



Community Benefits Charge Strategy

City of Pickering

For Public Circulation

April 23, 2025

Watson & Associates Economists Ltd.
905-272-3600
info@watsonecon.ca

Table of Contents

	Page
1. Introduction.....	1-1
1.1 Purpose of this Document.....	1-1
1.2 Legislative Context	1-1
1.2.1 COVID-19 Economic Recovery Act, 2020 – Bill 197	1-1
1.2.2 More Homes for Everyone Act, 2022 – Bill 109	1-4
1.2.3 More Homes Built Faster Act, 2022 – Bill 23.....	1-4
1.2.4 Affordable Homes and Good Jobs Act, 2023 - Bill 134	1-6
1.3 Current Policies	1-8
1.4 Summary of the Process.....	1-8
2. Anticipated Development	2-1
2.1 Requirement of the Act	2-1
2.2 Basis of Population, Household and Employment Forecast	2-1
2.3 Summary of Growth Forecast	2-2
2.4 Land Valuation and Analysis.....	2-10
3. The Approach to the Calculation of the Charge	3-1
3.1 Introduction	3-1
3.2 Anticipated Development and Redevelopment	3-2
3.3 Services Potentially Involved	3-2
3.4 Increase in the Need for Service.....	3-2
3.5 Capital Forecast.....	3-3
3.6 Deductions.....	3-3
3.6.1 Reduction for Excess Capacity	3-4
3.6.2 Reduction for Benefit to Existing Development.....	3-4
3.6.3 Reduction for Anticipated Grants, Subsidies and Other Contributions.....	3-5
3.7 Municipal-wide vs. Area Rating.....	3-5
3.8 Land Valuation Analysis.....	3-6
3.9 Calculation of the Community Benefits Charge	3-6
4. C.B.C. Eligible Cost Analysis	4-1
4.1 Introduction	4-1



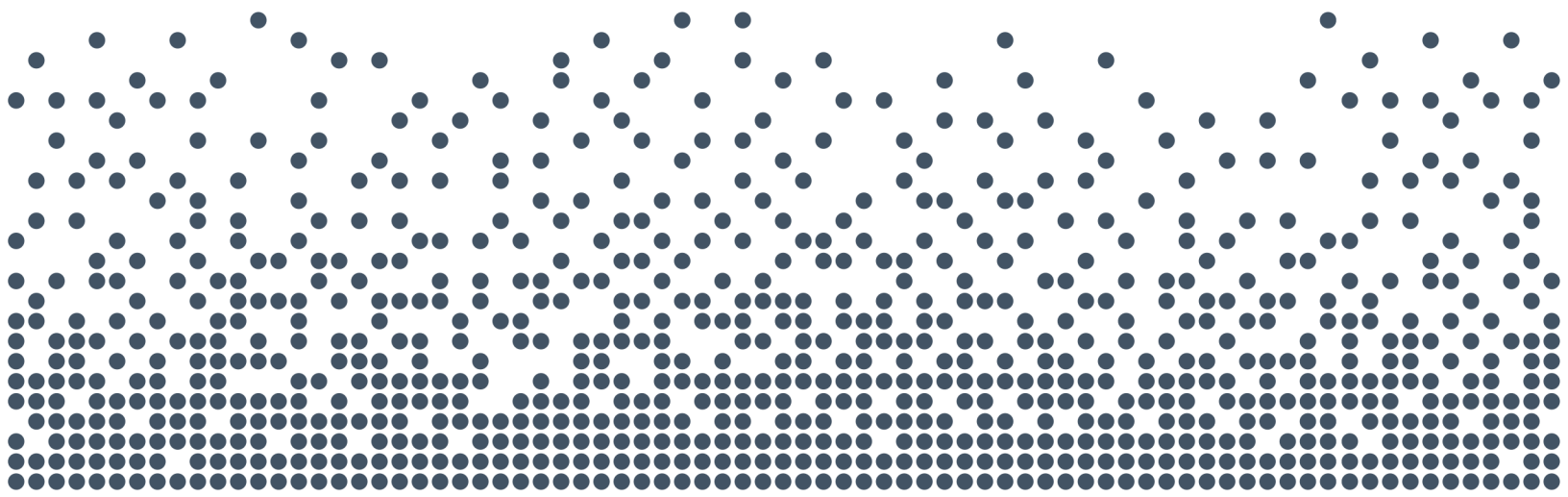
Table of Contents (Cont'd)

	Page
4.2 Allocation of Costs to C.B.C Eligible Development	4-1
4.3 C.B.C. Eligible Cost Analysis	4-3
5. C.B.C. Calculation	5-1
5.1 Anticipated Funding Recovery	5-1
6. C.B.C. Policy Recommendations and C.B.C. By-law Rules	6-1
6.1 C.B.C. Policies	6-1
6.2 C.B.C. By-law Rules	6-1
6.2.1 Payment in any Particular Case	6-1
6.2.2 Maximum Amount of the Community Benefits Charge	6-2
6.2.3 Exemptions (full or partial)	6-2
6.2.4 Timing of Collection	6-4
6.2.5 In-kind Contributions	6-4
6.2.6 The Applicable Areas	6-5
6.2.7 Special Account	6-5
6.2.8 Credits	6-6
6.2.9 By-law In-Force Date	6-6
6.3 Recommendations	6-6
7. By-law Implementation	7-1
7.1 Introduction	7-1
7.2 Public Consultation Process	7-1
7.2.1 Required Consultation	7-1
7.2.2 Interested Parties to Consult.....	7-1
7.3 Anticipated Impact of the Charge on Development.....	7-2
7.4 Implementation Requirements	7-2
7.4.1 Introduction	7-2
7.4.2 Notice of Passage	7-3
7.4.3 Appeals.....	7-3
7.4.4 In-Kind Contributions	7-4
7.5 Ongoing Application and Collection of C.B.C. funds.....	7-6
7.5.1 Introductions	7-6
7.5.2 Overview of Process and Appraisals	7-6
7.5.3 Special Reserve Fund Account.....	7-7
7.6 Transitional Matters	7-10
7.6.1 Existing Reserves and Reserve Funds	7-10
7.6.2 Credits under Section 38 of the Development Charges Act.....	7-10
7.6.3 Continued Application of Previous Section 37 Rules	7-10
Appendix A Background Information on Residential and Non-Residential Growth Forecast	A-1
Appendix B Proposed C.B.C. By-law.....	B-1



List of Acronyms and Abbreviations

Acronym	Full Description of Acronym
C.B.C.	Community Benefits Charge
C.I.L.	Cash-in-lieu
D.C.	Development charges
D.C.A.	<i>Development Charges Act, 1997</i> , as amended
N.F.P.O.W.	No fixed place of work
OLT	Ontario Land Tribunal
O. Reg.	Ontario Regulation
P.P.U.	Persons per unit
sq.ft.	square foot
sq.m.	square metre



Report



Chapter 1

Introduction



1. Introduction

1.1 Purpose of this Document

The City of Pickering (City) retained Watson & Associates Economists Ltd. (Watson), to prepare a Community Benefits Charge (C.B.C.) Strategy and to assist with the by-law adoption process. Watson worked with City staff preparing the C.B.C. Strategy and policy recommendations contained herein.

The C.B.C. Strategy has been prepared pursuant to the requirements of Section 37 of the *Planning Act* (as summarized in Chapter 3). Accordingly, the C.B.C. Strategy recommends the imposition of a C.B.C. and associated policies for administration of the by-law by the City. The C.B.C. Strategy and draft by-law will be distributed to members of the public to provide interested parties the background information on the legislation, the recommendations, and the basis for these recommendations.

This C.B.C. Strategy is designed to set out sufficient background on the calculation of the charges, and the policies underlying the proposed by-law, to make the material understandable to those involved. Chapters 4 and 5 outline the determination of the C.B.C. eligible capital costs and calculation of the charges. The C.B.C. Strategy also provides the rules for administering the by-law, as contained in Chapter 6 herein. Finally, the report addresses post-adoption implementation requirements (Chapter 7) which are critical to the successful application of the new by-law.

The chapters in the C.B.C. Strategy are supported by appendices containing the data required to further explain and substantiate the calculation of the charges.

1.2 Legislative Context

1.2.1 COVID-19 Economic Recovery Act, 2020 – Bill 197

The *COVID-19 Economic Recovery Act, 2020* (Bill 197) received Royal Assent on July 21, 2020. Schedule 17 of the Act amended the *Planning Act* with respect to the provisions of community benefits and parkland dedication. These amendments were proclaimed and came into effect on September 18, 2020. Municipalities with agreements for community benefits have two years after the date of proclamation (i.e.,



September 18, 2022) to transition to the new rules under s.37 of the *Planning Act*. Eligible municipalities also have the ability to impose a C.B.C. under this authority.

Single-tier and lower-tier municipalities may adopt a by-law to impose a C.B.C. against land to pay for the capital costs of facilities, services, and matters required because of development or redevelopment in the area to which the by-law applies. The capital costs eligible for recovery within a C.B.C. may include:

- land for parks or other public recreational purposes in excess of lands conveyed or funded by payment-in-lieu (P.I.L.) of parkland payments under sections 42 and 51 of the *Planning Act*;
- capital costs for municipal services eligible for inclusion in a D.C. by-law, as described under subsection 2 (4) of the *Development Charges Act* (D.C.A.), that are not intended to be funded under the municipality's D.C. by-law; and
- capital costs that are ineligible for recovery under a Development Charges (D.C.) by-law.

There are restrictions on the application of the charges. A C.B.C. may be imposed only with respect to development or redevelopment that requires:

- the passing of a zoning by-law or of an amendment to a zoning by-law under section 34 of the *Planning Act*;
- the approval of a minor variance under section 45 of the *Planning Act*;
- a conveyance of land to which a by-law passed under subsection 50 (7) of the *Planning Act* applies;
- the approval of a plan of subdivision under section 51 of the *Planning Act*;
- a consent under section 53 of the *Planning Act*;
- the approval of a description under section 9 of the *Condominium Act, 1998*; or
- the issuing of a permit under the *Building Code Act, 1992* in relation to a building or structure.

As discussed later, the regulations limit the charge relative to the value of land at the time of building permit issuance thus, imposing the charge at the time of development requiring the issuance of a building permit would be prudent.

The *Planning Act* limits the imposition of the C.B.C. to certain types of development. Under s.37 (3), a C.B.C. may not be imposed with respect to:



- development or redevelopment of fewer than 10 residential units, and in respect of buildings or structures with fewer than five storeys;
- a building or structure intended for use as a long-term care home;
- a building or structure intended for use as a retirement home;
- a building or structure intended for use by a university, college, or an Indigenous Institute;
- a building or structure intended for use as a memorial home, clubhouse, or athletic grounds by an Ontario branch of the Royal Canadian Legion;
- a building or structure intended for use as a hospice to provide end-of-life care; or
- not-for-profit housing.

The amount of the charge cannot exceed an amount equal to the prescribed percentage of the value of the land on the date of building permit issuance. At present, the prescribed value is set by regulation at 4% of land value. Moreover, if the landowner is of the view that the amount of the C.B.C. exceeds the prescribed value, the landowner may pay the charge under protest. In this circumstance, there is an obligation of the landowner and municipality to provide appraisals, and for the municipality to maintain a registry of at least three land appraisers.

A municipality may allow the landowner to provide in-kind contributions towards the facilities, services or matters in lieu of paying a C.B.C.

Before adopting a C.B.C. by-law a municipality must prepare a C.B.C. Strategy that identifies the facilities, services, and matters that will be funded with the charges. The municipality must consult with such persons and public bodies as the municipality considers appropriate while preparing the C.B.C. Strategy. Furthermore, Ontario Regulation 509/20 specifies the methodology that must be followed in the C.B.C. Strategy. This includes:

1. An estimate of the anticipated amount, type, and location of development and redevelopment with respect to which community benefits charges will be imposed;
2. Estimates of the increase in the need for facilities, services and matters attributable to the anticipated development and redevelopment to which the community benefits charge by-law would relate;



3. For the facilities, services, and matters included above an identification of excess capacity and estimates of the benefit to existing development;
4. Estimates of the capital costs necessary to provide the facilities, services, and matters; and
5. Identification of any capital grants, subsidies and other contributions made to the municipality or that the council of the municipality anticipates will be made in respect of the capital costs.

Once the by-law is passed, the municipality must give notice of passage, and the by-law may be appealed to the Ontario Land Tribunal (OLT) within 40 days of by-law passage.

Revenue collected under a C.B.C. by-law must be maintained in a special account and used for the purposes that the charge was imposed. A municipality must report on the activity of the special account annually.

1.2.2 *More Homes for Everyone Act, 2022 – Bill 109*

The *More Homes for Everyone Act, 2022* received Royal Assent on April 14, 2022. Schedule 5 of the Act amends the *Planning Act* with respect to C.B.C. by-laws. New subsections 37 (54) to (59) require that Council must pass a resolution on whether a revision to the C.B.C. by-law is needed at least every five years from the date the by-law was first passed.

The municipality must review the by-law and determine whether there is need for a revision and requires that municipalities shall consult with such persons and public bodies as appropriate. The municipality must give notice of the passing of the resolution within 20 days on the website of the municipality.

If Council does not pass a resolution within the five years, the by-law is deemed to expire.

1.2.3 *More Homes Built Faster Act, 2022 – Bill 23*

The Province introduced the *More Homes Built Faster Act, 2022* with the overall objective to increase housing supply and provide attainable housing options. The Province's plan is to address the housing crisis by targeting the creation of 1.5 million homes over a period to 2031. To implement this plan, the Act introduced several changes to the *Planning Act*, along with nine other Acts including the Development Charges Act, which seek to increase the supply of housing.



The *More Homes Built Faster Act, 2022* received Royal Assent on November 28, 2022. Schedule 9 of the Act amends the Planning Act with respect to C.B.C. by-laws as follows:

- Subsection 37 (7.1) allows a municipality to enter into an agreement with a landowner for the provision of in-kind contributions. It also allows for this agreement to be registered on title of the land to which the charge applies (s.s.37 (7.2)).
- Subsections 37 (32), as amended, clarifies the application of the maximum prescribed percentage of the value of land for redevelopment. Where development or redevelopment is occurring on a parcel of land with an existing building or structure, the maximum C.B.C. that could be imposed is to be calculated based on the incremental development only.
- Subsection 37 (32.1) exempts affordable residential units, attainable residential units, inclusionary zoning residential units, and non-profit housing developments from the payment of a C.B.C. The current definitions for these development types are provided as follows, in reference to the D.C.A.:
 - Affordable Residential Units (Rented): Where rent is no more than 80% of the average market rent as defined by a new bulletin published by the Ministry of Municipal Affairs and Housing.
 - Affordable Residential Units (Ownership): Where the price of the unit is no more than 80% of the average purchase price as defined by a new bulletin published by the Ministry of Municipal Affairs and Housing.
 - Attainable Residential Units: Excludes affordable units and rental units; will be defined¹ as prescribed development or class of development and sold to a person who is at "arm's length" from the seller.
 - Inclusionary Zoning Units: Affordable housing units required under inclusionary zoning by-laws.
 - Affordable and attainable units, the municipality shall enter into an agreement that ensures the unit remains affordable or attainable for 25 years.

¹ Currently undefined, awaiting regulations from the Province.



1.2.4 Affordable Homes and Good Jobs Act, 2023 - Bill 134

The Ontario Legislature introduced new legislation through Bill 134, the *Affordable Homes and Good Jobs Act*, which received Royal Assent on December 4, 2023. The legislation impacts the D.C.A. and the *Planning Act* by amending the definition of an “affordable residential unit” for the purpose of exempting such developments from the payment of C.B.C., D.C., and parkland dedication requirements. Under the legislation, affordable residential units were defined and required the Minister of Municipal Affairs and Housing to publish an “Affordable Residential Units for the Purposes of the Development Charges Act, 1997 Bulletin.” It is noted that for C.B.C. and parkland dedication requirements, the *Planning Act* refers to the D.C.A. in regard to the exemption for affordable residential units. This bulletin informs the average market rent and purchase price to be used in determining which developments qualify as affordable residential units. The bulletin was published by the Minister on May 1, 2024.

The *Affordable Homes and Good Jobs Act* provides for a modification to the affordable residential unit definition by:

- Introducing an income-based test for affordable rent and purchase price; and
- Increasing the threshold for the market test of affordable rent and purchase price.

This change provides the exemption based on the lesser of the two measures.

Moreover, the rules in subsection 4.1 of the D.C.A. are unchanged with respect to:

- The tenant and purchaser transacting the affordable unit being at arm’s length;
- The intent of maintaining the affordable residential unit definition for a 25-year period, requiring an agreement with the municipality (which may be registered on title); and
- Exemptions for attainable residential units and associated rules (requiring further regulations).

The following table provides a summary of the amended definition provided through the *Affordable Homes and Good Jobs Act* (underlining added for emphasis).



Table 1-1
Definition of Affordable Residential Units

Item	Bill 134 Definition (as per D.C.A. Definition)
Affordable residential unit rent (subsection 4.1 (2), para. 1)	The rent is no greater than <u>the lesser of</u> , <ul style="list-style-type: none">i. the <u>income-based affordable rent</u> for the residential unit set out in the Affordable Residential Units bulletin, as identified by the Minister of Municipal Affairs and Housing in accordance with subsection (5), andii. the <u>average market rent</u> identified for the residential unit set out in the Affordable Residential Units bulletin.
Average market rent/rent based on income (subsection 4.1 (5)) for the purposes of subsection 4.1 (2), para. 1	The Minister of Municipal Affairs and Housing shall, <ul style="list-style-type: none">(a) determine the <u>income of a household</u> that, in the Minister's opinion, is <u>at the 60th percentile of gross annual incomes for renter households in the applicable local municipality</u>; and(b) identify the <u>rent</u> that, in the Minister's opinion, is <u>equal to 30 per cent of the income of the household</u> referred to in clause (a).
Affordable residential unit ownership (subsection 4.1 (3), para. 1)	The price of the residential unit is no greater than <u>the lesser of</u> , <ul style="list-style-type: none">i. the <u>income-based affordable purchase price</u> for the residential unit set out in the Affordable Residential Units bulletin, as identified by the Minister of Municipal Affairs and Housing in accordance with subsection (6), andii. <u>90 per cent of the average purchase price</u> identified for the residential unit set out in the Affordable Residential Units bulletin.
Average market purchase price/purchase price based on income (subsection 4.1 (6)) for the purposes of subsection 4.1 (3), para. 1	The Minister of Municipal Affairs and Housing shall, <ul style="list-style-type: none">(a) determine the <u>income of a household</u> that, in the Minister's opinion, is <u>at the 60th percentile of gross annual incomes for households in the applicable local municipality</u>; and(b) identify the <u>purchase price</u> that, in the Minister's opinion, <u>would result in annual accommodation costs equal to 30 per cent of the income of the household</u> referred to in clause (a)

The affordable exemptions came into effect on June 1, 2024. The bulletin provides the affordable exemption criteria on a municipal-specific basis for C.B.C.s, D.C.s, and Parkland. It is anticipated that the bulletin will be updated annually, and currently provides the following information specific to Pickering:



- For Affordable Ownership Units: the average purchase price based on household income is \$499,400. Using the 90% of average purchase price amounts, the cost per unit types are as follows:
 - Detached House: \$1,143,000
 - Semi-Detached House: \$819,000
 - Row/townhouse: \$693,000
 - Condominium Apartment \$549,000
 - Based on the above, the affordable owned housing exemptions are based on income, which equals to purchase price being less than \$499,400 for all unit types.
- For Affordable Rental Units: the average rent based on household income would equal \$2,440 per month. The average market rent by unit type is as follows:
 - For a bachelor unit: \$1,036
 - For a 1-bedroom unit: \$1,396
 - For a 2-bedroom unit: \$1,640
 - For a unit with 3 or more bedrooms: \$1,714
 - Based on the above, the affordable rental housing exemptions are based on average market rent for all unit types.

1.3 Current Policies

The City currently imposes C.B.C.s under By-law 7954/22, which came into effect September 30, 2022. It includes capital costs related to Arts, Culture, and Museum Services, Animal Services, and Administration Services.

1.4 Summary of the Process

Prior to passing a C.B.C. by-law, the *Planning Act* requires the City to consult with the public and such persons and public bodies it considers appropriate. As such, a stakeholder consultation session will be held prior to by-law passage to allow for feedback on the C.B.C. draft calculations and to answer any questions regarding its purpose, approach, and the proposed C.B.C. by-law. Other stakeholders and the general public will be given the opportunity to provide comments in writing prior to by-law passage, which is anticipated for June 23, 2025. The feedback received from these consultations will inform the final C.B.C. Strategy and By-Law scheduled to be reported to City Council and the public at the public meeting on June 9, 2025. Council's



consideration of the By-law is anticipated at the Council meeting schedule for June 23, 2025.

Figure 1-1 provides an outline of the schedule to be followed with respect to the C.B.C. strategy and by-law adoption and implementation process.

Figure 1-1
Schedule of Key Dates in the C.B.C. Strategy Process

Item	Date
Data collection, land valuation analysis, growth forecast development, capital needs assessment, staff review, C.B.C. calculations and policy work.	April 2024 to March 2025
Stakeholder Consultation	May 2025
Release of the C.B.C. Strategy and draft by-law	April 23, 2025
Public meeting of Council	June 9, 2025
Council considers adoption of C.B.C. strategy and passage of by-law	June 23, 2025
Anticipated by-law in-force date	July 1, 2025
Notice given of by-law passage	No later than 20 days after passage
Last day for by-law appeal	40 days after passage



Chapter 2

Anticipated Development in the City of Pickering



2. Anticipated Development

2.1 Requirement of the Act

The growth forecast contained in this chapter (with supplemental tables in Appendix A) provides for the anticipated development for which the City will be required to provide services over a 2025 to 2039 time horizon.

Chapter 3 provides the methodology for calculating a C.B.C. as per the *Planning Act*. Figure 3-1 presents this methodology schematically. It is noted in the first box of the schematic that in order to determine the C.B.C. that may be imposed, it is a requirement of section 37 (9) of the *Planning Act* and O. Reg. 509/20 that “the anticipated amount, type and location of development and redevelopment, for which a C.B.C. can be imposed, must be estimated.”

2.2 Basis of Population, Household and Employment Forecast

The C.B.C. growth forecast has been derived by Watson in consultation with City staff. In preparing the growth forecast, the following information sources were consulted to assess the residential and non-residential development potential for the City over the forecast period, including:

- City of Pickering 2025 Growth Management Strategy;
- City of Pickering Official Plan (Edition 9);
- Envision Durham: Regional Official Plan, Consolidated December 13, 2024;
- Durham Region Growth Management Strategy (2022);
- City of Pickering 2022 Development Charges Background Study (July 13, 2022) and 2022 Community Benefits Strategy (May 20, 2022) Reports, by Watson & Associates Economists Ltd.;
- 2011, 2016 and 2021 population, household and employment Census data;
- Historical residential and non-residential building permit data over the 2015 to 2024 period;
- Residential and non-residential supply opportunities as identified by City of Pickering staff; and



- Discussions with City staff regarding anticipated residential and non-residential development in the City of Pickering.

2.3 Summary of Growth Forecast

A detailed analysis of the residential and non-residential growth forecasts is provided in Appendix A and the methodology employed is illustrated in Figure 2-1. The discussion provided herein summarizes the anticipated growth for the City and describes the basis for the forecast. The results of the residential growth forecast analysis are summarized in Table 2-1 below, and Schedule 1 in Appendix A.

As identified in Table 2-1 and Schedule 1, the City's population (excluding Census undercount) is anticipated to reach approximately 181,180 by 2039, resulting in an increase of 64,360 persons, over the 2025 to 2039 forecast period.^{[1],[2]}

^[1] The population figures used in the calculation of the 2025 C.B.C. exclude the net Census undercount, which is estimated at approximately 4.4%.

^[2] The previous Region of Durham Official Plan (Consolidated May 26, 2020) 2031 population target of 225,670 for Pickering, less the growth allocation for Northeast Pickering of approximately 36,500 persons, results in an Official Plan population target for Pickering of 189,200 by Mid-2039.



Figure 2-1
Approach to Population and Housing Forecast

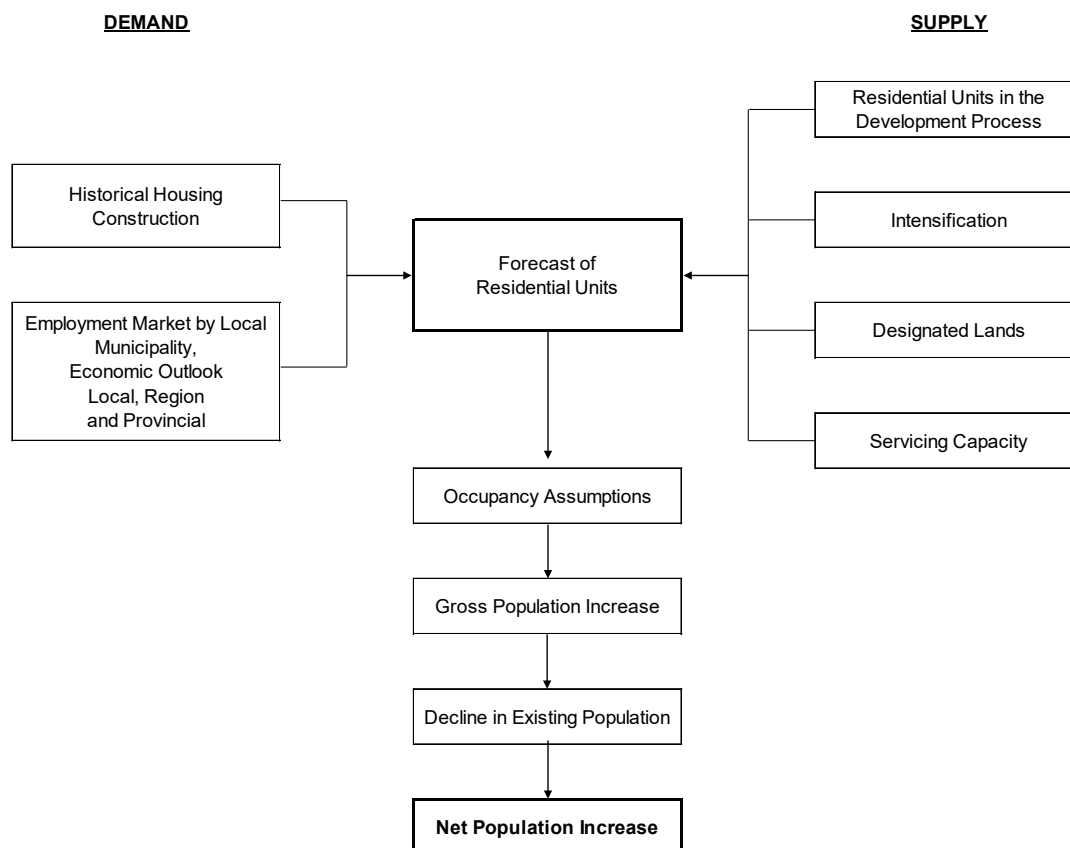




Table 2-1
City of Pickering
Residential Growth Forecast Summary

Year		Population ^[1]	Institutional Population	Population Excluding Institutional Population	Housing Units						Person Per Unit (P.P.U.): Total Population/ Total Households
					Singles & Semi-Detached	Multiple Dwellings ^[2]	Apartments ^[3]	Other	Total Households	Equivalent Institutional Households	
Historical	Mid 2011	88,721	806	87,915	20,744	5,381	3,190	15	29,330	733	3.025
	Mid 2016	91,771	776	90,995	21,130	6,060	3,695	30	30,915	705	2.968
	Mid 2021	99,186	601	98,585	22,425	6,805	4,165	30	33,425	546	2.967
Forecast	Mid 2025	116,821	704	116,117	24,491	8,230	7,045	30	39,796	640	2.935
	Mid 2039	181,181	1,094	180,087	29,324	17,180	17,347	30	63,881	995	2.836
Incremental	Mid 2011 - Mid 2016	3,050	-30	3,080	386	679	505	15	1,585	-28	
	Mid 2016 - Mid 2021	7,415	-175	7,590	1,295	745	470	0	2,510	-159	
	Mid 2021 - Mid 2025	17,635	103	17,532	2,066	1,425	2,880	0	6,371	94	
	Mid 2025 - Mid 2039	64,360	390	63,970	4,833	8,950	10,302	0	24,085	355	

^[1] Population includes the Census undercount estimated at approximately 4.4% and has been rounded.

^[2] Includes townhouses and apartments in duplexes.

^[3] Includes bachelor, 1-bedroom, and 2-bedroom+ apartment units.

Notes:

- Numbers may not add due to rounding.

- The previous Region of Durham Official Plan (Consolidated May 26, 2020) 2031 population target of 225,670 for Pickering, less the growth allocation for Northeast Pickering of approximately 36,500 persons, results in an Official Plan population target for Pickering of 189,200 by Mid-2039.

Source: Derived from the City of Pickering 2025 Growth Management Strategy and Durham Region Official Plan: Envision Durham, by Watson & Associates Economists Ltd



Provided below is a summary of the key assumptions and findings regarding the City's C.B.C. growth forecast:

1. Unit Mix (Appendix A – Schedules 1 and 5)

- The housing unit mix for the City was derived from a detailed review of the City of Pickering historical development activity (as per Schedule 5), as well as active residential development applications and discussions with City staff regarding anticipated development trends for the City of Pickering.
- Based on the above indicators, the 2025 to 2039 household growth forecast for the City is comprised of a unit mix of 20% low density units (single detached and semi-detached), 37% medium density (multiples except apartments) and 43% high density (accessory units, bachelor, 1-bedroom, and 2+ bedroom apartments) units.

2. C.B.C. Eligible Units

- Subsection 37 (4) of the *Planning Act* establishes the criteria for a development to be C.B.C. eligible. A C.B.C. may be imposed if:
 - Development of a proposed building or structure has five or more storeys at or above ground and has 10 or more residential units;
 - Redevelopment of an existing building or structure that will have 5 or more storeys at or above ground after redevelopment and proposes to add 10 or more residential units to an existing building or structure; or
 - Such types of development or redevelopment as prescribed.
- The C.B.C. eligible unit forecast is derived based on the established criteria above and a detailed review of historical Census housing trends, historical development activity (as per Schedule 5), active residential development applications and discussions with City staff regarding anticipated C.B.C. eligible developments.
- Based on the above indicators, the City is forecasted to accommodate 9,370 C.B.C. eligible household units over the 2025 to 2039 forecast period. This translates to 91% of all high-density units, including accessory units, being C.B.C. eligible from 2025 to 2039.



3. Geographic Location of C.B.C. Eligible Residential Development (Appendix A – Schedule 2)

- Schedule 2 summarizes the anticipated amount, type and location of C.B.C.-eligible development for the City.
- In accordance with forecast demand and available land supply, the amount and percentage of forecast C.B.C. eligible housing growth between 2025 and 2039 is summarized in Table 2-2.

Table 2-2
City of Pickering
Residential High-Density Growth by Development Area

Development Location	High-Density Housing Growth, 2025 to 2039 ^[1]	C.B.C.- Eligible Share (%)	C.B.C.- Eligible Housing Growth, 2025 to 2039
Seaton	6,134	94%	5,774
Rest of Pickering	4,168	86%	3,598
City-Wide Total	10,302	91%	9,372

^[1] High density includes accessory apartments, bachelor, 1-bedroom, and 2-bedroom+ apartments.

Source: Watson & Associates Economists Ltd.

4. Planning Period

- For the purpose of this study, a 2025 to 2039 planning horizon has been assumed which aligns with the City's capital budget and forecast.

5. Population in New Units (Appendix A – Schedules 3 and 4)

- The number of housing units to be constructed by 2039 in the City over the forecast period is presented in Table 2-1. Over the 2025 to 2039 forecast period, the City is anticipated to average approximately 1,720 new housing units per year.



- Institutional population^[1] is anticipated to increase by approximately 390 people between 2025 to 2039.
- Population in new units is derived from Schedules 3 and 4 which incorporate historical development activity, anticipated units (see unit mix discussion) and average persons per unit (P.P.U.) by dwelling type for new units.
- Schedule 6 summarizes the average P.P.U. assumed for new housing units by age and type of dwelling based on Statistics Canada 2021 custom Census data for the City of Pickering. Forecast average P.P.U.s by dwelling type are as follows:
 - Low density: 3.626
 - Medium density: 2.799
 - High density:^[2] 1.885

6. Existing Units and Population Change (Appendix A – Schedules 3 and 4)

- Existing households for 2025 are based on 2021 Census households, plus estimated residential units constructed between mid-2021 to the beginning of the growth forecast period, assuming a minimum six-month lag between construction and occupancy (see Schedule 3).
- The change in average occupancy levels for existing housing units is calculated in Schedules 3 and 4. The forecasted population change in existing households over the 2025 to 2039 forecast period is forecast to increase by approximately 1,970.

7. Employment (Appendix A – Schedule 7)

- The employment projections provided herein are largely based on the activity rate method, which is defined as the number of jobs in the City divided by the number of residents.
- Employment data for the City is outlined in Schedule 7. In accordance with Statistics Canada Census data, the City's 2016 employment base including work at home and no fixed place of work (N.F.P.O.W.) is 37,450.^[3]

^[1] Institutional population largely includes special care facilities such as nursing home or residences for senior citizens. A P.P.U. of 1.100 depicts 1-bedroom and 2-or-more-bedroom units in collective households.

^[1] Includes accessory units, bachelor, 1-bedroom and 2-or-more-bedroom apartments

^[2] No fixed place of work is defined by Statistics Canada as "persons who do not go from home to the same workplace location at the beginning of each shift. Such persons



- Total employment, including work at home and N.F.P.O.W. for the City is anticipated to reach approximately 73,970 by 2039. This represents an employment increase of approximately 29,720 over the 2025 to 2039 forecast period.
- Schedule 7, Appendix A, summarizes the employment forecast, excluding work at home employment and N.F.P.O.W. employment, which is the basis for the C.B.C. employment forecast. The impact on municipal services from work at home employees has already been included in the population forecast. The need for municipal services related to N.F.P.O.W. employees has largely been included in the employment forecast by usual place of work (i.e., employment and gross floor area generated from N.F.P.O.W. construction employment).
- Total employment for the City (excluding work at home and N.F.P.O.W. employment) is anticipated to reach approximately 55,540 by 2039. This represents an employment increase of approximately 22,480 for the 2025 to 2039 forecast period.

Based upon the above information, the following summaries are provided for use in the C.B.C. calculations presented in chapter 4, as follows:

- Approximately 74% of the net capital costs of services will be allocated to residential development based on incremental population and employment growth over the 2025 to 2039 forecast period (Table 2-3);
- Approximately 31% of the population growth is forecasted to reside in high-density residential dwelling units (Table 2-4); and
- Approximately 91% of the population in high-density residential dwelling units are forecasted to reside in units to which the C.B.C. may be imposed (Table 2-5).

include building and landscape contractors, travelling salespersons, independent truck drivers, etc.”



Table 2-3
Residential and Non-Residential Share based on Incremental Growth in
Population and Employment over the 2025-2039 Forecast Period

Residential Population and Non-Residential Employment	Net Population/ Employment	Residential/ Non-Residential %
Residential Net Population	64,360	74%
Employment (Net of Work at Home & N.F.P.O.W.)	22,478	26%
Total Population & Employment	86,838	100%

Table 2-4
Low/Medium Density and High-Density Share of Forecast Gross Population over the
2025-2039 Forecast Period

Residential Density	Gross Residential Population	% of Gross Population in New Units
Low/Medium Density	42,577	69%
High Density	19,419	31%
Total Residential Forecast	61,996	100%

Table 2-5
Eligible C.B.C. High-Density Growth Share over the 2025-2039 Forecast Period

Residential High Density	Residential Population	% of Gross Population in High Density Units
Eligible High Density	17,666	91%
Ineligible High Density	1,753	9%
Total Residential High Density Forecast	19,419	100%



2.4 Land Valuation and Analysis

As the C.B.C. rate is applied against the value of land the day before a building permit is issued, average land values are required to be assessed in various locations throughout the City where the anticipated development and redevelopment is anticipated. These land values assist in calculating the eligible C.B.C. rate, which can not exceed the maximum 4% prescribed rate.

Table 2-2 demonstrates that the majority of the forecast C.B.C. eligible high-density development will be located outside of the Seaton Lands. Average land values for this area were estimated based recent land appraisals completed for the City for C.B.C. and cash-in-lieu of parkland purposes as it is expected similar land and locations would be required for future parkland. As such, the average land value per hectare was calculated to be \$4.9 million. Based on an assumed density of 182 units per hectare this development would produce an equivalent land valuation of \$254.4 million (9,372 units / 182 units per hectare x \$4.9 million/hectare).



Chapter 3

Approach to the Calculation

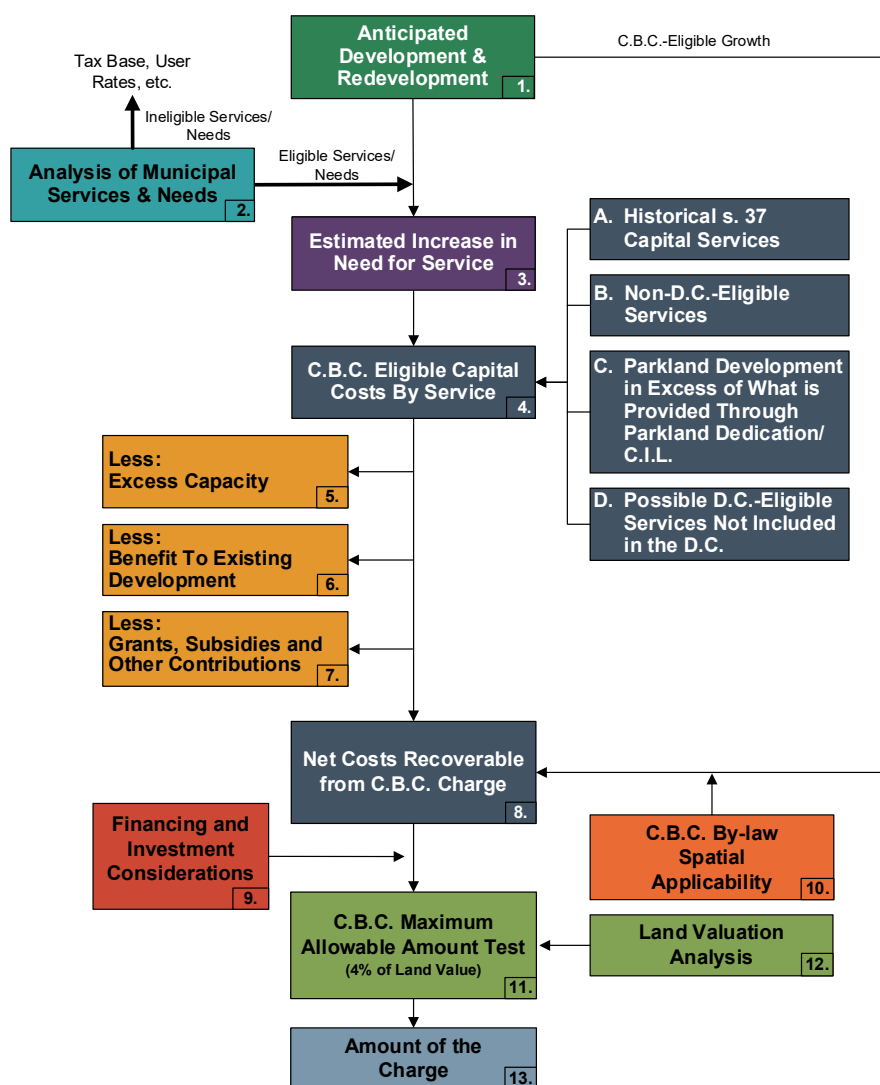


3. The Approach to the Calculation of the Charge

3.1 Introduction

This chapter addresses the requirements of subsection 37(9) of the *Planning Act* and sections 2 and 3 of O. Reg. 509/20 with respect to the establishment of the need for service which underpins the C.B.C. calculation. These requirements are illustrated schematically in Figure 3-1.

Figure 3-1
The Process of Calculating a Community Benefits Charge under the *Planning Act*





3.2 Anticipated Development and Redevelopment

The anticipated development and redevelopment forecast is provided in chapter 2 (with supplemental tables in Appendix A). This chapter provides for the anticipated overall growth within the City over a 15-year (2025 to 2039) time horizon and then estimates the residential units eligible to be considered as per section 37 (4) of the *Planning Act*.

3.3 Services Potentially Involved

As per section 37 (5) of the *Planning Act*, a C.B.C. may be imposed for services that do not conflict with services or projects provided under a municipality's D.C. by-law or Parkland dedication by-law. Hence, the service provided under the C.B.C. would be defined as follows:

- (a) land for parks or other public recreational purposes in excess of lands conveyed or funded by cash-in-lieu of parkland payments under sections 42 and 51 of the *Planning Act*;
- (b) capital costs for services under subsection 2 (4) of the D.C.A. that are not intended to be funded under a D.C. by-law; and
- (c) capital costs for municipal services ineligible for inclusion in a D.C. by-law.

Examples of services not provided by a D.C. or Parkland Dedication by-law include (but are not limited to) capital facilities and equipment for municipal parking, airports, municipal administration building expansions, museums, arts centres, public art, heritage preservation, landfill, public realm improvements, community gardens, space for non-profits, etc.

3.4 Increase in the Need for Service

Similar to a D.C., the C.B.C. calculation commences with an estimate of “the increase in the need for service attributable to the anticipated development,” for eligible services to be covered by the by-law. There must be some form of link or attribution between the anticipated development and the estimated increase in the need for service. While the need could potentially be expressed generally in terms of units of capacity, a project-specific expression of need would appear to be most appropriate. This is suggested by



the requirement of section 2 (e) of O. Reg. 509/20 which provides “include estimates of the capital costs necessary to provide the facilities, services and matters referred to in clause 2 (b).” As noted, this is a similar consideration provided when undertaking a D.C. calculation.

3.5 Capital Forecast

Section 37 (2) of the *Planning Act* provides that, “The council of a local municipality may by by-law impose community benefits charges against land to pay for the capital costs of facilities, services and matters.” The *Planning Act* does not define what capital costs may be included within the charge. As noted in section 3.3 above, the Act provides that the C.B.C. charge could include capital costs for eligible D.C. services that are not intended to be funded under the City’s D.C. by-law. This provision suggests that capital costs may be defined in an equivalent manner as the D.C.A. Hence, based on this relationship with the D.C.A., capital costs may include:

- (a) costs to acquire land or an interest therein (including a leasehold interest);
- (b) costs to improve land;
- (c) costs to acquire, lease, construct or improve buildings and structures;
- (d) costs to acquire, lease or improve facilities, including rolling stock (with a useful life of 7 or more years), furniture and equipment (other than computer equipment), materials acquired for library circulation, reference, or information purposes;
- (e) interest on money borrowed to pay for the above-referenced costs;
- (f) costs to undertake studies in connection with the above-referenced matters; and
- (g) costs to undertake the C.B.C. Strategies.

3.6 Deductions

The section 2 of O. Reg. 509/20 potentially requires that three deductions be made to the capital costs estimates. These relate to:

- excess capacity;
- benefit to existing development; and
- anticipated grants, subsidies, and other contributions.

The requirements behind each of these reductions are addressed below.



3.6.1 Reduction for Excess Capacity

Section 2 (c) of O. Reg. 509/20 requires the identification of the excess capacity that exists in relation to the facilities, services and matters referred to in clause 2(b) suggesting the need for a potential deduction to the capital.

“Excess capacity” is undefined, but in this case, the excess capacity must be able to meet some or all of the increase in need for service, in order to potentially represent a deduction. The deduction of excess capacity from the future increase in the need for the service would normally occur as part of the conceptual planning and feasibility work associated with justifying and sizing new facilities, e.g., if a new landfill site to accommodate increased solid waste generated by the new growth is not required because sufficient excess capacity is already available, then a landfill site expansion would not be included as an increase in need, in the first instance.

3.6.2 Reduction for Benefit to Existing Development

Section 2 (c) of O. Reg. 509/20 of the *Planning Act* provides that the capital estimates identify extent to which an increase in a facility, service or matter referred to in clause 2 (b) of the regulation would benefit existing development. The general guidelines used to consider benefit to existing development included:

- the repair or unexpanded replacement of existing assets that are in need of repair;
- the elimination of a chronic servicing problem not created by growth; and
- providing services where none previously existed (for example, extending garbage pickup to the rural area which previously did not receive the municipal service).

Where existing development has an adequate service level which will not be tangibly increased by an increase in service, no benefit would appear to be involved. For example, where expanding existing garbage collection vehicles simply replicates what existing residents are receiving, they receive very limited (or no) benefit as a result. On the other hand, where a clear existing service problem is to be remedied, a deduction should be made accordingly.

In the case of services such as cultural facilities, the service is typically provided on a municipal-wide system basis. For example, facilities of the same type may provide



different services (i.e., art vs. theatre), different programs (i.e., art classes vs. acting classes), and different time availability for the same service (i.e., art classes available on Wednesdays in one facility and Thursdays in another). As a result, residents will travel to different facilities to access the services they want at the times they wish to use them, and facility location generally does not correlate directly with residence location. Even where it does, displacing users from an existing facility to a new facility frees up capacity for use by others and generally results in only a very limited benefit to existing development. Further, where an increase in demand is not met for a number of years, a negative service impact to existing development is involved for a portion of the planning period.

3.6.3 *Reduction for Anticipated Grants, Subsidies and Other Contributions*

This step involves reducing the capital costs by capital grants, subsidies, and other contributions made or anticipated by Council and in accordance with various rules such as the attribution between the share related to new vs. existing development. That is, some grants and contributions may not specifically be applicable to growth or where Council targets fundraising as a measure to offset impacts on taxes.

Where additional grants, subsidies and/or other contributions are identified that are not currently identified and reduced in the calculations, due diligence will be undertaken by City staff during the annual budget process to net off any future identified funding from these other sources.

3.7 Municipal-wide vs. Area Rating

This step involves determining whether all of the subject costs are to be recovered on a uniform municipal-wide basis or whether some or all are to be recovered on an area-specific basis. Unlike D.C.s, there is no mandatory requirement to consider area rating of services (providing charges for specific areas and services); however, the legislation does not prohibit area rating. There may be instances where Council may consider varying rates to align with other policies or possible incentives in the development area.

The City's current C.B.C. by-law provides the charge on a City-wide basis. As the services being provided in the C.B.C. strategy are not restricted to one specific area and are anticipated to be used by all residents within the municipality, the City-wide approach has been continued. Although the charges are to be calculated and imposed



on a City-wide basis, consideration of location of the projects will take place through the annual budget process.

3.8 Land Valuation Analysis

To facilitate the rate calculation provided in section 3.9, an estimate of the market value of the land related to the anticipated applicable development/redevelopment presented in section 3.2, needs to be undertaken. It is noted that the land values may vary based on a number of factors including location, zoning density, parcel size, etc., however, these values should estimate the land value the day before building permit issuance. This data may be available from municipal staff, or the municipality may consider engaging the assistance of a land appraiser.

3.9 Calculation of the Community Benefits Charge

Section 37(32) of the *Planning Act* provides that the maximum charge which can be imposed is prescribed by the regulations. O. Reg 509/20 section 3 provides that the maximum charge is to be 4%.

To calculate the rate, the net capital cost (provided by netting the deductions set out in section 3.6 from the capital needs described in section 3.5) divided by the land values related to the anticipated applicable development/redevelopment produces a percentage of the capital cost to the land value. The product of this calculation provides for the eligible rate. As noted above, the maximum rate to be imposed is 4%; hence, the rate can be any rate between 0% and 4%.

Alternatively, a municipality may choose to impose a rate on another basis. For example, the charge could be calculated on a per dwelling unit basis similar to a D.C. This calculation would be facilitated by dividing the net capital cost by the forecast incremental gross population growth to arrive at a C.B.C. per capita. This rate would then be applied to the person per unit occupancy assumptions for high-density residential dwelling units to determine the charge. This is the approach currently used by the City. Moreover, the charge could be denominated based on land area, where the net capital costs would be divided by the amount of land anticipated to be occupied by the forecast residential dwelling units constructed over the forecast period.



Chapter 4

C.B.C. Eligible Cost Analysis



4. C.B.C. Eligible Cost Analysis

4.1 Introduction

This chapter outlines the basis for calculating eligible costs to be recovered through a C.B.C. by-law, which are to be applied on a uniform City-wide basis. In each case, the required calculation process set out in O. Reg. 509/20 subsections 2 (a) through 2 (f) to the *Planning Act* and described in Chapter 3 was followed in determining C.B.C. eligible costs.

In undertaking the C.B.C. Strategy, following services was considered:

- Parks Services for anticipated capital costs of parkland acquisition beyond those available under the provisions of section 42 and 51 of the *Planning Act*;
- Administrative Services, including growth-related studies not eligible under the D.C.A. and corporate services technology;
- Animal Services; and
- Arts, Culture, and Museum Services.

4.2 Allocation of Costs to C.B.C Eligible Development

The net growth-related capital costs that are allocated to the C.B.C. eligible share of the anticipated developments is based on the following conventions:

- Net capital costs for Animal Services and Administrative Services were apportioned between residential (74%) and non-residential development (26%) based on the incremental population and employment growth over the forecast period (Table 2-3). The net growth-related costs for Arts, Culture, and Museum Services, and Parkland Acquisition are allocated 95% to residential development and 5% to non-residential development. This allocation is reflective of the increase in need for service principally attributable to address the demands of residential development and is consistent with the City's practice within its D.C. background study.
- Subsequent to the above allocations, the resultant net growth-related residential capital costs were then allocated between the forecast anticipated residential

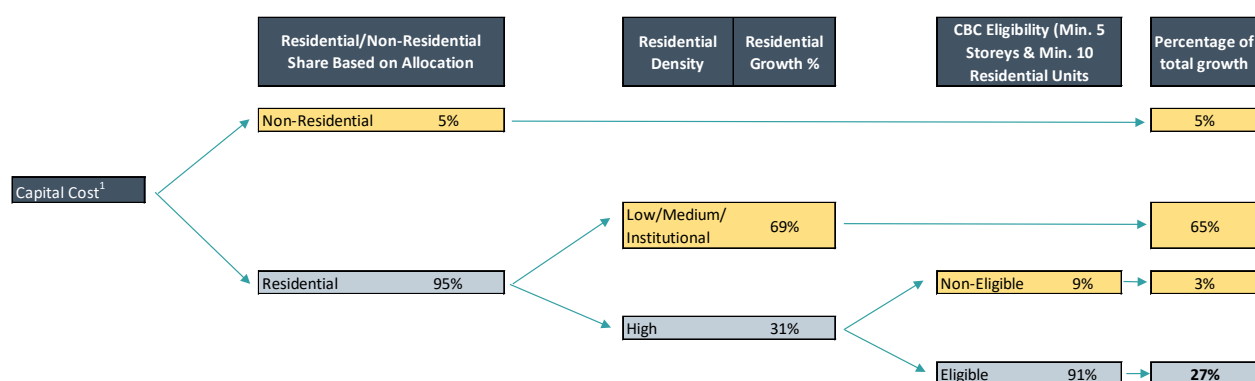


development by type. These allocations are based on the low/medium residential developments and the high-density residential developments, and were allocated 69% and 31%, respectively.

- Finally, the growth-related net capital costs attributable to high-density residential development were apportioned between the forecast C.B.C. eligible development (i.e., buildings with a minimum of five storeys and at least 10 residential dwelling units) and forecast high-density development below this threshold. As such 91% of the costs have been allocated to the eligible high density residential development.

Figures 4-1 and 4-2 illustrate the allocation of capital cost shares for various services. Figure 4-1 presents a flowchart detailing the distribution of capital costs for Parks, Arts, Culture, and Museum Services, resulting in a 27% recovery of growth-related expenses through the C.B.C. Similarly, Figure 4-2 outlines the capital cost shares for Animal and Administration Services, resulting in a 21% recovery of growth-related costs through the C.B.C.

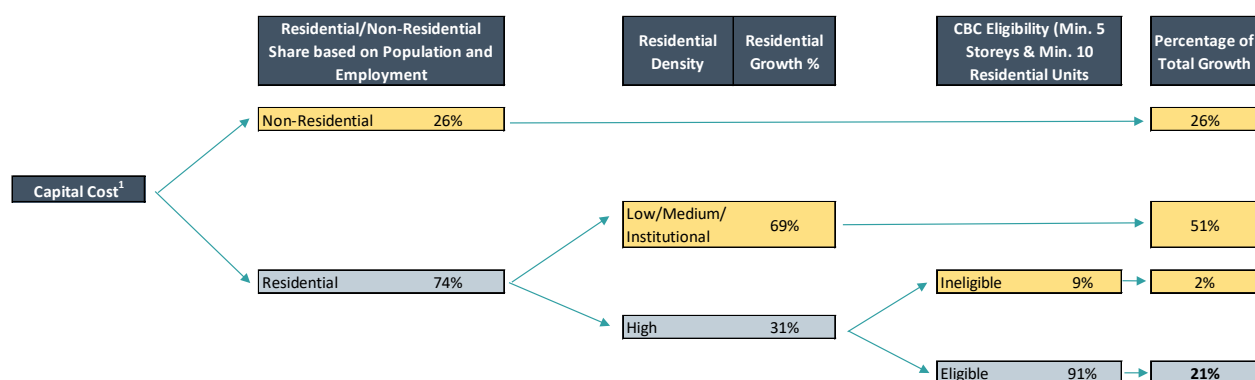
Figure 4-1
Growth Shared for Parks, Arts, Culture, and Museum



¹ Capital Cost is net of deductions for benefit to existing, excess capacity, grants, subsidies, and other contributions, etc.



Figure 4-2
Growth Shared for Animal and Administration



¹ Capital Cost is net of deductions for benefit to existing, excess capacity, grants, subsidies, and other contributions, etc.

4.3 C.B.C. Eligible Cost Analysis

This section provides for the evaluation of development-related capital requirements over a 14-year (mid-2025 to mid-2039) planning horizon. The capital cost related to the increase in need for service are summarized in Table 4-1 and as follows:

- **Arts, Culture, and Museum Services** – The City's 2022 C.B.C. strategy identified Museum space within the Pickering Heritage and Community Centre, and additional costs for Public Art. These projects continue to be required for the future. The gross capital costs of these projects total \$13.7 million. \$7.6 million has been deducted for the benefit to existing development and \$1.2 has been deducted for possible grants, subsidies and other contributions towards Pickering Heritage and Community Centre capital costs, resulting in \$4.9 million net growth-related costs. After accounting for the benefit of these needs to non-residential development (i.e., \$245,700), low/medium density residential development (i.e., \$3.2 million), and ineligible high density residential development (i.e., \$132,000), the potential C.B.C. recoverable costs total \$1.3 million.
- **Animal Services** – The City is constructing a new Animal shelter that will primarily be utilized in relation to municipal by-law enforcement but will also contain space related to Animal Services. The share of the capital costs related to Animal Services is \$5.5 million. Of those costs, \$893,300 has been deducted as benefit to existing development based on the replacement of the existing



animal services facility space. Of the growth-related costs of \$4.6 million, \$972,100 is related to the C.B.C. eligible development after accounting for the non-residential share and non-C.B.C. eligible residential share of the growth-related costs.

- **Administration Services** – The City’s 2022 C.B.C. strategy identified growth related study costs that are not eligible for inclusion within the 2022 D.C. background study. The costs of undertaking the C.B.C. strategy and future updates, corporate services technology costs related to the City’s financial system, growth-related renovations to the Civic Complex, and other growth-related studies continue to be included, and costs have been updated through discussions with staff. The total costs of the needs are \$30.4 million. After deducting the share of the costs that are a benefit to existing development (i.e., \$23.7 million) and non-C.B.C. eligible development (i.e., \$5.2 million), \$1.5 million has been considered within the calculation of the charge.
- **Parks Services** – The City’s 2025 Recreation and Parks 10-year plan identifies up to 18 hectares of parkland that would be required above planned dedications. These needs have been included with a total gross capital cost of \$88.9 million (i.e., \$4.9 million per ha). After accounting for the benefit of these needs to non-residential development (i.e., \$4.4 million), low/medium density residential development (i.e., \$58.0 million), and ineligible high density residential development (i.e., \$2.4 million), the potential C.B.C. recoverable costs total \$24.1 million.

In total the C.B.C. recoverable costs are \$27.9 million after accounting for the deductions to the services above. Furthermore, \$420,050 has been deducted to reflect the current reserve fund surplus and \$860,500 has been deducted from the C.B.C. eligible costs to reflect the anticipated increase in population within existing residential units over the forecast period. Based on the calculations and allocations to C.B.C. eligible high-density growth, \$26.6 million in eligible net growth-related costs have been included within the C.B.C. calculations (See Table 5-1).



Table 4-1
Capital Infrastructure Needs to be Recovered through C.B.C.s

Prj. No	Increased Service Needs Attributable to Anticipated Development	Gross Capital Cost Estimate (2025\$)	Less:		Net Growth-Related Cost				Net Residential Cost Share		Potential C.B.C.	
			Benefit to Existing Development	Grants, Subsidies and Other Contributions Attributable to New Development	Total	Non-Residential Share		Residential Share	Low / Medium Density Residential	Total High Density Residential	Ineligible High Density Residential	Eligible High Density Residential
						%	\$	%				
	2025-2039								69%	31%	9%	91%
	Arts, Culture, and Museum Services											
1	Museum (Part of Pickering Heritage and Community Centre)	9,363,115	5,201,496	1,179,039	2,982,580	5%	149,129	95%	2,833,451	1,945,900	887,551	807,429
2	Public Art	4,344,000	2,413,224	-	1,930,776	5%	96,539	95%	1,834,237	1,259,680	574,557	522,690
	Total - Arts, Culture, and Museum Services	13,707,115	7,614,720	1,179,039	4,913,356		245,668		4,667,688	3,205,580	1,462,109	1,330,119
	Animal Services											
3	Animal Shelter - Adoption Space (Incl. Land and Site Servicing)	5,503,394	893,304	-	4,610,089	26%	1,198,623	74%	3,411,466	2,342,857	1,068,609	972,142
	Total - Animal Services	5,503,394	893,304	-	4,610,089		1,198,623		3,411,466	2,342,857	1,068,609	972,142
	Administration Services											
4	Community Benefits Strategy (2029)	41,000	-	-	41,000	0%	-	100%	41,000	-	41,000	41,000
5	Community Benefit Strategy (2033)	41,000	-	-	41,000	0%	-	100%	41,000	-	41,000	41,000
6	Community Benefit Strategy (2037)	41,000	-	-	41,000	0%	-	100%	41,000	-	41,000	41,000
7	South Pickering Heritage Inventory	73,000	40,554	-	32,446	26%	8,436	74%	24,010	16,489	7,521	6,842
8	Community Improvement Plans for Durham Live Lands and for City Centre Lands	202,000	112,217	-	89,783	26%	23,344	74%	66,439	45,628	20,811	18,933
9	Seaton Corporate Energy Plan Update	67,000	37,221	-	29,779	26%	7,743	74%	22,037	15,134	6,903	6,280
10	Natural Capital Asset Evaluation	101,000	56,109	-	44,891	26%	11,672	74%	33,220	22,814	10,406	9,466
11	New Financial System -SAP HR System- Recruiting & Onboard Module-Phs 2	556,000	308,875	-	247,125	26%	64,253	74%	182,873	125,589	57,283	52,112
12	New Financial System - SAP HR System- Learning Mgmt Module-Phs 3	336,000	186,658	-	149,342	26%	38,829	74%	110,513	75,896	34,617	31,492
13	New Financial System-SAP Fleet Module	550,000	305,542	-	244,458	26%	63,559	74%	180,899	124,234	56,665	51,550
14	New Financial System-SAP Budget & Salary Module	695,000	386,094	-	308,906	26%	80,316	74%	228,591	156,987	71,604	65,140
15	Integrated Community Sustainability Plan	41,000	22,777	-	18,223	26%	4,738	74%	13,485	9,261	4,224	3,843
16	Measuring Sustainability Report	47,000	26,110	-	20,890	26%	5,431	74%	15,459	10,616	4,842	4,405
17	Civic Complex Renovations	27,600,000	22,201,420	-	5,398,580	26%	1,403,631	74%	3,994,949	2,743,570	1,251,380	1,138,413
	Total - Administration Services	30,391,000	23,683,575	-	6,707,425		1,711,950		4,995,474	3,346,218	1,649,256	1,511,475
	Parks Services											
18	Parkland Acquisition (18 ha)	88,920,000	-	-	88,920,000	5%	4,446,000	95%	84,474,000	58,013,329	26,460,671	24,071,967
	Total - Parks Services	88,920,000	-	-	88,920,000		4,446,000		84,474,000	58,013,329	26,460,671	24,071,967
	Reserve Fund Adjustment											(420,050)
	Total	138,521,509	32,191,599	1,179,039	105,150,870		7,602,241		97,548,628	66,907,984	30,640,644	27,465,653



Chapter 5

C.B.C. Calculation



5. C.B.C. Calculation

5.1 Anticipated Funding Recovery

To summarize the calculation of the charge, the following has been undertaken:

- 1) Anticipated Development: As presented in Chapter 2, the 14-year growth forecast provides for 9,372 eligible high-density units (i.e., in buildings containing a minimum of five storeys and a minimum of 10 residential units).
- 2) Land Valuation: The estimated density and average land value per hectare were based on recent land appraisals completed for the City for C.B.C. and cash-in-lieu of parkland purposes as it is expected similar land and locations would be required for future parkland. As such, the average land value per hectare was calculated to be \$4.9 million.
- 3) Identification of Services: A number of services were considered including Arts, Culture, and Museum, Animal, Administration, and Parks Services.
- 4) C.B.C. Eligible Costs: Capital needs related to the identified services were provided by City staff and through the City's capital budget. Gross costs of the capital projects were assessed for the portion of the projects that would benefit the existing community versus the future growth. The growth-related costs were then allocated amongst all types of growth to calculate the amount that is associated with the C.B.C. eligible high-density units.
- 5) Maximum C.B.C.: As per the *Planning Act*, the maximum a municipality can impose for a C.B.C. is equal to 4% of the land value of a property, the day before building permit issuance. Based on the total land value presented in Table 5-1, the maximum estimated potential C.B.C. recovery for the City equates to approximately \$10.2 million for the 14-year forecast period (after the adjustment for the deduction related to the existing population incline).

The City has identified capital costs attributable to eligible high-density growth of \$26.6 million which are in excess of the calculated maximum allowable amount of \$10.2 million.

Based on the foregoing, C.B.C. funding will not provide sufficient funding for all growth-related capital costs identified in Table 4-1. This shortfall in funding is estimated based on the forecast development, land values estimate, growth-related capital needs attributable to C.B.C. eligible high-density development, and the current legislated



restriction of 4% of land value. The C.B.C. strategy recommends imposing the maximum permissible under the *Planning Act*, i.e. 4% of land value. As such, the City will have to consider the highest capital priorities to be funded with C.B.C. revenues during the annual budget process.

Table 5-1
Community Benefits Charge Calculation
2025 to 2039

Description	Gross Capital Cost Estimate (2025\$)	Less:		Growth-Related Capital Cost			
		Benefit to Existing Development	Grants, Subsidies and Other Contributions Attributable to New Development	Non-C.B.C. Eligible Share	C.B.C. Eligible Cost	Deduction for Existing Population Incline	Net C.B.C. Eligible Cost
Arts, Culture, and Museum Services	13,707,115	7,614,720	1,179,039	3,583,237	1,330,119	(41,045)	1,289,074
Animal Services	5,503,394	893,304	-	3,637,947	972,142	(29,999)	942,143
Administration Services	30,391,000	23,683,575	-	5,195,950	1,511,475	(46,641)	1,464,834
Parks Services	88,920,000	-	-	64,848,033	24,071,967	(742,818)	23,329,149
Reserve Fund Adjustment					-		(420,050)
A Total	138,521,509	32,191,599	1,179,039	77,265,167	27,885,703	(860,503)	26,605,150
B	Anticipated C.B.C. Residential Dwelling Units (2025-2039)						9,372
C	Density Assumption (units per hectare)						182
D (B/C)	Land Area for Residential Dwelling Unit Forecast (hectares)						51
E	Estimated Average Land Value (\$/hectare)						4,940,000
F (D*E)	Total Estimated Land Value						254,382,857
G (F*4%)	Maximum Prescribed Value (4% of Land)						10,175,314
H (A/F)	Total C.B.C. Required to Fund Needs (% of Land Value)						10.5%
	Maximum C.B.C. Amounts						4.0%



Chapter 6

C.B.C. Policy Recommendations and C.B.C. By-law Rules



6. C.B.C. Policy Recommendations and C.B.C. By-law Rules

6.1 C.B.C. Policies

Section 37 of the *Planning Act* and O. Reg. 509/20 outline the required policies that must be considered when adopting a C.B.C. by-law. The following subsections set out the recommended policies governing the calculation, payment, and collection of C.B.C.s in accordance with the legislation.

This report provides the draft C.B.C. by-law, in Appendix B. The by-law provides for the statutory C.B.C. exemptions required under the *Planning Act*.

It is noted that the *More Homes Built Faster Act*, provided for changes to the *Planning Act* related to C.B.C.s. These changes include additional statutory exemptions from payment of C.B.C.s for affordable and attainable residential units. The exemption for affordable and attainable residential units will be in effect at the time of C.B.C. by-law passage, however, the exemption related to attainable residential units requires to be further prescribed prior to being applicable. The draft C.B.C. by-law has provided for these exemptions to ensure the legislative requirements are met.

6.2 C.B.C. By-law Rules

6.2.1 *Payment in any Particular Case*

In accordance with the *Planning Act*, subsection 37 (3), a C.B.C. may be imposed only with respect to development or redevelopment that requires one of the following:

- (a) “the passing of a zoning by-law or of an amendment to a zoning by-law under section 34 of the *Planning Act*;
- (b) the approval of a minor variance under section 45 of the *Planning Act*;
- (c) a conveyance of land to which a by-law passed under subsection 50 (7) of the *Planning Act* applies;
- (d) the approval of a plan of subdivision under section 51 of the *Planning Act*;
- (e) a consent under section 53 of the *Planning Act*;
- (f) the approval of a description under section 9 of the *Condominium Act*, 1998; or



(g) the issuing of a permit under the *Building Code Act*, 1992 in relation to a building or structure.”

6.2.2 Maximum Amount of the Community Benefits Charge

Subsection 37 (32) of the *Planning Act* states that the amount of a C.B.C. payable in any particular case shall not exceed an amount equal to the prescribed percentage of the value of the land as of the valuation date.

Based on section 3 of O. Reg. 509/20, the prescribed percentage is 4%. The C.B.C. Strategy recommends imposing the maximum prescribed rate.

6.2.3 Exemptions (full or partial)

The following exemptions are provided under subsection 37 (4) of the *Planning Act* and section 1 of O. Reg. 509/20:

- Development of a proposed building or structure with fewer than five storeys at or above ground;
- Development of a proposed building or structure with fewer than 10 residential units;
- Redevelopment of an existing building or structure that will have fewer than five storeys at or above ground after the redevelopment;
- Redevelopment that proposes to add fewer than 10 residential units to an existing building or structure;
- Such types of development or redevelopment as are prescribed:
 - Development or redevelopment of a building or structure intended for use as a long-term care home within the meaning of subsection 2 (1) of the *Fixing Long-Term Care Act, 2021*.
 - Development or redevelopment of a building or structure intended for use as a retirement home within the meaning of subsection 2 (1) of the *Retirement Homes Act, 2010*.
 - Development or redevelopment of a building or structure intended for use by any of the following post-secondary institutions for the objects of the institution:
 - i. a university in Ontario that receives direct, regular, and ongoing operating funding from the Government of Ontario,



- ii. a college or university federated or affiliated with a university described in subparagraph i,
 - iii. an Indigenous Institute prescribed for the purposes of section 6 of the *Indigenous Institutes Act*, 2017.
- Development or redevelopment of a building or structure intended for use as a memorial home, clubhouse, or athletic grounds by an Ontario branch of the Royal Canadian Legion.
- Development or redevelopment of a building or structure intended for use as a hospice to provide end of life care.
- Development or redevelopment of a building or structure intended for use as residential premises by any of the following entities:
 - i. a corporation to which the *Not-for-Profit Corporations Act*, 2010 applies that is in good standing under that Act and whose primary object is to provide housing,
 - ii. a corporation without share capital to which the Canada Not-for-profit Corporations Act applies, that is in good standing under that Act and whose primary object is to provide housing,
 - iii. a non-profit housing co-operative that is in good standing under the *Co-operative Corporations Act*.
- Development of Attainable Residential Units, which excludes affordable units and rental units, will be defined as a prescribed development or class of development, and sold to a person who is at "arm's length" from the seller.
- Development of Affordable Residential Units, as defined as:
 - i. Affordable Rental Units: Where the rent is no greater than the lesser of:
 - The income-based affordable rent for the residential unit set out in the Affordable Residential Units bulletin, as identified by the Minister of Municipal Affairs and Housing; and
 - The average market rent identified for the residential unit set out in the Affordable Residential Units bulletin
 - ii. Affordable Owned Units: Where the price of the residential unit is greater than the lesser of:
 - The income-based affordable purchase price for the residential unit set out in the Affordable Residential Units



- bulletin, as identified by the Minister of Municipal Affairs and Housing; and
- 90 per cent of the average purchase price identified for the residential unit set out in the Affordable Residential Units bulletin.
- and sold to a person who is at "arm's length" from the seller
- iii. Note: for affordable and attainable units, the municipality shall enter into an agreement that ensures the unit remains affordable or attainable for 25 years.
- iv. The bulletin refers to the "*Development Charges Act*, 1997 Bulletin" published by the Ministry of Municipal Affairs and Housing.
- Development of Inclusionary Zoning Units: Affordable housing units required under inclusionary zoning by-laws.

In addition to the exemptions noted above, the C.B.C. will not apply to buildings or structures owned by and used for the purposes of any municipality, local board, or Board of Education; affordable units within a development, and to developments where a previously executed Section 37 community benefits agreement is in place. However, if a change is proposed to a development subject to a Section 37 agreement (for example an increase in the approved unit count), the change would be subject to the C.B.C by-law.

6.2.4 Timing of Collection

The C.B.C.s imposed are calculated, payable, and collected upon issuance of a building permit for eligible development or redevelopment.

6.2.5 In-kind Contributions

A municipality that has passed a C.B.C. by-law may allow the landowner to provide to the municipality: facilities, services, or matters required because of development or redevelopment in the area to which the by-law applies.

Prior to providing these contributions, the municipality shall advise the landowner of the value that of the in-kind contributions that will be attributed to them. As part of this valuation, the contributing landowner will be expected to provide any valuation documents as backup or alternatively, staff will investigate and assign a reasonable



value to the in-kind contribution. This value shall be deducted from the amount the landowner would otherwise be required to pay under the C.B.C. by-law.

6.2.6 The Applicable Areas

The C.B.C. by-law will apply to all lands within the City.

6.2.7 Special Account

All money received by the municipality under a C.B.C. by-law shall be paid into a special account. The money contained within the special account:

- may be invested in securities in which the municipality is permitted to invest under the *Municipal Act, 2001*, and the earnings derived from the investment of the money shall be paid into a special reserve fund account; and
- must have at least 60 percent of the funds spent or allocated at the beginning of the year.

In addition to the monies collected under a C.B.C. by-law, transitional rules for transferring existing reserve funds are provided in subsection 37 (51) of the *Planning Act*. These rules apply for any existing reserve funds related to a service that is not listed in subsection 2 (4) of the D.C.A., as well as reserve funds established under section 37 of the *Planning Act* prior to Bill 197.

1. If the municipality passes a C.B.C. by-law under this section before the specified date, the municipality shall, on the day it passes the by-law, allocate the money in the special account or reserve fund to the special account referred to in subsection (45) of the *Planning Act*.
2. If the municipality has not passed a C.B.C. by-law under this section before the specified date, the special account or reserve fund is deemed to be a general capital reserve fund for the same purposes for which the money in the special account or reserve fund was collected.
3. Despite paragraph 2, subsection 417 (4) of the *Municipal Act, 2001* (a provision which requires the funds raised for a reserve fund must only be used for the intended purpose) and any equivalent provision do not apply with respect to the general capital reserve fund referred to in paragraph 2.
4. If paragraph 2 applies and the municipality passes a C.B.C. by-law under this section on or after the specified date, the municipality shall, on the day it passes



the by-law, allocate any money remaining in the general capital reserve fund referred to in paragraph 2 to the special account referred to in subsection (45) of the Planning Act.

6.2.8 Credits

Subsection 37 (52) of the *Planning Act* indicates that any credits that were established under section 38 of the D.C.A. and that are not related to a service that is listed in subsection 2 (4) of the D.C.A., may be used by the holder of the credit with respect to a charge that the holder is required to pay under a C.B.C. by-law.

6.2.9 By-law In-Force Date

A C.B.C. by-law comes into force on the day it is passed, or the day specified Council in the by-law, whichever is later. The anticipated by-law in-force date is July 1, 2025.

6.3 Recommendations

It is recommended that Council:

Adopt the C.B.C. approach to calculate the charges on a uniform City-wide basis;

Approve the capital project listing set out in Chapter 4 of the C.B.C. Strategy dated April 23, 2025, subject to further annual review during the capital budget process;

Approve the C.B.C. Strategy dated April 23, 2025;

Determine that no further public consultation is required; and

Approve the C.B.C. By-law.



Chapter 7

By-law Implementation



7. By-law Implementation

7.1 Introduction

This chapter addresses the public consultation process and by-law implementation requirements for the imposition of a C.B.C. by-law. Figure 7-1 provides an overview of the process.

7.2 Public Consultation Process

7.2.1 *Required Consultation*

In establishing the policy for which a C.B.C. strategy and by-law will be based; section 37 (10) of the *Planning Act* requires that:

“In preparing the community benefits strategy, the municipality shall consult with such persons and public bodies as the municipality considers appropriate.”

As there is no specific guidance as to which parties the municipality shall consult with, municipalities may establish their own policy for public consultation. The policy for public consultation should be designed to seek the co-operation and participation of those involved, in order to produce the most suitable policy. Municipalities may consider a public meeting, similar to that undertaken for D.C. study processes (however, this is not a mandated requirement). At a minimum, this would include a presentation to Council and the public on the findings of the C.B.C. strategy, advanced notice of the meeting, and consideration for delegations from the public.

7.2.2 *Interested Parties to Consult*

There are three broad groupings of the public who are generally the most concerned with municipal C.B.C. policy.

1. The first grouping is the residential development community, consisting of land developers and builders, who will typically be responsible for generating the majority of the C.B.C. revenues. Others, such as realtors, are directly impacted by C.B.C. policy. They are, therefore, potentially interested in all aspects of the charge, particularly the percentage applicable to their properties, projects to be



funded by the C.B.C. and the timing thereof, and municipal policy with respect to development agreements and in-kind contributions.

2. The second public grouping embraces the public at large and includes taxpayer coalition groups and others interested in public policy.
3. The third grouping is the non-residential mixed-use development sector, consisting of land developers and major owners or organizations with significant construction plans for mixed use developments. Also involved are organizations such as Industry Associations, the Chamber of Commerce, the Board of Trade, and the Economic Development Agencies, who are all potentially interested in municipal C.B.C. policy. Their primary concern is frequently with the percentage charge applicable to their lands, exemptions, and phase-in or capping provisions in order to moderate the impact.

As noted in Section 1.4, through the C.B.C. strategy process, the City's consultation process includes having a public meeting of Council and consulting with key stakeholders.

7.3 Anticipated Impact of the Charge on Development

The establishment of sound C.B.C. policy often requires the achievement of an acceptable balance between two competing realities. The first is that increased residential development fees (such as a C.B.C.) can ultimately be expected to be recovered via higher housing prices and can impact project feasibility in some cases (e.g., rental apartments). Secondly, C.B.C.s or other municipal capital funding sources need to be obtained in order to help ensure that the necessary infrastructure and amenities are installed. The timely installation of such works is a key initiative in providing adequate service levels and in facilitating strong economic growth, investment, and wealth generation.

7.4 Implementation Requirements

7.4.1 Introduction

Once the City has calculated the charge, prepared the complete C.B.C. strategy, carried out the public process, and passed a new by-law, the emphasis shifts to implementation matters.



These include notices, potential appeals and complaints, in-kind contributions, and finally the collection of revenues and funding of projects.

The sections that follow provide an overview of the requirements in each case.

7.4.2 Notice of Passage

In accordance with subsection 37 (13) of the *Planning Act*, when a C.B.C. by-law is passed, the clerk of the municipality shall give written notice of the passing and of the last day for appealing the by-law (the day that is 40 days after the day it was passed). Such notice must be given no later than 20 days after the day the by-law is passed (i.e., as of the day of newspaper publication or the mailing of the notice).

Section 4 of O. Reg. 509/20 further defines the notice requirements which are summarized as follows:

- notice shall be given by publication in a newspaper which is (in the clerk's opinion) of sufficient circulation to give the public reasonable notice, or by personal service, fax, or mail to every owner of land in the area to which the by-law relates. If a newspaper does not exist, the notice shall be posted on the website of the municipality;
- subsection 4 (2) lists the persons/organizations who must be given notice; and
- subsection 4 (5) lists the seven items that the notice must cover.

7.4.3 Appeals

Subsections 37 (13) to 37 (31) of the *Planning Act* set out the requirements relative to making and processing a C.B.C. by-law appeal as well as an OLT hearing in response to an appeal. Any person or organization may appeal a C.B.C. by-law to the OLT by filing a notice of appeal with the clerk of the municipality, setting out the objection to the by-law and the reasons supporting the objection. This must be done by the last day for appealing the by-law, which is 40 days after the by-law is passed.

The municipality is carrying out a public consultation process, in order to address the issues that come forward as part of that process, thereby avoiding or reducing the need for an appeal to be made.

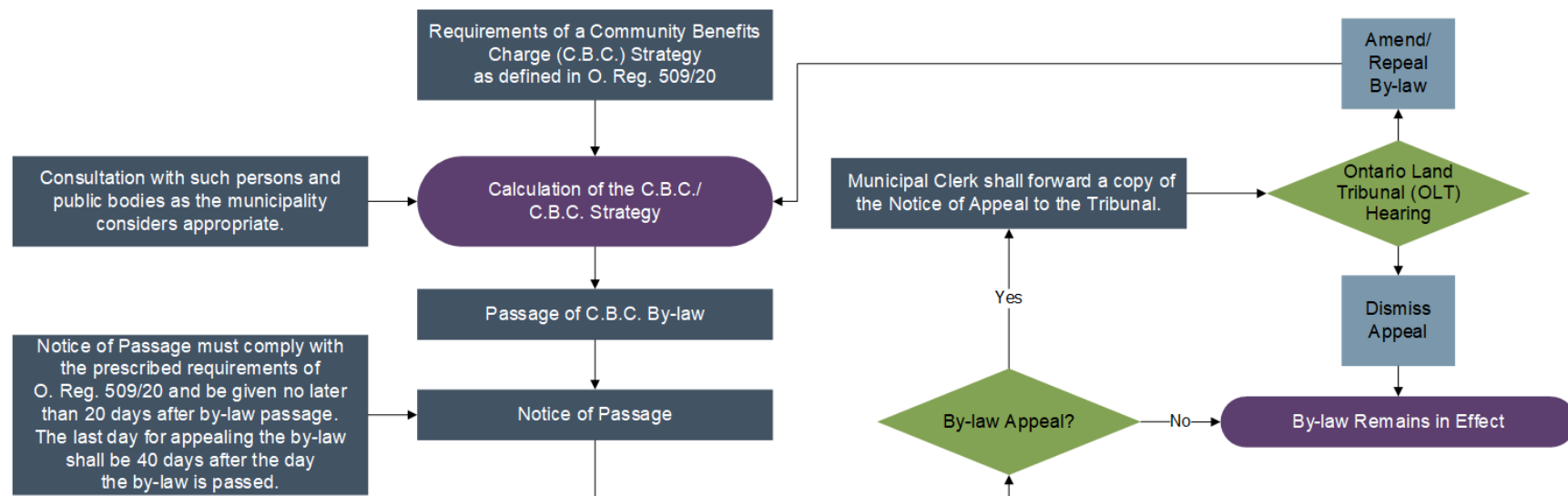


7.4.4 In-Kind Contributions

Subsections 37 (6) to 37 (8) provide the rules for in-kind contributions. An owner of land may provide the municipality facilities, services, or matters required because of development or redevelopment in the area to which the by-law applies. Prior to providing these contributions, the municipality shall enter into an agreement with the owner of the land and advise the owner of the value that will be attributed to the contributions. The value of the contributions shall be deducted from the amount the owner of the land would otherwise have to pay under the C.B.C. by-law.



Figure 7-1
The Process of Required for Passing a Community Benefits Charge By-law under the *Planning Act*





7.5 Ongoing Application and Collection of C.B.C. funds

7.5.1 Introductions

Once the municipality passes a C.B.C. by-law, development or redevelopment that meets the requirements of the C.B.C. by-law will pay a C.B.C. based on the value of their land. The following sections describe the overall process and discusses the approach to appraisals and use of the special account as set out in the *Planning Act*.

7.5.2 Overview of Process and Appraisals

Figure 7-2 provides an overview of the process for application of the C.B.C. by-law and collection of C.B.C. funds.

Once the C.B.C. by-law is in place, as development or redevelopment that meets the eligibility criteria proceeds (i.e., prior to issuance of a building permit), the municipality collects C.B.C.s based on the per unit charge as set out in the by-law and C.B.C. strategy.

If the landowner is of the view that the amount of the C.B.C. exceeds the prescribed value of 4% of their land value on the day before building permit issuance, the landowner may pay the charge under protest. In this circumstance there is an obligation of the landowner to provide an appraisal. If the municipality disputes the value of the land identified in the landowner's appraisal, the municipality must also provide the owner with an appraisal within the prescribed time period.

If the City agrees with the landowner's appraised value, then the owner pays their C.B.C.s based on 4% of the land value to the City and the funds will then be deposited into the special account.

If the City does not agree with the appraisal provided by the owner, the City has 45 days to provide the owner of the land with their own appraisal value. Then:

- If no appraisal is provided to the owner within 45 days, the owner's appraisal is deemed accurate and the difference in the amounts shall be refunded to the owner.



- If the municipality's appraisal is within 5% of the landowner's appraisal, the landowner's appraisal is deemed accurate, and the municipality shall refund the difference in the amounts to the owner.
- If the municipality's appraisal is more than 5% higher than the landowner's appraisal, the municipality shall request an appraisal be undertaken by an appraiser, selected by the landowner, from the list of approved appraisers provided by the municipality. This must be undertaken within 60 days. This final appraisal is deemed accurate for the purposes of calculating the applicable C.B.C.
- In regard to the last bullet, subsection 37 (42) and 37 (43) require the municipality to maintain a list of at least three persons who are not employees of the municipality or members of Council and have an agreement with the municipality to perform appraisals for the above. This list is to be maintained until the C.B.C. by-law is repealed or the day on which there is no longer any refund that could be required (whichever is later).

7.5.3 Special Reserve Fund Account

All funds collected under the C.B.C. by-law are to be deposited into a special account. Subsections 37 (45) to 37 (48) of the *Planning Act* outline the rules with respect to the special reserve fund account. As noted in section 6.2.7, these rules are as follows:

- All money received under a C.B.C. by-law shall be paid into a special account;
- The money in the special account may be invested in securities (as permitted under the *Municipal Act*) and the interest earnings shall be paid into the special account;
- In each year, a municipality shall spend or allocate at least 60 percent of the monies that are in the special account at the beginning of the year; and
- The municipality shall provide reports and information as set out in section 7 of O. Reg. 509/20
- In regard to the third bullet, it is suggested that the annual capital budget for the City directly list the works which are being undertaken and/or to which monies from this fund are being allocated toward.

As per this C.B.C. strategy, the growth-related services (as outlined in Chapter 4), form the anticipated capital needs required to service growth over the 14-year forecast period. However, other services may be considered by Council in the future and are

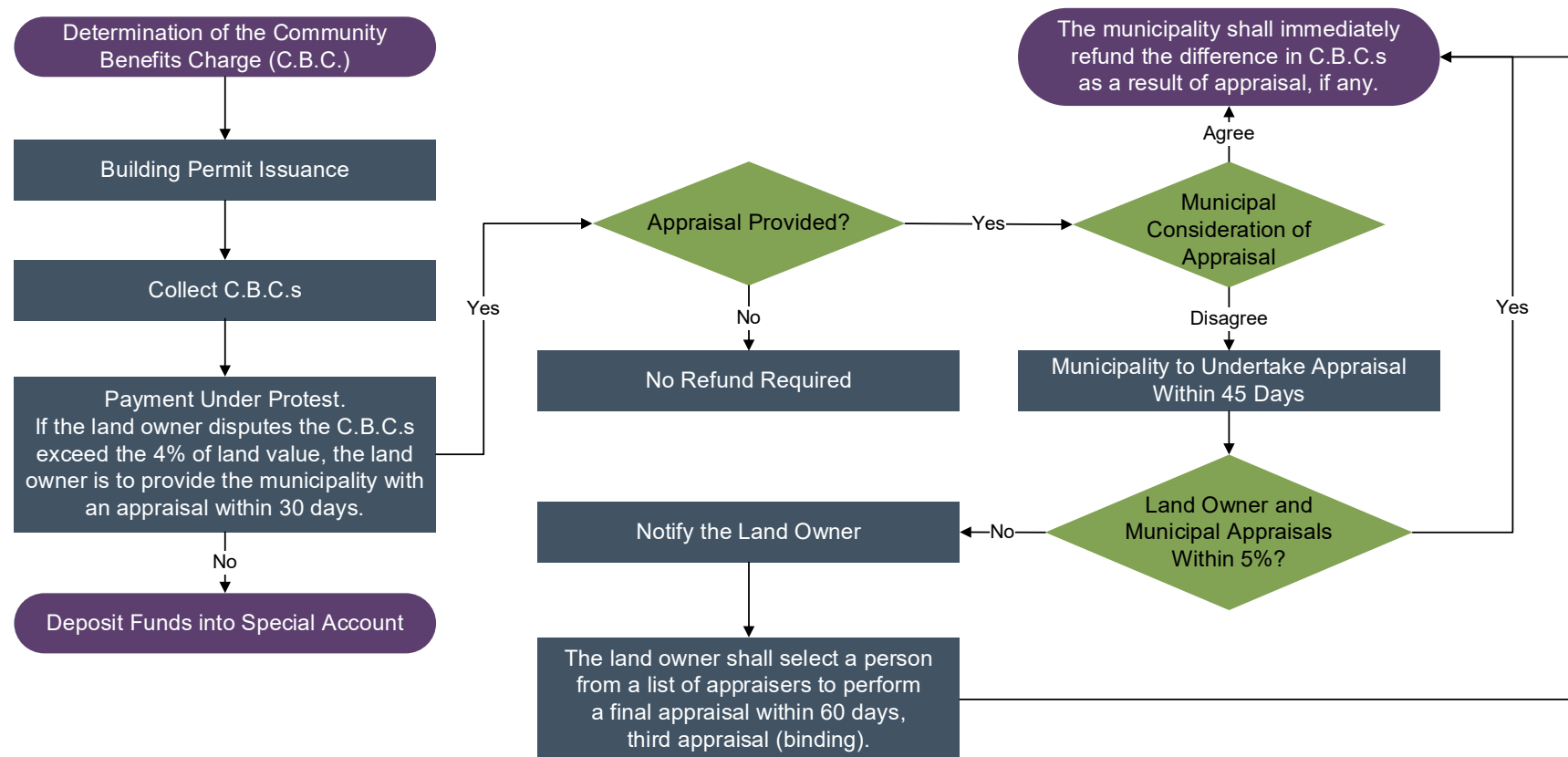


subject to approval by resolution and inclusion in the annual budget process. Further, any additional services approved and funded from C.B.C. revenue in the future will be reported on through an annual C.B.C. reserve fund statement, which will form part of the City's overall year-end statements.

During the annual budget process, the use of C.B.C. funding will be reviewed, and the capital costs associated with each eligible service and capital project will be confirmed and identified for approval of Council.



Figure 7-2
Community Benefits Charge Application and Calculation Process





7.6 Transitional Matters

7.6.1 Existing Reserves and Reserve Funds

The *Planning Act*, section 37 (49) to section 37 (51) provides transitional provisions for:

1. A special account established under the previous section 37 rules; and
2. A D.C. reserve fund for which services are no longer eligible.

If a municipality passes a C.B.C. by-law with an in-force date before September 18, 2022, the municipality is required to allocate the money in the Section 37 Community Benefits reserve fund to the C.B.C. special account.

If a municipality does not pass a C.B.C. by-law before September 18, 2022, the Section 37 Community Benefits reserve fund is deemed to be a general capital reserve fund for the same purpose in which the money was collected.

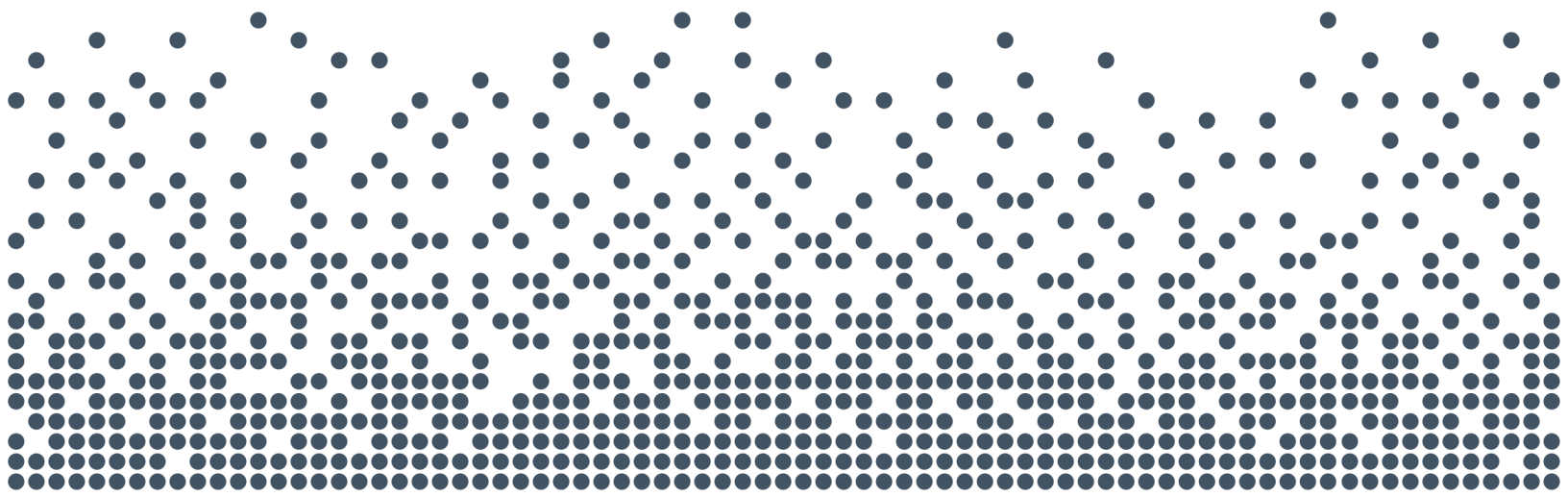
If a C.B.C. by-law is passed after September 18, 2022, the municipality is required to allocate the money from the newly created general capital reserve fund, to the C.B.C. special account. The City's C.B.C. by-law will be passed after September 18, 2022, and as such this provision will apply.

7.6.2 Credits under Section 38 of the Development Charges Act

The *Planning Act* (s.37 (52)) provides that, if a municipality passes a C.B.C. by-law before September 18, 2022, any credits held for services that are no longer D.C. eligible (e.g., parking services), may be used against payment of a C.B.C. by the landowner. Therefore, there are no credits related to D.C. ineligible services which would require an adjustment against future payments of a C.B.C.

7.6.3 Continued Application of Previous Section 37 Rules

Section 37.1 of the *Planning Act* provides for transitional matters regarding previous section 37 rules.



Appendices



Appendix A

Background Information on Residential and Non- Residential Growth Forecast



Schedule 1 City of Pickering Residential Growth Forecast Summary

Year		Population ^[1]	Institutional Population	Population Excluding Institutional Population	Housing Units						Person Per Unit (P.P.U.): Total Population/ Total Households
					Singles & Semi-Detached	Multiple Dwellings ^[2]	Apartments ^[3]	Other	Total Households	Equivalent Institutional Households	
Historical	Mid 2011	88,721	806	87,915	20,744	5,381	3,190	15	29,330	733	3.025
	Mid 2016	91,771	776	90,995	21,130	6,060	3,695	30	30,915	705	2.968
	Mid 2021	99,186	601	98,585	22,425	6,805	4,165	30	33,425	546	2.967
Forecast	Mid 2025	116,821	704	116,117	24,491	8,230	7,045	30	39,796	640	2.935
	Mid 2039	181,181	1,094	180,087	29,324	17,180	17,347	30	63,881	995	2.836
Incremental	Mid 2011 - Mid 2016	3,050	-30	3,080	386	679	505	15	1,585	-28	
	Mid 2016 - Mid 2021	7,415	-175	7,590	1,295	745	470	0	2,510	-159	
	Mid 2021 - Mid 2025	17,635	103	17,532	2,066	1,425	2,880	0	6,371	94	
	Mid 2025 - Mid 2039	64,360	390	63,970	4,833	8,950	10,302	0	24,085	355	

^[1] Population excludes Census undercount which is estimated at approximately 4.4%. Note: Population including the undercount is 189,200 in 2039.

^[2] Includes townhouses and apartments in duplexes.

^[3] Includes bachelor, 1-bedroom, and 2-bedroom+ apartment units.

Notes:

- Numbers may not add due to rounding.
- The previous Region of Durham Official Plan (Consolidated May 26, 2020) 2031 population target of 225,670 for Pickering, less the growth allocation for Northeast Pickering of approximately 36,500 persons, results in an Official Plan population target for Pickering of 189,200 by Mid-2039.

Source: Derived from the City of Pickering 2025 Growth Management Strategy and Durham Region Official Plan: Envision Durham, by Watson & Associates Economists Ltd..



Schedule 2
City of Pickering
Estimate of the Anticipated Amount, Type and Location of
Residential Development for Which Community Benefits Charges Can Be Imposed

Development Location	Timing	Single & Semi-Detached	Multiples ^[1]	Apartments ^[2]			Total Residential Units	Gross Population In New Units	Existing Unit Population Change	Net Population Increase, Excluding Institutional	Institutional Population	Net Population Including Institutional
				Units in C.B.C. Ineligible Buildings	Units in C.B.C. Eligible Buildings	Total Apartment Units						
Seaton	2025 - 2039	4,598	7,647	360	5,774	6,134	18,379	49,639	188	49,827	0	49,827
Rest of Pickering	2025 - 2039	235	1,303	570	3,598	4,168	5,706	12,357	1,786	14,143	390	14,533
City of Pickering	2025 - 2039	4,833	8,950	930	9,372	10,302	24,085	61,996	1,974	63,970	390	64,360

^[1] Includes townhouses and apartments in duplexes.

^[2] Includes accessory apartments, bachelor, 1-bedroom, and 2-bedroom+ apartments.

Note: Numbers may not add to totals due to rounding.

Source: Watson & Associates Economists Ltd..



Schedule 3
City of Pickering
Current Year Growth Forecast
Mid 2021 to Mid 2025

		Population
Mid 2021 Population		99,186
Occupants of New Housing Units, Mid 2021 to Mid 2025	Units (2)	6,371
	multiplied by P.P.U. (3)	2,516
	gross population increase	16,030
Occupants of New Equivalent Institutional Units, Mid 2021 to Mid 2025	Units	94
	multiplied by P.P.U. (3)	1,100
	gross population increase	103
Change in Housing Unit Occupancy, Mid 2021 to Mid 2025	Units (4)	33,425
	multiplied by P.P.U. change rate (5)	0,045
	total change in population	1,502
Population Estimate to Mid 2025		116,821
Net Population Increase, Mid 2021 to Mid 2025		17,635

(1) 2021 population based on Statistics Canada Census unadjusted for Census undercount.

(2) Estimated residential units constructed, Mid-2021 to the beginning of the growth period assuming a six-month lag between construction and occupancy.

(3) Average number of persons per unit (P.P.U.) is assumed to be:

Structural Type	Persons Per Unit ^[1] (P.P.U.)	% Distribution of Estimated Units ^[2]	Weighted Persons Per Unit Average
<i>Singles & Semi Detached</i>	3.545	32%	1.150
<i>Multiples (6)</i>	2.665	22%	0.596
<i>Apartments (7)</i>	1.704	45%	0.770
Total		100%	2.516

^[1] Based on 2021 Census custom database.

^[2] Based on Building permit/completion activity.

(4) 2021 households taken from Statistics Canada Census.

(5) Change occurs due to aging of the population and family life cycle changes, lower fertility rates and changing economic conditions.

(6) Includes townhouses and apartments in duplexes.

(7) Includes bachelor, 1-bedroom and 2-bedroom+ apartments.

Note: Numbers may not add to totals due to rounding.



**Schedule 4
City of Pickering
10-Year Growth Forecast
Mid 2025 to Mid 2039**

		Population
Mid 2025 Population		116,821
Occupants of New Housing Units, Mid 2025 to Mid 2039	<i>Units (2)</i>	24,085
	<i>multiplied by P.P.U. (3)</i>	2,574
	<i>gross population increase</i>	61,996
Occupants of New Equivalent Institutional Units, Mid 2025 to Mid 2039	<i>Units</i>	355
	<i>multiplied by P.P.U. (3)</i>	1,100
	<i>gross population increase</i>	390
Change in Housing Unit Occupancy, Mid 2025 to Mid 2039	<i>Units (4)</i>	39,796
	<i>multiplied by P.P.U. change rate (5)</i>	0.050
	<i>total change in population</i>	1,974
Population Estimate to Mid 2039		181,181
Net Population Increase, Mid 2025 to Mid 2039		64,360

(1) Mid 2025 Population based on:

2021 Population (99,186) + Mid 2021 to Mid 2025 estimated housing units to beginning of forecast period (6,371 x 2.516 = 16,030) + (94 x 1.1 = 103) + (33,425 x 0.045 = 1,502) = 116,821

(2) Based upon forecast building permits/completions assuming a lag between construction and occupancy.

(3) Average number of persons per unit (P.P.U.) is assumed to be:

Structural Type	Persons Per Unit ^[1] (P.P.U.)	% Distribution of Estimated Units ^[2]	Weighted Persons Per Unit Average
<i>Singles & Semi Detached</i>	3.626	20%	0.728
<i>Multiples (6)</i>	2.799	37%	1.040
<i>Apartments (7)</i>	1.885	43%	0.806
<i>one bedroom or less</i>	1.412		
<i>two bedrooms or more</i>	2.248		
Total		100%	2.574

^[1] Persons per unit based on adjusted Statistics Canada Custom 2021 Census database.

^[2] Forecast unit mix based upon historical trends and housing units in the development process.

(4) Mid 2025 households based upon 2021 Census (33,425 units) + Mid 2021 to Mid 2025 unit estimate (6,371 units) = 39,796 units.

(5) Change occurs due to aging of the population and family life cycle changes, lower fertility rates and changing economic conditions.

(6) Includes townhouses and apartments in duplexes.

(7) Includes bachelor, 1-bedroom and 2-bedroom + apartments.

Note: Numbers may not add to totals due to rounding.



Schedule 5
City of Pickering
Historical Residential Building Permits
Years 2014 to 2023

Year	Residential Building Permits			
	Singles & Semi Detached	Multiples ^[1]	Apartments ^[2]	Total
2015	154	24	228	406
2016	205	89	93	387
2017	134	226	280	640
2018	258	350	625	1,233
2019	165	130	210	505
Sub-total	916	819	1,436	3,171
Average (2015 - 2019)	183	164	287	634
% Breakdown	28.9%	25.8%	45.3%	100.0%
2020	207	149	265	621
2021	351	172	758	1,281
2022	565	382	158	1,105
2023	668	491	1,274	2,433
2024	482	380	690	1,552
Sub-total	2,273	1,574	3,145	6,992
Average (2020 - 2024)	455	315	629	1,398
% Breakdown	32.5%	22.5%	45.0%	100.0%
2015 - 2024				
Total	3,189	2,393	4,581	10,163
Average	319	239	458	1,016
% Breakdown	31.4%	23.5%	45.1%	100.0%

^[1] Includes townhouses and apartments in duplexes.

^[2] Includes bachelor, 1-bedroom, and 2-bedroom+ apartment units.

Source: Historical housing activity derived from building permit data for the City of Pickering, by Watson & Associates Economists Ltd.



Schedule 6 City of Pickering Person Per Unit by Age and Type of Dwelling (2021 Census)

Age of Dwelling	Singles and Semi-Detached						20 Year Average	20 Year Average Adjusted ^[3]
	< 1 BR	1 BR	2 BR	3/4 BR	5+ BR	Total		
1-5	-	-	2.375	3.472	4.865	3.545		
6-10	-	-	-	3.636	4.667	3.731		
11-15	-	-	-	3.587	4.000	3.608		
16-20	-	-	-	3.358	3.800	3.506	3.598	3.626
21-25	-	-	2.273	3.403	4.054	3.465		
26-30	-	-	-	3.303	4.169	3.420		
30+	-	1.762	2.041	2.908	4.119	3.011		
Total	2.250	2.143	2.210	3.094	4.166	3.196		

Age of Dwelling	Multiples ^[1]						20 Year Average	20 Year Average Adjusted ^[3]
	< 1 BR	1 BR	2 BR	3/4 BR	5+ BR	Total		
1-5	-	-	2.269	3.141	-	2.665		
6-10	-	-	2.214	3.302	-	3.139		
11-15	-	-	2.083	3.230	-	3.000		
16-20	-	-	2.474	3.013	-	2.821	2.906	2.799
21-25	-	-	1.947	2.706	-	2.513		
26-30	-	-	2.500	2.856	-	2.872		
30+	-	1.700	2.088	2.861	3.683	2.786		
Total	1.053	1.594	2.202	2.948	3.964	2.801		

Age of Dwelling	Apartments ^[2]						20 Year Average	20 Year Average Adjusted ^[3]
	< 1 BR	1 BR	2 BR	3/4 BR	5+ BR	Total		
1-5	-	1.364	1.871	-	-	1.704		
6-10	-	1.345	1.737	-	-	1.596		
11-15	-	1.333	1.733	3.000	-	1.951		
16-20	-	1.375	1.625	-	-	1.846	1.774	1.885
21-25	-	1.467	1.655	3.048	-	1.929		
26-30	-	1.105	1.632	2.600	-	1.745		
30+	0.308	1.162	1.816	2.399	-	1.945		
Total	0.333	1.276	1.748	2.541	-	1.859		

Age of Dwelling	All Density Types						20 Year Average	20 Year Average Adjusted ^[3]
	< 1 BR	1 BR	2 BR	3/4 BR	5+ BR	Total		
1-5	-	1.423	2.124	3.343	4.732	2.937		
6-10	-	1.389	1.977	3.489	4.909	3.203		
11-15	-	1.632	2.030	3.380	4.033	3.144		
16-20	-	1.577	2.061	3.250	3.895	3.033		
21-25	-	1.520	1.744	3.268	4.081	3.062		
25-30	-	1.154	1.810	3.178	4.196	3.085		
30+	-	1.432	1.945	2.868	4.007	2.867		
Total	3.800	1.434	1.956	3.033	4.114	2.950		

^[1] Includes townhouses and apartments in duplexes.

^[2] Includes bachelor, 1-bedroom, and 2-bedroom+ apartments.

^[3] Adjusted based on historical trends.

Note: Does not include Statistics Canada data classified as 'Other.'

P.P.U. Not calculated for samples less than or equal to 50 dwelling units and does not include institutional population.



Schedule 7 City of Pickering Employment Forecast, 2025 to 2039

Period	Population	Activity Rate								Employment								Employment Total (Excluding Work at Home and N.F.P.O.W.)
		Primary	Work at Home	Industrial	Commercial/ Population Related	Institutional	Total	N.F.P.O.W. ^[1]	Total Including N.F.P.O.W.	Primary	Work at Home	Industrial	Commercial/ Population Related	Institutional	Total	N.F.P.O.W. ^[1]	Total Employment (Including N.F.P.O.W.)	
Mid 2016	91,771	0.002	0.035	0.129	0.138	0.053	0.357	0.051	0.408	140	3,225	11,842	12,668	4,885	32,760	4,694	37,454	29,535
Mid 2025	116,821	0.001	0.049	0.110	0.129	0.042	0.332	0.047	0.379	140	5,670	12,849	15,125	4,946	38,730	5,519	44,249	33,060
Mid 2039	181,181	0.001	0.051	0.116	0.139	0.051	0.357	0.051	0.408	140	9,184	20,973	25,251	9,174	64,722	9,248	73,970	55,538
Incremental Change																		
Mid 2016 - Mid 2025	25,050	0.000	0.013	-0.019	-0.009	-0.011	-0.025	-0.004	-0.029	0	2,445	1,007	2,457	61	5,970	825	6,795	3,525
Mid 2025 - Mid 2039	64,360	0.000	0.002	0.006	0.010	0.008	0.026	0.004	0.029	0	3,514	8,124	10,126	4,228	25,992	3,729	29,721	22,478
Annual Average																		
Mid 2016 - Mid 2025	2,783	0.000	0.001	-0.002	-0.001	-0.001	-0.003	0.000	-0.003	0	272	112	273	7	663	92	755	392
Mid 2025 - Mid 2039	4,597	0.000	0.000	0.000	0.001	0.001	0.002	0.000	0.002	0	251	580	723	302	1,857	266	2,123	1,606

^[1] Statistics Canada defines no fixed place of work (N.F.P.O.W.) employees as "persons who do not go from home to the same workplace location at the beginning of each shift. Such persons include building and landscape contractors, travelling salespersons, independent truck drivers, etc."

Note: Employment associated within special care institutional dwellings is treated as residential. For the purposes of the C.B.C. calculations, total employment growth in Schedule 8 (excluding work at home and N.F.P.O.W. employment) has been downwardly adjusted to account for institutional employment associated with special care facilities. Total employment excluding jobs associated with special care facilities is anticipated to reach approximately 87,730 by 2039, an increase of approximately 5,320 for the 10-year forecast period.

Source: Derived from the City of Pickering 2025 Growth Management Strategy and Durham Region Official Plan: Envision Durham, by Watson & Associates Economists Ltd..



Appendix B

Proposed C.B.C. By-law

The City of Pickering

By-law Number ____/25

A By-Law to Provide for the Payment of Community Benefits Charges for the City of Pickering Pursuant to Section 37 of the *Planning Act*

WHEREAS The City of Pickering (the “City”) will experience growth through development and re-development;

AND WHEREAS Council desires to impose Community Benefits Charges against land to pay for the capital costs of facilities, services and matters required because of development or redevelopment in the area to which the by-law applies;

AND WHEREAS the *Planning Act, 1990* (the “Act”) provides that the council of a municipality may by by-law impose Community Benefits Charges against higher density residential development or redevelopment;

AND WHEREAS a Community Benefits Charge strategy report, dated April 23, 2025, has been completed which identifies the facilities, services and matters that will be funded with Community Benefits Charges and complies with the prescribed requirements;

AND WHEREAS the City has consulted with the public and such persons and public bodies as the City considers appropriate;

The Council of the City enacts as follows:

1. INTERPRETATION

1.1 In this By-law, the following items shall have the corresponding meanings:

“Act” means the *Planning Act*, R.S.O. 1990, CHAPTER P.13;

“Apartment” means a dwelling unit in an apartment building;

“Affordable Residential Unit” means a residential unit that meets the criteria set out in subsection 4.1 of the *Development Charges Act, 1997* (“Development Charges Act”);

"Apartment Building" means a residential building or the residential portion of a mixed-use building consisting of four (4) or more dwelling units, which dwelling units have a common entrance to grade, but does not include a triplex, duplex, or townhouse. Notwithstanding the foregoing an Apartment Building includes a Stacked Townhouse;

"Appraisal" means an appraisal of land value prepared in accordance with the Canadian Uniform Standards of Professional Appraisal Practice of the Appraisal Institute of Canada;

“Attainable Unit” means a residential unit that meets the criteria set out in subsection 4.1 of the *Development Charges Act, 1997*;

“Bedroom” means any room used, or designed or intended for use, as sleeping quarters

“Building” means any structure or building as defined in the *Ontario Building Code* (O Reg 332/12 under the Building Code Act, but does not include a vehicle;

“Building Code Act” means the *Building Code Act, 1992*, SO 1992, c 23 as amended;

“Capital Costs” means growth-related costs incurred or proposed to be incurred by the City or a Local Board thereof directly or by others on behalf of, and as authorized by, the City or Local Board,

- (a) to acquire land or an interest in land, including a leasehold interest,
- (b) to improve land,
- (c) to acquire, lease, construct or improve buildings and structures,
- (d) to acquire, construct or improve facilities including,
 - (i) furniture and equipment, and;
 - (ii) rolling stock;
- (e) to undertake studies in connection with any of the matters referred to in clauses (a) to (d) above, including the Community Benefits Charge strategy, required for the provision of Services designated in this By-law within or outside the City, including interest on borrowing for those expenditures under clauses (a) to (e) above;

“City” means The City of Pickering or the geographic area of the municipality, as the context requires;

“Community Benefits Charge” means a charge imposed pursuant to this By-law;

“Council” means the Council of the City of Pickering;

“Development” means the construction, erection, or placing of one or more Buildings or structures on land or the making of an addition or alteration to a building or structure that has the effect of increasing the size or usability thereof or any development requiring any of the actions described in subsection 2.4 (a), and includes Redevelopment;

"Dwelling Unit" means a room or suite of rooms used, or designed or intended for use by one person or persons living together, in which culinary and sanitary facilities are provided for the exclusive use of such person or persons;

"Grade" means the average level of proposed or finished ground adjoining a building at all exterior walls;

"Land" (or "Lot") means, for the purposes of this By-law, the lesser of the area defined as:

- (a) The whole of a parcel of property associated with the Development or Redevelopment and any abutting properties in which a person holds the fee or equity of redemption in, power or right to grant, assign or exercise a power of appointment in respect of, or;
- (b) The whole of a lot or a block on a registered plan of subdivision or a unit within a vacant land condominium that is associated with the Development or Redevelopment;

But not including any hazard lands, natural heritage features, or ecological buffers identified in the City's Official Plan, an approved Secondary Plan, or through an environmental impact study accepted by the City.

"Owner" means the owner of Land or a person who has made application for an approval for the Development of land for which a Community Benefits Charge may be imposed;

"Parcel" means a lot or parcel of land which can be legally conveyed pursuant to the Planning Act;

"Prescribed" means prescribed in the regulations made under the Act;

"Redevelopment" means the construction, erection or placing of one or more Buildings on Land where all or part of a Building on such Land has previously been demolished, or changing the use of a Building from a Non-Residential Use to a Residential Use, or changing a Building from one form of Residential Use to another form of Residential Use and including any development or redevelopment requiring any of the actions described in subsection 2.4 (a);

"Residential Unit" means a room or suite of rooms used, or designed or intended for use by one person or persons living together, in which culinary and sanitary facilities are provided for the exclusive use of such person or persons;

"Residential Use" means lands, buildings or structures used, or designed or intended for use as a home or residence of one or more individuals, and shall include, but is not limited to, a single detached dwelling, a semi detached dwelling, a townhouse, a plex, a stacked townhouse, an apartment building, a mobile home, a retirement residence and a residential dwelling unit accessory to a non-residential use;

“Service” means a service designated in subsection 1.3, and “Services” shall have a corresponding meaning;

“Stacked Townhouse” means a building, other than a duplex, triplex, townhouse, or apartment building, containing at least 3 dwelling units, each dwelling unit separated vertically and/or horizontally and each dwelling unit having a separate entrance to grade;

“Storey” means the portion of a building, excluding roof top enclosure space used for no other purpose than roof top access, and/or elevators and other building service equipment, that is:

- (a) that is situated between the top of any floor and the top of the floor next above it, or
- (b) that is situated between the top of the floor and the ceiling above the floor, if there is no floor above it.

“Valuation date” means, with respect to land that is the subject of development or redevelopment,

- (a) the day before the day the building permit is issued in respect of the development or redevelopment, or
- (b) if more than one building permit is required for the development or redevelopment, the day before the day the first permit is issued.

“Zoning By-Law” means any by-laws enacted by the City under section 34 of the *Planning Act*.

- 1.2 The reference to any applicable statute, regulation, by-law, or to the Official Plan in this Community Benefits Charge By-law shall be deemed to refer to the statute, regulation, by-law, and/or Official Plan as they may be amended from time to time and shall be applied as they read on the date on which Community Benefits Charges are due to the City.

DESIGNATION OF SERVICES

- 1.3 A Community Benefits Charge may be imposed in respect of the following:

- (a) Land for park or other public recreational purposes in excess of lands dedicated or cash-in-lieu payments made under section 42 or subsection 51.1 of the *Planning Act*.
- (b) Services not provided under subsection 2 (4) of the *Development Charges Act*.
- (c) As per the April 23, 2025, Community Benefits Charges Strategy, the City intends to recover Capital Costs relating to the following services through this by-law:

- (i) Parks Services;
- (ii) Arts, Culture, and Museum;
- (iii) Animal Services; and
- (iv) Administration.

2. PAYMENT OF COMMUNITY BENEFITS

- 2.1 Community Benefits Charges shall be payable by the Owner of Land proposed for Development in the amounts set out in this By-law where:
- (a) the Land proposed for Development is located in the area described in subsection 3.2; and
 - (b) the proposed Development requires any of the approvals set out in subsection 2.4 (a).

Area to Which By-law Applies

- 2.2 Subject to subsection 2.3, this By-law applies to all lands in the City.
- 2.3 This By-law shall not apply to lands that are owned by and used for the purposes of:
- (a) The City or a Local Board thereof;
 - (b) a Board of Education; or
 - (c) The Region of Durham, or a Local Board thereof.

Approvals for Development

2.4

- (a) A Community Benefits Charge shall be imposed only with respect to Development that requires one or more of the following approvals:
 - (i) the passing of a Zoning By-Law or of an amendment to a Zoning By-Law under section 34 of the *Planning Act*;
 - (ii) the approval of a minor variance under section 45 of the *Planning Act*;
 - (iii) a conveyance of land to which a by-law passed under subsection 50 (7) of the *Planning Act* applies;
 - (iv) the approval of a plan of subdivision under section 51 of the *Planning Act*;
 - (v) a consent under section 53 of the *Planning Act*;
 - (vi) the approval of a description under section 9 of the *Condominium Act, 1998*, SO 1998, c 19, as amended, or any successor thereof; or

- (vii) the issuing of a permit under the *Building Code Act, 1992* in relation to a building or structure.
- (b) Despite subsection 2.4 (a) above, a Community Benefits Charge shall not be imposed with respect to:
 - (i) Development of a proposed building or structure with fewer than five storeys at or above ground;
 - (ii) Development of a proposed building or structure with fewer than 10 residential units;
 - (iii) Redevelopment of an existing building or structure that will have fewer than five storeys at or above ground after the redevelopment;
 - (iv) Redevelopment that proposes to add fewer than 10 residential units to an existing building or structure; or
 - (v) such types of Development or Redevelopment as are prescribed.
- (c) For the purposes of this section, the first Storey at or above ground is the Storey that has its floor closest to Grade and its ceiling more than 1.8m above Grade.

Exemptions

- 2.5 Notwithstanding the provisions of this By-law, Community Benefits Charges shall not be imposed with respect to:
- (a) Development or Redevelopment of a building or structure intended for use as a long-term care home within the meaning of subsection 2 (1) of the *Fixing Long-Term Care Act, 2021*;
 - (b) Development or Redevelopment of a building or structure intended for use as a retirement home within the meaning of subsection 2 (1) of the *Retirement Homes Act, 2010*;
 - (c) Development or Redevelopment of a building or structure intended for use by any of the following post-secondary institutions for the objects of the institution:
 - (i) a university in Ontario that receives direct, regular and ongoing operating funding from the Government of Ontario;
 - (ii) a college or university federated or affiliated with a university described in subparagraph (i);
 - (iii) an Indigenous Institute prescribed for the purposes of section 6 of the *Indigenous Institutes Act, 2017*.

- (d) Development or Redevelopment of a building or structure intended for use as a memorial home, clubhouse or athletic grounds by an Ontario branch of the Royal Canadian Legion;
- (e) Development or Redevelopment of a building or structure intended for use as a hospice to provide end-of-life care;
- (f) Non-profit housing development within the meaning of subsection 4.2 (1) of the *Development Charges Act*. Non-profit housing development means the development of a building or structure intended for use as a residential premises and developed by:
 - (i) a corporation to which the *Not-for-Profit Corporations Act, 2010* applies, that is in good standing under that Act and whose primary object is to provide housing;
 - (ii) a corporation without share capital to which the *Canada Not-for-profit Corporations Act* applies, that is in good standing under that Act and whose primary object is to provide housing;
 - (iii) a non-profit housing co-operative that is in good standing under the *Co-operative Corporations Act*.
- (g) Affordable residential units;
- (h) Inclusionary zoning residential units that are affordable residential units required to be included in a Development or Redevelopment pursuant to a by-law passed under section 34 of the Planning Act; and
- (i) Attainable residential units.

Amount of Charge

2.6 The amount of a Community Benefits Charge payable in any particular case shall be determined as follows:

- (a) Where there is Development or Redevelopment which requires one or more of the approvals set out in subsection 2.4 (a), on Land to which this By-law applies, the Community Benefits Charges payable pursuant to this By-law shall be four (4) percent of the value of Land being developed as the Valuation Date, subject to adjustment as set out in subsection 2.6 (b) below;
- (b) The amount of a Community Benefits Charge payable shall not exceed an amount equal to the amount determined in subsection 2.6 (a) above, multiplied by the ratio of A to B where:

“A” is the floor area of any part of a building or structure, which part is proposed to be erected or located as part of the Development or Redevelopment, and

“B” is the floor area of all buildings and structures that will be on the Land after the Development or Redevelopment.

- (c) After section 37 (32.1) of the *Planning Act* and any related regulations, or By-law passed by the City come into force, for Development or Redevelopment which include Affordable Residential Units, Attainable Residential Units, or Inclusionary Zoning Residential Units the amount of a Community Benefits Charge payable shall be further adjusted so that it shall not exceed the amount as determined under section 2.6 (b) above multiplied by the ratio of A to B where:

“A” is the floor area of all buildings that are part of the Development or Redevelopment minus the floor area of all Affordable Residential Units, Attainable Residential Units, and Inclusionary Zoning Residential Units; and

“B” is the floor area of all buildings that are part of the Development or Redevelopment.

- (d) If a development or redevelopment is to be constructed in phases each Phase of the development is deemed to be a separate development or redevelopment for the purposes of this Article and the amount of the community benefit charge for each Phase will be 4 percent of the value of the land attributable to that Phase on the day before the first building permit for development or redevelopment of that Phase is issued. The applicant shall provide a clear phasing plan that identifies the land attributed to each Phase.

In-Kind Contributions

- 2.7 The City may, at its discretion, allow an Owner of Land to provide to the City facilities, services or matters required because of Development or Redevelopment in the area to which the By-law applies in lieu, or partially in lieu of a Community Benefits Charge that would otherwise be payable.
- 2.8 For in-kind contributions pursuant to the preceding subsection to be considered, an application for consideration of in-kind contributions must be submitted to the City with supporting documentation as to the suggested value thereof no less than 180 days prior to the first building permit being granted for the proposed Development or Redevelopment.
- 2.9 In-kind contributions pursuant to subsection 2.7 shall only be accepted as if the same are approved by resolution of Council. The determination of Council as to whether in-kind contributions shall be accepted in full or partial satisfaction of Community Benefits Charges shall be final and binding.
- 2.10 The value attributed to an in-kind contribution under subsection 2.7 shall be as determined by Council, based on one or more third-party valuations to the satisfaction of Council. Council's determination of the value to be attributed to any in-kind contribution shall be final and binding.

Time of Payment of Community Benefits Charges

- 2.11 Community Benefits Charges imposed under this By-law shall be payable prior to the issuance of any building permit for the proposed Development or Redevelopment unless an agreement is executed in accordance with section 2.10 that establishes an alternative timeline.
- 2.12 Notwithstanding any of the foregoing, the City and the Owner may enter into an agreement to defer payment of the Community Benefits Charge to a date stipulated in the agreement.

Interest on Refunds

- 2.13 If it is determined that a refund is required, the City shall pay interest on a refund in accordance with subsections 37 (28) and 37 (29) of the Act at a rate not less than the prescribed minimum interest rate, from the day the amount was paid to the municipality to the day it is refunded.

3. SEVERABILITY

- 3.1 If, for any reason, any provision of this By-law is held to be invalid, it is hereby declared to be the intention of Council that all the remainder of this By-law shall continue in full force and effect until repealed, re-enacted, amended or modified.

4. RESERVE FUNDS

- 4.1 Monies collected from payment of Community Benefits Charge shall be maintained in a separate reserve fund, plus interest.
- 4.2 The City shall report the balance of any accounts in accordance with any legislative requirements.

5. DATE BY-LAW IN FORCE

5.1 This By-law shall come into effect at 12:01 A.M. on July 1, 2025.

Passed this 23rd day of June 2025.

MAYOR

CITY CLERK