

April 27, 2026

Mayor Mike Hurley and Members of Council
City of Burnaby
Via e-mail to:
legislativeservices@burnaby.ca

RE: RESTARTING THE BURNABY CONDO PIPELINE — A TEMPORARY DCC REDUCTION

Dear Mayor Hurley and Members of Council:

On behalf of the Independent Contractors and Businesses Association (ICBA) and our more than 4,500 member and client companies — many active in Burnaby's high-density pipeline — we write to urge Council to introduce a temporary Development Cost Charge reduction of at least 25 per cent to restart a condominium pipeline that is currently seizing up.

A Provincial Precedent

Three of British Columbia's largest local-government jurisdictions have now moved on Development Cost Charges. On [March 10, 2025, Surrey Council rolled back residential DCCs to 2023 rates](#), with the freeze holding through May 2027. On [April 15, 2026, the Metro Vancouver Regional District Board adopted its “Roll Back and Reduce” alternative](#) for regional DCCs — cutting rates and backfilling from reserves. Six days later, [Kelowna Council approved a 25 per cent DCC reduction](#) for a two-year term, following ICBA's April 16 letter. Those decisions reflect an emerging consensus: when development charges begin to suppress construction, councils must act — or accept extended stalls, lost jobs, and lost assessment growth.

The Industry Needs a Bold Signal

What ICBA members are reporting is a crisis. In our [recent survey of more than 350 B.C. contractors](#), 23 per cent reported layoffs already made or planned, with an average of 22.5 per cent of their workforce at risk; for the first time in years, finding work — not workers — is the top challenge. We project [B.C. housing starts will fall from 42,200 in 2025 to around 30,000 in 2026](#), with [construction cost inflation up roughly 30 per cent since October 2022 on Statistics Canada's Building Construction Price Index](#). Softer selling prices are not a tailwind for new supply — they compress the margins homebuilders need to carry construction risk, so a smaller share of projects clears the feasibility hurdle. A “cooler market” means fewer projects that pencil, not more.

[CMHC reports Vancouver-area Census Metropolitan Area housing starts fell from 33,244 in 2023 to 27,185 in 2025](#), with condo supply contracting further as presales collapse. Media reporting identifies the [Metro Vancouver unsold-condo inventory as concentrated in Burnaby, Coquitlam and Surrey](#).

The Math for Burnaby

Burnaby is Metro Vancouver's second-largest construction market and the jurisdiction with the most to lose from a prolonged condo downturn. Every project that fails to launch is lost assessment growth, lost jobs, lost apprentice training — and lost DCC revenue. DCCs on a

Burnaby apartment unit, combined with regional and provincial charges, now push public-sector cost above \$100,000 per home before a shovel hits the ground.

Burnaby has one of the strongest balance sheets of any mid-sized Canadian city. A short-term DCC shortfall is manageable; a multi-year construction downturn is not.

The DCC Revenue Math Has Flipped

DCC revenue is a function of rate and volume. In this market, the equation has flipped: when volume collapses, revenue collapses with it — regardless of rate. DCCs cannot be collected on homes that never get built. Every developer running a pro forma in Burnaby today is calculating whether current DCCs can be absorbed in a market where [CBC has reported 2,500 unsold new condominiums sitting across Metro Vancouver](#) — double the prior year — and [CMHC warns condominium project postponements and cancellations will extend into 2027 and 2028](#). For a meaningful share of projects, the answer is no — and those projects are parked, shelved, or moved, taking the DCC, property taxes, amenity contributions, and construction wages with them. A 25 to 50 per cent temporary reduction produces more total DCC revenue than a higher rate applied to a collapsed pipeline.


Our Ask

ICBA respectfully urges Council to: (1) direct staff to review all DCC revenue streams against a realistic 24-month pipeline outlook; and (2) bring forward a temporary DCC reduction of 25 to 50 per cent, in line with the Surrey, Kelowna and Metro Vancouver precedents, for a minimum 24 months.

The construction industry wants to build in Burnaby. Give us the conditions to do it.

Sincerely,

INDEPENDENT CONTRACTORS AND BUSINESSES ASSOCIATION



Chris Gardner
President and CEO