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## **Mayors' Council approves rates and structure for a new transit development cost charge**

*Revenue will fund 10-Year Vision projects without affecting housing affordability*

NEW WESTMINSTER, BC — Today the Mayors' Council approved a framework for the structure and rates for a new development cost charge (DCC) for transit investment. The charge will be set in a way that it can fund transit expansion without influencing housing prices.

DCCs are a one-time fee that would apply to new development to help fund growth-related infrastructure costs. The TransLink Board will be asked to approve this framework at its next meeting.

Because housing prices are set by the overall supply and demand in the marketplace, increased development costs reduce the amount developers are able to pay for land. The DCC rates are being carefully set to not impact the viability or pace of redevelopment so the transit DCC should not have any significant impact on housing affordability.

TransLink will target the new DCC to raise about \$20 million per year. TransLink is proposing setting residential rates between \$1,200 and \$2,100 per unit of new development. Non-residential rates could be set between \$0.50 and \$1.00 per square foot. Final adjustments to the rates will be made in 2018 in consultation with stakeholders.

A new DCC for transit infrastructure was identified by the Mayors' Council in the 10-Year Vision for Metro Vancouver Transit and Transportation in 2014 as a way of "growth paying for growth", subject to provincial government approval. The revenue will help fund 10-Year Vision capital projects including:

- 1 new SeaBus
- 56 Expo/Millennium Line cars and 24 Canada Line cars
- 2 new and 6 refurbished West Coast Express locomotives
- Upgrades to Expo/Millennium Line and Canada Line stations and systems
- Updated transit exchanges and new buses to support service expansion across the entire region



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Revenue from this charge will be used for capital to support our growing region. This will allow TransLink to continue to increase bus and rail service to meet demand.

The proposed DCC would be structured in a way which is similar to charges already levied by local government and will be waived for affordable rental housing projects. Municipalities already have mechanisms for collection in place therefore administration costs will be minimal.

Provincial legislation enabling the charge needs to pass during spring 2018 in order for it to be in place by 2020 as planned.

**Quote:**

**Gregor Robertson, Mayors' Council Chair and Mayor of the City of Vancouver –**

“This new development charge is a key part of the funding formula for the Mayors’ 10-Year Transportation Vision. Without it, TransLink will have to find a new funding source or defer much needed improvements. We worked hard to create a structure and rate system which can contribute a fair share of the funds to deliver on the Vision without affecting housing affordability.”

**Anne McMullin, President and CEO Urban Development Institute –**

“UDI congratulates the Mayors’ Council on moving forward with the next step in fulfilling the funding for the full 10-year transportation investment plan. After nearly four years since the introduction of the Mayors’ Council Vision, it’s critical that the provincial and federal governments move quickly to follow through on their commitments to deliver on the overdue regional transit and transportation investments like the Surrey-Newton-Guildford LRT, Millennium Line Broadway Extension and Pattullo Bridge replacement.”

**Learn More:**

[The 10-Year Vision for Metro Vancouver Transportation](#)

[Regional Development Fee Backgrounder](#)

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*TransLink is Metro Vancouver's regional transportation authority, and is the first North American transportation authority to be responsible for the planning, financing and managing of all public transit in addition to major regional roads and bridges.*