

# Municipal CAC Demands Escalate Despite BC Policies



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The BC government report, *Opening Doors*, said revenue from community amenity charges (CAC's) are a disincentive for municipalities to proactively rezone to appropriate densities.

“Zoning-based charges (CACs) discourage proactive zoning for more homes...local governments can generate CAC revenue by keeping zoning below levels that make redevelopment possible and selling additional ‘air rights’ through the zoning powers they have been delegated.”

The report recommends phasing out CACs, however some municipalities, such as Saanich, moved in the opposite direction.

Saanich council formalized CAC fees in their policies charging up to \$3,840 per unit on townhouse projects.

Saanich is “encouraging negotiations only for major developments, with 350 units or more, while allowing smaller developments (with 7 to 349 units), to proceed through the rezoning process with clear CAC Target Rates or Density Bonus Rates...”

Except the BC government’s CAC guide says, “Local governments do not have legal authority to require applicants for rezoning to pay CACs. They must ensure that any CACs are obtained as part of a negotiation process. Local governments must also not commit to pass a rezoning bylaw on the condition that CACs are provided. Council and regional board members are legally required to remain open-minded on a proposed rezoning, until they have heard the public’s perspectives at the public hearing.”

CAC fees are not legally required, and must be negotiated, yet Saanich is “encouraging negotiations only for major developments.”

Other municipalities, including Victoria, have formalized CACs. Victoria’s policy says, “An economic analysis conducted at the applicant’s expense may be used to determine the amount of CAC an approvable project can support in atypical rezoning applications.”

Why is a builder paying for an economic analysis for CACs not legally required? It is no wonder we have housing shortages and sky-high prices.

The BC government ignored their own *Opening Doors* report and does not enforce their CAC policies on municipalities.

Missing middle housing has declined 33% year-to-date in Greater Victoria.

This will continue as long as municipalities have carte blanche from the province to boost fees through CACs, DCCs, permit fees, density bonusing and other government policies designed to use new housing as a cash machine.



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