Re: Proposed Increases to Development Cost Charges (DCCs) & Amenity Cost Charges (ACCs)

Dear Mayor and Council,

Last week, we wrote to you regarding consultation on financial testing for several major City initiatives, including ACCs and DCCs, scheduled for adoption this Summer. We asked the City to allow the Urban Development Institute (UDI) and other builders to provide input on the financial testing of the initiatives before they are adopted, given the difficulties the housing sector is facing, as enumerated in our [March 25th letter](#).

We are deeply concerned with the magnitude and timing of the proposed increases for just the ACC and DCC programs in the *Draft Development Cost Charges and Amenity Cost Charges Rates Report* to Council. The proposed increase for high-density projects would be 167%, and 260% for commercial projects. These are more substantive percentage increases than the Metro Vancouver DCC increases that have threatened development across the Region.

This is not the time for increases in fees and other costs given the serious economic headwinds our members are facing – including for many builders in Port Moody. In fact, UDI has been seeking reductions in fees and requirements from municipalities to make projects viable, so they can proceed.

We note that in the Report, when reviewing the recommended options, staff state “*The consultant tested the impact of the proposed new DCC rates using Option 5 (5.5ha) and Option 6 (2.7ha) of the Parkland Acquisition DCCs analysis, together with the proposed ACC rates, and the modelling indicated increased feasibility pressure for certain project forms. Based on the results generated, the development market is currently challenging with existing DCC rates, and it would be more financially challenging to build the variety of forms under increases to the current DCC rates.*”

We are very concerned that if Port Moody implements these increases at this time, many projects will be halted, new housing and job-generating spaces will not be delivered, and Port Moody would receive less revenue from DCCs, ACCs/Community Amenity Contributions, and Density Bonusing, as well as fewer Inclusionary Zoning units. In fact, staff note *“In the current and foreseeable market, even reduced Parkland Acquisition Options 5 (50%) and 6 (25%) would not enable the City to achieve any of its current Inclusionary Zoning policy objective of 15% inclusionary zoning in a proposed development.”*

In addition, the City could jeopardize potential future Federal/Provincial infrastructure funding. Yesterday, Ontario and the Federal Government [announced](#) an \$8.8 billion program for housing-related infrastructure. However, there is an expectation that local governments that participate in the program will reduce their development charges – not substantially increase them.

We strongly recommend that the City not proceed with these proposals, given the considerable impacts they will have.

Yours sincerely,



Michael Drummond
Interim President and CEO, Urban Development Institute