

FOR: COUNCIL

MEETING DATE: April 20, 2026

DEPARTMENT: PLANNING & DEVELOPMENT

SUBJECT: **AMENITY COST CHARGE BYLAW**

### **OVERVIEW**

#### **Purpose of Report**

To present the “City of Nanaimo Amenity Cost Charge Bylaw 2026, No. 7440” for Council consideration of first, second and third reading. |

#### **Recommendation**

1. That “City of Nanaimo Amenity Cost Charge Bylaw 2026, No. 7440” (a bylaw to impose amenity cost charges) pass first reading;
2. That “City of Nanaimo Amenity Cost Charge Bylaw 2026, No. 7440” pass second reading;
3. That “City of Nanaimo Amenity Cost Charge Bylaw 2026, No. 7440” pass third reading; and,
4. That the “Community Amenity Contribution Policy” (COU-212) be repealed.

### **BACKGROUND**

As part of the Development Cost Charge (DCC) Bylaw update, Staff were directed to prepare an Amenity Cost Charge (ACC) bylaw (2025-JUL-07 Council meeting). ACCs help a municipality recover the costs of amenities that provide social, cultural, heritage, recreational, or environmental benefits to a community. The amenity projects must benefit current and future users and be driven by growth.

At the 2024-DEC-02 meeting, Council passed the following motion:

“That Council direct Staff to proceed with the development of an Amenity Cost Charge (ACC) program that includes the following facilities:

1. Improvements and expansions as outlined in the Beban Park Master Plan;
2. Improvements and expansions in the Stadium District; and,
3. A community recreation facility in the South Gate Urban Centre.”

The selection of the three facilities for the ACC program was based on Local Government Act criteria and best practice criteria, as shown in the decision matrix in Attachment A.

At the 2026-FEB-23 meeting, Council directed that Staff proceed with a phased implementation of the DCC and ACC programs, and prepare an Amenity Cost Charge bylaw with an implementation date of January 2029.

This report presents the “City of Nanaimo Amenity Cost Charge Bylaw 2026, No. 7440” (ACC Bylaw) which, over time, can help recover the costs of improvements for three recreation facilities in the City. The “Amenity Cost Charge Bylaw Development” report in Attachment B provides the full background to the proposed ACC program.

## **DISCUSSION**

The proposed ACC Bylaw would apply to applications for a subdivision and building permit, similar to DCCs, with the exceptions outlined in Section 5.0 of the bylaw (and exceptions outlined in the *Local Government Act*). The proposed ACC rates are shown in Table 1.

**Table 1: Proposed Amenity Cost Charge (ACC) Rates**

<b>Type of Development</b>	<b>Unit</b>	<b>ACC Rate</b>
Low-Density Residential	Per lot or dwelling unit	\$5,278.43
Medium Density Residential	Per dwelling unit	\$3,591.83
High Density Residential	Per dwelling unit	\$2,186.33
Commercial	Per m <sup>2</sup> of GFA*	\$3.44
Industrial	Per m <sup>2</sup> of GFA*	\$1.41
Institutional	Per m <sup>2</sup> of GFA*	\$3.44

\*GFA = Gross Floor Area

## **Community Amenity Contribution (CAC) Policy**

With the introduction of an ACC program, it is recommended to repeal the “Community Amenity Contribution Policy” (COU-212). The CAC Policy directs Staff to negotiate an amenity contribution as part of a rezoning or land use covenant amendment process. The CAC Policy contains a table of expected monetary contributions to be provided (per housing unit or gross floor area) to meet the amenity needs of a growing community. The proposed ACC program (and ACC Bylaw) will replace the expected monetary CACs, to avoid a double monetary amenity charge at the time of a development application. The purpose of ACCs is similar to a monetary CAC rate, except that the *Local Government Act* provides a clear authority and framework for the collection and use of ACC fees.

In situations where it is appropriate to negotiate for an in-kind amenity (i.e. parkland) as part of a rezoning application, City Staff can rely on the policy guidance in Section E4.2 of City Plan “Community Amenity Contributions”.

The City’s practice has been to secure the monetary CAC amount at the time of rezoning and then register a covenant on the title of the property requiring the landowner/developer to pay the monetary

CAC amount at the time of building permit issuance. Sometimes the in-kind amenity is also secured at a later stage in the development process. Due to the gap in time between an applicant submitting a rezoning and building permit application, there may still be CACs (previously secured through rezoning covenants) to be collected once the applicant applies for a building permit, after the ACC Bylaw is adopted. For properties/applicants in this situation, the recommended practice is to ensure that any monetary CAC that is owed to the City as a result of a previously secured rezoning covenant can be deducted from the total required ACC fee.

In addition, Section 570.9 of the *Local Government Act* states that despite an amenity cost charge bylaw, a local government may enter into an agreement with a person under which the person provides, constructs, alters or expands an amenity, or provides land for an amenity, instead of paying all or part of an amenity cost charge.

### **COMMUNICATION AND COMMUNITY ENGAGEMENT**

The public engagement process for the DCC Update, and introduction to the ACC program was completed in the fall of 2025, and the results were presented at the 2025-DEC-08 Governance and Priorities Committee meeting. A summary of the consultation is also provided in Section 6.0 of the report in Attachment B.

During the engagement there was interest to phase in the proposed new DCC and ACC rates. In response, Council directed Staff (at the 2026-FEB-23 meeting) to proceed with an ACC Bylaw that contains an implementation date of January 2029. This means that the proposed ACC Bylaw can be adopted in 2026, and the ACC rates would not apply until January 2029, giving the development community time to adjust to the new ACC rates.

### **ALIGNMENT WITH CITY PLAN**

- A Green Nanaimo: Resilient and Regenerative Ecosystems
- A Connected Nanaimo: Equitable Access and Mobility
- A Healthy Nanaimo: Community Wellbeing and Livability
  - City Plan policy C3.6.1 “Continue to provide recreation facilities and infrastructure to meet the demands of the community as it grows and that support overall recreation and wellness needs.
  - City Plan policy C3.6.22 “Continue the phased implementation of the Beban Park Master Plan and the Beban Park Facility Plan....”
  - City Plan policy C3.6.25 “Align facility and development planning to add new and updated facilities where they are needed, such as the proposed South End Community Centre.”
  - City Plan Section D6.4 and Figure 42 “Existing & Future Parks, Recreation, Culture, & Wellness Amenities” identifies: i) Beban Park and the Stadium District as existing facilities that are prioritized for future updates; and ii) prioritizes a new recreation, culture and wellness facility in the South Gate Secondary Urban Centre.
- An Empowered Nanaimo: Reconciliation, Representation and Inclusion
- A Prosperous Nanaimo: Thriving and Resilient Economy

### **ALIGNMENT WITH COUNCIL'S STRATEGIC PRIORITIES**

The report is aligned with the following Council Strategic Framework priorities:

- Implementing City Plan Action Plans and Key City Management Plans
- Social, Health and Public Safety Challenges
- Maintaining and Growing Current Services
- Capital Projects
- Communicating with the Community
- Governance and Corporate Excellence

### **NEXT STEPS**

It is recommended that Council give first, second and third reading to “City of Nanaimo Amenity Cost Charge Bylaw 2026, No. 7440”, and repeal the CAC Policy. The next step will be for Council to consider final reading of the ACC Bylaw in May 2026, with an implementation date of January 2029.

### **OPTIONS**

- i)
  1. That “City of Nanaimo Amenity Cost Charge Bylaw 2026, No. 7440” (a bylaw to impose amenity cost charges) pass first reading;
  2. That “City of Nanaimo Amenity Cost Charge Bylaw 2026, No. 7440” pass second reading;
  3. That “City of Nanaimo Amenity Cost Charge Bylaw 2026, No. 7440” pass third reading; and
  4. That the “Community Amenity Contribution Policy” (COU-212) be repealed.
    - The advantages of this option: The proposed amenity cost charge program as outlined in Attachment B was created to ensure the City will have funds for capital improvements of three recreation facilities to accommodate the City’s future population growth. The implementation date for the ACC rate is proposed to be January 2029 to give the development community time to adjust to the proposed new ACC rates.
    - The disadvantages of this option: The City will need to wait until 2029 to accumulate ACC funds for the three recreation facilities.
    - Financial Implications: An ACC reserve fund will be required by January 2029, and the Finance Department will complete the annual LGA reporting requirements for the ACC reserve fund.
- ii) That Council give alternate direction to Staff.

**KEY MESSAGES**

- Council directed Staff to proceed with the development of an Amenity Cost Charge (ACC) program that includes improvements at Beban Park and the Stadium District, and a community recreation facility in the South Gate Urban Centre.
- The proposed ACC program (and ACC Bylaw) will replace the expected monetary charge in the CAC Policy, to avoid a double amenity charge at the time of a development application.
- It is recommended that Council give first, second and third reading to “City of Nanaimo Amenity Cost Charge Bylaw 2026, No. 7440”, and repeal the CAC Policy.

**ATTACHMENTS**

ATTACHMENT A: Decision Matrix for the City of Nanaimo Amenity Cost Charge Program

ATTACHMENT B: Amenity Cost Charge (ACC) Bylaw Development – 2026-FEB-12

ATTACHMENT C: “City of Nanaimo Amenity Cost Charge Bylaw 2026, No. 7440”

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