

Victoria McKean

From: Molly Harris
Sent: January-16-26 1:57 PM
To: Victoria McKean; Sarah Holloway
Subject: FW: DCC/ACC Notice of Motion follow-up - FW: Did the budget include the proposal to cut municipal development charges in half?

Follow Up Flag: Follow up
Flag Status: Flagged

Copy of correspondence forwarded to:

- Victoria, Committee Coordinator – Late Correspondence, Jan 19
- Sarah, DCO – Late Correspondence, Jan 19

Molly Harris

Corporate Services Assistant

Township of Esquimalt | Corporate Services

Tel: 1-250-414-7163 | www.esquimalt.ca

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From: Bill Brown <bill.brown@esquimalt.ca>
Sent: January-15-26 2:26 PM
To: Dan Horan <Dan.Horan@esquimalt.ca>
Cc: Deb Hopkins <Deb.Hopkins@esquimalt.ca>
Subject: DCC/ACC Notice of Motion follow-up - FW: Did the budget include the proposal to cut municipal development charges in half?

Dear Mayor and Council,

One of the points noted in the Notice of Motion related to DCCs/CACs/ACCs referred to a potential federal government program to help local governments off set the cost of DCCs to accelerate housing. After some on-line research I could not find any reference to any programs related to DCCs, so I sent an e-mail to Housing, Infrastructure, and Communities Canada inquiring about the status of the program. Their e-mail response, which I received this morning, is below.

Thanks.

Bill

Bill Brown, MCIP

Director of Development Services

Township of Esquimalt | Development Services

Tel: 1-250-414-7146 | www.esquimalt.ca

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From: Info (HICC / LICC) <info@infc.gc.ca>

Sent: January-15-26 8:55 AM

To: Bill Brown <bill.brown@esquimalt.ca>

Cc: Info (HICC / LICC) <info@infc.gc.ca>

Subject: RE: Did the budget include the proposal to cut municipal development charges in half?

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Unclassified | Non classifié

Hello,

Thank you for contacting Housing, Infrastructure and Communities Canada (HICC).

The Government of Canada is committed to increasing housing supply and improving affordability. This includes measures to reduce the burden of the cost of development charges on homebuilding and ensuring that municipalities have the funding for housing-enabling infrastructure to support this growth.

[Budget 2025](#), which was tabled by the Minister of Finance on November 4, 2025, announced the new [Build Communities Strong Fund](#). The Fund will provide \$51 billion over the next ten years through three funding streams to support public infrastructure projects that drive economic growth, improve productivity, enhance resilience, and strengthen communities in areas such as water and wastewater infrastructure, transit, roads, health-related and education-related infrastructure, large building retrofits, climate adaptation projects, and housing enabling and community infrastructure, among many other types of projects.

As outlined in the Budget, the Fund's Provincial and Territorial Stream will provide \$17.2 billion towards provincial and territorial infrastructure projects and priorities that support housing, healthcare, and education. The Government of Canada will leverage these funds to help reduce the impact of development charges and other barriers to construction. Further details will be shared on the [Housing, Infrastructure and Communities Canada](#) website once available.

Once again, thank you for taking the time to write.

Sincerely,

Public Inquiries | Enquête publique

Housing, Infrastructure and Communities Canada | Logement, Infrastructures et Collectivités Canada

Email | Courriel: info@infc.gc.ca

Toll free | Sans frais : 1-877-250-7154

housing-infrastructure.canada.ca | logement-infrastructure.canada.ca



Housing, Infrastructure
and Communities Canada

Logement, Infrastructures
et Collectivités Canada

Canada

From: Bill Brown <bill.brown@esquimalt.ca>

Sent: December 31, 2025 7:02 PM

To: Info (HICC / LICC) <info@infcc.gc.ca>

Subject: Did the budget include the proposal to cut municipal development charges in half?

Use caution, particularly with links and attachments as this message originates from a non-government source.

Soyez prudent, surtout avec les liens et les pièces jointes, car ce message vient d'une source non gouvernementale.

Hello/Bonjour HICC Staff,

I am preparing a staff report for our municipal council related to whether or not to implement "development cost charges" in Esquimalt, British Columbia. I note that in this article, [Details on housing development charges expected in federal budget, minister says | CBC News](#), Minister Robertson stated that the government was committed to reducing charges. If you could please give me an update that would be greatly appreciated. I want to incorporate the most recent information into my staff report. Note that the staff report will be a public document so please do not provide any information that is not to be made public. I just want a couple of sentences to provide our Council with an update on this initiative.

Thanks/Merci

Happy New Year/Bonne Annee

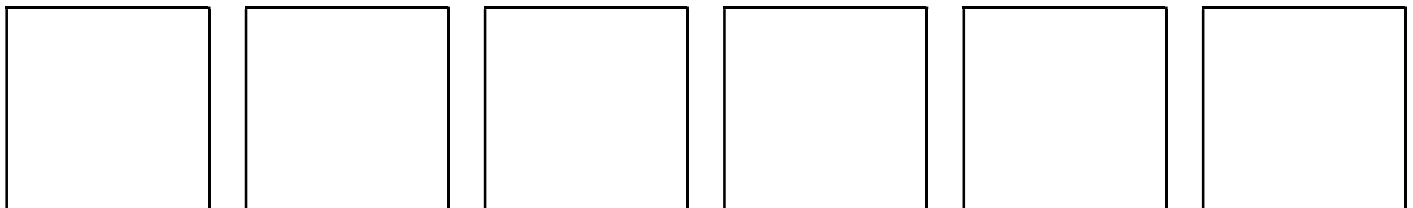
Bill

Bill Brown, MCIP

Director of Development Services

Township of Esquimalt | Development Services

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From: [Molly Harris](#)
To: [Sarah Holloway](#)
Subject: FW: New DCC and ACC in Esquimalt
Date: January-19-26 12:56:35 PM

Copy of correspondence forwarded to:

- Sarah, Deputy Corporate Officer

Molly Harris

Corporate Services Assistant

Township of Esquimalt | Corporate Services

Tel: [1-250-414-7163](tel:1-250-414-7163) | www.esquimalt.ca

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From: Clifford C [REDACTED]
Sent: January-18-26 2:06 PM
To: mayor@esquimalt.ca; Council <Council@esquimalt.ca>
Cc: [REDACTED]
Subject: New DCC and ACC in Esquimalt

CAUTION: This email originated from outside of the Township of Esquimalt Network. Do not click links or open attachments unless you recognize the sender and know the content is safe.

Dear Mayor and Council,

Firstly, I would like to commend this council for having some of the strongest housing policy in the province. More specifically, your interpretation of the new SSMUH legislation was superb. Thank you for your good work.

Today, I am writing in regards to the 'High Level Council Discussion Regarding DCCs and ACCs' that is before council tomorrow. As a resident and property tax payer in Esquimalt I am very concerned with the foreseeable but unintended consequences of implementing taxes or charges on new housing development. I encourage council to consider the follow this points which I will elaborate on further below:

- 1.
- 2.
3. DCC's and ACC's will lead to higher
4. costs of constructions which put upward pressure on the price of new homes and concurrently result in fewer homes being built.

- 5.
- 6.
- 7.
8. DCC's and ACC's will lead to more
9. Single family homes being replaced with single family homes rather than multi family which will lead to a less efficient use of land and lower long term property tax revenue.
- 10.
- 11.
- 12.
13. DCC's and ACC's disproportionately
14. put the tax burden for this city on new home owners and new residents who are generally young and less well off than current home owners in Esquimalt.
- 15.

As a small growing city, Esquimalt is in a unique position to learn from the mistakes of our larger more developed counterparts across Canada. While well intentioned, other Cities in the CRD and beyond have seen large unintended consequences to adding DCCs and ACCs to their revenue stream. While the reasons behind the housing crisis are diverse and complex fee's and tax's like DCC's have been shown to be one of the main factors contributing to increased construction costs throughout Canada. The Missing Middle Initiative, a not for profit think tank, has done a lot of high quality research outlining this effect and related issues with DCCs (Read: [Here](#), [here](#), and [Here](#)). The initial staff report on DCC's correctly outlines that housing prices are determined by 'the market'. However, they do not point out that municipal policies can and do have a significant effect on market prices. Market prices are determined by supply and demand and supply is greatly affected by the cost of producing new supply. Adding new costs through DCC's increases the cost of construction which will in turn cause a reduction in supply which will cause market prices to go up. Doing anything to increase the price of housing is something that should be avoided or at the very least limited to large single family homes at the very top end of the market.

Adding DCC's and ACC's to only multi-family units will give developers more incentive to replace old SFH's with new single family homes. If a developer can build a SFH with zero development charges but will be charged \$1000-\$50,000 per unit of multi family they will be nudged or firmly pushed, depending on the size of charge, toward constructing less multi family housing. New SFH tend to be in the form of high end luxury mansions that are built for only the very top end of the housing market and rarely, if ever, include any kind of affordable housing.

The strongest argument towards adding DCC's and ACC's is that they allow for low property taxes for existing homeowners like myself. However, it is important to keep in mind that this is not a 'lowering' of taxes but a shifting of taxes from homeowners to new residents and developers. It can be debated how much of the DCC and ACC's ultimately get passed on to buyers versus paid by developers. I think it is reasonable to assume that somewhere between "some of the charge" to "nearly all of the charge" will be passed on to first time buyers and new residents. The question that needs to be asked is who will be paying the tax and is that fair? Ultimately new housing is getting built for new homeowners

and therefore the tax is getting paid disproportionately by new residents and first time homeowners who generally tend to be less well off than existing homeowners. I do not believe this is a fair way to distribute our tax burden. Further, I will point out that lots with multi units tend to garner more property tax revenue per square foot of land. By disincenting multi-family development through DCC's we will reduce the tax efficiency of our finite land resources in the long run.

Thank you for taking my point of view into account on this matter. I hope that any decision Council makes regarding DCC's is made with all the facts and historic examples available and well studied.

Regards,
Cliff Childs