

A photograph of the Municipality of Lakeshore Municipal Office building, a two-story brick structure with large windows. A sign above the entrance reads "LAKESHORE MUNICIPAL OFFICE BUREAU MUNICIPAL". A Canadian flag flies on a pole to the left. A utility pole with a sign for "VILLE DE LAKESHORE" is on the right. The building is surrounded by green trees and a paved street.

# Municipality of Lakeshore Community Benefit Charges Strategy

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Council Workshop Meeting  
June 3, 2025

# Agenda



- 1 What is a Community Benefits Charge?
- 2 C.B.C. Methodology
- 3 C.B.C. Growth Forecast and Land Valuation
- 4 Cost Allocations
- 5 Capital Costs and Calculated C.B.C. Rate
- 6 C.B.C. Policies
- 7 Next Steps

# Study Process & Timelines



- 1**  
**July 2023 to December 2024**  
Data collection, land valuation analysis, growth forecast development, capital needs assessment, staff review, C.B.C. calculations and policy work.
- 2**  
**June 3, 2025**  
Council Workshop
- 3**  
**June 3, 2025**  
Release of CBC Draft Strategy and Proposed By-law
- 4**  
**To be confirmed**  
Development Stakeholder Consultation
- 5**  
**To be confirmed**  
Council Consideration of By-Law



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# What is a Community Benefits Charge?

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# What is a Community Benefits Charge?



1 The COVID-19 Economic Recovery Act (Bill 197) received Royal Assent on July 21, 2020, and amendments came into effect on September 18, 2022

- 2
- 3 • D.C.A. amendments include changes to eligible services
- 4 • All services included in the Municipality's current D.C. By-law remain eligible under the D.C.A.
- 5 • Planning Act Amendments
- 6 • Community Benefits Charge may be imposed by By-law for buildings or structures with five storeys or more **and** with 10 or more residential units.
- 7 • The prescribed maximum C.B.C. rate (as per O. Reg. 509/20) is 4% of the property's land value prior to the day of building permit issuance.



5 Storeys  
+  
10 Residential units

# What is a Community Benefits Charge? - continued



## Under Bill 197

- 1 • Section 37(2) allows local/single tier municipalities to impose community benefits charges against land to pay for the capital costs of facilities, services and matters required due to development/redevelopment.
- 2
- 3 • To implement a charge, a C.B.C. by-law must be passed by Council.
- 4 • Before passing a C.B.C by-law under subsection (2), a strategy must be prepared that:
  - 5 • identifies the facilities, services and matters that will be funded with community benefits charges; and
  - 6 • complies with any prescribed requirements (defined by O. Reg. 509/20)
- 7

## Under Bill 23

- Exemption for Affordable, Attainable and Inclusionary Zoning Units

# Municipal Revenue Tools to Recover Growth-related Costs



## Development Charges

- Imposed on all development and redevelopment
- Recover capital costs associated with growth
- Water, wastewater, roads, parks and recreation, libraries, etc.



Future Study Update

## Community Benefit Charges

- Imposed on high-density development
- Recover capital costs associated with growth for non-DC services



Underway

## Parkland Dedication

- Imposed on all development and redevelopment
- Recover land for parks
- Can use payment-in-lieu for rehabilitation of existing park assets



Recently Completed



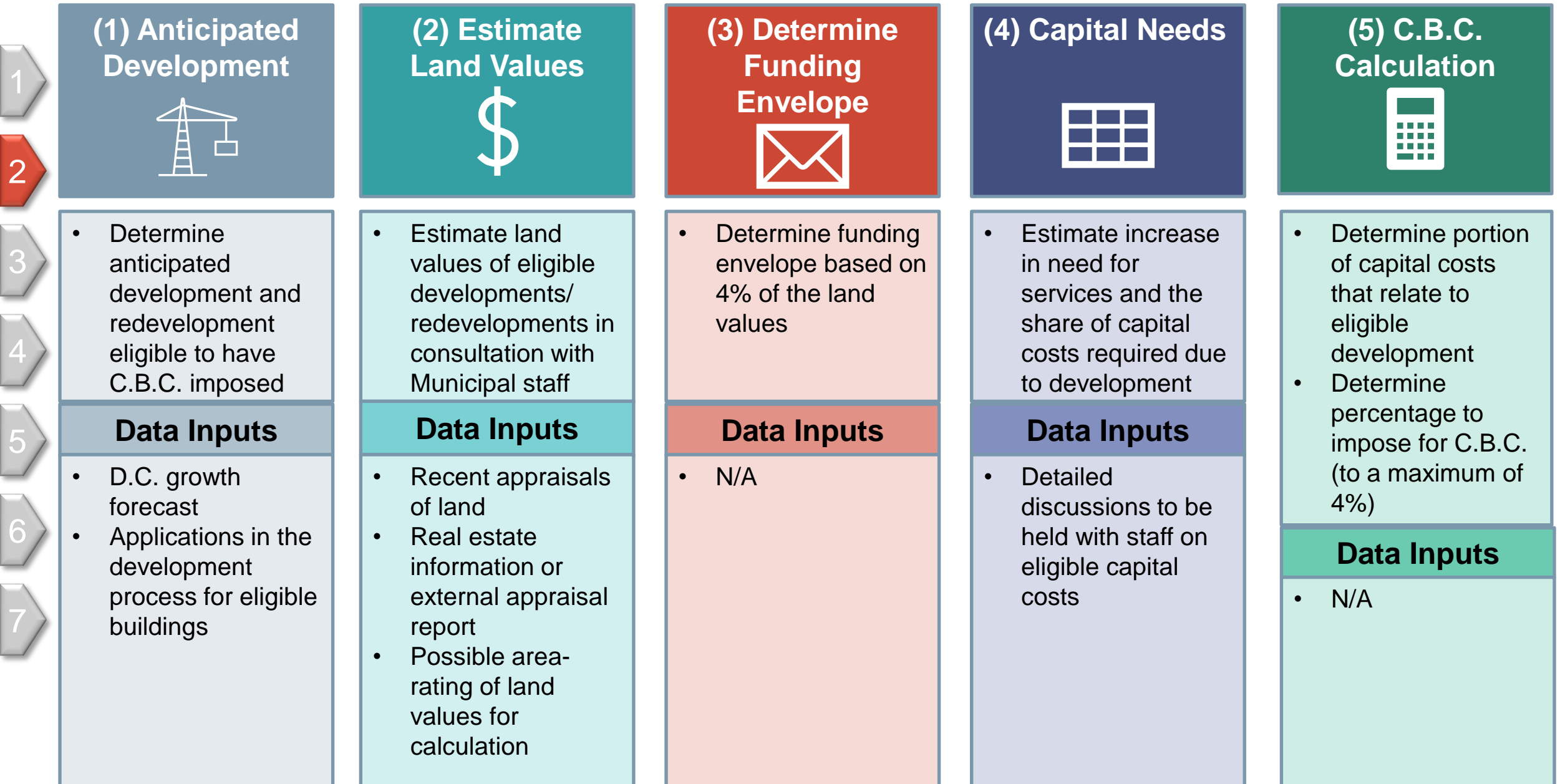
# C.B.C. Methodology

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# C.B.C. Methodology



# C.B.C. Strategy

As Defined by O. Reg. 509/20



- A community benefits charge strategy prepared under subsection 37 (9) of the Act shall,

(a) include estimates of the anticipated amount, type and location of development and redevelopment with respect to which community benefits charges will be imposed;

(b) include 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;

(c) identify the excess capacity that exists in relation to the facilities, services and matters referred to in clause (b);

(d) include estimates of the extent to which an increase in a facility, service or matter referred to in clause (b) would benefit existing development;

(e) include estimates of the capital costs necessary to provide the facilities, services and matters referred to in clause (b); and

(f) identify 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 referred to in clause (e).



# C.B.C. Growth Forecast and Land Valuation

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# Growth Forecast



- Based on applications in the planning process, approximately 83% of all apartment units will be in buildings that have a minimum of 5 storeys and minimum of 10 residential units.
- Therefore, of the 1,369 apartment units identified for the long-term forecast period, 1,131 units would be considered C.B.C. eligible units.

Development Location	High-Density Housing Growth, 2024 to 2051 <sup>[1]</sup>	C.B.C. - Eligible Share (%)	C.B.C. - Eligible Housing Growth, 2024 to 2051
Municipal-Wide Total	1,369	83%	1,131

<sup>[1]</sup> High density includes accessory apartments, bachelor, 1-bedroom, and 2-bedroom+ apartments.

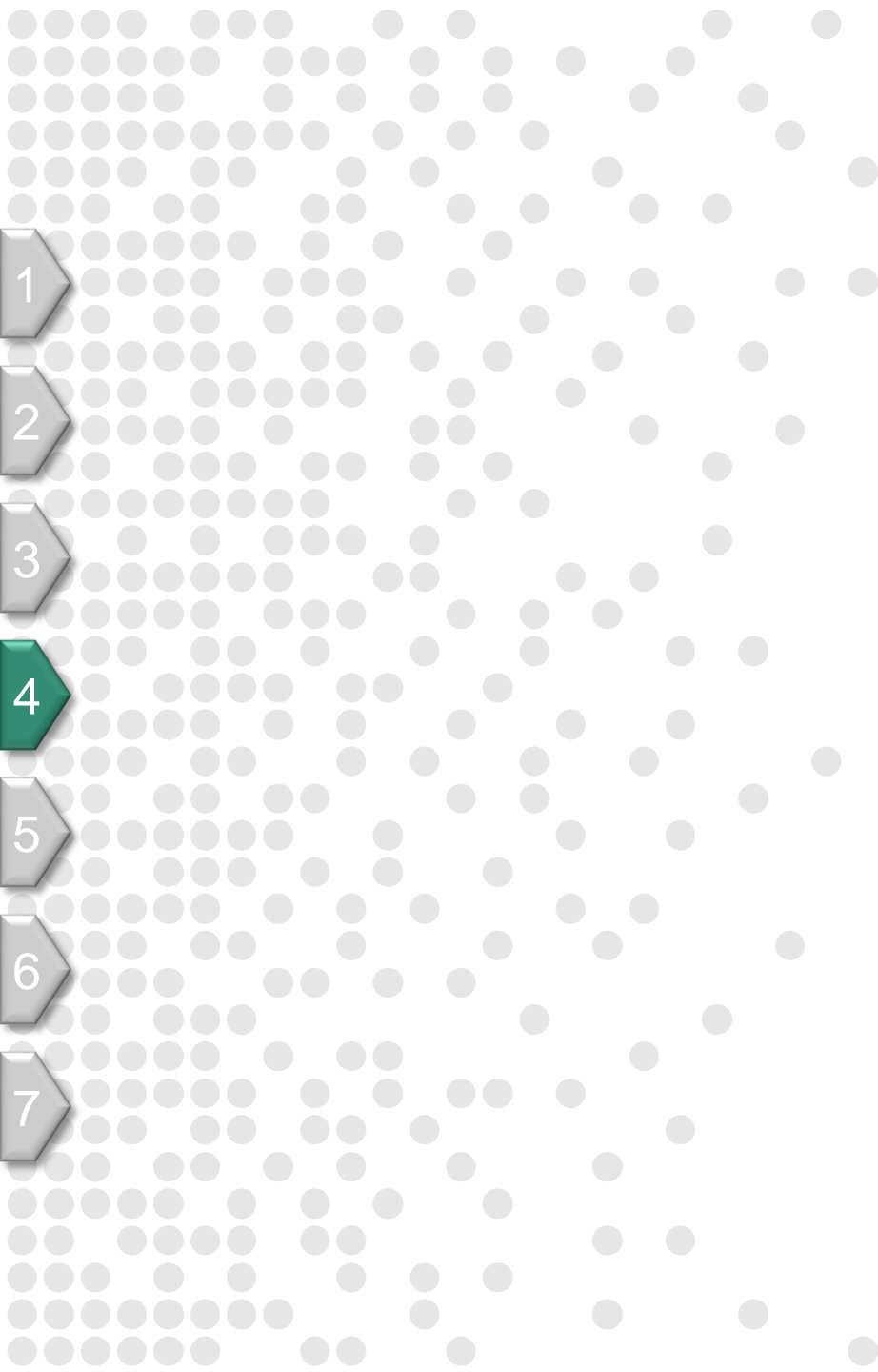
Source: Watson & Associates Economists Ltd.

# Total Land Values for Growth Forecast



- The eligible high-density growth forecast was aligned with the average land valuations from the Market Analysis Report undertaken by Otto & Company.
- The acres of land by area associated with the C.B.C. – eligible units were provided by staff.
- The estimated total acres are multiplied by the land values to determine a total land value, estimated at approximately \$34.50 million. This is the denominator in the C.B.C. calculations.

Area	Total C.B.C. Eligible Units	Average Units Per Acre	Estimated Total Acres	Average Land Value Per Acre	Total Land Value
Waterfront Property	-			\$1,760,000	\$0
Non-waterfront Property	1,131	40	28.3	\$1,220,000	\$34,496,000
<b>Total</b>	<b>1,131</b>		<b>28.3</b>		<b>\$34,496,000</b>



# Cost Allocations

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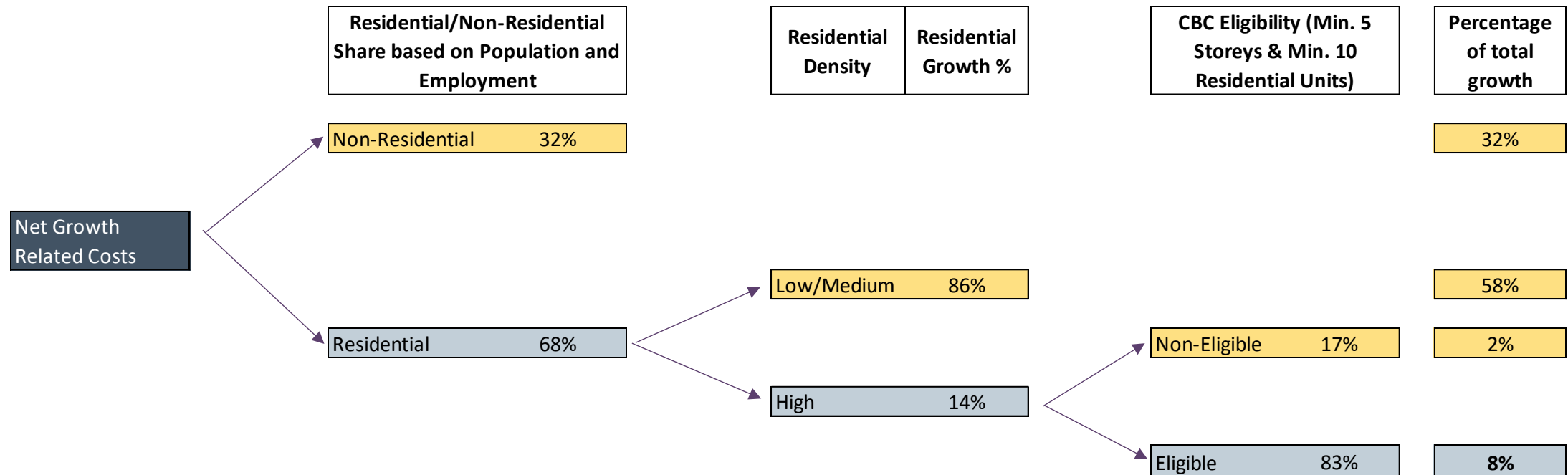
# Potential Services to be Considered



1  
2 The types of growth-related capital that can be included in a C.B.C. can include:

- 3
- Non-D.C. eligible services:
    - Municipal administration building expansions, museums, public art, heritage preservation, landfill, affordable housing, public realm improvements, planning-related studies ineligible under the D.C., etc.;
  - Former Services recovered under Section 37 of the Planning Act (if applicable);
  - Parkland Acquisition, except for parkland dedication related; and
  - D.C. eligible services (Growth-related capital not included in the D.C.).
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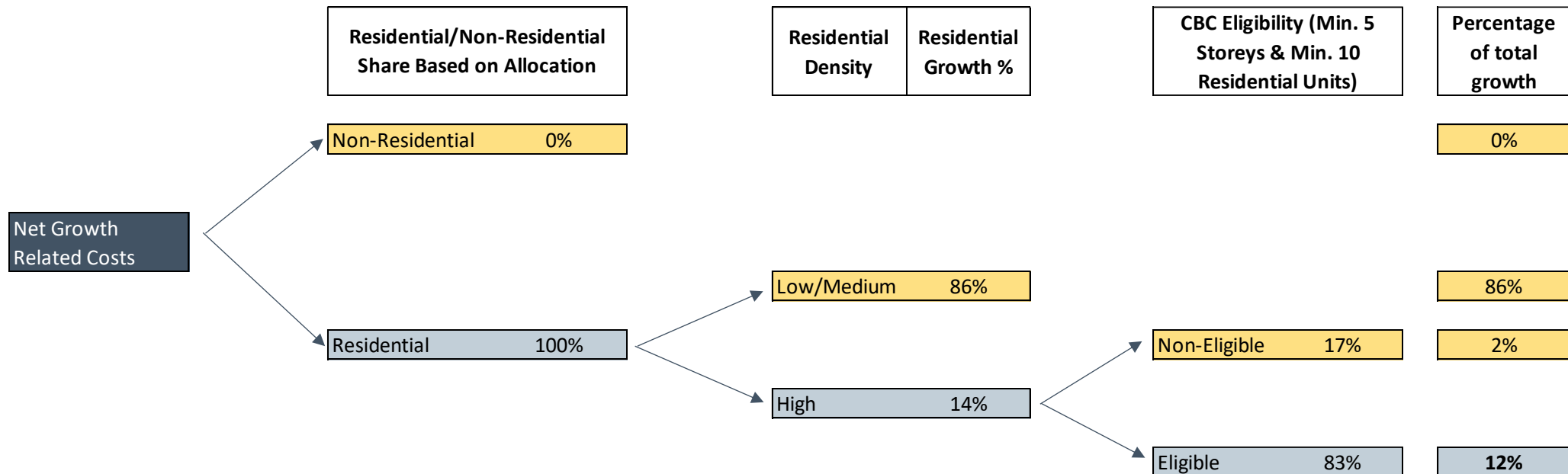
# Example – C.B.C. Recovery for Municipal-Wide Services



<sup>1</sup> Gross Cost is net of deductions for Benefit to existing, excess capacity, grants, subsidies, and other contributions, etc.

- Allocation between residential and non-residential growth would be based on the incremental growth in population and employment as provided in the D.C. Growth Forecast.
- Approximately 8% of Municipal-wide C.B.C. eligible cost could be recovered (e.g. infrastructure technology, growth studies, facilities, culture, streetscaping)

# Example – C.B.C. Recovery for Affordable Housing



<sup>1</sup> Gross Cost is net of deductions for Benefit to existing, excess capacity, grants, subsidies, and other contributions, etc.

- As affordable housing is a residential-based service, growth-related capital costs have been allocated 100% to residential and 0% to non-residential.
- Approximately 12% of affordable housing C.B.C. eligible costs could be recovered.



# Capital Costs and Calculated C.B.C. Rate

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# Capital Project Summary & C.B.C. Rate



Service	Gross Cost	Deductions		Net Growth-Related Cost	Eligible High Density Residential
		Benefit to Existing Development	Grants, Subsidies and Other Contributions		
Infrastructure Technology	2,990,000	1,719,000	-	1,271,000	101,700
Growth Studies	750,000	149,000	-	601,000	48,200
Other - Municipal Hall	25,010,000	11,802,000	-	13,208,000	1,057,700
Other - Culture and Streetscaping	630,000	-	-	630,000	50,400
Affordable Housing	1,000,000	-	-	1,000,000	117,700
Community Benefits Charges	125,000	-	-	125,000	125,000
<b>Total</b>	<b>30,505,000</b>	<b>13,670,000</b>	<b>-</b>	<b>16,835,000</b>	<b>1,500,700</b>
<b>Total Land Value</b>					<b>34,496,000</b>
<b>Calculated Percentage to Recover all Costs Identified</b>					<b>4.4%</b>

**C.B.C. Eligible Costs:**  
\$1.50 million

**Total Land Valuation:**  
\$34.50 million

**C.B.C. rate required to fund C.B.C. eligible costs:**  
4.4%

**Maximum C.B.C. rate as per the *Planning Act*:**  
4%

**Gross Capital Cost:**  
\$30.51 million

**Net Growth-Related Costs:**  
\$16.84 million

# Example – C.B.C. Calculation

## Beachside Developments



- 2 buildings
- 6 storeys each
- 58 units each
- 1.5 acres of land total

### C.B.C. Payable:

✓ At least 5 storeys and 10 units



Land Valuation: \$1.83 million <sup>1</sup>

C.B.C. Rate: 4%

**C.B.C. Payable: \$73,200**  
(**\$631 per unit**)

<sup>1</sup> Land valuation is estimated using the cost per acre from the Market Analysis Report



# Example – C.B.C. Calculation

## Beachside Developments



- 2 buildings
- 6 storeys each
- 58 units each
- 1.5 acres of land total

### Estimated Municipal Charges:

D.C. : \$1.73 million <sup>1</sup>

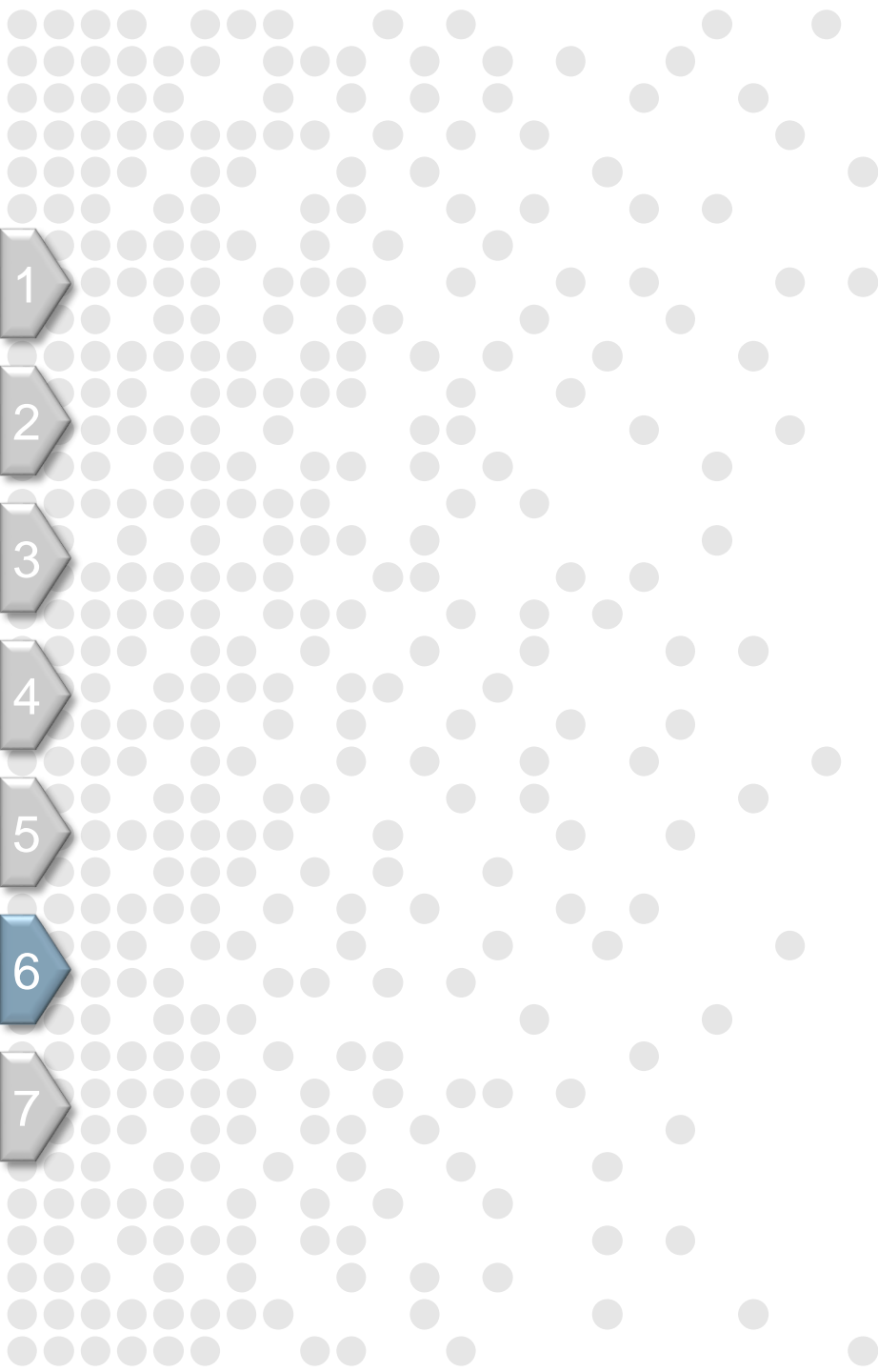
Parkland: \$81,200 <sup>2</sup>

**C.B.C.: \$73,200**

**Total: \$1.89 million**  
(average of \$16,293 per unit)

<sup>1</sup> Assumes 50% of units are <1 bedroom and 50% of units are 2+ bedrooms

<sup>2</sup> Assumes PIL rate for apartment units

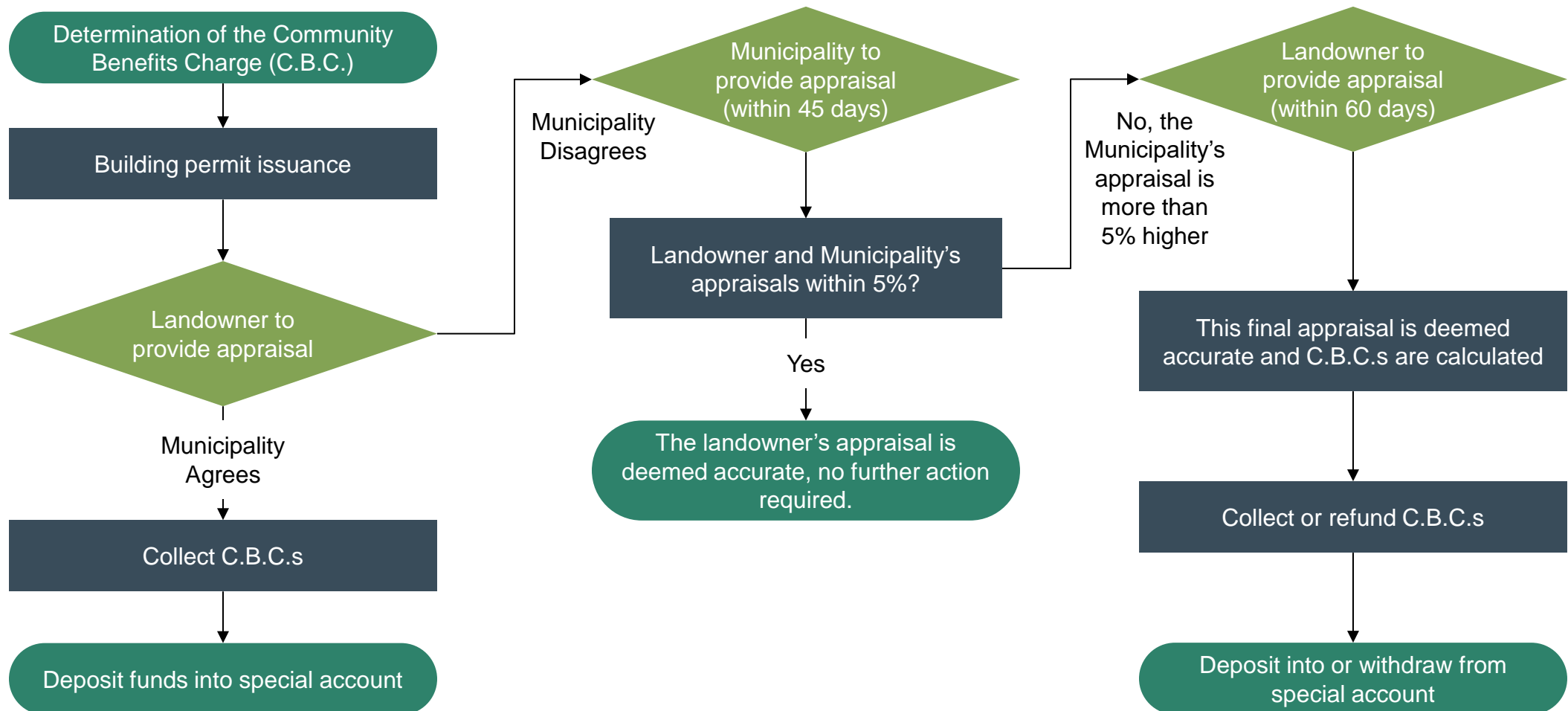


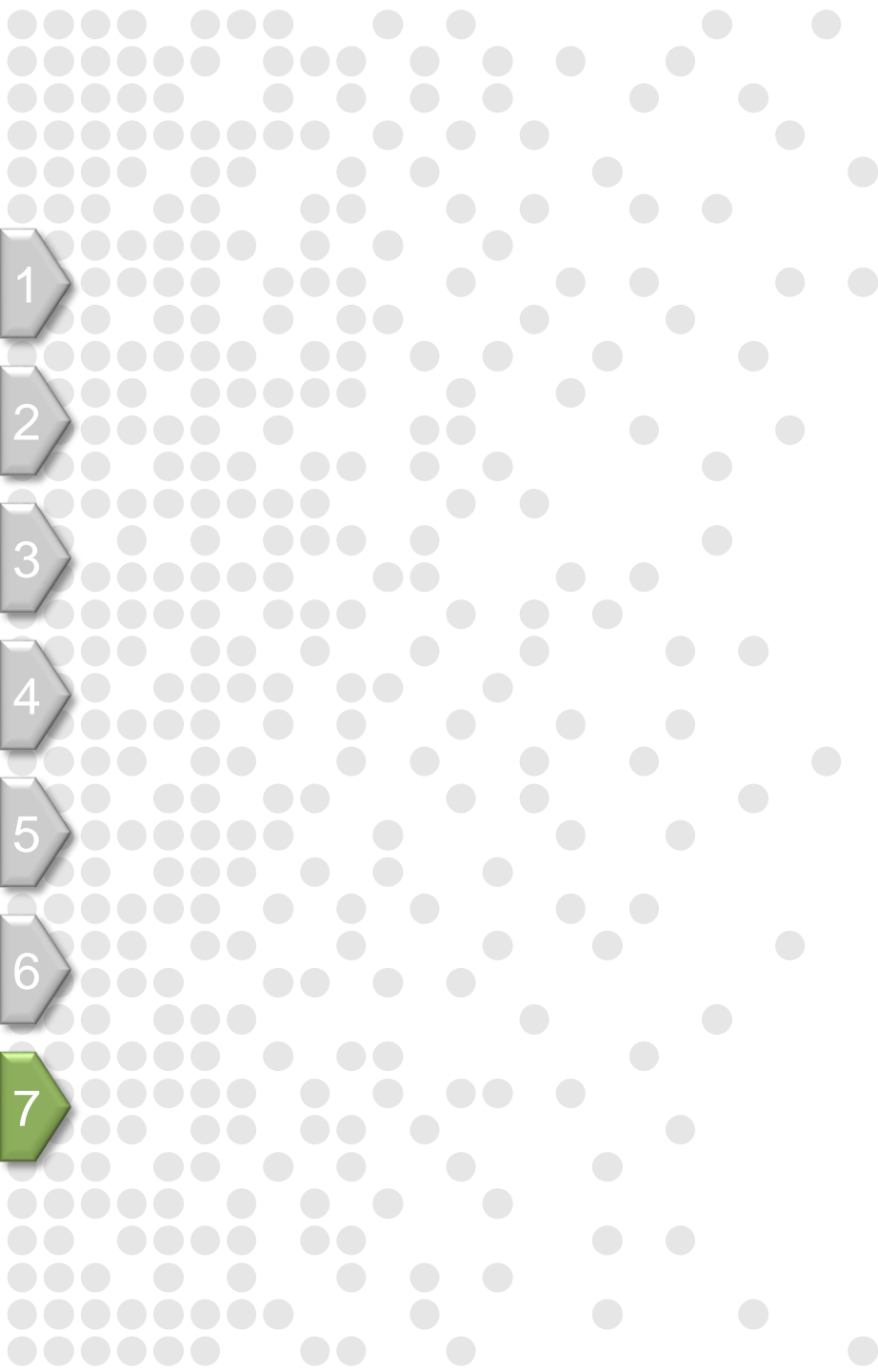
# C.B.C. Policies

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# C.B.C. Application and Appraisal Process





# Next Steps

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# Next Steps



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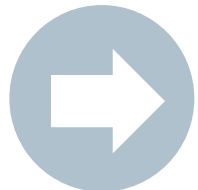
## **June 3, 2025**

Council Workshop



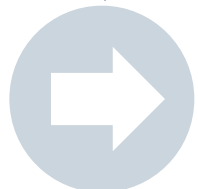
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Release of CBC Draft Strategy and Proposed By-law



## **To be confirmed**

Development Stakeholder Consultation



## **To be confirmed**

Council Consideration of By-Law

# Questions



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Questions?