



February 19, 2025

To: City of West Kelowna 3731 Old Okanagan Hwy West Kelowna, BC, V4T 0G7

RE: Feedback on Proposed 2.5% Increase to Development Cost Charges for 2025

Dear Mayor Milsom and Members of Council,

On behalf of the Urban Development Institute (UDI) – Okanagan Region, which represents over 200 developers and thousands of individuals and business owners whose livelihoods depend on the building and real estate industry, I am writing to acknowledge the City of West Kelowna's decision to implement a 2.5% inflationary increase to Development Cost Charges.

We appreciate the City's approach to incremental adjustments, which helps provide predictability to the development industry and ensures ongoing investment in critical infrastructure.

However, we feel it is important to acknowledge that increases to DCCs directly impact the cost of development, which, in turn, contributes to higher housing prices. The effects of these increases extend beyond new housing, as resale home prices are also influenced by the cost of new construction. As such, balancing infrastructure funding with housing affordability remains a critical priority.

Given the ongoing housing affordability challenges across the region, we urge the City to continue seeking a balanced approach that supports infrastructure funding while ensuring new homebuyers and renters are not unduly burdened by escalating costs. We encourage further collaboration between the City and industry stakeholders to explore innovative solutions that sustain municipal growth without exacerbating affordability concerns.

UDI remains committed to working with the City of West Kelowna to support policies that foster responsible development and economic prosperity while ensuring that housing remains accessible for all residents. We welcome the opportunity to engage in further discussions on this matter and appreciate the City's continued efforts to create a sustainable and livable community.

Thank you for your time and consideration.

Sincerely,

Charlene Thomas Executive Director Direct: (250) 212 4488