



 **Watson
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ECONOMISTS LTD.

Community Benefits Charge Strategy

Municipality of Lakeshore

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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 charge |
| D.C.A. | Development Charges Act, 1997, as amended |
| M.C.R. | Municipal Comprehensive Review |
| N.F.P.O.W. | No fixed place of work |
| O.L.T. | 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

This strategy report has been prepared pursuant to the requirements of the Planning Act, 1990, (section 37) and, accordingly, recommends the imposition of a Community Benefits Charge (C.B.C.) and associated policies for the Municipality of Lakeshore (the “Municipality”).

The Municipality retained Watson & Associates Economists Ltd. (Watson), to undertake the C.B.C. strategy process throughout 2024. Watson worked with Municipal staff preparing the C.B.C. analysis and policy recommendations contained within this strategy.

The C.B.C. strategy report, containing the proposed C.B.C. by-law, will be distributed to members of the public in order to provide interested parties the background information on the legislation, the recommendations contained herein, and an outline of the basis for these recommendations.

This report has been prepared, in the first instance, to meet the statutory requirements applicable to the Municipality’s C.B.C. strategy, as summarized in Chapter 3. It also addresses the requirement for “rules” (contained in Chapter 6) and the proposed by-law to be made available as part of the approval process (included as Appendix B).

In addition, the report is designed to set out sufficient background on the legislation (Chapter 3) and the policies underlying the proposed by-law, to make the exercise understandable to those who are involved.

Finally, the report addresses post-adoption implementation requirements (Chapter 7) which are critical to the successful application of the new policy.

The chapters in the strategy report are supported by Appendix A containing the growth forecast information required to explain and substantiate the calculation of the charge. A full discussion of the statutory requirements for the preparation of a strategy and calculation to support the C.B.C. rate is provided herein.



1.2 Legislative Context

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

The *COVID-19 Economic Recovery Act* received Royal Assent on July 21, 2020. Schedule 3 of the Act amended the Development Charges Act (D.C.A.) and Schedule 17 amended the Planning Act (including amendments to community benefits and the alternative rate of parkland dedication). These amendments replace those not proclaimed under the More Homes, More Choice Act (Bill 108).

The *COVID-19 Economic Recovery Act* amendments in Schedules 3 and 17 were proclaimed and came into effect on September 18, 2020. In regard to the C.B.C., eligible municipalities had two (2) years after the date of proclamation (i.e., September 18, 2022) to transition certain services to the new rules and pass a C.B.C. by-law if they wish to impose these charges.

D.C.A. Amendments:

Changes to Eligible Services – the amendments reframe the context of the D.C.A. from a tool to fund services that are not defined as "ineligible," to only include "eligible" services for which development charges (D.C.s) may be imposed. Eligible services include:

- Water supply services, including distribution and treatment services;
- Wastewater services, including sewers and treatment services;
- Storm water drainage and control services;
- Services related to a highway;
- Transit services;
- Waste diversion services;
- Policing services;
- Fire protection services;
- Ambulance services;
- Public library services;
- Long-term care services;
- Parks and recreation services;
- Public health services;



- Child-care services;
- Housing services;
- Services related to proceedings under the Provincial Offences Act; and
- Emergency preparedness services.

C.B.C. Amendments:

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 services provided under the C.B.C. would be defined as follows:

- (a) land for park or other public recreational purposes in excess of lands dedicated or provided cash-in-lieu payments under section 42 or 51 of the Planning Act;
- (b) services not provided under section 2 (4) of the D.C.A. (as noted above);
- (c) capital costs for eligible D.C. services that are not intended to be funded under the Municipality's D.C. by-law.

Single-tier and lower-tier municipalities may 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. As noted above, there are no restrictions on the services that may be included in the charge, with the exception of capital costs included under a D.C.A. by-law or parkland dedication by-law. There are, however, restrictions on the application of the charges, i.e., 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 (5) 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.

O. Reg. 509/20 specifies that a maximum charge of 4% of the value of land at the time of building permit issuance may be imposed. Prior to adopting a C.B.C. by-law the municipality must undertake a C.B.C. strategy report and follow the required public procedure. The C.B.C. by-law is appealable to the Ontario Land Tribunal (O.L.T.).

1.2.2 Bill 109 – More Homes for Everyone Act, 2022

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

1.2.3 Bill 23 – More Homes Built Faster Act, 2022

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 initial definitions for these development types were 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.
 - For affordable and attainable units, the municipality shall enter into an agreement that ensures the unit remains affordable or attainable for 25 years.

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

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

¹ Currently undefined, awaiting regulations from the Province.



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 | 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</u> |



| Item | Bill 134 Definition (as per D.C.A. Definition) |
|---|--|
| purposes of subsection 4.1 (2), para. 1 | <u>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> , 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), and ii. <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, (a) determine the <u>income of a household</u> that, in the Minister's opinion, is at the <u>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 dedication. It is anticipated that the bulletin will be updated annually, and currently provides the following information specific to Lakeshore:

- For Affordable Ownership Units: the average purchase price based on household income is \$481,500. Using the 90% of average purchase price amounts, the cost per unit types are as follows:
 - Detached House: \$720,000
 - Semi-Detached House: \$513,000
 - Row/townhouse: \$558,000
 - Condominium Apartment \$342,000
 - Based on the above, the affordable owned housing exemptions are based on income, which equals to purchase price being less than \$481,500 for all unit types.



- For Affordable Rental Units: the average rent based on household income would equal \$1,960 per month. The average market rent by unit type is as follows:
 - For a bachelor unit: \$856
 - For a 1-bedroom unit: \$1,055
 - For a 2-bedroom unit: \$1,253
 - For a unit with 3 or more bedrooms: \$1,341
 - Based on the above, the affordable rental housing exemptions are based on average market rent for all unit types.

1.3 Current Policies

Historically, the Municipality has not imposed charges related to community benefits under the prior Planning Act section 37 provisions.

1.4 Summary of the Process

Prior to passing a C.B.C. by-law, the Planning Act, section 37 (10) requires the Municipality to consult with the public and such persons and public bodies as the Municipality considers appropriate. As such, a development stakeholder consultation meeting will be set to present the strategy to the public to solicit input. The meeting is also being held to present the proposed C.B.C. by-law.

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
Municipality of Lakeshore
Schedule of Key Dates in the C.B.C. Strategy Process

| Item | Date |
|--|---------------------------------------|
| 1. Data collection, land valuation analysis, growth forecast development, capital needs assessment, staff review, C.B.C. calculations and policy work. | July 2023 to December 2024 |
| 2. Council Workshop | June 3, 2025 |
| 3. Release of C.B.C. Strategy Report | June 3, 2025 |
| 4. Development Stakeholder Meeting advertisement placed in newspaper(s) | At least 2 weeks prior to the meeting |
| 5. Development Stakeholder Consultation | Date to be confirmed |
| 6. Council considers adoption of C.B.C. strategy and passage of by-law | Date to be confirmed |
| 7. Notice given of by-law passage | No later than 20 days after passage |
| 8. Last day for by-law appeal | 40 days after passage |



Chapter 2

Anticipated Development in the Municipality of Lakeshore



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 Municipality will be required to provide services over a mid-2024 to mid-2051-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 Municipal staff. In preparing the growth forecast, the following information sources were consulted to assess the residential and non-residential development potential for the Municipality over the forecast period, including:

- Essex County Growth Analysis Report, October 2, 2022 by Watson & Associates Economists Ltd.;
- 2011, 2016 and 2021 population, household, and employment Census data;
- Historical residential building permit data over the 2014 to 2023 period;
- Residential and non-residential supply opportunities as identified by Municipality of Lakeshore staff; and
- Discussions from Municipal staff regarding anticipated residential and non-residential development in the Municipality of Lakeshore.

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 Municipality 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 Municipality's Census population is anticipated to reach approximately 58,400 by mid-2051, resulting in an increase of 16,400 persons, over the 2024 to 2051 forecast period.^[2]

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

1. Unit Mix (Appendix A – Schedules 1, 5 and 6)

- The housing unit mix for the Municipality was derived from a detailed review of the Municipality of Lakeshore historical development activity (as per Schedule 6), as well as active residential development applications (as per Schedule 5) and discussions with Municipal staff regarding anticipated development trends for Lakeshore.
- Based on the above indicators, the 2024 to 2051 household growth forecast for the Municipality is comprised of a unit mix of 53% low density units (single detached and semi-detached), 25% medium density (multiples except apartments) and 22% high density (accessory units, bachelor, 1-bedroom, and 2+ bedroom apartments) units.

^[2] The population figures used in the calculation of the 2024 C.B.C. exclude the net Census undercount, which is estimated at approximately 3.2%.



Figure 2-1
Approach to Population and Housing Forecast

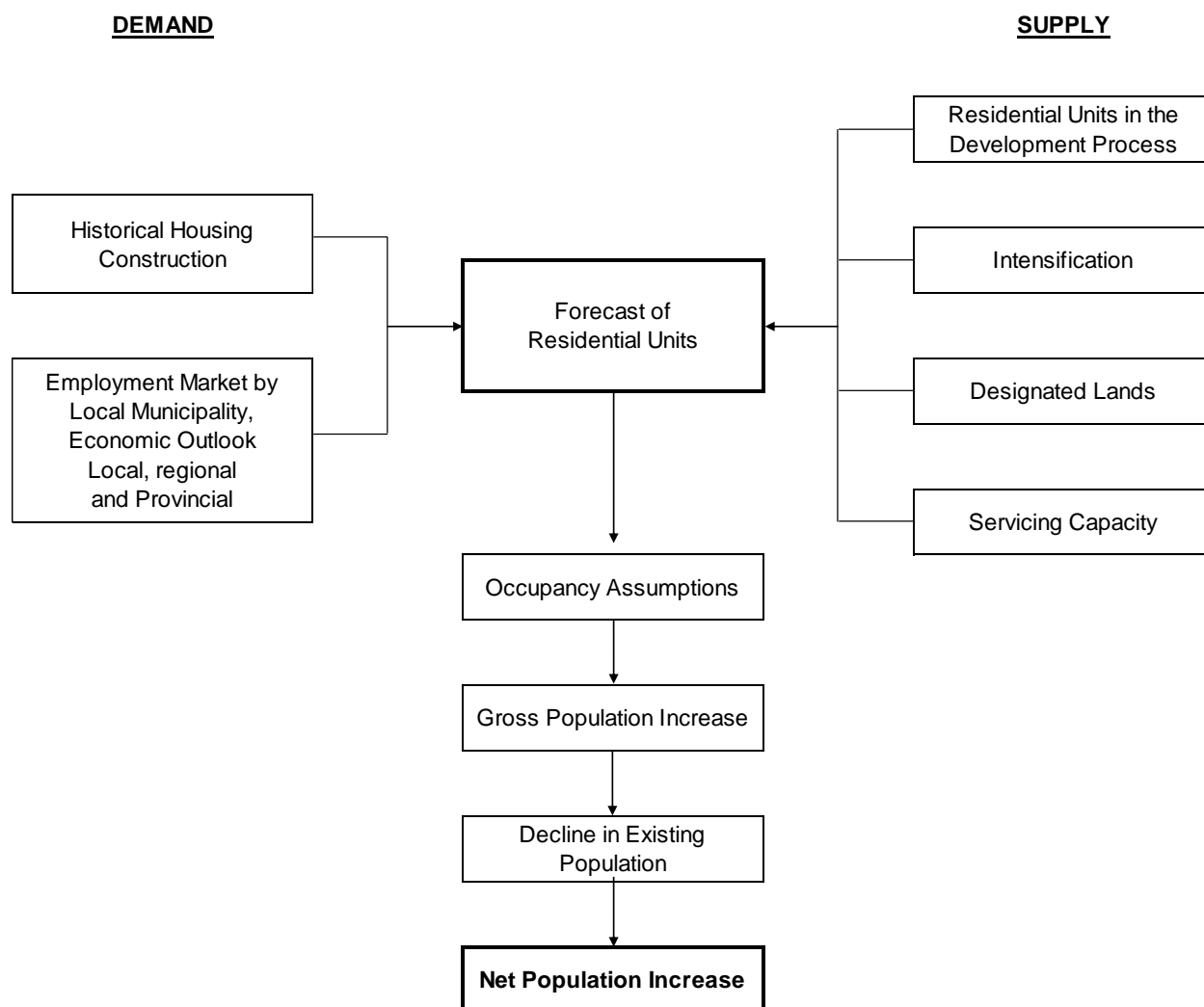




Table 2-1
Municipality of Lakeshore
Residential Growth Forecast Summary

| Year | | Population (Including Census Undercount) ^[1] | Excluding Census Undercount | | | Housing Units | | | | | Person Per Unit (P.P.U.): Total Population/ Total Households |
|-------------|---------------------|--|-----------------------------|-----------------------------|--|--------------------------------|--------------------------------------|---------------------------|-------|---------------------|--|
| | | | Population | Institutional Population | Population Excluding Institutional Population | Singles & Semi- Detached | Multiple Dwellings ^[2] | Apartments ^[3] | Other | Total Households | |
| Historical | Mid 2011 | 35,650 | 34,546 | 241 | 34,305 | 11,573 | 332 | 181 | 245 | 12,331 | 2.802 |
| | Mid 2016 | 37,780 | 36,611 | 246 | 36,365 | 12,330 | 360 | 220 | 265 | 13,175 | 2.779 |
| | Mid 2021 | 41,700 | 40,410 | 180 | 40,230 | 13,450 | 425 | 235 | 270 | 14,380 | 2.810 |
| Forecast | Mid 2024 | 43,350 | 42,006 | 188 | 41,818 | 13,933 | 513 | 238 | 270 | 14,954 | 2.809 |
| | Mid 2051 | 60,270 | 58,401 | 260 | 58,141 | 17,252 | 2,060 | 1,607 | 270 | 21,190 | 2.756 |
| Incremental | Mid 2011 - Mid 2016 | 2,130 | 2,065 | 5 | 2,060 | 757 | 28 | 39 | 20 | 844 | |
| | Mid 2016 - Mid 2021 | 3,920 | 3,799 | -66 | 3,865 | 1,120 | 65 | 15 | 5 | 1,205 | |
| | Mid 2021 - Mid 2024 | 1,650 | 1,596 | 8 | 1,588 | 483 | 88 | 3 | 0 | 574 | |
| | Mid 2024 - Mid 2051 | 16,920 | 16,395 | 72 | 16,323 | 3,319 | 1,547 | 1,369 | 0 | 6,236 | |

^[1] Population includes the Census undercount estimated at approximately 3.2% 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.

Source: Derived from the medium scenario in the Essex County Growth Analysis Report, October 2, 2022 for the Municipality of Lakeshore by Watson & Associates Economists Ltd.



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 (5) or more storeys at or above ground and has 10 or more residential units;
 - Redevelopment of an existing building or structure that will have five (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 6), active residential development applications (as per Schedule 5) and discussions with Municipal staff regarding anticipated C.B.C. eligible developments.
- Based on the above indicators, the Municipality is forecasted to accommodate 1,131 C.B.C. eligible household units over the 2024 to 2051 forecast period. This translates to 83% of all high-density units, including accessory units, being C.B.C. eligible from 2024 to 2051.

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

- Schedule 2 summarizes the anticipated amount, and type of C.B.C.-eligible development for the Municipality.
- In accordance with forecast demand and available land supply, the amount and percentage of forecast C.B.C. eligible housing growth between 2024 and 2051 is summarized in Table 2-2.



Table 2-2
Municipality of Lakeshore
Residential High-Density Growth Summary

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

^[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 mid-2024 to mid-2051 planning horizon has been assumed which aligns with the Municipality'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 2051 in the Municipality over the forecast period is presented in Table 2-1. Over the mid-2024 to mid-2051 forecast period, the Municipality is anticipated to average approximately 231 new housing units per year.
- Institutional population^[3] is anticipated to increase by 72 people between 2024 to 2051.
- 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 7a 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 Municipality of Lakeshore. Due to data limitations medium and high density P.P.U. data was derived from Essex County,

^[3] 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



which includes the Municipality of Lakeshore and is outlined in Schedule

7b. Forecast average P.P.U.s by dwelling type are as follows:

- Low density: 3.350
- Medium density: 1.991
- High density:^[4] 1.724

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

- Existing households for mid-2024 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 6-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 27-year forecast period is projected to decrease by approximately 239.

7. Employment (Appendix A – Schedule 8)

- The employment projections provided herein are largely based on the activity rate method, which is defined as the number of jobs in the Municipality divided by the number of residents.
- Employment data for the Municipality is outlined in Schedule 8a. In accordance with Statistics Canada Census data, the Municipality's 2016 employment base including work at home and no fixed place of work (N.F.P.O.W.) is 13,430.^[5]
- Total employment, including work at home and N.F.P.O.W. for the Municipality is anticipated to reach approximately 24,280 by mid-2051. This represents an employment increase of approximately 9,460 over the 2024 to 2051 forecast period.
- Schedule 8, 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

⁴ Includes accessory units, bachelor, 1-bedroom and 2-or-more-bedroom apartments

⁵ 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 include building and landscape contractors, travelling salespersons, independent truck drivers, etc."



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 Municipality (excluding work at home and N.F.P.O.W. employment) is anticipated to reach approximately 19,280 by mid-2051. This represents an employment increase of approximately 7,690 for the mid-2024 to mid-2051 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:

- The net capital costs of services will be allocated a 68% share for residential development based on incremental population and employment growth over the forecast period to 2051 (Table 2-3);
- Approximately 14% of the population growth is forecasted to reside in high-density residential dwelling units (Table 2-4); and
- Approximately 83% 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).

Table 2-3
Residential and Non-Residential Share based on Incremental Growth in
Population and Employment over the 2024-2051 Forecast Period

| Residential Population and Non-Residential Employment | Net Population/ Employment | Residential/ Non-Residential % |
|---|-------------------------------|--------------------------------|
| Residential Net Population | 16,395 | 68% |
| Employment (Net of Work at Home & N.F.P.O.W.) | 7,685 | 32% |
| Total Population & Employment | 24,080 | 100% |



Table 2-4
Low/Medium Density and High-Density Share of Forecast Gross Population over the
2024-2051 Forecast Period

| Residential Density | Gross Residential Population | % of Gross Population in New Units |
|-----------------------------------|------------------------------|------------------------------------|
| Low/Medium Density | 14,201 | 86% |
| High Density | 2,361 | 14% |
| Total Residential Forecast | 16,563 | 100% |

Table 2-5
Eligible C.B.C. High-Density Growth Share over the 2024-2051 Forecast Period

| Residential High Density | Residential Population | % of Gross Population in High Density Units |
|--|------------------------|---|
| Eligible High Density | 1,950 | 83% |
| Ineligible High Density | 411 | 17% |
| Total Residential High Density Forecast | 2,361 | 100% |

2.4 Land Valuation and Analysis

The C.B.C. cannot exceed an amount equal to the prescribed percentage of the value of the land on the date of building permit issuance. As such, the Strategy includes an assessment of the average land values in various locations throughout the Municipality where the development and redevelopment are anticipated to be located. These land values assist in determining the eligible C.B.C. rate (currently prescribed at a maximum of 4% of land value).

As such, a Market Analysis Report was undertaken by Otto & Company to provide opinion of high density commercial/residential development land values located in the Municipality of Lakeshore. The average land prices for these properties equate to \$1.76 million per acre for waterfront properties and \$1.22 million per acre for non-waterfront properties. It is anticipated that all eligible development would be located in non-waterfront areas. Therefore the average land price of the properties identified in the



analysis is approximately \$1.22 million per acre. This estimate has been used for purposes of the C.B.C. Strategy to estimate total potential land value for C.B.C. eligible high-density development.

Table 2-6
Estimated Acres of Land and Associated Value of Anticipated C.B.C. Eligible Development over the 2024-2051 Forecast Period

| C.B.C. Eligible Growth | Total |
|---------------------------------------|---------------------|
| Forecast C.B.C. Eligible Units | 1,131 |
| Estimated High Density units per acre | 40 |
| Estimated Acres of Land | 28.3 |
| Average Land Value per acre | \$1,220,000 |
| Estimated Total Value of Land | \$34,496,000 |



Chapter 3

Approach to the Calculation

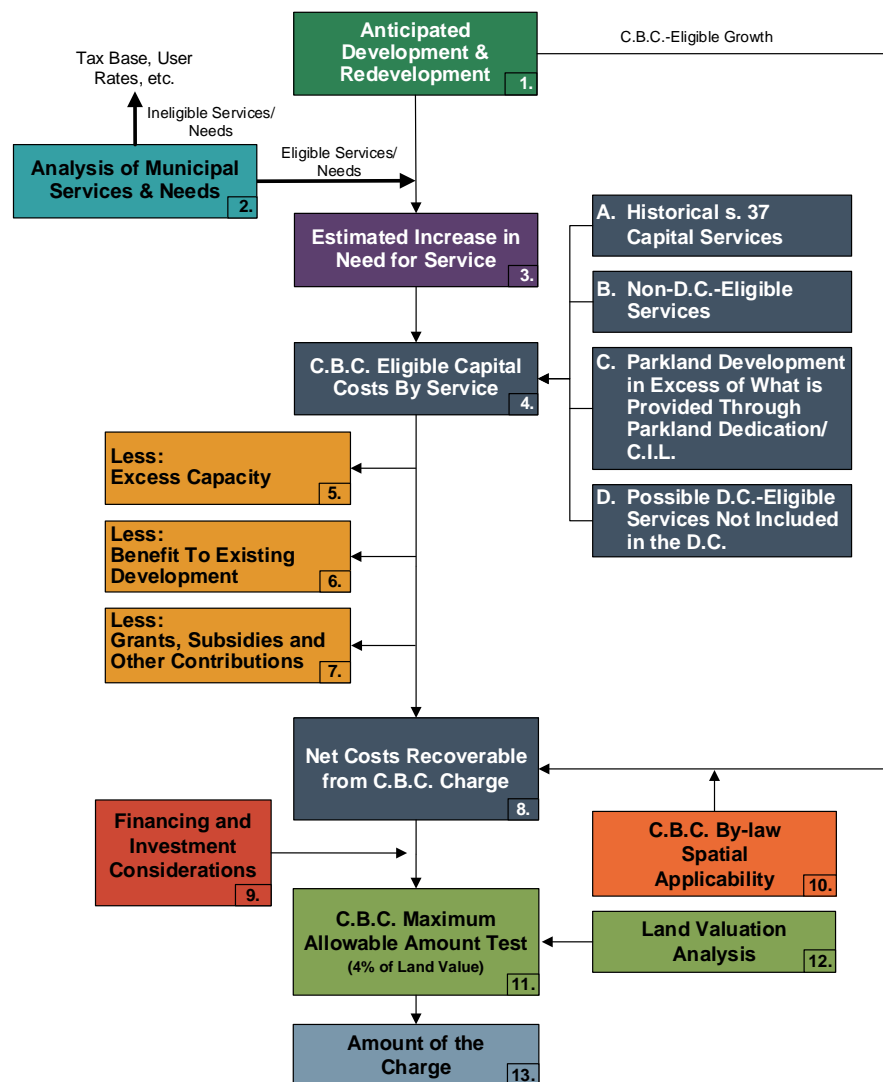


3. The Approach to the Calculation of the Charge

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 Municipality over a 27-year (mid-2024 to mid-2051) 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 services provided under the C.B.C. would be defined as follows:

- (a) land for park or other public recreational purposes in excess of lands dedicated or provided cash-in-lieu payments under section 42 or 51 of the Planning Act.
- (b) services not provided under section 2 (4) of the D.C.A.
- (c) capital costs for eligible D.C. services that are not intended to be funded under the Municipality's 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 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 Municipality’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 of the C.B.C. Strategy study.

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.

Although specific grants, subsidies and/or other contributions may not be currently identified and reduced in the calculations, due diligence will be undertaken by Municipal 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.

Through the C.B.C. strategy process, discussions with Municipal staff took place related to structuring the charge on a municipal-wide vs. area specific basis. As the services being provided in the strategy are not restricted to one specific area and are anticipated to be used by all residents with a Municipal-wide benefit, the charges have been provided on a municipal-wide basis. For example, cultural facilities are provided in different parts of the Municipality, and they will be accessed by residents from all areas depending on the programming offered within the facilities and personal interests. Although the charges are to be calculated and imposed on a Municipal-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. The municipality will engage the assistance of a land appraiser for this data.

3.9 Calculation of the Community Benefit 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 presented 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%.



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 C.B.C.s which are to be applied on a uniform basis throughout the Municipality. In each case, the required calculation process set out in O. Reg. 509/20 section 2 (a) through (f) to the Planning Act and described in Chapter 3 was followed in determining C.B.C.-eligible costs.

The nature of the capital projects and timing identified in the Chapter reflects Municipal staff's recommendation based on Council policy directions. However, it is recognized that over time, capital projects and Council priorities change; accordingly, Council's intentions may alter, and different capital projects (and timing) may be necessary to meet the need for services required by new growth.

4.2 Allocation of Costs to Eligible High-Density Growth

For capital costs identified for recovery through the C.B.C., a review of the gross costs has been made based on information provided by Municipal staff. Each capital project was assessed to determine if there were deductions required to the gross costs related to excess capacity, benefit to existing development, and grants, subsidies, or other contributions known. The resultant net growth costs were then allocated based on the following:

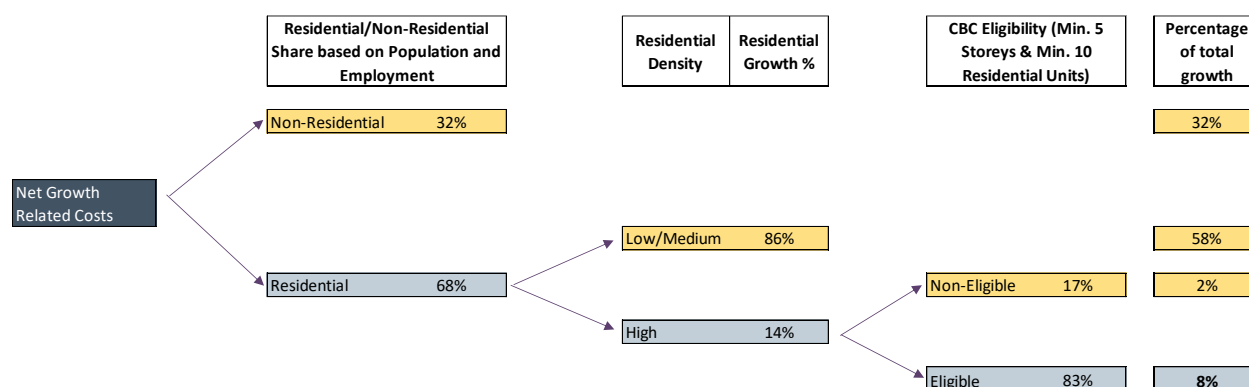
- Net costs for most services were apportioned between residential and non-residential growth (Table 2-3) based upon the relation between population and employment.
- Affordable housing and Community Benefits Strategies have been apportioned 100% to the residential sector.
- The costs associated with residential growth were then further apportioned between low/medium density growth and total high-density growth anticipated over the forecast (Table 2-4).



- Finally, the costs associated with the total high-density growth were apportioned to eligible growth (i.e., buildings with a minimum of five storeys and a minimum of 10 residential units) and ineligible growth (Table 2-5).

As noted above, similar to the calculations undertaken in the Municipality's D.C. study, some services are shared between residential and non-residential growth based on the incremental population and employment for the forecast period. Based on the C.B.C. 27-year forecast to 2051, this would result in an allocation of 68% residential/32% non-residential. Figure 4-1 provides a flowchart of the shares that would be assigned to services such as infrastructure technology. Based on Tables 2-3 through 2-5, the allocations between the total growth anticipated over the forecast period would result in 8% of net growth-related costs being eligible for recovery through the C.B.C. (see Table 4-1).

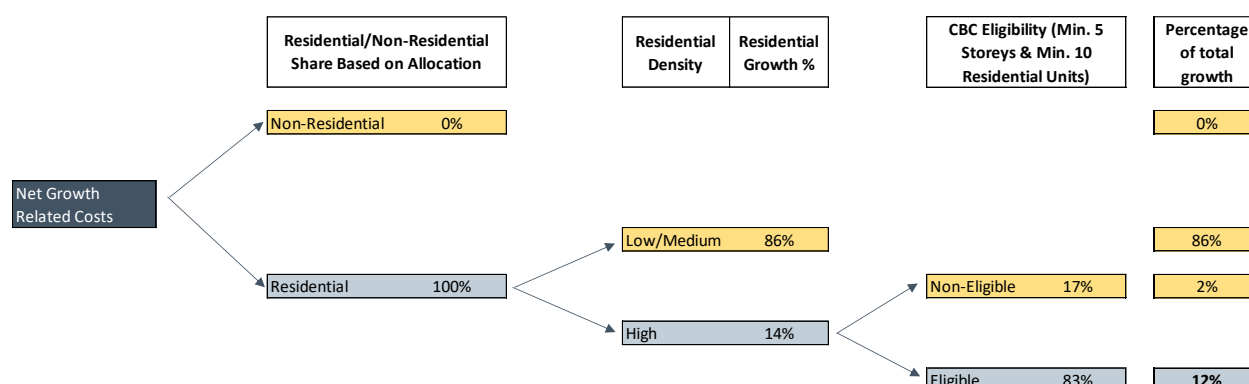
Figure 4-1
Growth Shares for Municipal-Wide Services



As affordable housing is a residential-based service, the forecasted growth-related capital costs have been allocated 100% to residential and 0% to non-residential. Figure 4-2 provides a flowchart of the shares that would be assigned to this service. Therefore, the total growth anticipated over the forecast period would result in 12% of net growth-related costs being eligible for recovery through the C.B.C. (see Table 4-2).



Figure 4-2
Growth Shares for Affordable Housing Services



For the costs related to undertaking the C.B.C. Strategy Study, 100% is attributable to the eligible high-density growth as the C.B.C. is not applicable to other forms of development (see Table 4-3).

4.3 C.B.C. Eligible Cost Analysis

This section provides for the evaluation of development-related capital requirements over a 27-year planning horizon to 2051. The projects include infrastructure technology, growth studies, facility space, cultural services, streetscaping (beautification), affordable housing, and the C.B.C. strategy.

The estimated gross cost of each project has been reviewed with staff and where necessary, deductions have been made to recognize the benefit the projects have to the existing community. Further, the projects that have been identified have been reviewed and currently, there are no anticipated grants, subsidies or other funding anticipated for the projects. Finally, as the projects are associated with future service needs, consideration was given to the capacity available for the existing service and projects provided are considered to be incremental costs to service the future growth needs.

Based on the calculations and allocations to eligible high-density growth, the Municipality has identified approximately \$1.50 million in eligible net growth-related costs to be included within the C.B.C. calculations.



Table 4-1
Capital Infrastructure Needs to be Recovered through C.B.C.s for Infrastructure Technology, Growth Studies, Other Facility Space, Cultural Services, and Streetscaping

| Prj. No. | Increased Service Needs Attributable to Anticipated Development | Timing (year) | Gross Capital Costs Less Deductions | | | | | Allocations Between Residential and Non-Residential Growth | | Allocation Between Residential Growth by Density | | Allocation Between Eligible and Ineligible High Density Growth | |
|----------|---|---------------|--------------------------------------|---------------------------------|-----------------|---|-------------------------|--|-------------------------|--|--------------------------------|--|-----------------------------------|
| | | | Gross Capital Cost Estimate (2024\$) | Less: | | | Net Growth-Related Cost | Total Non-Residential Share | Total Residential Share | Low/Medium Density Residential | Total High Density Residential | Ineligible High Density Residential | Eligible High Density Residential |
| | | | | Benefit to Existing Development | Excess Capacity | Grants, Subsidies and Other Contributions Attributable to New Development | | | | | | | |
| | 2024 - 2051 | | | | | | | 32% | 68% | 86% | 14% | 17% | 83% |
| | Infrastructure Technology: | | | | | | | | | | | | |
| 1 | Hardware for new Employees | 2024-2051 | 60,000 | - | | - | 60,000 | 19,200 | 40,800 | 35,000 | 5,800 | 1,000 | 4,800 |
| 2 | ERP System | 2025-2026 | 1,500,000 | 1,079,000 | | - | 421,000 | 134,700 | 286,300 | 245,500 | 40,800 | 7,100 | 33,700 |
| 3 | Records Retention | 2026 | 300,000 | 216,000 | | - | 84,000 | 26,900 | 57,100 | 49,000 | 8,100 | 1,400 | 6,700 |
| 4 | Automation Services | 2025-2027 | 80,000 | 20,000 | | - | 60,000 | 19,200 | 40,800 | 35,000 | 5,800 | 1,000 | 4,800 |
| 5 | Data Center Evergreen | 2024-2025 | 300,000 | 75,000 | | - | 225,000 | 72,000 | 153,000 | 131,200 | 21,800 | 3,800 | 18,000 |
| 6 | Customer Service / CRM | 2025-2026 | 300,000 | 216,000 | | - | 84,000 | 26,900 | 57,100 | 49,000 | 8,100 | 1,400 | 6,700 |
| 7 | Network Upgrade Equipment | 2033 | 450,000 | 113,000 | | - | 337,000 | 107,800 | 229,200 | 196,500 | 32,700 | 5,700 | 27,000 |
| | | | | | | | | | | | | | |
| | Growth Studies: | | | | | | | | | | | | |
| 8 | Secondary CIP Study | 2025 | 50,000 | 25,000 | | - | 25,000 | 8,000 | 17,000 | 14,600 | 2,400 | 400 | 2,000 |
| 9 | Wallace Woods Secondary Plan | 2025 | 200,000 | - | | - | 200,000 | 64,000 | 136,000 | 116,600 | 19,400 | 3,400 | 16,000 |
| 10 | Affordable Housing Study | 2025-2026 | 100,000 | - | | - | 100,000 | 32,000 | 68,000 | 58,300 | 9,700 | 1,700 | 8,000 |
| 11 | County Road 22 Corridor Study | 2024-2025 | 100,000 | - | | - | 100,000 | 32,000 | 68,000 | 58,300 | 9,700 | 1,700 | 8,000 |
| 12 | Data Governance Retention Consulting Policy Development | 2025 | 50,000 | 36,000 | | - | 14,000 | 4,500 | 9,500 | 8,100 | 1,400 | 200 | 1,200 |
| 13 | Consulting & Policy Development | 2025 | 50,000 | 25,000 | | - | 25,000 | 8,000 | 17,000 | 14,600 | 2,400 | 400 | 2,000 |
| 14 | Safety Management Improvements | 2024 | 50,000 | 25,000 | | - | 25,000 | 8,000 | 17,000 | 14,600 | 2,400 | 400 | 2,000 |
| 15 | Municipal Energy Conservation and Demand Management Plan - Update | 2025 | 150,000 | 38,000 | | - | 112,000 | 35,800 | 76,200 | 65,300 | 10,900 | 1,900 | 9,000 |



Table 4-1 (Cont'd)
Capital Infrastructure Needs to be Recovered through C.B.C.s for Infrastructure Technology, Growth Studies, Other Facility Space, Cultural Services, and Streetscaping

| Prj. No. | Increased Service Needs Attributable to Anticipated Development | Timing (year) | Gross Capital Costs Less Deductions | | | | | Allocations Between Residential and Non-Residential Growth | | Allocation Between Residential Growth by Density | | Allocation Between Eligible and Ineligible High Density Growth | |
|----------|---|---------------|--------------------------------------|---------------------------------|-----------------|---|-------------------------|--|-------------------------|--|--------------------------------|--|-----------------------------------|
| | | | Gross Capital Cost Estimate (2024\$) | Less: | | | Net Growth-Related Cost | Total Non-Residential Share | Total Residential Share | Low/Medium Density Residential | Total High Density Residential | Ineligible High Density Residential | Eligible High Density Residential |
| | | | | Benefit to Existing Development | Excess Capacity | Grants, Subsidies and Other Contributions Attributable to New Development | | | | | | | |
| | 2024 - 2051 | | | | | | | 32% | 68% | 86% | 14% | 17% | 83% |
| | Other: | | | | | | | | | | | | |
| | Other Service - Facilities | | | | | | | | | | | | |
| 16 | Town Hall Expansion | 2025 | 1,010,000 | - | | | 1,010,000 | 323,200 | 686,800 | 588,900 | 97,900 | 17,000 | 80,900 |
| 17 | New Town Hall | 2029 | 24,000,000 | 11,802,000 | | | 12,198,000 | 3,903,400 | 8,294,600 | 7,112,400 | 1,182,200 | 205,400 | 976,800 |
| | Other Service - Culture | | | | | | | | | | | | |
| 18 | Special Events Equipment Expansion | 2026-2035 | 120,000 | - | | | 120,000 | 38,400 | 81,600 | 70,000 | 11,600 | 2,000 | 9,600 |
| | Other Service - Streetscaping | | | | | | | | | | | | |
| 19 | Amy Croft Area Streetscaping | 2026-2035 | 200,000 | - | | | 200,000 | 64,000 | 136,000 | 116,600 | 19,400 | 3,400 | 16,000 |
| 20 | Winter Lights | 2026-2035 | 60,000 | - | | | 60,000 | 19,200 | 40,800 | 35,000 | 5,800 | 1,000 | 4,800 |
| 21 | Community Garden | 2026-2035 | 250,000 | - | | | 250,000 | 80,000 | 170,000 | 145,800 | 24,200 | 4,200 | 20,000 |
| | Total | | 29,380,000 | 13,670,000 | - | - | 15,710,000 | 5,027,200 | 10,682,800 | 9,160,300 | 1,522,500 | 264,500 | 1,258,000 |



Table 4-2
Capital Infrastructure Needs to be Recovered through C.B.C.s for Affordable Housing

| Prj. No. | Increased Service Needs Attributable to Anticipated Development | Timing (year) | Gross Capital Costs Less Deductions | | | | | Allocations Between Residential and Non-Residential Growth | | Allocation Between Residential Growth by Density | | Allocation Between Eligible and Ineligible High Density Growth | |
|----------|---|---------------|--------------------------------------|---------------------------------|-----------------|---|-------------------------|--|-------------------------|--|--------------------------------|--|-----------------------------------|
| | | | Gross Capital Cost Estimate (2024\$) | Less: | | | Net Growth-Related Cost | Total Non-Residential Share | Total Residential Share | Low/Medium Density Residential | Total High Density Residential | Ineligible High Density Residential | Eligible High Density Residential |
| | | | | Benefit to Existing Development | Excess Capacity | Grants, Subsidies and Other Contributions Attributable to New Development | | | | | | | |
| | 2024 - 2051 | | | | | | | 0% | 100% | 86% | 14% | 17% | 83% |
| | Affordable Housing: | | | | | | | | | | | | |
| 1 | Provision for Affordable Housing | 2030-2051 | 1,000,000 | - | | - | 1,000,000 | - | 1,000,000 | 857,500 | 142,500 | 24,800 | 117,700 |
| | | | | | | | | | | | | | |
| | Total | | 1,000,000 | - | - | - | 1,000,000 | - | 1,000,000 | 857,500 | 142,500 | 24,800 | 117,700 |

Table 4-3
Capital Infrastructure Needs to be Recovered through C.B.C.s for the C.B.C. Strategy

| Prj. No. | Increased Service Needs Attributable to Anticipated Development | Timing (year) | Gross Capital Costs Less Deductions | | | | | Allocations Between Residential and Non-Residential Growth | | Allocation Between Residential Growth by Density | | Allocation Between Eligible and Ineligible High Density Growth | |
|----------|---|---------------|--------------------------------------|---------------------------------|-----------------|---|-------------------------|--|-------------------------|--|--------------------------------|--|-----------------------------------|
| | | | Gross Capital Cost Estimate (2024\$) | Less: | | | Net Growth-Related Cost | Total Non-Residential Share | Total Residential Share | Low/Medium Density Residential | Total High Density Residential | Ineligible High Density Residential | Eligible High Density Residential |
| | | | | Benefit to Existing Development | Excess Capacity | Grants, Subsidies and Other Contributions Attributable to New Development | | | | | | | |
| | 2024 - 2051 | | | | | | | 0% | 100% | 0% | 100% | 0% | 100% |
| | Community Benefits Charges: | | | | | | | | | | | | |
| 1 | C.B.C. Strategy | 2024 | 40,000 | - | | - | 40,000 | - | 40,000 | - | 40,000 | - | 40,000 |
| 2 | C.B.C. Strategy | 2034 | 40,000 | - | | - | 40,000 | - | 40,000 | - | 40,000 | - | 40,000 |
| 3 | Provision for Appraisal Costs | 2024-2034 | 45,000 | - | | - | 45,000 | - | 45,000 | - | 45,000 | - | 45,000 |
| | | | | | | | | | | | | | |
| | Total | | 125,000 | - | - | - | 125,000 | - | 125,000 | - | 125,000 | - | 125,000 |



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 27-year growth forecast to 2051 provides for 1,131 eligible high-density units (i.e., in buildings containing a minimum of five (5) storeys and a minimum of 10 residential units).
- 2) **Land Valuation:** The Municipality engaged a land appraiser to provide average land valuations for properties anticipated for eligible high-density development. The land valuations were provided for non-waterfront lands and waterfront lands throughout the Municipality (refer to Chapter 2). Note: there is no forecasted eligible development on waterfront lands over the 27-year forecast period to 2051.
- 3) **Identification of Services:** A number of services were identified including infrastructure technology, growth studies, facility space, cultural services, streetscaping (beautification), affordable housing, and the C.B.C. strategy itself.
- 4) **C.B.C. Eligible Costs:** Capital needs related to the identified services were provided by Municipal staff. Gross costs of the capital projects were assessed for the portion of the projects that would benefit the existing community vs. the future growth. The growth-costs were then allocated amongst all types of growth to calculate the amount that is associated with eligible high-density units.
- 5) **Total Land Value:** Based on the growth forecast, density assumptions, and land valuation assessment, the total land value for eligible high density was calculated to equal approximately \$34.50 million.
- 6) **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, the estimated potential C.B.C. recovery for the Municipality equates to approximately \$1.38 million for the 27-year forecast period to 2051 (see Table 5-1).



Table 5-1
Anticipated C.B.C. Funding Recovery

| Area | Total C.B.C. Eligible Units | Average Land Value Per Acre | Estimated Total Acres | Total Land Value | C.B.C. % | Potential C.B.C. Revenue |
|-------------------------|-----------------------------|-----------------------------|-----------------------|---------------------|-----------|--------------------------|
| Waterfront Property | - | \$1,760,000 | - | \$0 | | |
| Non-waterfront Property | 1,131 | \$1,220,000 | 28.28 | \$34,496,000 | | |
| Total | 1,131 | \$2,980,000 | 28 | \$34,496,000 | 4% | \$1,379,840 |

The Municipality has identified capital costs attributable to eligible high-density growth in the amount of \$1.50 million (as per Tables 4-1 through 4-4), which is in excess of the maximum allowable amount of approximately \$1.38 million. Therefore, the Municipality has provided herein that the maximum C.B.C. of 4% may be considered to be imposed on eligible forms of development. It is noted that available C.B.C. funding will not provide funding for all projects on the capital projects list, and hence Municipal Council will have to consider the highest capital priorities to be funded through C.B.C. revenue during the annual budget process. Table 5-2 provides a summary of the growth capital costs by service.

Table 5-2
Summary of Growth Capital Costs

| 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 |
| Total | 30,505,000 | 13,670,000 | - | 16,835,000 | 1,500,700 |
| Total Land Value | | | | | 34,496,000 |
| Calculated Percentage to Recover all Costs Identified | | | | | 4.4% |



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

Planning Act section 37 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 Benefit 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 (5) 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.

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 Municipality.

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 in the by-law, whichever is later.

6.3 Recommendations

It is recommended that Council:

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

Approve the capital project listing set out in Chapter 4 of the C.B.C. Strategy dated June 3, 2025, subject to further annual review during the capital budget process;

Create a special reserve fund account which will contain all C.B.C. monies collected;

Approve the C.B.C. Strategy dated June 3, 2025;

Determine that no further public consultation is required; and

Approve the C.B.C. By-law as set out in Appendix B.



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 Municipality's consultation process includes having a development stakeholder consultation meeting.

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 Municipality has calculated the charge, prepared the complete 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;
- 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.

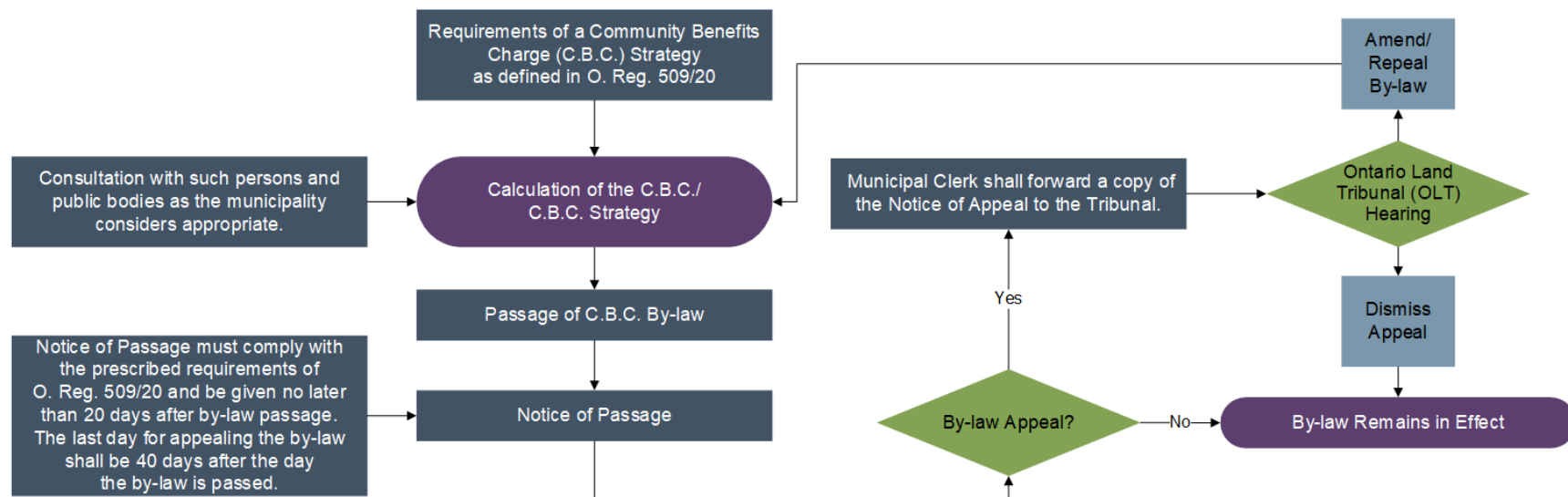


7.4.4 In-Kind Contributions

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 advise the owner of the land 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.

In regard to the process for receiving and reviewing appraisals of land, the following is the Municipality's initial approach to the process.

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 calculated percentage (as set out in the by-law and C.B.C. strategy) and the value of the land. The Municipality will require each eligible development to provide a land appraisal of the market value of the land from a certified professional appraiser of real estate who is designated as an accredited appraiser by the Appraisal Institute of Canada, from the list of approved appraisers provided by the Municipality for use in calculating the C.B.C. on each development or redevelopment.

If the Municipality agrees with the appraised value, then the owner pays their C.B.C.s to the Municipality and the funds will then be deposited into the special account.

If the Municipality does not agree with the appraisal provided by the landowner, the Municipality has 45 days to provide the landowner with their own appraisal value from the list of approved appraisers provided by the Municipality.. Then:

- If no appraisal is provided to the landowner within 45 days, the landowner's appraisal is deemed accurate and the funds will then be deposited into the special account.
- If the Municipality's appraisal is within 5% of the landowner's appraisal, the landowner's appraisal is deemed accurate.



- 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 Municipality 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 27-year forecast period to 2051. 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

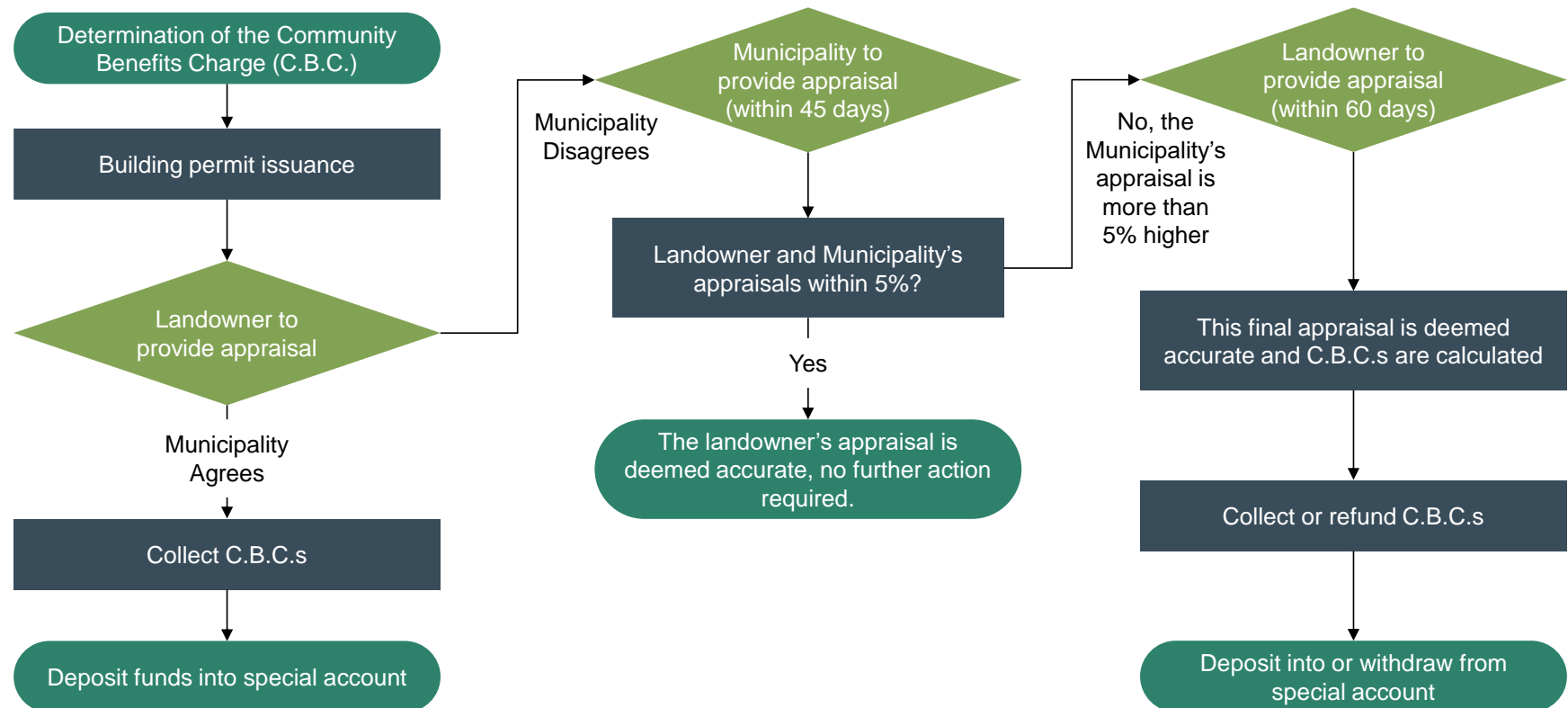


reported on through an annual C.B.C. reserve fund statement, which will form part of the Municipality's overall year-end statements.

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
Municipality of Lakeshore
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 the Municipality passes a C.B.C. by-law with an in-force date before September 18, 2022, the Municipality shall allocate the money in the special account of D.C. reserve fund to the C.B.C. special account.

If the 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 funds for the same purpose in which the money was collected (e.g., a parking D.C. reserve fund would become a general capital reserve fund for parking services).

Subsequently, if a C.B.C. by-law is passed after September 18, 2022, the Municipality shall allocate the money from the newly created general capital reserve fund, to the C.B.C. special account. The Municipality'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. The Municipality does not currently hold credits related to the services which are no longer D.C. eligible, therefore, there are no adjustment against future payments of a C.B.C. to apply.

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 Municipality of Lakeshore Residential Growth Forecast Summary

| Year | | Population (Including Census Undercount) ^[1] | Excluding Census Undercount | | | Housing Units | | | | | Person Per Unit (P.P.U.): Total Population/ Total Households |
|-------------|---------------------|--|-----------------------------|-----------------------------|--|--------------------------------|--------------------------------------|---------------------------|-------|---------------------|--|
| | | | Population | Institutional Population | Population Excluding Institutional Population | Singles & Semi- Detached | Multiple Dwellings ^[2] | Apartments ^[3] | Other | Total Households | |
| Historical | Mid 2011 | 35,650 | 34,546 | 241 | 34,305 | 11,573 | 332 | 181 | 245 | 12,331 | 2.802 |
| | Mid 2016 | 37,780 | 36,611 | 246 | 36,365 | 12,330 | 360 | 220 | 265 | 13,175 | 2.779 |
| | Mid 2021 | 41,700 | 40,410 | 180 | 40,230 | 13,450 | 425 | 235 | 270 | 14,380 | 2.810 |
| Forecast | Mid 2024 | 43,350 | 42,006 | 188 | 41,818 | 13,933 | 513 | 238 | 270 | 14,954 | 2.809 |
| | Mid 2051 | 60,270 | 58,401 | 260 | 58,141 | 17,252 | 2,060 | 1,607 | 270 | 21,190 | 2.756 |
| Incremental | Mid 2011 - Mid 2016 | 2,130 | 2,065 | 5 | 2,060 | 757 | 28 | 39 | 20 | 844 | |
| | Mid 2016 - Mid 2021 | 3,920 | 3,799 | -66 | 3,865 | 1,120 | 65 | 15 | 5 | 1,205 | |
| | Mid 2021 - Mid 2024 | 1,650 | 1,596 | 8 | 1,588 | 483 | 88 | 3 | 0 | 574 | |
| | Mid 2024 - Mid 2051 | 16,920 | 16,395 | 72 | 16,323 | 3,319 | 1,547 | 1,369 | 0 | 6,236 | |

^[1] Population includes the Census undercount estimated at approximately 3.2% 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.

Source: Derived from Essex County Growth Analysis Report, Medium Scenario for the Municipality of Lakeshore, October 5, 2022, by Watson & Associates Economists Ltd.



Schedule 2
Municipality of Lakeshore
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 | | | | | | |
| Municipality of Lakeshore C.B.C. Eligible Unit Breakdown | | | | | | | | | | | | |
| Waterfront Lands | | | | | | | | | | | | |
| Non-Waterfront Lands | | | | 238 | 1,131 | 1,369 | | | | | | |
| Municipality of Lakeshore | 2024 to 2051 | 3,319 | 1,547 | 238 | 1,131 | 1,369 | 5,105 | 16,563 | -239 | 16,323 | 72 | 16,395 |

^[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 Municipality of Lakeshore Current Year Growth Forecast Mid 2021 to Mid 2024

| | | Population |
|---|---------------------------------------|------------|
| Mid 2021 Population | | 40,410 |
| Occupants of New Housing Units, Mid 2021 to Mid 2024 | Units (2) | 574 |
| | multiplied by P.P.U. (3) | 3,219 |
| | gross population increase | 1,848 |
| Occupants of New Equivalent Institutional Units, Mid 2021 to Mid 2024 | Units | 7 |
| | multiplied by P.P.U. (3) | 1,100 |
| | gross population increase | 7 |
| Decline in Housing Unit Occupancy, Mid 2021 to Mid 2024 | Units (4) | 14,380 |
| | multiplied by P.P.U. decline rate (5) | -0.018 |
| | total decline in population | -259 |
| Population Estimate to Mid 2024 | | 42,006 |
| Net Population Increase, Mid 2021 to Mid 2024 | | 1,596 |

(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> | 3.435 | 84% | 2.890 |
| <i>Multiples (6)</i> | 2.088 | 15% | 0.320 |
| <i>Apartments (7)</i> | 1.730 | 1% | 0.009 |
| Total | | 100% | 3.219 |

^[1] Based on 2021 Census custom database

^[2] Based on Building permit/completion activity

(4) 2021 households taken from Statistics Canada Census.

(5) Decline 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 Municipality of Lakeshore Growth Forecast Mid 2024 to Mid 2051

| | | Population |
|--|---------------------------------------|------------|
| Mid 2024 Population | | 42,006 |
| Occupants of New Housing Units, Mid 2024 to Mid 2051 | Units (2) | 6,236 |
| | multiplied by P.P.U. (3) | 2.656 |
| | gross population increase | 16,563 |
| Occupants of New Equivalent Institutional Units, Mid 2024 to Mid 2051 | Units | 65 |
| | multiplied by P.P.U. (3) | 1.100 |
| | gross population increase | 72 |
| Decline in Housing Unit Occupancy, Mid 2024 to Mid 2051 | Units (4) | 6,236 |
| | multiplied by P.P.U. decline rate (5) | -0.038 |
| | total decline in population | -239 |
| Population Estimate to Mid 2051 | | 58,402 |
| Net Population Increase, Mid 2024 to Mid 2051 | | 16,396 |

(1) Mid 2024 Population based on:

2021 Population (40,410) + Mid 2021 to Mid 2024 estimated housing units to beginning of forecast period (574 x 3.219 = 1,848) + (7 x 1.1 = 7) + (14,380 x -0.018 = -259) = 42,006

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

(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> | 3.350 | 53% | 1.783 |
| <i>Multiples (6)</i> | 1.991 | 25% | 0.494 |
| <i>Apartments (7)</i> | 1.724 | 22% | 0.379 |
| <i>one bedroom or less</i> | 1.286 | | |
| <i>two bedrooms or more</i> | 1.863 | | |
| Total | | 100% | 2.656 |

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

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

(4) Mid 2024 households based upon 2021 Census (14,380 units) + Mid 2021 to Mid 2024 unit estimate (574 units) = 14,954 units.

(5) Decline 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.

Numbers may not add to totals due to rounding.



Schedule 5
Municipality of Lakeshore
Summary of C.B.C Eligible Units in the Development Approvals Process

| Stage of Development | C.B.C. Eligible Units | |
|----------------------------------|-----------------------|-------------|
| | Total Units | Share |
| Site Plan Application | 734 | 57% |
| Proposed | 479 | 37% |
| Municipality of Lakeshore | 1,294 | 100% |

Source: Derived from data provide by the Municipality of Lakeshore by Watson & Associates Economists Ltd.



Schedule 6
Municipality of Lakeshore
Historical Residential Building Permits
Years 2014 to 2023

| Year | Residential Building Permits | | | |
|------------------------------|------------------------------|--------------------------|---------------------------|------------|
| | Singles & Semi Detached | Multiples ^[1] | Apartments ^[2] | Total |
| 2014 | 174 | 3 | 0 | 177 |
| 2015 | 217 | 0 | 0 | 217 |
| 2016 | 262 | 3 | 0 | 265 |
| 2017 | 300 | 5 | 0 | 305 |
| 2018 | 218 | 3 | 0 | 221 |
| Sub-total | 1,171 | 14 | 0 | 1,185 |
| Average (2014 - 2018) | 234 | 3 | 0 | 237 |
| % Breakdown | 98.8% | 1.2% | 0.0% | 100.0% |
| 2019 | 141 | 28 | 0 | 169 |
| 2020 | 191 | 115 | 0 | 306 |
| 2021 | 213 | 88 | 0 | 301 |
| 2022 | 201 | 0 | 3 | 204 |
| 2023 | 62 | 0 | 0 | 62 |
| Sub-total | 808 | 231 | 3 | 1,042 |
| Average (2019 - 2023) | 162 | 46 | 1 | 208 |
| % Breakdown | 77.5% | 22.2% | 0.3% | 100.0% |
| 2014 - 2023 | | | | |
| Total | 1,979 | 245 | 3 | 2,227 |
| Average | 198 | 25 | 0 | 223 |
| % Breakdown | 88.9% | 11.0% | 0.1% | 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 Municipality of Lakeshore data, by Watson & Associates Economists Ltd.



Schedule 7a
Municipality of Lakeshore
Person Per Unit by Age and Type of Dwelling
(2021 Census)

| Age of Dwelling | Singles and Semi-Detached | | | | | | 25 Year Average Adjusted ^[1] |
|-----------------|---------------------------|--------------|--------------|--------------|--------------|--------------|---|
| | < 1 BR | 1 BR | 2 BR | 3/4 BR | 5+ BR | Total | |
| 1-5 | - | - | 1.929 | 3.378 | 4.288 | 3.435 | |
| 6-10 | - | - | - | 3.411 | 4.400 | 3.539 | |
| 11-15 | - | - | - | 3.376 | 4.462 | 3.513 | |
| 16-20 | - | - | 2.080 | 3.232 | 4.316 | 3.290 | |
| 20-25 | - | - | 1.818 | 3.042 | 4.125 | 3.167 | 3.350 |
| 25-35 | - | - | - | 2.869 | 3.636 | 2.878 | |
| 35+ | 1.300 | 1.563 | 1.757 | 2.581 | 3.227 | 2.424 | |
| Total | 0.958 | 1.773 | 1.841 | 2.904 | 4.023 | 2.868 | |

| Age of Dwelling | All Density Types | | | | | |
|-----------------|-------------------|--------------|--------------|--------------|--------------|--------------|
| | < 1 BR | 1 BR | 2 BR | 3/4 BR | 5+ BR | Total |
| 1-5 | - | - | 1.864 | 3.344 | 4.288 | 3.374 |
| 6-10 | - | - | 2.143 | 3.347 | 4.400 | 3.475 |
| 11-15 | - | - | 2.143 | 3.211 | 4.462 | 3.267 |
| 16-20 | - | - | 1.941 | 3.216 | 4.241 | 3.226 |
| 20-25 | - | - | 1.643 | 3.009 | 4.125 | 3.120 |
| 25-35 | - | - | 2.214 | 2.877 | 3.636 | 2.863 |
| 35+ | - | 1.327 | 1.738 | 2.563 | 3.227 | 2.358 |
| Total | 1.385 | 1.434 | 1.800 | 2.878 | 4.010 | 2.796 |

^[1] Includes townhouses and apartments in duplexes.

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 7b
Essex County
Person Per Unit by Age and Type of Dwelling
(2021 Census)

| Age of Dwelling | Multiples ^[1] | | | | | | 25 Year Average Adjusted ^[3] |
|-----------------|--------------------------|--------------|--------------|--------------|--------------|--------------|---|
| | < 1 BR | 1 BR | 2 BR | 3/4 BR | 5+ BR | Total | |
| 1-5 | - | - | 1.843 | 2.520 | - | 2.088 | |
| 6-10 | - | - | 1.787 | 2.353 | - | 2.051 | |
| 11-15 | - | - | 1.779 | 2.520 | - | 2.128 | |
| 16-20 | - | - | 1.693 | 2.458 | - | 2.105 | |
| 20-25 | - | 1.500 | 1.804 | 2.423 | - | 2.101 | 1.991 |
| 25-35 | - | - | 2.016 | 3.060 | - | 2.578 | |
| 35+ | 1.121 | 1.377 | 1.883 | 2.969 | 3.632 | 2.351 | |
| Total | 1.333 | 1.366 | 1.850 | 2.817 | 3.556 | 2.285 | |

| Age of Dwelling | Apartments ^[2] | | | | | | 25 Year Average Adjusted ^[3] |
|-----------------|---------------------------|--------------|--------------|--------------|----------|--------------|---|
| | < 1 BR | 1 BR | 2 BR | 3/4 BR | 5+ BR | Total | |
| 1-5 | - | 1.410 | 1.772 | 3.273 | - | 1.730 | |
| 6-10 | - | - | 1.933 | - | - | 1.875 | |
| 11-15 | - | 1.667 | 1.933 | 2.750 | - | 1.992 | |
| 16-20 | - | 1.261 | 1.807 | 3.625 | - | 1.836 | |
| 20-25 | - | 1.416 | 1.676 | 2.905 | - | 1.684 | 1.724 |
| 25-35 | - | 1.226 | 1.815 | 3.476 | - | 1.660 | |
| 35+ | 1.112 | 1.211 | 1.796 | 2.757 | - | 1.512 | |
| Total | 1.091 | 1.226 | 1.794 | 2.877 | - | 1.563 | |

| Age of Dwelling | All Density Types | | | | | |
|-----------------|-------------------|--------------|--------------|--------------|--------------|--------------|
| | < 1 BR | 1 BR | 2 BR | 3/4 BR | 5+ BR | Total |
| 1-5 | - | 1.516 | 1.914 | 3.225 | 4.465 | 2.927 |
| 6-10 | - | 1.667 | 1.959 | 3.225 | 4.707 | 3.218 |
| 11-15 | - | 1.625 | 1.931 | 3.170 | 4.443 | 3.023 |
| 16-20 | - | 1.700 | 1.882 | 3.187 | 4.401 | 3.031 |
| 20-25 | - | 1.537 | 1.812 | 3.025 | 4.257 | 2.874 |
| 25-35 | - | 1.279 | 2.007 | 2.949 | 3.852 | 2.737 |
| 35+ | 1.288 | 1.269 | 1.818 | 2.646 | 3.843 | 2.304 |
| Total | 1.397 | 1.300 | 1.842 | 2.803 | 4.140 | 2.508 |

^[1] Includes townhouses and apartments in duplexes.

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

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 8 Municipality of Lakeshore Employment Forecast, Mid-2024 to Mid-2051

| Period | Population | Activity Rate | | | | | | | | Employment | | | | | | | | Employment |
|---------------------|------------|---------------|--------------|------------|-------------------------------|---------------|--------|---------------------------|----------------------------|------------|--------------|------------|-------------------------------|---------------|--------|---------------------------|---|---|
| | | 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.) | Total (Excluding Work at Home and N.F.P.O.W.) |
| Mid 2011 | 34,546 | 0.003 | 0.035 | 0.130 | 0.075 | 0.035 | 0.277 | 0.027 | 0.304 | 105 | 1,195 | 4,498 | 2,578 | 1,195 | 9,570 | 946 | 10,516 | 8,375 |
| Mid 2016 | 36,611 | 0.004 | 0.032 | 0.180 | 0.079 | 0.037 | 0.332 | 0.035 | 0.367 | 160 | 1,160 | 6,603 | 2,878 | 1,355 | 12,155 | 1,279 | 13,434 | 10,995 |
| Mid 2024 | 42,006 | 0.004 | 0.037 | 0.165 | 0.074 | 0.033 | 0.313 | 0.040 | 0.353 | 175 | 1,559 | 6,922 | 3,092 | 1,401 | 13,149 | 1,669 | 14,819 | 11,590 |
| Mid 2051 | 58,401 | 0.003 | 0.036 | 0.204 | 0.084 | 0.039 | 0.366 | 0.050 | 0.416 | 175 | 2,100 | 11,900 | 4,900 | 2,300 | 21,375 | 2,900 | 24,275 | 19,275 |
| Incremental Change | | | | | | | | | | | | | | | | | | |
| Mid 2011 - Mid 2016 | 2,065 | 0.001 | -0.003 | 0.050 | 0.004 | 0.002 | 0.055 | 0.008 | 0.063 | 55 | -35 | 2,105 | 300 | 160 | 2,585 | 333 | 2,918 | 2,620 |
| Mid 2016 - Mid 2024 | 5,395 | 0.000 | 0.005 | -0.016 | -0.005 | -0.004 | -0.019 | 0.005 | -0.014 | 15 | 399 | 320 | 215 | 46 | 994 | 390 | 1,385 | 595 |
| Mid 2024 - Mid 2051 | 16,395 | -0.001 | -0.001 | 0.039 | 0.010 | 0.006 | 0.053 | 0.010 | 0.063 | 0 | 541 | 4,978 | 1,808 | 899 | 8,226 | 1,231 | 9,456 | 7,685 |
| Annual Average | | | | | | | | | | | | | | | | | | |
| Mid 2011 - Mid 2016 | 413 | 0.000 | -0.001 | 0.010 | 0.001 | 0.000 | 0.011 | 0.002 | 0.013 | 11 | -7 | 421 | 60 | 32 | 517 | 67 | 584 | 524 |
| Mid 2016 - Mid 2024 | 674 | 0.000 | 0.001 | -0.002 | -0.001 | 0.000 | -0.002 | 0.001 | -0.002 | 2 | 50 | 40 | 27 | 6 | 124 | 49 | 173 | 74 |
| Mid 2024 - Mid 2051 | 607 | 0.000 | 0.000 | 0.001 | 0.000 | 0.000 | 0.002 | 0.000 | 0.002 | 0 | 20 | 184 | 67 | 33 | 305 | 46 | 350 | 285 |

^[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."
Source: Watson & Associates Economists Lt



Appendix B

Proposed C.B.C. By-law



The Corporation of the Municipality of Lakeshore

Municipality of Lakeshore By-law XX

A By-law to establish Community Benefits Charges for the Municipality of Lakeshore

Whereas the Municipality of Lakeshore (the “Municipality”) 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 June 3, 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 Municipality has consulted with the public and such persons and public bodies as the Municipality considers appropriate.

Now Therefore The Council of the Corporation of the Municipality of Lakeshore 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, as amended, or any successor thereof;

“Affordable Residential Unit” means a Dwelling Unit that meets the criteria set out in subsection 4.1 (2) or 4.1(3) of the *Development Charges Act, 1997*, c.27 as amended;



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

“Apartment Building” means a residential building or the residential portion of a mixed-use building consisting of more than 3 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;

“Attainable Residential Unit” means a Dwelling Unit that meets the criteria set out in subsection 4.1(4) of the *Development Charges Act, 1997, c.27* as amended;

“Bedroom” means a habitable room of at least seven (7) square metres, including a den, loft, study, or other similar area, but does not include a kitchen, bathroom, living room, family room, or dining room;

“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 Municipality or a Local Board thereof directly or by others on behalf of, and as authorized by, the Municipality 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 study,



required for the provision of Services designated in this By-law within or outside the Municipality, including interest on borrowing for those expenditures under clauses (a) to (e) above;

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

“Council” means the Council of the Municipality of Lakeshore;

“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 Municipality’s Official Plan, an approved Secondary Plan, or through an environmental impact study accepted by the Municipality.

“Municipality” means The Municipality of Lakeshore or the geographic area of the municipality, as the context requires;



“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;

“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 containing two or more dwelling units, each dwelling separates horizontally and/or vertically from another dwelling unit by a common wall;

“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 Municipality 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 Municipality.

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 June 3, 2025, Community Benefits Charges Strategy, the Municipality intends to recover Capital Costs relating to the following services through this by-law:
 - (i) Infrastructure Technology;
 - (ii) Growth Studies;
 - (iii) Affordable Housing;
 - (iv) Community Benefits Charges; and



- (v) Other Services;
 - i. Facilities;
 - ii. Cultural; and
 - iii. Streetscaping.

2. PAYMENT OF COMMUNITY BENEFITS

2.1 Community Benefits Charge 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 2.2; 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 Municipality.

2.3 This By-law shall not apply to lands that are owned by and used for the purposes of:

- (a) The Municipality or a Local Board thereof;
- (b) a Board of Education;
- (c) The County of Essex, or a Local Board thereof.

Approval 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 (5) 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 *Long-Term Care Homes Act, 2007*
- (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) 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*.

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 other than that described in subsection 2.4(b) and 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 the land being developed as of the Valuation date.
- (b) Land referred to in subsections 2.6(a) and 2.6(c) means the entire Parcel or Parcels on which the Development or Redevelopment is occurring regardless of whether the Development or Redevelopment is only on a part of the Parcel or Parcels or is a phase of a Development or Redevelopment.
- (c) If a Development or Redevelopment consists of two or more above grade Buildings that will not be constructed concurrently, will be subject to separate building permits and are anticipated to be completed at different times, each phase of the Development or Redevelopment is deemed to be a separate Development or Redevelopment for the purposes of this By-law. The Community Benefits Charges for the first of the above grade Buildings will be calculated in accordance with subsection 2.6(a). For each subsequent above grade Building the Community Benefits Charges payable shall be calculated as follows:

4% of the value of the land being developed as of the Valuation Date minus the Community Benefits Charges payable for the previous above grade Building(s).

If the difference in the aforesaid calculation is zero or a negative value no Community Benefits Charge is payable, and no credit or refund will be payable.



(d) Notwithstanding subsections (a), (b), or (c), the amount of a Community Benefits Charge 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, 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.

(e) Development or redevelopment that includes affordable residential units, attainable residential units, or residential units described in subsection 4.3(2) of the *Development Charges Act*, the Community Benefits Charge applicable to such a development or redevelopment shall not exceed the amount determined under subsection 37(32) multiplied by the ratio of A to B where:

"A" is the gross floor area of all buildings that are part of the Development or Redevelopment minus the gross floor area of all affordable residential units, attainable residential units and residential units described in subsection 4.3 (2) of the *Development Charges Act*; and

"B" is the gross floor area of all buildings that are part of the Development or Redevelopment."

- 2.7 The Landowner shall provide the Municipality with an appraisal of the value of the land as of the valuation date or dated within a period of one year preceding the valuation date.
- 2.8 If the Municipality disagrees with the value of the land identified in the Landowner's appraisal, then the Municipality shall provide an appraisal of the value of the land as of the valuation date within the prescribed time period of receiving the Landowner's appraisal, and subsections 37(37) to (41) of the Planning Act.
- 2.9 If the Municipality's appraisal of the value of the land is more than 5% greater than the landowner's value of the land appraisal, then the landowner shall provide the Municipality with a final appraisal of the value of the land as of the valuation date within the prescribed time period of receiving the Municipality's appraisal, and subsections 37(37) to (41) of the Planning Act.



Multiple Uses – Excluded Types of Development

- 2.10 Where Development or Redevelopment proposes multiple uses within a Building and the Owner has provided satisfactory evidence to the Municipality that it includes one or more of the excluded types of Development or Redevelopment described in Section 2.5 of this By-law, a community benefits charge otherwise payable for the Development or Redevelopment will be reduced by an amount attributed by the Municipality to the excluded type of Development or Redevelopment.

In-Kind Contributions

- 2.11 The Municipality may, at its discretion, allow an Owner of Land to provide to the Municipality 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.
- 2.12 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 Municipality with supporting documentation as to the suggested value of the proposed Development or Redevelopment.
- 2.13 In-kind contributions pursuant to subsection 2.11 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.
- 2.14 The value attributed to an in-kind contribution under subsection 2.11 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

- 2.15 A community benefits charge imposed under this by-law shall be paid prior to the date that a Building Permit is issued for the Development or Redevelopment, or with respect to a phased Development or Redevelopment, shall be paid prior to the



date that the first Building Permit is issued for each phase of the Development or Redevelopment.

Interest on Refunds

- 2.16 If it is determined that a refund is required, the Municipality 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. GENERAL

- 3.1 Municipal Council shall review this by-law and pass a resolution declaring whether a revision to this by-law is needed within five years of the date it is first passed, and every five years after the previous resolution was passed.

4. SEVERABILITY

- 4.1 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.

5. DATE BY-LAW IN FORCE

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

Passed this XX day of XX 2025.

Tracey Bailey, Mayor_____

Brianna Coughlin, Municipal Clerk_____