

CITY OF COQUITLAM

Policy and Procedure Manual



Community Amenity Contribution (CAC) Collection Policy & Procedure – Planning & Development Department

Council Adoption Date: November 18, 2019

Revision Date: January 1, 2025

Reason for the Policy

This policy provides a framework for determining and receiving financial contributions under the City's Community Amenity Contribution (CAC) program. It has been prepared to provide clarity and consistency in the administration of the CAC program.

Policy

1. What are CACs?

CACs are a voluntary financial contribution made by an applicant to a municipality at the time of rezoning of a property to assist with offsetting the impact of development and helping fund amenities necessary in the community to support growth. CAC programs typically apply only to new residential density created as part of development associated with rezoning applications. CAC funds are used to help fund and off-set the financial burden of providing new amenities in the community needed as a result of further population growth resulting from rezoning development applications. Many Metro Vancouver municipalities have CAC programs, each of which varies in terms of how it is structured and applied.

Coquitlam's CAC applies up to a maximum base floor area ratio (FAR) times the lot area of a subject property depending on the zone. For example, 1.85 FAR in the RM-3 zone (for lots outside of the Evergreen Line Core and Shoulder station areas and 400 metres of Partington Creek Neighbourhood Centre), 2.5 FAR in the RM-4, RM-5, RM-6 and C-7 (Burquitlam-Lougheed) zones, and 3.0 FAR in the C-7 (City Centre) zone. For higher density developments above the 1.85, 2.5 or 3.0 FAR base densities, the City has an optional Density Bonus Program that developers can utilize depending on the zone they have applied for, which is also based on financial contributions to the City to fund needed community facilities and amenities.

2. Who pays CACs?

The CAC program applies to all new residential development in Coquitlam, including newly created single-family residential lots, duplexes, triplexes, quadruplexes, townhouses and apartment buildings that are being processed through a rezoning application. The CACs are to be submitted or secured by the party that makes a rezoning application prior to Council consideration of final approval of the zoning bylaw

amendment. If an applicant chooses not to contribute CACs, the application will be advanced for Council's consideration advising of this response.

3. When do CACs Apply?

The CAC program applies to all new residential floorspace up to a maximum base density FAR of 1.85, 2.5 or 3.0 times the lot area depending on the zone, for multi-family projects (duplexes, triplexes, quadruplexes, townhouses and apartments) when there is a rezoning application involved. Additionally, it applies to all new single-family lots created through a subdivision requiring a rezoning.

CACs do not apply to non-residential floorspace in commercial, industrial or institutional developments. Nor do they apply to below-market or non-market rental housing that is covered by a Housing Agreement. They also do not apply, for example, to a new home replacing an existing home on a lot if there is no rezoning application, even if the new home is much larger than the existing home or when an addition is being made to an existing home.

4. CAC Rate Structure

Starting on January 1, 2025 ("Effective Date"), the Citywide CAC rates are:

- \$69.31 per m² (\$6.44 per sq. ft.) for net gross floor area below the base density for new multi-family residential developments; and
- \$10,732.15 per net lot for new single-family developments, created through a subdivision.

The CAC rate structure set out above will be adjusted annually on January 1, based on annual CPI¹ increases reported by Statistics Canada each year.

Applications will be subject to the CAC rates that are in effect on the date the application was received. However, the rezoning applications will need to achieve final adoption within six months of the subsequent annual CPI adjustment date, to be subject to the CAC rates in effect at the time of application submission. Applications achieving final adoption after the six-month period will be subject to the adjusted CAC rates in effect at that time. The quoted CAC amount payable will be valid for the following 12 month period, and updated in the same manner thereafter for each subsequent 12-month period, if required.

5. CAC Credits

A CAC credit would be applicable for any existing residential floor area on a lot that is being redeveloped for a multi-family development or for the existing lot in a subdivision (i.e., one residential lot credit). Existing floor area of a building is to be verified by the applicant through a certified survey prepared by a Registered BC Land Surveyor.

¹ "CPI" means the Consumer Price Index for Vancouver, all items, not seasonally adjusted, as set forth from time to time in the "Consumer Price Index" published by Statistics Canada annually.)

Example:

1. Multi-family replacing single-family
25,000 sq. ft. new floor area – 1 existing lot at \$10,732.15 = 25,000 x \$6.44 = \$150,267.85 contribution
2. Multi-family replacing multi-family
100,000 sq. ft. new floor area – 50,000 sq. ft. existing floor area = 50,000 x \$6.44 = \$322,000 contribution
3. Single-family subdivision
2 new lots – 1 existing lot = 1 new lot x \$10,732.15 = \$10,732.15 contribution

6. CAC Submission Options

There are two options available for an applicant submitting CACs:

1. The applicant can make a financial contribution as per Section 4 above; or
2. Subject to the City's need and approval, the applicant can contribute (build and donate) a public amenity that is identified in the *Parks, Recreation and Culture Master Plan Implementation Strategy* or another public amenity, as identified by Council, that are of the same value as the CACs calculated as per the above rate structure as applied to the subject development.

Option 1: If Option 1 is chosen, the CAC funds submitted will be deposited into the appropriate finance account relative to the development site location.

Option 2: If Option 2 is chosen, the applicant must submit a construction cost estimate prior to Building Permit issuance for the proposed public amenity to be provided in-lieu of the financial contribution on a 1:1 basis. For example, if the CAC financial contribution is \$500,000, then the value of the amenity provided under this option will need to equal \$500,000. Completion of the public amenity under this option will be secured by appropriate legal agreements and financial instruments to be entered into prior to Council's consideration of final rezoning approval.

7. Timing of CAC Submission

CACs are to be submitted in full prior to Council's consideration of final reading of a rezoning bylaw. If the applicant declines to submit the CACs related to their rezoning application, the alternate process is set out in Section 2 above.

If the rezoning application would facilitate a multi-family development and a Development Permit application has not yet been submitted at the time of Council consideration of the rezoning application bylaw, CACs will be determined based on the maximum achievable building floor area of the zone (minus any applicable CAC credit as per Section 5 above).

8. CAC Submission Procedure

If Option 1 has been chosen in Section 6 above, the CAC submission is to be made prior to Council consideration of final adoption of the rezoning application bylaw.

The CAC submission may be held in trust by the applicant's lawyer or the City pending Council adoption of the rezoning application bylaw.

9. Multiple-Phase Projects

Where the rezoning application involves multiple phases, the applicant must pay all of the CACs prior to final adoption of the rezoning. The amount of the contribution will be increased in accordance with Section 4 if the Rezoning Bylaw receives a Third Reading extension.

10. Housing Choices Projects

CACs do not apply to a rezoning application from RT-1 Infill Residential to RT-3 Multiplex Residential where the proposed rezoning does not result in additional units or floor area from what would be permitted under the existing RT-1 zoning of a property.

Attachment:

1. CAC Template Contribution Letter CEDMS Doc# 4421093