



 **Watson
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ECONOMISTS LTD.

Community Benefits Charge Strategy

City of Burlington

Final Report

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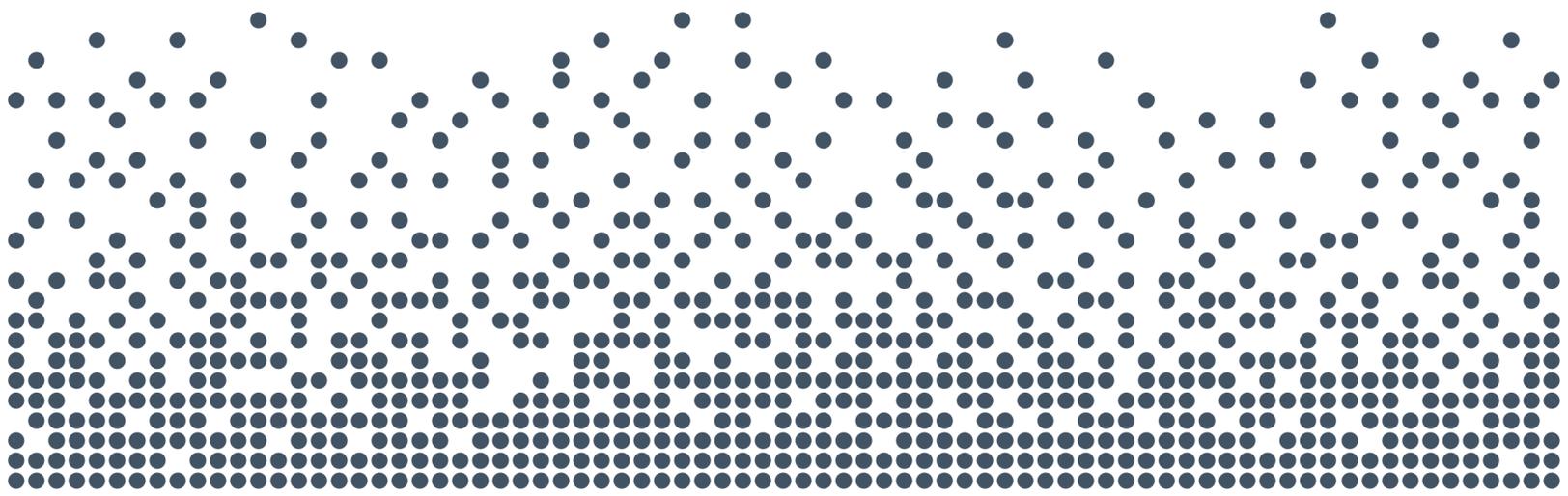
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List of Acronyms and Abbreviations

Acronym	Full Description of Acronym
B.U.A.	Built-Up Area
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
D.G.A.	Designated Greenfield Area
G.M.S.	Growth Management Strategy
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 City of Burlington (City).

The City retained Watson & Associates Economists Ltd. (Watson), to undertake the C.B.C. strategy process. Watson worked with City 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 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 City'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 C).

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 Appendices containing the data 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 17 of the Act amends the *Planning Act* with respect to the provisions of community benefits and parkland dedication. These amendments were proclaimed and came into effect on September 18, 2020. Municipalities with agreements for community benefits have two years after the date of proclamation (i.e., September 18, 2022) to transition to the new rules under s.37 of the *Planning Act*. Eligible municipalities also have the ability to impose a C.B.C. under this authority.

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

- land for parks or other public recreational purposes in excess of lands conveyed or funded by cash-in-lieu of parkland payments under sections 42 and 51 of the *Planning Act*;
- capital costs for services under subsection 2 (4) of the D.C.A. that are ineligible for recovery under a D.C. by-law; and
- capital costs for municipal services ineligible for inclusion in a D.C. by-law.

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

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



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

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

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

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

1. An estimate of the anticipated amount, type and location of development and redevelopment with respect to which community benefits charges will be imposed;
2. Estimates of the increase in the need for facilities, services and matters attributable to the anticipated development and redevelopment to which the community benefits charge by-law would relate;
3. For the facilities, services and matters included above, an identification of excess capacity and estimates of the benefit existing development;
4. Estimates of the capital costs necessary to provide the facilities, services and matters; and



5. Identification of any capital grants, subsidies and other contributions made to the municipality or that the council of the municipality anticipates will be made in respect of the capital costs.

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

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

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

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

1.3 Current Policies

Historically, the City has imposed charges related to community benefits under the prior *Planning Act* section 37 provisions. Examples of the community benefits included contributions related to public art, parking, landscaping, and affordable housing.

1.4 Summary of the Process

Prior to passing a C.B.C. by-law, the *Planning Act*, subsection 37 (10) requires the City to consult with the public and such persons and public bodies as the City considers appropriate. As such, the strategy's purpose, approach, and proposed C.B.C. by-law will be presented to the public and members of Council at the July 11, 2022 Corporate Services, Strategy, Risk and Accountability Committee Meeting. Feedback on the strategy will also be received.



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
City of Burlington
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.	March 2021 to June 2022
2. Presentation of approach to Strategy Committee	October 29, 2021
3. Preparation of C.B.C. calculations presentation to City Staff	June 2022
4. Release of C.B.C. Strategy Report and proposed by-law	July 11, 2022
5. Presentation of C.B.C. Strategy and proposed by-law to public and Corporate Services, Strategy, Risk and Accountability Committee	July 11, 2022
6. Council considers adoption of C.B.C. strategy and passage of by-law	September 14, 2022
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 City of Burlington



2. Anticipated Development

2.1 Requirement of the Act

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 subsection 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.”

The growth forecast contained in this chapter (with supplemental tables in Appendix A) provides for the anticipated development for which the City will be required to provide services over a 10-year (mid-2022 to mid-2032) time horizon.

2.2 Basis of Population, Household and Employment Forecast

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

- Halton Region Modified Preferred Growth Concept Land Needs Assessment Report, March 2022, prepared by Hemson Consulting Ltd., for the Region of Halton;
- 2006, 2011, 2016 and 2021 population and household Census data;
- 2006, 2011 and 2016 employment Census data;
- Historical residential building permit data over the 2012 to 2021 period;
- Residential supply opportunities as identified by City staff; and
- Discussions with City staff regarding anticipated residential development in the City.

2.3 Summary of Growth Forecast

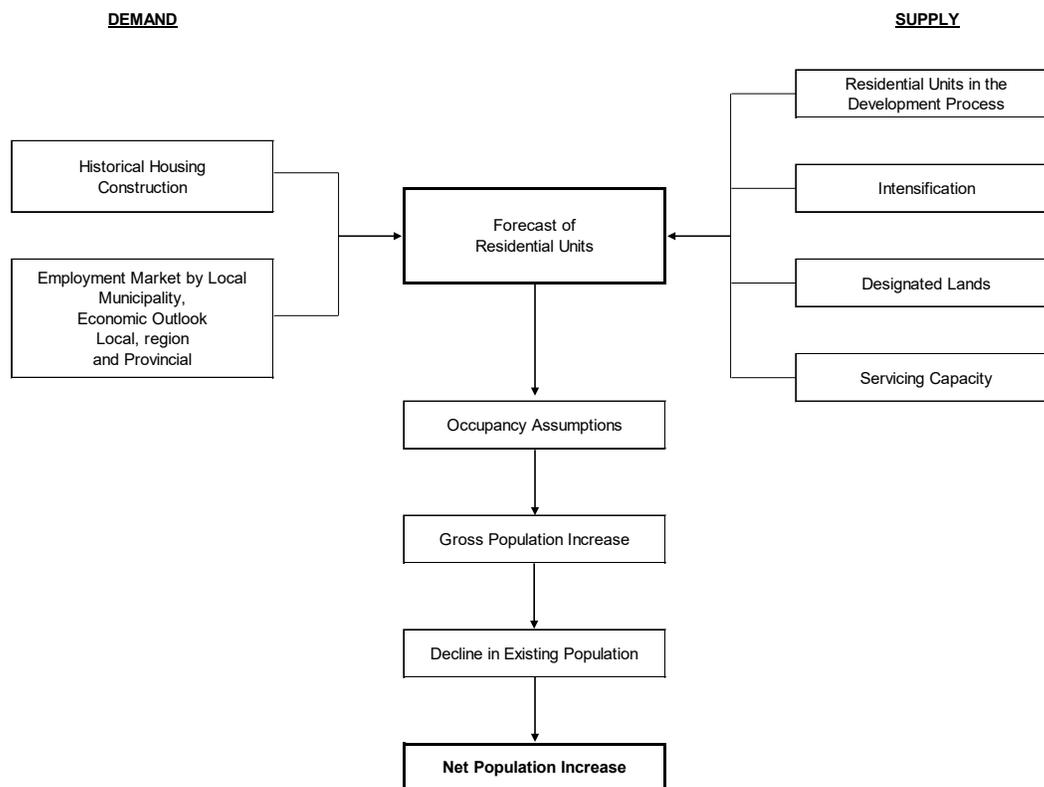
A detailed analysis of the residential and non-residential growth forecasts is provided in Appendix A and the methodology employed is illustrated in Figure 2-1. The discussion



provided herein summarizes the anticipated growth for the City and describes the basis for the forecast. The results of the residential growth forecast analysis are summarized in Table 2-1 below, and Schedule 1 in Appendix A.

As identified in Table 2-1 and Schedule 1, the City's population is anticipated to reach approximately 213,100 by mid-2032, resulting in an increase of 25,030 persons, over the 10-year forecast period.^[1]

Figure 2-1
Approach to Population and Housing Forecast



^[1] The population figures used in the calculation of the 2022 C.B.C. exclude the net Census undercount, which is estimated at approximately 3%.



**Table 2-1
City of Burlington
Residential Growth Forecast Summary**

	Year	Population (Including Census Undercount) ^[1]	Excluding Census Undercount			Housing Units						Person Per Unit (PPU): Total Population/ Total Households
			Population	Institutional Population	Population Excluding Institutional Population	Singles & Semi- Detached	Multiple Dwellings ^[2]	Apartments ^[3]	Other ^[4]	Total Households	Equivalent Institutional Households	
Historical	Mid 2011	181,100	175,779	2,289	173,490	39,189	13,702	15,819	69	68,779	2,081	2.556
	Mid 2016	188,900	183,314	3,189	180,125	39,855	14,085	17,270	165	71,375	2,899	2.568
	Mid 2021	192,600	186,948	3,252	183,696	39,885	14,430	18,740	115	73,170	2,956	2.555
Forecast	Mid 2022	193,800	188,064	3,265	184,799	39,945	14,500	19,164	115	73,724	2,968	2.551
	Mid 2032	219,600	213,098	3,677	209,421	41,086	15,680	28,823	115	85,704	3,343	2.486
Incremental	Mid 2011 - Mid 2016	7,800	7,535	900	6,635	666	383	1,451	96	2,596	818	
	Mid 2016 - Mid 2021	3,700	3,634	63	3,571	30	345	1,470	-50	1,795	57	
	Mid 2021 - Mid 2022	1,200	1,116	13	1,103	60	70	424	0	554	12	
	Mid 2022 - Mid 2032	25,800	25,034	412	24,622	1,141	1,180	9,659	0	11,980	375	

^[1] Census undercount estimated at approximately 3%.

^[2] Includes townhouses and apartments in duplexes.

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

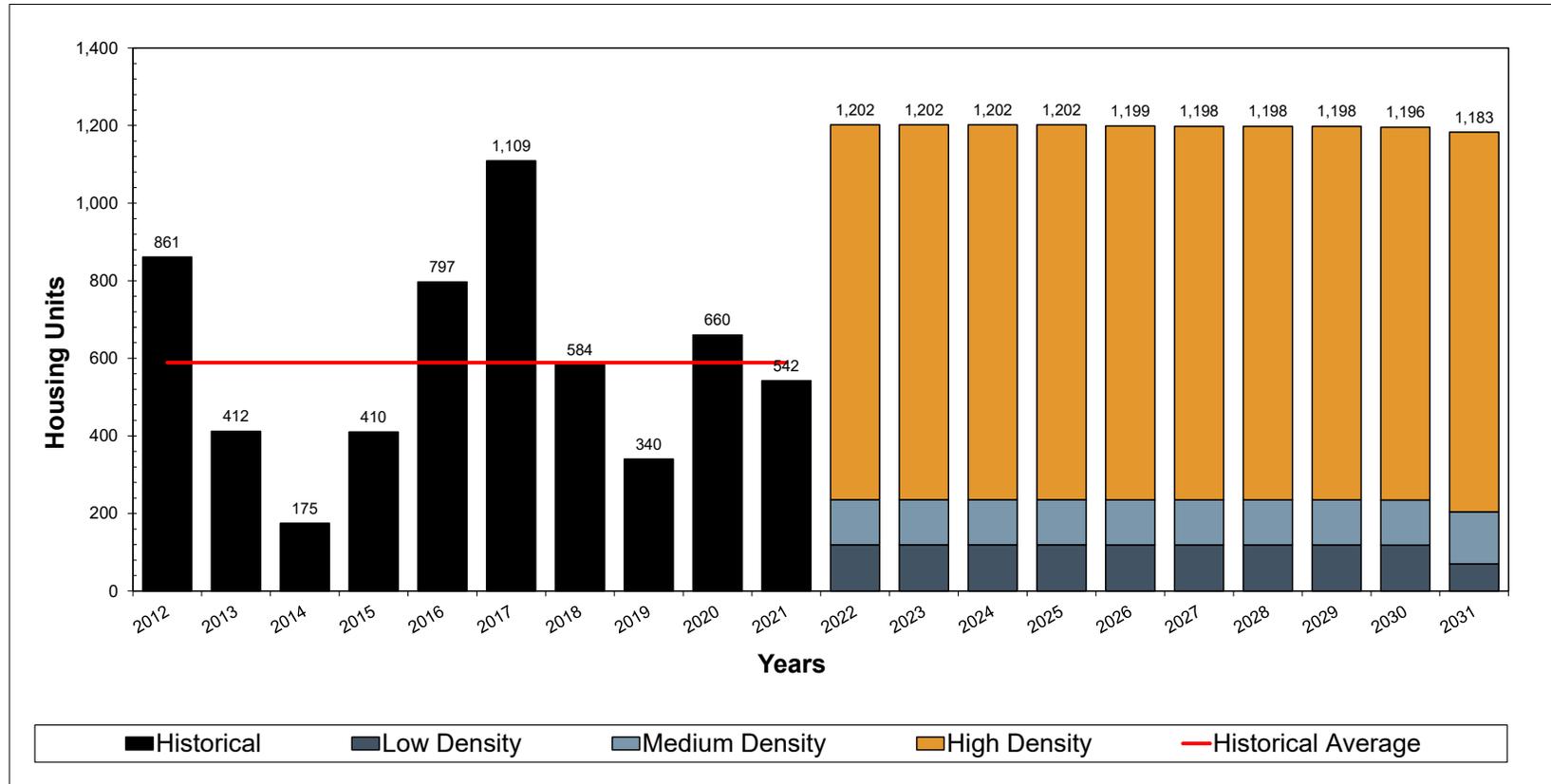
^[4] Other households defined by Statistics Canada as a single dwelling that is attached to another building and that does not fall into any of the other categories, such as a single dwelling attached to a non-residential structure (e.g., a store or a church) or occasionally to another residential structure (e.g., an apartment building). Other households also includes mobile homes and other movable dwellings.

Note: Population including the Census undercount has been rounded.

Source: Derived from Halton Region Modified Preferred Growth Concept Land Needs Assessment Report, March 2022, by Watson & Associates Economists Ltd.



Figure 2-2
City of Burlington
Annual Housing Forecast^[1]



^[1] Growth forecast represents calendar year.

Source: Historical housing activity derived from Statistics Canada building permit data for the City of Burlington, 2012 to 2021, by Watson & Associates Economists Ltd.



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

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

- The housing unit mix for the City was derived from the Halton Region Modified Preferred Growth Concept Land Needs Assessment Report forecast for the City of Burlington,^[1] a detailed review of historical development activity (as per Schedule 6), as well as active residential development applications (as per Schedule 5) and discussions with City staff regarding anticipated development trends for Burlington.
- Based on the above indicators, the 2022 to 2032 household growth forecast for the City is comprised of a unit mix of 9% low density units (single detached and semi-detached), 10% medium density (multiples except apartments) and 81% high density (accessory units, bachelor, 1-bedroom and 2+ bedroom apartments) units.

2. C.B.C. Eligible Units

- Subsection 37 (4) of the *Planning Act* establishes the criteria for a development to be C.B.C. eligible. A C.B.C. may be imposed if:
 - Development of a proposed building or structure has five or more storeys at or above ground and has 10 or more residential units;
 - Redevelopment of an existing building or structure that will have 5 or more storeys at or above ground after redevelopment and proposes to add 10 or more residential units to an existing building or structure; or
 - Such types of development or redevelopment as prescribed.
- The C.B.C. eligible unit forecast is derived based on the established criteria above and a detailed review of historical Census housing trends, historical development activity (as per Schedule 6), active residential development applications (as per Schedule 5) and discussions with City staff regarding anticipated C.B.C. eligible developments.
- Based on the above indicators, the City is forecast to accommodate 9,220 C.B.C. eligible household units over the 10-year forecast period. This

^[1] Halton Region Modified Preferred Growth Concept Land Needs Assessment Report, March 2022, prepared by Hemson Consulting Ltd., for the Region of Halton



translates to 95% of all high-density units, including accessory units, being C.B.C. eligible from 2022 to 2032. Schedule 2 summarizes the anticipated amount, type, and location of development for the City.

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

- Schedule 2 summarizes the anticipated amount, type, and location of C.B.C. eligible development for the City.
- In accordance with forecast demand and available land supply, the amount and percentage of forecast C.B.C. eligible housing growth between 2022 and 2032 is summarized in Table 2-2.

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

Development Location	High-Density Housing Growth, 2022 to 2032 ^[1]	C.B.C. Eligible Share (%)	C.B.C. Eligible Housing Growth, 2022 to 2032	C.B.C. Housing Growth Shares by Location, 2022 to 2032
City-Wide Total	9,659	95%	9,218	100%

^[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 10-year planning horizon has been assumed which aligns with the City’s Capital Budget and Forecast for the same 10-year period.

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

- The number of housing units to be constructed by 2032 in the City over the forecast period is presented in Figure 2-2. Over the 2022 to 2032 forecast



- period, the City is anticipated to average approximately 1,200 new housing units per year.
- Institutional population^[1] is anticipated to increase by approximately 400 people between 2022 to 2032.
 - 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 7 summarizes the average P.P.U. assumed for new housing units by age and type of dwelling based on Statistics Canada 2016 custom Census data for the City of Burlington. The total calculated P.P.U. for all density types has been adjusted accordingly to account for the P.P.U. trends which has been recently experienced in both new and older units. Forecast 15-year average P.P.U.s by dwelling type are as follows:
 - Low density: 3.369
 - Medium density: 2.297
 - High density:^[2] 1.564

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

- Existing households for mid-2022 are based on 2021 Census households, plus estimated residential units constructed between mid-2021 and mid-2022, assuming a six-month lag between construction and occupancy (see Schedule 3).
- The change in average occupancy levels for existing housing units is calculated in Schedules 3 and 4, by aging the existing population over the forecast period. The forecast population change in existing households over the 2022 to 2032 forecast period is approximately 2,960.

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 City divided by the number of residents.

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

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



- 2016 employment data for the City is outlined in Schedule 8. In accordance with Statistics Canada Census data, the City's 2016 employment base including work at home and no fixed place of work (N.F.P.O.W.) is 95,490.^[1]
- Total employment, including work at home and N.F.P.O.W. for the City is anticipated to reach approximately 107,470 by mid-2032. This represents an employment increase of approximately 6,790 over the 10-year 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 N.F.P.O.W. employees has largely been included in the employment forecast by usual place of work (i.e., employment and gross floor area generated from N.F.P.O.W. construction employment).
- Total employment for the City (excluding work at home and N.F.P.O.W. employment) is anticipated to reach approximately 88,980 by mid-2032. This represents an employment increase of approximately 5,760 for the 10-year forecast period.

Based upon the above information, the following summaries are provided for use in the calculations presented in Chapter 4, as follows:

- Of the services to be provided, most service costs will be allocated a 81% residential share (Table 2-3);
- Of the residential portion of the costs, 70% of the population is forecast to reside in high-density residential units (Table 2-4); and
- Of those who reside in high density residential units, 95% are forecast to reside in units to which the C.B.C. may be imposed (Table 2-5).

^[1] 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."



Table 2-3
Residential and Non-Residential Growth Share based on Incremental Growth in Population and Employment over the 10-Year Forecast Period

Residential Population and Non-Residential Employment	Population/ Employment	Residential/ Non- Residential %
Residential Net Population	25,034	81%
Employment (net of Work at Home & N.F.P.O.W.)	5,761	19%
Total Population & Employment	30,795	100%

Table 2-4
Low/Medium Density Growth and High-Density Growth Share

Residential Density	Residential Population	% of Gross Population in New Units
Low/Medium Density	6,556	30%
High Density	15,104	70%
Total Residential Forecast	21,660	100%

Table 2-5
Eligible and Ineligible High-Density Growth Share

Residential High Density	Residential Population	% of Gross Population in High Density Units
Ineligible High Density	689	5%
Eligible High Density	14,415	95%
Total Residential High-Density Forecast	15,104	100%

2.4 Land Valuation and Analysis

As the C.B.C. rate is applied against the value of land the day before a building permit is issued, average land values are required to be assessed in various locations throughout the City where the development and redevelopment is anticipated. These land values



assist in calculating the eligible C.B.C. rate (up to a maximum of 4%). As such, the City's Real Estate Division was consulted, as well as other source documents, to provide input into the analysis. The sources for land value assumptions consulted included:

- The City's 2020 Downtown Burlington Fiscal Impact Study, prepared by Watson, included an estimate for parkland within that defined area of \$24.7 million per ha. (i.e. \$10 million per acre);
- The City's 2019 Cash-in-Lieu of Parkland Report prepared by Antec Appraisal Group identified high density land values of \$18.2 million per ha. (i.e. Appendix D average); and
- Estimates from the City's Realty Services which provided an average estimate of \$33.4 million per ha. (i.e. \$12-\$15 million per acre).

Based on a review of these information sources, we have assumed an average per ha. land value of \$25.4 million. This assumption is consistent with the approach utilized for the City's Parkland Dedication By-law Review.



Chapter 3

Approach to the Calculation



3.2 Anticipated Development and Redevelopment

The anticipated development and redevelopment forecast is provided in Chapter 2 (with supplemental tables in Appendix A). This chapter provides for the anticipated overall growth within the City over a 10-year (mid-2022 to mid-2032) time horizon and then estimates the residential units eligible to be considered, as per the restrictions set out in subsection 37 (4) of the *Planning Act*.

3.3 Services Potentially Involved

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

- (a) land for parks or other public recreational purposes in excess of lands conveyed or funded by cash-in-lieu of parkland payments under sections 42 and 51 of the *Planning Act*;
- (b) capital costs for services under subsection 2 (4) of the D.C.A. that are ineligible for recovery under a D.C. by-law; and
- (c) capital costs for municipal services ineligible for inclusion in a D.C. by-law.

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

3.4 Increase in the Need for Service

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.



3.5 Capital Forecast

Subsection 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. 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 a municipal D.C. by-law. This provision suggest that capital costs may be defined in an equivalent manner as the *Development Charges Act* (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 *Reductions for Excess Capacity*

Subsection 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

Subsection 2 (c) of O. Reg. 509/20 of the D.C.A. 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;
- 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 services).

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 for future development simply replicates what existing residents are receiving, the existing developments receive very limited (or no) benefit as a result.

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., visual art vs. performance art), 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. Furthermore, 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. There is no mandatory requirement to consider area rating of services (i.e. 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 within the municipality, the charges have been provided on a municipal-wide basis. 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. This data may be available from municipal resources, or the municipality may consider engaging the assistance of a professional land appraiser.

3.9 Calculation of the Community Benefit Charge

Subsection 37 (32) of the *Planning Act* provides that the amount 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 (as provided by netting the deductions set out in section 3.6 from the capital presented in section 3.5) are divided by the land values related to the anticipated applicable development/redevelopment. This calculation produces a percentage of the capital cost relative to the land value of development. This rate cannot exceed the maximum prescribed rate of 4% of land value.

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



Chapter 4

C.B.C. Eligible Cost Analysis



4. C.B.C. Eligible Cost Analysis

4.1 Introduction

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

The City undertook a review of its Parkland Dedication By-law and D.C. Update Study at the same time as the preparation of the C.B.C. Strategy. The intent was to appropriately include in the C.B.C. Strategy any growth-related costs that would not be recovered through the other two mechanisms. In this regard, no parkland acquisitions costs have been considered at this time. It is anticipated that the need for C.B.C. funding of additional parkland requirements would be reassessed at the completion of the City's Parks Provisioning, Parks, Recreation and Culture Master Plan and subsequent updating of its Parkland Dedication By-law.

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

- Public and Performance Arts;
- Parking;
- Facilities; and
- Information Technology' and
- Growth-related studies not eligible under the D.C.A.

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

To determine the C.B.C. eligible capital costs for the City, the gross capital costs were estimated based on the City's 2022 Capital Budget and Forecast, as well as discussions with City staff. Having estimated the capital costs for each project, deductions related to excess capacity, benefit to existing development, and grants, subsidies, or other contributions were assessed. The resultant net growth-related costs were then allocated to the C.B.C. eligible share of the anticipated development based on the following:



- Net capital costs for growth-related studies, information technology, and facilities were apportioned between residential (81%) and non-residential development (19%) based on the incremental population and employment growth over the 10-year forecast period (Table 2-3). Net capital costs for parking services were apportioned between residential (19%) and non-residential development (81%) reflecting the Downtown Parking Facility is primarily required as a result of non-residential development. The net capital costs for Arts Services were allocated 95% residential development and 5% non-residential development, reflective of the increase in need for service from these types of development. This allocation approach between residential and non-residential development is consistent with the City's practice within its D.C. background study.
- The net capital costs associated with residential development were subsequently allocated between low-density and medium-density development types (30%) and high-density development (70%) over the forecast period, based on the respective population growth forecast for these dwelling unit types (Table 2-4).
- Finally, the net capital costs assigned to high-density development were apportioned to the C.B.C. eligible development, i.e. buildings with a minimum of five storeys and at least 10 residential dwelling units. As summarized in Table 2-5, this type of development accounts for 95% of all high-density residential dwelling units over the forecast period.

Based on the foregoing, for services allocated between the total population and employment growth over the forecast period, the net capital cost share attributable to C.B.C. eligible development is 54%. For parking services, the cost share attributable to C.B.C. eligible development is approximately 13%. For public and performance arts services, the cost share attributable to C.B.C. eligible development is approximately 63%. The costs related to undertaking the C.B.C. Strategy Study are 100% attributable to the C.B.C. eligible development.

4.3 C.B.C Eligible Cost Analysis

This section provides for the evaluation of development-related capital requirements over a 10-year (2022 to 2032) planning horizon. The capital cost related to the increase in need for service are presented in Tables 4-1 to 4-5 and as follows:



- **Parking Services** – The City’s capital budget identifies new Future Downtown Public Off-Street Parking Facilities. The gross capital costs of this project total approximately \$18.5 million. No deductions were made regarding benefit to existing development and possible grants, subsidies and other contributions towards the capital costs. After accounting for the benefit of these needs to non-residential development (i.e. \$15.0 million), low and medium density residential development (i.e. \$1.1 million), and ineligible high density residential development (i.e. \$0.1 million), the potential C.B.C. recoverable costs total \$2.3 million.
- **Public and Performance Arts Services** – The City’s capital budget identifies costs to upgrade performance support technologies for the Performing Arts Centre. These costs would be partially funded from grants. In addition, costs for new Public Art have also been included based on anticipated Master Plan projects. The gross capital costs of these projects total approximately \$2.0 million. Approximately \$1.1 million has been deducted for the benefit to existing development and \$11,800 has been deducted for possible grants, subsidies and other contributions towards the capital costs. This results in approximately \$0.9 million net growth-related capital costs. After accounting for the benefit of these needs to non-residential development (i.e. \$45,400), low/medium density residential development (i.e. \$261,200), and ineligible high density residential development (i.e. \$27,500), the potential C.B.C. recoverable costs total approximately \$0.6 million.
- **Facilities Services** – The City’s capital budget identifies new Electric Vehicle (E.V.) charging stations as well as City Hall Revitalization projects. The gross capital costs of these projects total approximately \$6.3 million. Approximately \$5.5 million has been deducted for the benefit to existing development, resulting in \$0.7 million net growth-related costs. After accounting for the benefit of these needs to non-residential development (i.e. \$140,900), low/medium density residential development (i.e. \$181,900), and ineligible high density residential development (i.e. \$19,100), the potential C.B.C. recoverable costs total approximately \$0.4 million.
- **Information Technology (I.T.) Services** – Based on the City’s capital budget and discussions with staff, additional needs related to I.T. startup costs for new staff and Customer Relationship Management (CRM) program costs have been identified for inclusion in the C.B.C. strategy. The gross capital costs of these projects total approximately \$1.5 million. Approximately \$0.9 million has been



deducted for the benefit to existing development. Another \$36,000 has been deducted for the costs that will be recovered from user fees, resulting in \$571,100 net growth-related costs. Accounting for the benefit of these needs to non-residential development (i.e. \$108,500), low/medium density residential development (i.e. \$140,000), and ineligible high density residential development (i.e. \$14,700), the potential C.B.C. recoverable costs total approximately \$0.3 million.

- **Growth-Related Studies** – The City is undertaking a Housing Strategy that will be developed in two phases. The City will also be undertaking a Downtown Cultural Heritage Landscapes Study and Major Transit Service Area Study in the forecast period to 2032. The gross capital costs for these studies and the five-year updates to the C.B.C. Strategy total approximately \$1.2 million. After deducting the share of the costs that are a benefit to existing development and non-CBC eligible development, the potential C.B.C. recoverable costs total approximately \$0.5 million.

Based on the calculations and allocations to C.B.C. eligible high-density growth, the City has identified approximately \$4.0 million in eligible net growth-related costs to be included within the C.B.C. calculations.



**Table 4-1
Capital Costs to be Recovered through C.B.C. – Parking Services**

Prj. No	Increased Service Needs Attributable to Anticipated Development	Timing (year)	Gross Capital Cost Estimate (2022\$)	Less:		Net Growth-Related Cost	Total Non-Residential Share	Total Residential Share	Low/Medium Density Residential	Total High Density Residential	Potential C.B.C. Recoverable Cost	
				Benefit to Existing Development	Grants, Subsidies and Other Contributions Attributable to New Development						Ineligible High Density Residential	Eligible High Density Residential
2022-2032												
1	Future Downtown Public Off-Street Parking Facilities	2025-2026	18,500,000	-		18,500,000	14,985,000	3,515,000	1,063,862	2,451,138	111,843	2,339,295
	Total		18,500,000	-	-	18,500,000	14,985,000	3,515,000	1,063,862	2,451,138	111,843	2,339,295



**Table 4-2
Capital Costs to be Recovered through C.B.C. – Public and Performance Arts Services**

Prj. No	Increased Service Needs Attributable to Anticipated Development	Timing (year)	Gross Capital Cost Estimate (2022\$)	Less:		Net Growth-Related Cost	Total Non-Residential Share	Total Residential Share	Low/Medium Density Residential	Total High Density Residential	Potential C.B.C. Recoverable Cost	
				Benefit to Existing Development	Grants, Subsidies and Other Contributions Attributable to New Development						Ineligible High Density Residential	Eligible High Density Residential
	2022-2032						5%	95%	30%	70%	5%	95%
	Performance Art Center											
1	Performing Arts Centre - Performance Support Technologies	2022-2031	200,000	176,400	11,809	11,791	590	11,201	3,390	7,811	356	7,454
	Public Art											
2	Burlington Beach Regional Waterfront Park	2022-2028	171,900	86,000		85,900	4,295	81,605	24,699	56,906	2,597	54,310
3	Burloak Regional Waterfront Park	2022-2028	171,900	86,000		85,900	4,295	81,605	24,699	56,906	2,597	54,310
4	City View Park and Pavilion	2022-2028	171,900	86,000		85,900	4,295	81,605	24,699	56,906	2,597	54,310
5	City Hall and Civic Square	2022-2028	171,900	86,000		85,900	4,295	81,605	24,699	56,906	2,597	54,310
6	Ireland Park	2022-2028	171,900	86,000		85,900	4,295	81,605	24,699	56,906	2,597	54,310
7	Joseph Brant Museum	2022-2028	171,900	86,000		85,900	4,295	81,605	24,699	56,906	2,597	54,310
8	Kilbride Park	2022-2028	86,000	43,000		43,000	2,150	40,850	12,364	28,486	1,300	27,186
9	Maple Park	2022-2028	86,000	43,000		43,000	2,150	40,850	12,364	28,486	1,300	27,186
10	Millcroft Park	2022-2028	86,000	43,000		43,000	2,150	40,850	12,364	28,486	1,300	27,186
11	Sherwood Forest Park	2022-2028	171,900	86,000		85,900	4,295	81,605	24,699	56,906	2,597	54,310
12	Skyway Arena	2022-2028	86,000	43,000		43,000	2,150	40,850	12,364	28,486	1,300	27,186
13	Tansley Woods Community Centre and Park	2022-2028	86,000	43,000		43,000	2,150	40,850	12,364	28,486	1,300	27,186
14	Waterfront Parking Garage	2022-2028	86,000	43,000		43,000	2,150	40,850	12,364	28,486	1,300	27,186
15	Public Art Master Plan	2028-2029	75,000	37,500		37,500	1,875	35,625	10,782	24,843	1,134	23,709
	Total		1,994,300	1,073,900	11,809	908,591	45,430	863,161	261,247	601,914	27,465	574,449



Table 4-3
Capital Costs to be Recovered through C.B.C. – Public and Performance Arts Services

Prj. No	Increased Service Needs Attributable to Anticipated Development	Timing (year)	Gross Capital Cost Estimate (2022\$)	Less:		Net Growth-Related Cost	Total Non-Residential Share	Total Residential Share	Low/Medium Density Residential	Total High Density Residential	Potential C.B.C. Recoverable Cost	
				Benefit to Existing Development	Grants, Subsidies and Other Contributions Attributable to New Development						Ineligible High Density Residential	Eligible High Density Residential
2022-2032							19%	81%	30%	70%	5%	95%
EV Charging Stations												
1	Electric Vehicle Charging Stations - Downtown	2022-2023	200,000	176,400		23,600	4,484	19,116	5,786	13,330	608	12,722
City Hall												
2	City Hall Facility - Revitalization Infrastructure Renewal	2022-2023	3,505,095	3,091,200		413,895	78,640	335,255	101,469	233,786	10,667	223,118
3	City Hall Facility - Revitalization Infrastructure Renewal	2026	2,577,000	2,272,700		304,300	57,817	246,483	74,601	171,882	7,843	164,039
	Total		6,282,095	5,540,300	-	741,795	140,941	600,854	181,857	418,997	19,118	399,879

Table 4-4
Capital Costs to be Recovered through C.B.C. – Information Technology Services

Prj. No	Increased Service Needs Attributable to Anticipated Development	Timing (year)	Gross Capital Cost Estimate (2022\$)	Less:		Net Growth-Related Cost	Total Non-Residential Share	Total Residential Share	Low/Medium Density Residential	Total High Density Residential	Potential C.B.C. Recoverable Cost	
				Benefit to Existing Development	Grants, Subsidies and Other Contributions Attributable to New Development						Ineligible High Density Residential	Eligible High Density Residential
2022-2032							19%	81%	30%	70%	5%	95%
1	IT Startup Costs - New Staff	2022	489,000	-	36,000	453,000	86,070	366,930	111,056	255,874	11,675	244,198
2	Customer Relationship Management (CRM)	2022	1,000,000	881,900		118,100	22,439	95,661	28,953	66,708	3,044	63,664
	Total		1,489,000	881,900	36,000	571,100	108,509	462,591	140,009	322,582	14,719	307,863



**Table 4-5
Capital Costs to be Recovered through Community Benefit Charges – Growth-Related Studies**

Prj. No	Increased Service Needs Attributable to Anticipated Development	Timing (year)	Gross Capital Cost Estimate (2022\$)	Less:		Net Growth-Related Cost	Total Non-Residential Share	Total Residential Share	Low/Medium Density Residential	Total High Density Residential	Potential C.B.C. Recoverable Cost	
				Benefit to Existing Development	Grants, Subsidies and Other Contributions Attributable to New Development						Ineligible High Density Residential	Eligible High Density Residential
2022-2032							19%	81%	30%	70%	5%	95%
1	Housing Strategy Phase 1	2022	300,000	150,000		150,000	28,500	121,500	36,774	84,726	3,866	80,860
2	Housing Strategy Phase 2	2024-2027	150,000	75,000		75,000	14,250	60,750	18,387	42,363	1,933	40,430
3	Downtown Cultural Heritage Landscapes Study	2022-2023	150,000	75,000		75,000	14,250	60,750	18,387	42,363	1,933	40,430
4	MTSA	2022-2032	510,000	127,500		382,500	72,675	309,825	93,773	216,052	9,858	206,194
5	CBC Strategy	2027	40,000	-		40,000	-	40,000	-	40,000	-	40,000
6	CBC Strategy	2032	40,000	-		40,000	-	40,000	-	40,000	-	40,000
	Total		1,190,000	427,500	-	762,500	129,675	632,825	167,320	465,505	17,590	447,915



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 10-year growth forecast provides for 9,218 eligible high-density units (i.e., in buildings containing a minimum of five storeys and a minimum of 10 residential units).
- 2) Land Valuation: Estimated land values were based on land appraisals for payment in lieu of parkland as described in section 2.4 of this report.
- 3) Identification of a Services: A number of services were considered including Parking, Public and Performing Arts, Facilities, Information Technology, and Growth-related Studies.
- 4) C.B.C. eligible Costs: Capital needs related to the identified services were provided by City staff and through the City's capital budget. Gross costs of the capital projects were assessed for the portion of the projects that would benefit the existing community versus the future growth. The growth-related costs were then allocated amongst all types of growth to calculate the amount that is associated with the C.B.C. eligible high-density units.
- 5) Total Land Value: Based on the growth forecast (section 2.4), density assumptions, and land valuation assessment, the total land value for C.B.C. eligible high-density units was calculated to equal approximately \$643.5 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 maximum potential C.B.C. recovery for the City equates to \$25.7 million for the 10-year forecast period.

The City has identified capital costs attributable to eligible high-density growth of approximately \$4.1 million which are within the calculated maximum allowable amount of \$25.7 million.



Table 5-1 provides the calculated charges on a per unit basis. The calculation is generated on a per capita basis and is based upon two forms of housing types (apartments 2+ bedrooms and apartments bachelor and 1-bedroom). The per unit charge structure aligns with the City's D.C. structure for apartment dwelling units and will assist with the ease of administration and implementation of the charges. The proposed C.B.C. would be \$488 per unit for apartments of two bedrooms and greater, \$362 for one bedroom and bachelor apartment units.

Table 5-1
City of Burlington
Community Benefits Charge Calculation
2022-2032

Service	Gross Capital Cost Estimate (2022\$)	Net Residential Share (2022\$)	C.B.C.-Eligible Cost (2022\$)
Parking	\$18,500,000	\$3,515,000	\$2,339,295
Performance Arts Centre/Public Art	\$1,994,300	\$863,161	\$574,449
Facilities	\$6,282,095	\$600,854	\$399,879
Information Technology	\$1,489,000	\$462,591	\$307,863
Growth Studies	\$1,190,000	\$632,825	\$447,915
Total	\$29,455,395	\$6,074,431	\$4,069,400
Total Capital Costs for C.B.C. Recovery			\$4,069,400
Anticipated C.B.C. Residential Dwelling Units (2022-2036)			9,218
Density Assumption (units per hectare)			364
Land Area for Residential Dwelling Unit Forecast (hectares)			25.3
Estimated Average Land Value (\$/hectare)			\$25,400,000
Total Estimated Land Value			\$643,541,916
Maximum Prescribed Value (4% of land value)			\$25,741,677
Total C.B.C. Required to Fund Needs (% of land value)			0.6%
Gross Population in Eligible Units			14,415
Cost Per Capita			\$282.30
By Residential Unit Type		P.P.U.	
Apartments - 2 Bedrooms +		1.730	\$488
Apartments - Bachelor and 1 Bedroom		1.281	\$362



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.

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;
- (b) the approval of a minor variance under section 45;
- (c) a conveyance of land to which a by-law passed under subsection 50 (7) applies;
- (d) the approval of a plan of subdivision under section 51;
- (e) a consent under section 53;
- (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%.



6.2.3 Exemptions (full 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 development of a proposed building or structure with fewer than five storeys at or above ground;
- Development of a proposed building or structure with fewer than 10 residential units;
- Redevelopment of an existing building or structure that will have fewer than five storeys at or above ground after the redevelopment;
- Redevelopment that proposes to add fewer than 10 residential units to an existing building or structure;
- Such types of development or redevelopment as are prescribed:
 - Development or redevelopment of a building or structure intended for use as a long-term care home within the meaning of subsection 2 (1) of the *Long-Term Care Homes Act, 2007*.
 - 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*.

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

6.2.6 The Applicable Areas

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

6.2.7 Special Account

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



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

In addition to the monies collected under a C.B.C. by-law, transitional rules for transferring existing reserve funds are provided in subsection 37(51) of the *Planning Act*. These rules apply for any existing reserve funds related to a service that is not listed in subsection 2(4) of the D.C.A., as well as reserve funds established under section 37 of the *Planning Act* prior to the amendments arising from the *COVID 19 Economic Recovery Act*.

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 37(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) does 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 37(45) of the *Planning Act*.

Based on the above, there are no existing D.C. reserve funds that would be transferred to the C.B.C. special account.



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

B.C. by-law comes into force on the day it is passed, or the day specified in the bylaw, whichever is later.

6.3 Recommendations

It is recommended that Council:

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

“Approve the capital project listing set out in Chapter 4 of the C.B.C. Strategy dated August 17, 2022, 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;”

“Impose the C.B.C. of \$488 per apartment with 2 or more bedrooms and \$362 per bachelor and one bedroom apartment dwelling unit on the day before a building permit is issued

“Approve the C.B.C. Strategy dated August 17, 2022, as amended (if applicable);” 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; subsection 37 (10) of the *Planning Act* requires that:

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

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

7.2.2 Interested Parties to Consult

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

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



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

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

As noted in section 1.4, through the C.B.C. strategy process, the City's consultation process includes meetings with the public and Council.

7.3 Anticipated Impact of the Charge on Development

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

7.4 Implementation Requirements

7.4.1 Introduction

Once the City has calculated the charge, prepared the complete 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.

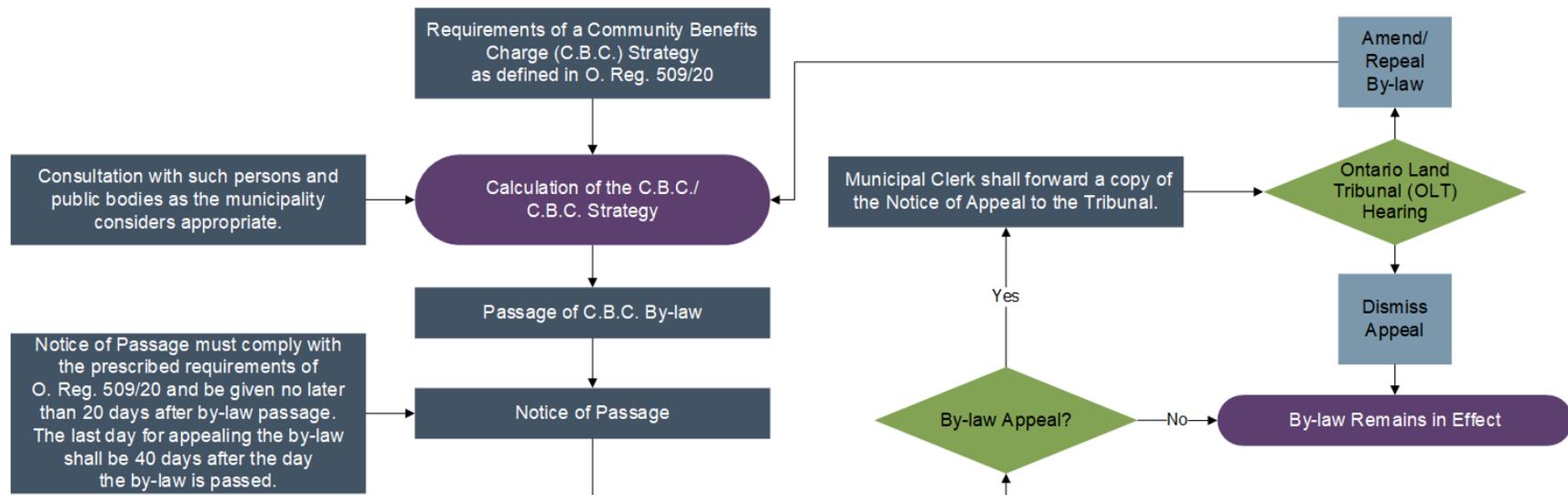
7.4.3 Appeals

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.



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





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.

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

7.5.1 Introduction

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

7.5.2 Overview of Process and Appraisals

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

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

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



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

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

- If no appraisal is provided to the owner within 45 days, the owner's appraisal is deemed accurate and the difference in the amounts shall be refunded to the owner.
- If the municipality's appraisal is within 5% of the landowner's appraisal, the landowner's appraisal is deemed accurate, and the municipality shall refund the difference in the amounts to the owner.
- If the appraisal is more than 5% higher than the landowner's appraisal, the municipality shall request an appraisal be undertaken by an appraiser, selected by the landowner, from the list of approved appraisers provided by the municipality. This must be undertaken within 60 days. This final appraisal is deemed accurate for the purposes of calculating the applicable C.B.C.
- In regard to the last bullet, subsection 37(42) and 37(43) require the municipality to maintain a list of at least three persons who are not employees of the municipality or members of Council and have an agreement with the municipality to perform appraisals for the above. This list is to be maintained until the C.B.C. by-law is repealed or the day on which there is no longer any refund that could be required (whichever is later).

7.5.3 Special Reserve Fund Account

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

- All money received under a C.B.C. by-law shall be paid into a special account;
- The money in the special account may be invested in securities (as permitted under the Municipal Act) and the interest earnings shall be paid into the special account;
- In each year, a municipality shall spend or allocate at least 60 percent of the monies that are in the special account at the beginning of the year; and



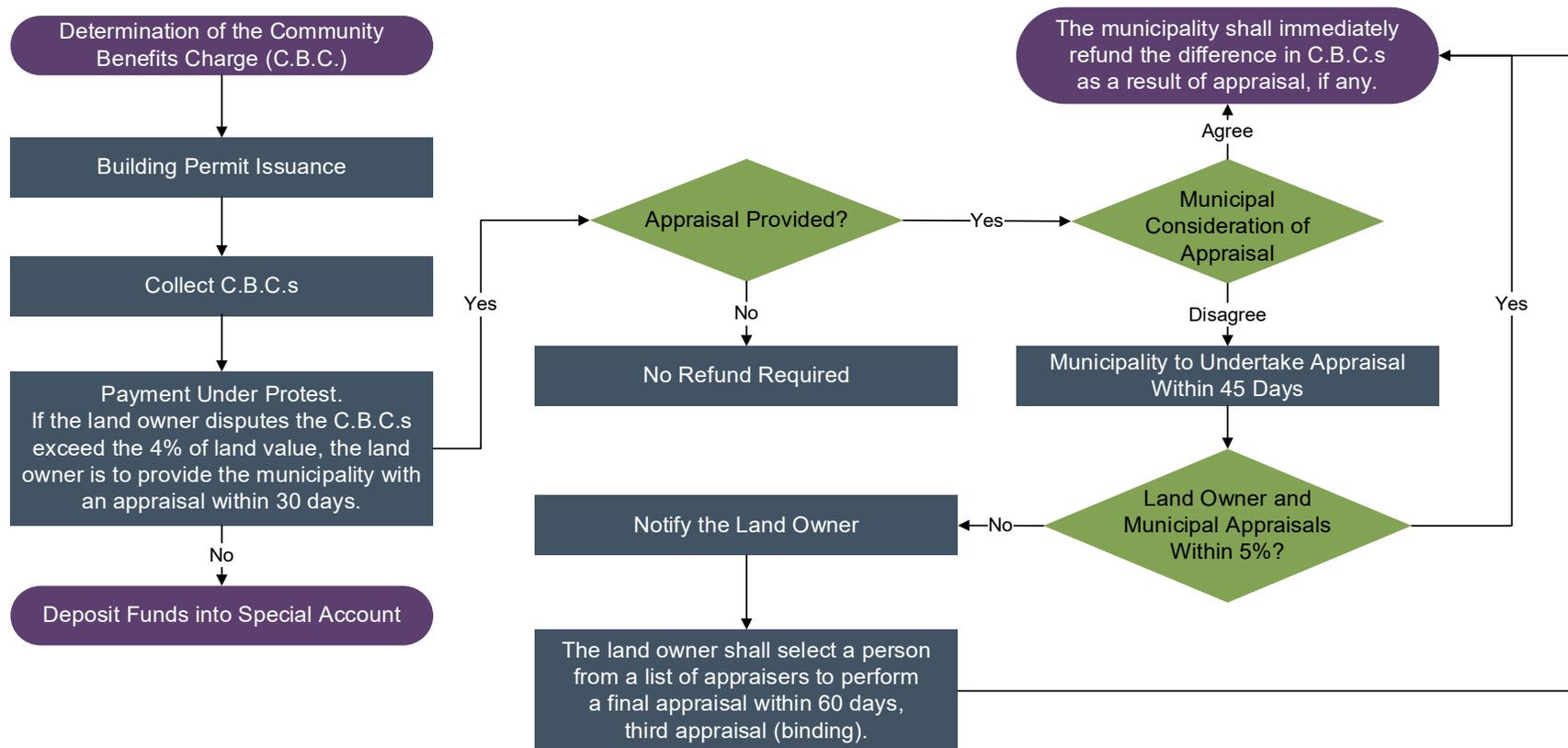
- The municipality shall provide reports and information as set out in section 7 of O. Reg. 509/20
- In regard to the third bullet, it is suggested that the annual capital budget for the City directly list the works which are being undertaken and/or to which monies from this fund are being allocated toward.

As per this C.B.C. strategy, the growth-related services (as outlined in Chapter 4), form the anticipated capital needs required to service growth over the 10-year forecast period. However, other services may be considered by Council in the future and are subject to approval by resolution and inclusion in the annual budget process. Furthermore, any additional services approved and funded from C.B.C. revenue in the future will be reported on through an annual C.B.C. reserve fund statement, which will form part of the City's overall year-end statements.

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



Figure 7-2
City of Burlington
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 and 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 D.C. reserve funds for municipal parking are deemed to be general capital reserve funds for the same purpose in which the money was collected. 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 funds described above to the C.B.C. special account.

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, may be used against payment of a C.B.C. by the landowner. The City 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. Any charges that are currently in place under the previous rules, may remain in place until the municipality passes a C.B.C. by-law or September 18, 2022, whichever comes first.



Appendix A

Background Information on Residential and Non- Residential Growth Forecast



Schedule 1 City of Burlington Residential Growth Forecast Summary

Year	Population (Including Census Undercount) ^[1]	Excluding Census Undercount			Housing Units					Person Per Unit (PPU): Total Population/ Total Households	
		Population	Institutional Population	Population Excluding Institutional Population	Singles & Semi-Detached	Multiple Dwellings ^[2]	Apartments ^[3]	Other ^[4]	Total Households		
Historical	Mid 2011	181,100	175,779	2,289	173,490	39,189	13,702	15,819	69	68,779	2.556
	Mid 2016	188,900	183,314	3,189	180,125	39,855	14,085	17,270	165	71,375	2.568
	Mid 2021	192,600	186,948	3,252	183,696	39,885	14,430	18,740	115	73,170	2.555
Forecast	Mid 2022	193,800	188,064	3,265	184,799	39,945	14,500	19,164	115	73,724	2.551
	Mid 2032	219,600	213,098	3,669	209,429	41,086	15,680	28,823	115	85,704	2.486
Incremental	Mid 2011 - Mid 2016	7,800	7,535	900	6,635	666	383	1,451	96	2,596	
	Mid 2016 - Mid 2021	3,700	3,634	63	3,571	30	345	1,470	-50	1,795	
	Mid 2021 - Mid 2022	1,200	1,116	13	1,103	60	70	424	0	554	
	Mid 2022 - Mid 2032	25,800	25,034	404	24,630	1,141	1,180	9,659	0	11,980	

^[1] Census undercount estimated at approximately 3%.

^[2] Includes townhouses and apartments in duplexes.

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

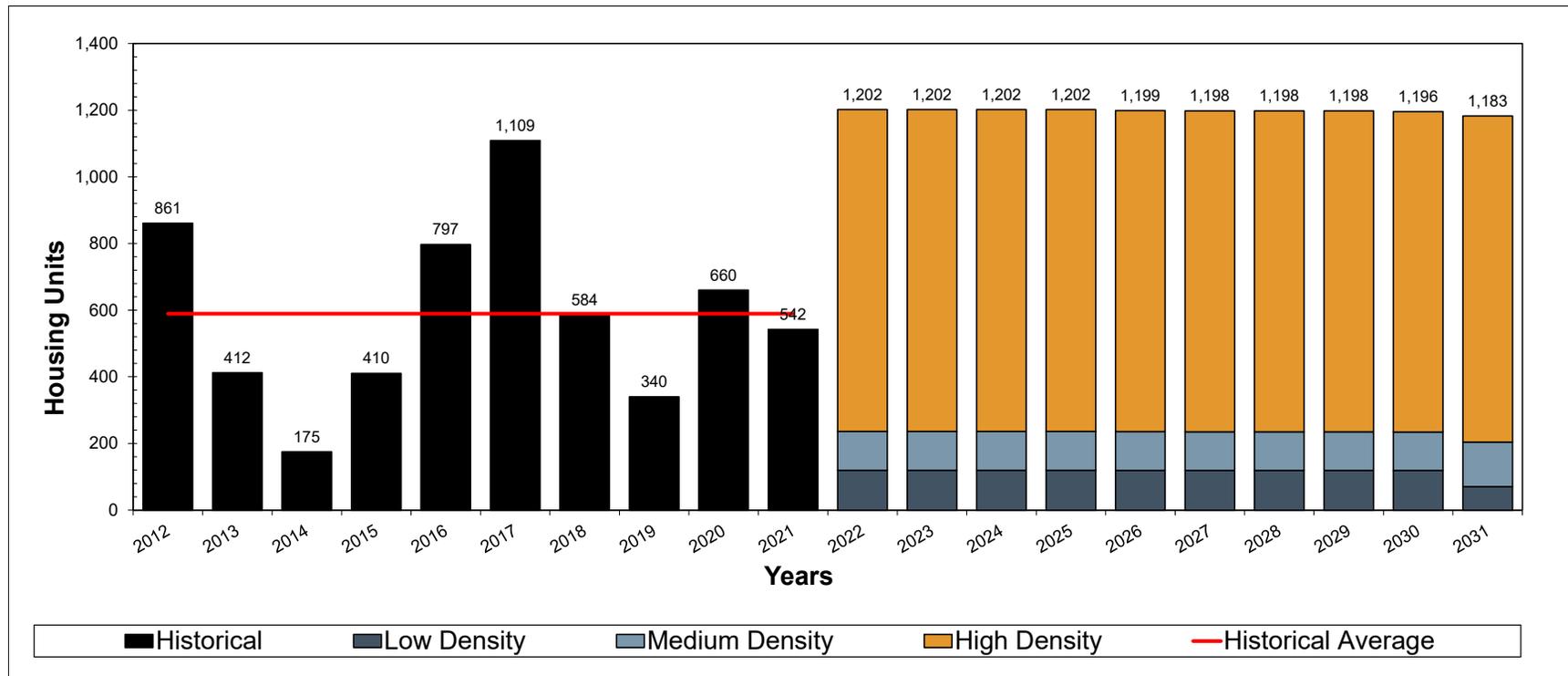
^[4] Other households defined by Statistics Canada as a single dwelling that is attached to another building and that does not fall into any of the other categories, such as a single dwelling attached to a non-residential structure (e.g., a store or a church) or occasionally to another residential structure (e.g., an apartment building). Other households also includes mobile homes and other movable dwellings.

Note: Population including the Census undercount has been rounded.

Source: Derived from Halton Region Modified Preferred Growth Concept Land Needs Assessment Report, March 2022, by Watson & Associates Economists Ltd.



Figure A-1
City of Burlington
Annual Housing Forecast¹



⁽¹⁾ Growth forecast represents calendar year.

Source: Historical housing activity derived from City of Burlington building permit data, 2012 to 2020, and 2021 from Statistics Canada building permit data for the City of Burlington., by Watson & Associates Economists Ltd.



Schedule 2
City of Burlington
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						
City of Burlington	2022 - 2032	1,141	1,180	441	9,218	9,659	11,980	21,660	2,961	24,621	413	25,034

^[1] Includes townhouses and apartments in duplexes.

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

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

Source: Watson & Associates Economists Ltd.



Schedule 3
City of Burlington
Current Year Growth Forecast
Mid 2021 to Mid 2022

		Population
Mid 2021 Population		186,948
Occupants of New Housing Units, Mid 2021 to Mid 2022	<i>Units (2)</i>	554
	<i>multiplied by persons per unit (3)</i>	1.833
	<i>gross population increase</i>	1,016
Occupants of New Equivalent Institutional Unit Mid 2021 to Mid 2022	<i>Units</i>	12
	<i>multiplied by persons per unit</i>	1.100
	<i>gross population increase</i>	13
Change in Housing Unit Occupancy, Mid 2021 to Mid 2022	<i>Units (4)</i>	73,170
	<i>multiplied by ppu change rate (5)</i>	0.0012
	<i>total change in population</i>	87
Population Estimate to Mid 2022		188,064
<i>Net Population Increase, Mid 2021 to Mid 2022</i>		<i>1,116</i>

(1) 2021 population based on StatsCan 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 (ppu) is assumed to be:

Structural Type	Persons Per Unit ¹	% Distribution of Estimated Units ²	Weighted Persons Per Unit Average
<i>Singles & Semi Detached</i>	3.336	11%	0.361
<i>Multiples (6)</i>	2.016	13%	0.255
<i>Apartments (7)</i>	1.590	77%	1.217
Total		100%	1.833

¹ Based on 2016 Census custom database

² Based on Building permit/completion activity

(4) 2021 households taken from Statistics Canada Census.

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

(6) Includes townhomes and apartments in duplexes.

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

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



Schedule 4
City of Burlington
Ten Year Growth Forecast
Mid 2022 to Mid 2032

		Population
Mid 2022 Population		188,064
Occupants of New Housing Units, Mid 2022 to Mid 2032	<i>Units (2)</i>	11,980
	<i>multiplied by persons per unit (3)</i>	1.808
	<i>gross population increase</i>	21,660
Occupants of New Equivalent Institutional Units, Mid 2022 to Mid 2032	<i>Units</i>	375
	<i>multiplied by persons per unit</i>	1.100
	<i>gross population increase</i>	413
Change in Housing Unit Occupancy, Mid 2022 to Mid 2032	<i>Units (4)</i>	73,724
	<i>multiplied by ppu change rate (5)</i>	0.0402
	<i>total decline in population</i>	2,961
Population Estimate to Mid 2032		213,098
<i>Net Population Increase, Mid 2022 to Mid 2032</i>		<i>25,034</i>

(1) Mid 2022 Population based on:

2021 Population (188,064) + Mid 2021 to Mid 2022 estimated housing units to beginning of forecast period (554 x 1.833 = 1,016) + (12 x 1.100 = 13) + (73,170 x 0.0012 = 87) = 188,064

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

(3) Average number of persons per unit (ppu) is assumed to be:

Structural Type	Persons Per Unit ¹	% Distribution of Estimated Units ²	Weighted Persons Per Unit Average
<i>Singles & Semi Detached</i>	3.369	10%	0.321
<i>Multiples (6)</i>	2.297	10%	0.226
<i>Apartments (7)</i>	1.564	81%	1.261
<i>one bedroom or less</i>	1.281		
<i>two bedrooms or more</i>	1.730		
Total		100%	1.808

¹ Persons per unit based on adjusted Statistics Canada Custom 2016 Census database.

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

(4) Mid 2022 households based upon 73,170 (2021 Census) + 554 (Mid 2021 to Mid 2022 unit estimate) = 73,724

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

(6) Includes townhomes and apartments in duplexes.

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

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



Schedule 5
City of Burlington
Summary of C.B.C Eligible Units in the Development Approvals Process

Stage of Development Process	C.B.C. Eligible Units	C.B.C. Eligible Unit Shares by Stage of Development Process
Conditional Application Approval Issued	944	6%
Application Under Review	9,141	56%
Application Subject to O.L.T. Decision	5,003	30%
Site Plan Application Not Yet Received	1,156	8%
Total	16,244	100%

Source: Derived from data provide by the City of Burlington, by Watson & Associates Economists



Schedule 6
City of Burlington
Historical Residential Building Permits
Years 2012 to 2021

Year	Residential Building Permits			
	Singles & Semi Detached	Multiples ^[1]	Apartments ^[2]	Total
2012	117	181	563	861
2013	86	132	194	412
2014	103	72	0	175
2015	68	84	258	410
2016	75	0	722	797
Sub-total	449	469	1,737	2,655
Average (2012 - 2016)	90	94	347	531
% Breakdown	17%	18%	65%	100%
2017	150	24	935	1,109
2018	171	376	37	584
2019	69	57	214	340
2020	139	20	515	674
2021	60	70	424	554
Sub-total	589	547	2,125	3,261
Average (2017 - 2021)	118	109	425	652
% Breakdown	18%	17%	65%	100%
2012 - 2021				
Total	1,038	1,016	3,862	5,916
Average	104	102	386	592
% Breakdown	18%	17%	65%	100%

^[1] Includes townhouses and apartments in duplexes.

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

Source: Historical housing activity derived from Statistics Canada building permit data for the City of Burlington, 2012 to 2021, by Watson & Associates Economists Ltd.



Schedule 7
City of Burlington
Person Per Unit by Age and Type of Dwelling
(2016 Census)

Age of Dwelling	Singles and Semi-Detached						15 Year Average	15 Year Average Adjusted ^[3]
	< 1 BR	1 BR	2 BR	3/4 BR	5+ BR	Total		
1-5	-	1.563	1.963	3.548	3.964	3.336		
6-10	-	-	2.091	3.451	4.474	3.504		
11-15	-	-	1.938	3.371	4.267	3.424	3.421	3.369
16-20	-	-	1.615	3.120	4.390	3.145		
20-25	-	-	1.778	3.158	4.000	3.232		
25-35	-	-	1.889	3.012	3.917	3.066		
35+	-	1.742	1.840	2.724	3.638	2.726		
Total	-	1.677	1.846	2.938	3.917	2.956		

Age of Dwelling	Multiples ^[1]						15 Year Average	15 Year Average Adjusted ^[3]
	< 1 BR	1 BR	2 BR	3/4 BR	5+ BR	Total		
1-5	-	-	1.803	2.263	-	2.016		
6-10	-	-	1.886	2.647	-	2.436		
11-15	-	-	1.735	2.669	-	2.464	2.305	2.297
16-20	-	1.286	1.747	2.508	-	2.301		
20-25	-	-	1.762	2.568	-	2.330		
25-35	-	1.769	1.800	2.633	-	2.319		
35+	-	1.167	1.921	2.702	4.917	2.541		
Total	-	1.386	1.814	2.631	3.808	2.410		

Age of Dwelling	Apartments ^[2]						15 Year Average	15 Year Average Adjusted ^[3]
	< 1 BR	1 BR	2 BR	3/4 BR	5+ BR	Total		
1-5	-	1.337	1.845	-	-	1.590		
6-10	-	1.244	1.768	1.929	-	1.614		
11-15	-	1.195	1.634	2.200	-	1.523	1.576	1.564
16-20	-	1.257	1.654	2.417	-	1.574		
20-25	-	1.217	1.706	2.444	-	1.624		
25-35	-	1.280	1.715	2.708	-	1.620		
35+	-	1.245	1.801	2.445	-	1.643		
Total	1.462	1.258	1.757	2.439	-	1.617		

Age of Dwelling	All Density Types					
	< 1 BR	1 BR	2 BR	3/4 BR	5+ BR	Total
1-5	-	1.358	1.855	3.255	4.148	2.300
6-10	-	1.303	1.835	3.165	4.456	2.758
11-15	-	1.196	1.689	3.076	4.267	2.724
16-20	-	1.310	1.682	2.886	4.377	2.568
20-25	-	1.293	1.755	2.912	4.077	2.505
25-35	-	1.309	1.761	2.942	3.985	2.606
35+	-	1.260	1.825	2.710	3.630	2.442
Total	1.643	1.284	1.788	2.855	3.929	2.524

[1] Includes townhouses and apartments in duplexes.

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

[3] Adjusted based on 2001 to 2016 historical trends and forecast trends.

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

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



Schedule 8 City of Burlington Employment Forecast, Mid-2022 to Mid-2032

Period	Population	Activity Rate								Employment								Employment Total (Excluding NFPOW and Work at Home)
		Primary	Work at Home	Industrial	Commercial/ Population Related	Institutional	Total	N.F.P.O.W. ^[1]	Total Including N.F.P.O.W.	Primary	Work at Home	Industrial	Commercial/ Population Related	Institutional	Total	N.F.P.O.W. ^[1]	Total Employment (Including N.F.P.O.W.)	
Mid 2011	175,779	0.001	0.038	0.137	0.213	0.084	0.472	0.046	0.519	260	6,625	24,005	37,400	14,735	83,025	8,155	91,180	76,400
Mid 2016	183,314	0.002	0.045	0.136	0.202	0.089	0.474	0.047	0.521	440	8,165	24,853	37,098	16,265	86,820	8,670	95,490	78,655
Mid 2022	188,064	0.003	0.046	0.141	0.201	0.097	0.488	0.047	0.535	536	8,565	26,579	37,810	18,297	91,787	8,895	100,682	83,222
Mid 2032	213,098	0.003	0.044	0.125	0.197	0.092	0.462	0.043	0.504	578	9,367	26,741	42,035	19,629	98,350	9,120	107,470	88,983
Incremental Change																		
Mid 2006 - Mid 2011	11,364	-0.001	-0.004	-0.018	0.001	0.009	-0.013	-0.002	-0.016	-125	-185	-1,465	2,580	2,355	3,160	166	3,326	3,345
Mid 2011 - Mid 2016	7,535	0.0009	0.0069	-0.0010	-0.0104	0.0049	0.0013	0.0009	0.0022	180	1,540	848	-303	1,530	3,795	515	4,310	2,255
Mid 2016 - Mid 2022	4,750	0.0004	0.0010	0.0058	-0.0013	0.0086	0.0144	0.0000	0.0144	96	400	1,726	713	2,032	4,967	225	5,192	4,567
Mid 2022 - Mid 2032	25,034	-0.0001	-0.0016	-0.0158	-0.0038	-0.0052	-0.0265	-0.0045	-0.0310	42	802	162	4,225	1,332	6,563	225	6,788	5,761
Annual Average																		
Mid 2006 - Mid 2011	2,273	-0.00017	-0.00075	-0.00367	0.00020	0.00171	-0.00269	-0.00044	-0.00312	-25	-37	-293	516	471	632	33	665	669
Mid 2011 - Mid 2016	1,507	0.0002	0.0014	-0.0002	-0.0021	0.0010	0.0003	0.0002	0.0004	36	308	170	-61	306	759	103	862	451
Mid 2016 - Mid 2022	792	0.0001	0.0002	0.0010	-0.0002	0.0014	0.0024	0.0000	0.0024	16	67	288	119	339	828	38	865	761
Mid 2022 - Mid 2032	2,503	-0.00001	-0.00016	-0.00158	-0.00038	-0.00052	-0.00265	-0.00045	-0.00310	4	80	16	423	133	656	23	679	576

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

Source: Derived from Halton Region Modified Preferred Growth Concept Land Needs Assessment Report, March 2022, by Watson & Associates Economists Ltd.



Appendix B

Proposed C.B.C. By-law



The Corporation of the City of Burlington

City of Burlington By-law XX-2022 (F-XX-22)

Community Benefits Charges By-law for the City of Burlington

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

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

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

AND WHEREAS a Community Benefits Charge strategy report, dated August 17, 2022 has been completed which identifies the facilities, services and matters that will be funded with Community Benefits Charges and complies with the prescribed requirements;

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

AND WHEREAS on September 14, 2022, Council for the City of Burlington approved Report F-27-22, dated July 11, 2022, in which certain recommendations were made relating to the Community Benefits Strategy and By-law.

The Council of the City enacts as follows:

1. INTERPRETATION

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

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

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



"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 forgoing an Apartment Building includes a Stacked Townhouse;

"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 City or a Local Board thereof directly or by others on behalf of, and as authorized by, the City or Local Board,

- (a) to acquire land or an interest in land, including a leasehold interest,
- (b) to improve land,
- (c) to acquire, lease, construct or improve buildings and structures,
- (d) to acquire, construct or improve facilities including,
 - (i) furniture and equipment, and;
 - (ii) rolling stock;
- (e) to undertake studies in connection with any of the matters referred to in clauses (a) to (d) above, including the Community Benefits Charge strategy study,

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

"City" means The City of Burlington or the geographic area of the municipality, as the context requires;



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

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

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

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

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

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

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

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

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

“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 City under section 34 of the *Planning Act*.

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

DESIGNATION OF SERVICES

- 1.3 A Community Benefits Charge may be imposed in respect of the following:
 - (a) Land for park or other public recreational purposes in excess of lands dedicated or cash-in-lieu payments made under section 42 or subsection 51.1 of the *Planning Act*.
 - (b) Services not provided under subsection 2(4) of the *Development Charges Act*.
 - (c) As per the May 20, 2022, Community Benefits Charges Strategy, the City intends to recover Capital Costs relating to the following services through this by-law:
 - (i) Parking;
 - (ii) Public and Performance Arts Services
 - (iii) Facilities;
 - (iv) Information Technology; and
 - (v) Growth-related Studies.



2. PAYMENT OF COMMUNITY BENEFITS

2.1 Community Benefits Charges shall be payable by the Owner of Land proposed for Development in the amounts set out in this By-law where:

- (a) the Land proposed for Development is located in the area described in subsection 3.2; and
- (b) the proposed Development requires any of the approvals set out in subsection 2.4(a).

Area to Which By-law Applies

2.2 Subject to subsection 2.3, this By-law applies to all lands in the City.

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

- (a) The City or a Local Board thereof;
- (b) a Board of Education;
- (c) The Region of Halton, or a Local Board thereof.

Approvals for Development

2.4 (a) A Community Benefits Charge shall be imposed only with respect to Development that requires one or more of the following approvals:

- (i) the passing of a Zoning By-Law or of an amendment to a Zoning By-Law under section 34 of the *Planning Act*;
- (ii) the approval of a minor variance under section 45 of the *Planning Act*;
- (iii) a conveyance of land to which a by-law passed under subsection 50(7) of the *Planning Act* applies;
- (iv) the approval of a plan of subdivision under section 51 of the *Planning Act*;
- (v) a consent under section 53 of the *Planning Act*;



- (vi) the approval of a description under section 9 of the *Condominium Act, 1998*, SO 1998, c 19, as amended, or any successor thereof; or
 - (vii) the issuing of a permit under the *Building Code Act, 1992* in relation to a building or structure.
- (b) Despite subsection 2.4(a) above, a Community Benefits Charge shall not be imposed with respect to:
- (i) Development of a proposed building or structure with fewer than five storeys at or above ground;
 - (ii) Development of a proposed building or structure with fewer than 10 residential units;
 - (iii) Redevelopment of an existing building or structure that will have fewer than five storeys at or above ground after the redevelopment;
 - (iv) Redevelopment that proposes to add fewer than 10 residential units to an existing building or structure; or
 - (v) such types of Development or Redevelopment as are prescribed.
- (c) For the purposes of this section, the first Storey at or above ground is the Storey that has its floor closest to Grade and its ceiling more than 1.8m above Grade.

Exemptions

- 2.5 Notwithstanding the provisions of this By-law, Community Benefits Charges shall not be imposed with respect to:
- (a) Development or Redevelopment of a building or structure intended for use as a long-term care home within the meaning of subsection 2(1) of the *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 based on the charges set out in Schedule “A” to this by-law.



In-Kind Contributions

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

Time of Payment of Community Benefits Charges

- 2.11 Community Benefits Charges imposed under this By-law shall be payable prior to the issuance of any building permit for the proposed Development or Redevelopment.

Credits

- 2.12 Any developments that were subject to an agreement under the prior Section 37 of the *Planning Act* prior to this by-law coming into force and effect shall have the amount paid under the Section 37 agreement credited against the Community Benefit Charge payable:
- (a) The amount credited against the charge payable shall be the amount paid under the prior Section 37 agreement that relates to the proposed development



- (b) In no case shall the credit be greater than the Community Benefits Charge otherwise payable.

Interest on Refunds

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

3. SEVERABILITY

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

4. DATE BY-LAW IN FORCE

- 4.1 This By-law shall come into effect at 12:01 A.M. on September 14, 2022.

Enacted and passed this 14th day of September 2022.

Mayor Marianne Meed Ward _____

City Clerk Kevin Arjoon _____



Schedule "A"
Schedule of Community Benefits Charges

Development Type	C.B.C. per Dwelling Unit
Apartments - 2 Bedrooms +	\$488
Apartments - Bachelor and 1 Bedroom	\$362