



July 04, 2025

VIA ELECTRONIC DELIVERY

Municipality of North Cowichan
7030 Trans-Canada Highway
Duncan, BC V9L 6A1

To Mayor and Council,

Re: Request for Reduction of Development Cost Charges – Clements Centre Affordable Housing Project at 2731 Vian St, Duncan

On behalf of the Clements Centre and Parsi Consulting Group, Parhar Group is writing to request that the District of North Cowichan consider reducing the Development Cost Charges (DCC) associated with the proposed 28-unit affordable housing development at 2731 Vian St, Duncan.

Clements Centre and Parsi Consulting Group are preparing a funding application for this project through BC Housing's Community Housing Fund (CHF) Call for Proposals, with the first intake deadline on July 31, 2025. The project has already submitted a Development Permit and Zoning Amendment application in 2024, and in May 2025, Council granted first, second, and third readings of the Zoning Amendment Bylaw.

The project is subject to the Municipality's DCC Bylaw, and the associated fees estimated at \$120,000 present a significant impact on overall capital costs. Therefore, we are formally requesting that Council and staff consider reducing or waiving the DCCs, using funds from the Municipality's Affordable Housing Reserve. This request would be consistent with other affordable housing projects previously approved by the Municipality, such as the 3191 Sherman Road Affordable Housing Project.

Additionally, a reduction or waiver of the DCC fees would significantly offset rising project costs, including an estimated \$600,000–\$800,000 in BC Hydro infrastructure upgrades to integrate the new development into the surrounding neighbourhood.

BC Housing places a strong emphasis on projects that demonstrate support from a range of equity sources. A reduction or waiver of the DCCs would help diversify the project's funding, while also demonstrating the District of North Cowichan's commitment to creating and supporting affordable housing. This will provide an additional layer of financial security for the project and aid in delivering much needed affordable housing to the community of North Cowichan.

Therefore, we support Clements Centre and Parsi Consulting Group in formally requesting that the Municipality reduce or waive the DCC fees for this project to ensure the Clements Centre has a viable capital budget.

On behalf of Clements Centre and Parsi Consulting Group and with thanks,

A handwritten signature in black ink, appearing to read "Reena Parhar".

Reena Parhar

Direct: +1 778 887 0393
Reena@parhargroup.com
320 Festubert Street
Duncan, BC, V9L 3S9
Parhargroup.com