

April 27, 2026

Mayor George V. Harvie and Members of Council  
City of Delta  
Via e-mail to:  
cityclerk@delta.ca

**RE: TAKING DELTA'S OWN ANALYSIS TO ITS CONCLUSION — A TEMPORARY DCC REDUCTION**

Dear Mayor Harvie 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 Delta — we write to urge Council to introduce a temporary Development Cost Charge reduction of at least 25 per cent.

**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.

Delta has been among the most candid jurisdictions in B.C. about this downturn. The City has publicly observed that [residential and commercial development activity has significantly stalled because of increases in prices for building materials, skilled labour, higher financing costs and scheduled increases to the City of Delta, Metro Vancouver and TransLink DCCs](#). That diagnosis is correct — and it is the argument for moving on the piece of the stack Delta directly controls.

**An Achievement to Protect, Not to Bank**

Under B.C.'s Housing Supply Act, Delta [exceeded its two-year provincial target with 1,146 net new units by October 2025](#). That is a real achievement in a brutal market, and it is the best argument for acting now: the pipeline that produced those units was priced against an older cost

stack. The next wave faces near-zero presale absorption, softer selling prices compressing homebuilder margins, and a DCC stack that has kept climbing.

Regional and provincial DCC components will take time to unwind. Delta's municipal DCC can be reduced on a local timeline — the fastest, cleanest signal the City can send.

### **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 Delta 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 Delta. Give us the conditions to do it.*

Sincerely,

**INDEPENDENT CONTRACTORS AND BUSINESSES ASSOCIATION**



**Chris Gardner**  
President and CEO