

Consolidated Report

Prepared by Hemson for the Town of Innisfil

Town of Innisfil Community Benefits Strategy Update & By-Law Review

April 14, 2025



1000 – 30 St. Patrick Street, Toronto, ON M5T 3A3
416 593 5090 | hemson@hemson.com | www.hemson.com

Contents

1.	Introduction & Background	1
A.	Purpose of Review of the Town's CBC Strategy	1
B.	CBC Framework	3
C.	CBC Strategy Requirements	3
D.	Legislative Context	4
E.	Appeal and Changes to CBC By-law 040-023	6
F.	Consultation Related to the CBC By-law Review	7
G.	No Changes are Recommended to the Town's current CBC By-law	7
2.	Community Benefits Charges Strategy Approach and Methodology	8
A.	Key Steps in Determining CBCs	8
B.	Proposed Methodology and Approach	8
C.	CBC Capital Program Summary	9
D.	Area-Specific Rate Considerations	12
E.	Relationship to Other Growth Funding Tools and Ongoing Studies	13
F.	Implementation and Administration	14
3.	Development Forecast	15
A.	Proposed 10-Year Planning Horizon	15
B.	Development Forecast Assumptions	15
4.	CBC Capital Program	18
A.	Facilities, Services, and Matters Considered	18
B.	Projects Funded by Multiple GFTs	20
C.	Capital Needs by Service	20
D.	Public Art	22
E.	Greenhouse	23

F.	Events Equipment	25
G.	Tree Canopy Expansion	26
H.	Lighting Improvements	28
I.	Affordable Housing	29
J.	Traffic Calming Measures	31
K.	Bicycle Lane Painting	33
L.	Community Facilities & Urban Parks	34
M.	Public Realm	37
N.	Protection Services	38
O.	Civic Administration	40
P.	Fleet: Provision for Orbit Growth-Related Fleet	41
Q.	By-law Services: Provision for Orbit Growth-Related Facilities	43
R.	Public Works: Provision for Orbit Growth-Related Facilities	45
5.	CBC Revenue Analysis and Rate Structure	47
A.	CBC Capital Needs Greater than Projected CBC Revenue	47
B.	Rate Structure Considerations	48
C.	Land Appraisal Process	48
D.	CBC Special Account	49
E.	Statutory Exemptions	50
6.	Implementation & Administration	52
A.	Treatment of In-Kind Contributions	52
B.	CBC Payment Dispute Mechanism	53
7.	Conclusion: CBC By-law Review Recommendation	55
	Appendix A	56

1. Introduction & Background

The following describes the purpose and overview of this Community Benefits Charges (CBC) Strategy Review as required by the Planning Act. This study represents the Consolidated CBC Strategy reflecting all changes to capital projects and assumptions related to the administration of the Town's CBC rate and replaces the Town's previous 2023 CBC Strategy.

A. Purpose of Review of the Town's CBC Strategy

Under the requirements of section 37 of the Planning Act, a municipality shall complete a regular review of the CBC by-law (within five years after the by-law is passed) to determine the need for a revision of the by-law. The legislation requires a number of steps in order to complete the review:

- **Step 1:** Complete a review of the CBC By-law (section 37(54)).
- **Step 2:** In undertaking the review of the CBC By-law, the municipality shall consult with persons and public bodies as the municipality considers appropriate (section 37(55)).
- **Step 3:** After conducting the review, council will make a determination as to whether or not a revision to the by-law is required (section 37(56)).
- **Step 4:** Within 20 days of passing a resolution, council shall give notice on the municipality's website as to whether or not a revision to the by-law was required.

A review of the CBC Strategy is an important step as if council does not complete a review within five years of the by-law passing, the by-law shall be deemed to have expired.

The review was undertaken as the Town's 2023 CBC Strategy was completed prior to the passage of its 2023 Development Charges (DC) Background Study. At the time of completing the 2023 CBC Strategy, assumptions were made relating to DC eligible shares of projects which were intended to be refined following the passage of the DC By-law. Importantly, "Development Related Studies" were considered to be an ineligible service under the *Development Charges Act* (DCA) at the time the 2023 CBC Strategy was completed. The DCA was subsequently amended to allow "Development Related Studies" to become eligible, and as such, the Town now levies a DC for this service. This service has been removed from the CBC Strategy.

i. Key Assumptions

For the purposes of this review, the following assumptions remain consistent with the Town's 2023 CBC Strategy:

- **Planning horizon of 2023-2034:** this exercise is intended to align with the capital costs and growth forecast assumptions identified in the 2023 DC Background Study and associated by-laws. Thus, the planning horizon remains consistent.

Modifications to the assumptions used in the 2023 CBC Strategy to align with the Town's 2023 DC Background and approved by-laws and changes to CBC By-law 040-23 as a result of the settlement of appeals include:

- **Development forecast:** Anticipated amount of development over the 10-year planning horizon now aligns the quantum of growth identified in the 2023 DC Background Study. The amount used in the 2023 CBC Strategy was an estimate.
- **CBC Revenues:** Anticipated revenue generated from CBC eligible developments, which reflect modifications related to the appeal of CBC By-law 040-23 and resulting changes to CBC rates.

- **Capital Cost Estimates:** Capital costs have been updated to reflect assumptions used in the Town’s approved 2023 DC By-laws. “Development Related Studies” have been removed from the CBC capital program as it is now a DC eligible service.

B. CBC Framework

Generally, the framework for CBCs is as follows:

- CBCs can only be used to fund growth-related shares of capital infrastructure – there are no restrictions on which services can be funded through CBCs;
- Projects identified for CBC funding can overlap with other revenue sources such as development charges and parkland dedication, but cannot be “doubled counted” for recovery through revenue sources;
- In-kind contributions are permitted and municipalities may require an agreement with a land owner be registered on title;
- CBCs are “capped” at 4% of the land value;
- CBCs can only be imposed on developments with 5 or more storeys and 10 or more residential units; and
- Only single-tier and lower-tier municipalities can charge CBCs on development.

C. CBC Strategy Requirements

Subsection 37(9) of the Act and section 2 of O. Reg. 509/20 require that a CBC strategy shall:

- (a) include estimates of the anticipated amount, type and location of development and redevelopment with respect to which community benefits charges will be imposed;
- (b) include estimates of the increase in the need for facilities, services and matters attributable to the anticipated development and redevelopment to which the community benefits charge by-law would relate;
- (c) identify the excess capacity that exists in relation to the facilities, services and matters referred to in clause (b);
- (d) include estimates of the extent to which an increase in a facility, service or matter referred to in clause (b) would benefit existing development;
- (e) include estimates of the capital costs necessary to provide the facilities, services and matters referred to in clause (b); and
- (f) identify any capital grants, subsidies and other contributions made to the municipality or that the council of the municipality anticipates will be made in respect of the capital costs referred to in clause (e).

This Strategy presents the estimated CBC development-related net capital costs attributable to CBC eligible development that is forecast to occur in the Town. The apportionment of the net capital costs among various development-related funding sources, including development charges, parkland dedication and others, is also provided.

D. Legislative Context

Community benefits charges has replaced what was previously referred to as section 37 “Increased Density” or “Density Bonusing” in the Act. The change was finalized through the *COVID-19 Economic Recovery Act, 2020*, which built on the *More Homes, More Choice Act, 2019* and *Plan to Build*

Ontario Together Act, 2019. Most recently, the government of Ontario passed Bill 23, the *More Homes Built Faster Act, 2022* which proposed significant changes to the land use approval system with the goal of constructing 1.5 million new homes by 2031.

The new section 37 authorizes municipalities to impose CBCs against land to pay for the capital costs of facilities, services and matters required because of development or redevelopment in the municipality. Not yet in force are reductions for developments containing affordable and attainable residential units which we introduced through Bill 23, the *More Homes Built Faster Act, 2022*.

The new section 37 sets out the relationship between CBCs and other development-related funding tools, including development charges levied under the *Development Charges Act, 1997*. Capital costs identified for funding from development charges or parkland dedication cannot be funded from CBCs.

The legislation also sets out requirements for the adoption of a CBC By-law, including:

- Consultation with the public is required but not defined;
- Only one CBC By-law is allowed to be enforce at a time;
- Notice of the CBC By-law passing must be given (similar to a development charges by-law);
- The By-law is appealable to the Ontario Land Tribunal.

Moreover, various administration and reporting requirements must be implemented:

- A municipality with a CBC By-law must establish a “special account”;
- In each calendar year a municipality must “spend or allocate” at least 60% of the monies;

- A municipality with a CBC By-law must maintain a list of at least three appraisers; and
- An “annual report” must be produced showing the opening/closing of a special account and all transactions.

Finally, a CBC Strategy must be reviewed every 5-years to determine if the by-law needs to be updated.

E. Appeal and Changes to CBC By-law 040-023

On April 26, 2023, Council adopted the Town’s CBC By-law 040-23. The CBC By-law contained two CBC rates based on defined geographies in the Town:

- \$1,200 per dwelling unit in the Orbit Secondary Plan Area (“Orbit”); and
- \$800 per dwelling unit outside the Orbit.

In the alternative to using the per unit rate structure, Innisfil retained the authority to calculate the amount of the CBC payable, at an amount equivalent to 4% of the land value.

Following the adoption of the CBC By-law, the Town received two appeals. Mediation was subsequently held to see if a resolution to the appeals could be reached, which resulted in the modification of sections 5, 6 and 8 of the By-law, as follows:

- **Sections 5, 5.1 and 5.2:** the per unit rate in the Orbit will increase gradually. The rate will start at \$800 and increase to \$900 when the Town issues the first Building Permit for the GO Station. When the GO Station becomes operational, the CBC rate will increase to \$950. The CBC rate for developments located outside the Orbit will remain at \$800.

- **Section 5.3:** the per unit rates will be indexed annually, as contemplated in the original By-law.
- **Sections 6 and 6.1:** if the Town elects to calculate the CBC rate using 4% of the land value (instead of using the per unit rate), the Town will notify the applicants, in writing, of its election and the amount payable on or before the date upon which the Town (or the Ontario Land Tribunal) issues a Notice of Approval of Conditions (NOAC) or a Site Plan Approval.
- **Section 8:** for developments or redevelopments that are constructed in phases, the CBC rate will be calculated in accordance with Sections 5 and 6 of the By-law.

Details of the appeal and changes to the By-law 040-23 can be found in Staff Report **DSR-028-25**, dated February 12, 2025.

F. Consultation Related to the CBC By-law Review

In accordance with the requirements of the Planning Act, the Town of Innisfil Council held a public meeting on March 19, 2025, to present the review of the Town's CBC Strategy and associated by-law. The public meeting provided opportunity for the public to review and provide comments on the updated CBC Strategy, as required under section 37 (54-56) of the Planning Act.

G. No Changes are Recommended to the Town's current CBC By-law

Council will pass a resolution determining as to whether a revision to the current CBC By-law. As states in Section 7 of this report, no changes are proposed to the current in force CBC By-law.

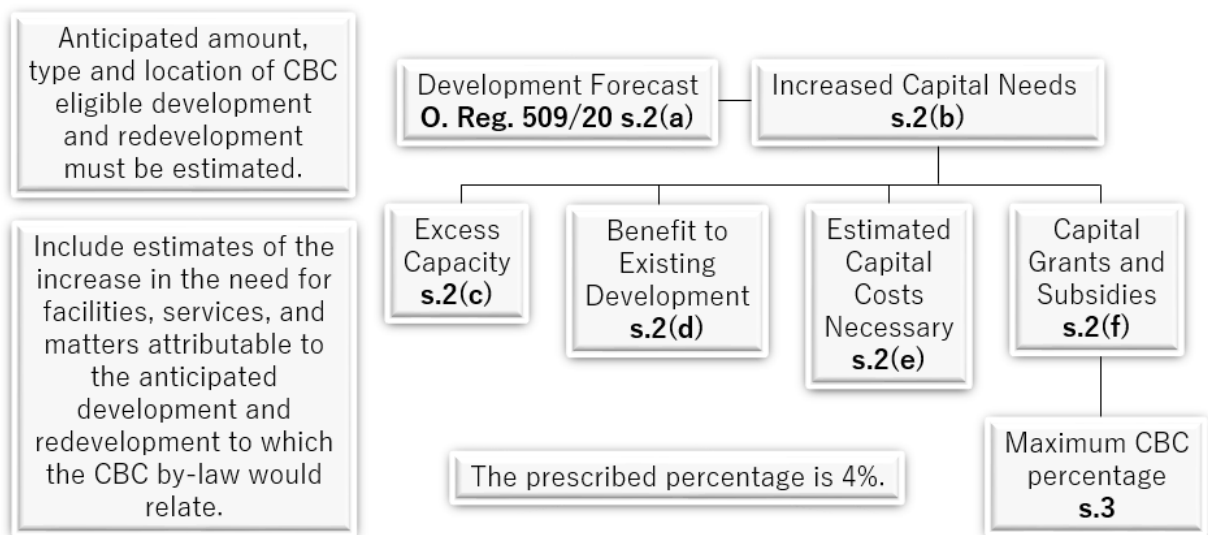
2. Community Benefits Charges Strategy Approach and Methodology

This section describes the methodology for determining the CBC rate for the Town and provides details on the capital works and service categories used to establish CBC eligible costs.

A. Key Steps in Determining CBCs

As shown in Figure 1, the Act requires that the CBC Strategy include various components in order to validate the resulting charge.

Figure 1 Key Steps in Determining CBCs



B. Proposed Methodology and Approach

The Planning Act does not specify the method by which a CBC is levied. In developing a CBC, a municipality can consider charges based on a percentage of land value, a per-unit charge, or a charge based on gross floor area. Most municipalities with CBCs have adopted the first option, based on

a charge calculated as 4% of land value at the time of first building permit issuance.

The CBC capital program, summarized in the section below and in Section 4, was developed with Town staff and relies on work completed for the Town's capital budget and forecast, the 2023 DC Background Study, various master servicing plans, the Town Official Plan and other planning documents.

As required by the legislation, all CBC revenues will be paid into a single reserve fund (or special account). In each calendar year, the Town must allocate or spend at least 60% of the monies in the special account at the beginning of the year. A separate policy, outside the framework of this Strategy, will be developed to prioritize CBC project allocation and spending.

The CBC Strategy serves to substantiate levying a CBC rate per unit and to satisfy the legislative and regulatory requirements and is a point in time analysis of eligible capital programs and projects to which the Town may allocate CBC monies. From a legislative perspective, the CBC Strategy does not represent any expression of Council policy, prioritization, or other formal expression of intent to fund or allocate any funds specific services, facilities, or projects set out in the CBC capital program.

C. CBC Capital Program Summary

The gross cost of the CBC capital program of projects eligible for partial or full funding from CBCs is \$105.63 million. Approximately \$98.06 million of this gross capital costs are considered CBC-related, as ineligible costs have been removed from consideration as excess capacity, costs that benefit existing residents of the Town (BTE shares), or costs to be funded from other growth funding tools such as development charges or other revenue sources (e.g. property tax or alternative revenue source).

Grants or subsidies total \$1.50 million to cover the gross cost of the program. Replacement or benefit to existing shares removed from the eligible recovery costs total \$2.16 million. Of the remaining \$101.98 million:

- \$98.06 million is considered to benefit development in buildings of five or more storeys and containing 10 or more residential units, and as such, is eligible for CBC funding;
- Currently there is no identified overlap with DC funding under the Town's current by-law, the Strategy capital program and allocations captured reflect the CBC related shares; and
- \$3.92 million will be funded from other revenue sources.

The capital program is based on service levels planned for and provided by the Town. These service levels are not exclusively tied to a particular time horizon. The capital facilities set out herein are a snapshot of what the Town currently needs to fund to maintain those service levels during the 10-year planning period of 2023-2032. As projects are completed, the Town will continue with additional capital projects to provide the same or similar service levels, and therefore the capital facilities listed will continue to evolve. The CBC capital program is summarized in Table 1 below.

TABLE 1

**TOWN OF INNISFIL
SUMMARY OF CBC CAPITAL PROGRAM (\$000)**

Service	Gross Cost	Grants, Subsidies & Other Recoveries	Net Cost	Benefit to Existing	Total Development Related Cost	Development Charge Funding	Other Funding Sources	Total CBC Eligible Costs
1.0 Public Art	\$ 1,000	\$ -	\$ 1,000	\$ 333	\$ 667	\$ -	\$ 371	\$ 295
2.0 Greenhouse	\$ 1,520	\$ -	\$ 1,520	\$ 507	\$ 1,013	\$ -	\$ 564	\$ 449
3.0 Events Equipment	\$ 1,450	\$ -	\$ 1,450	\$ 483	\$ 967	\$ -	\$ 538	\$ 428
4.0 Tree Canopy Expansion	\$ 1,500	\$ -	\$ 1,500	\$ -	\$ 1,500	\$ -	\$ 835	\$ 665
5.0 Lighting Improvements	\$ 1,000	\$ -	\$ 1,000	\$ -	\$ 1,000	\$ -	\$ 557	\$ 443
6.0 Affordable Housing	\$ 9,600	\$ -	\$ 9,600	\$ -	\$ 9,600	\$ -	\$ -	\$ 9,600
7.0 Traffic Calming Measures	\$ 500	\$ -	\$ 500	\$ 167	\$ 333	\$ -	\$ 210	\$ 123
8.0 Bicycle Lines Painting	\$ 2,000	\$ -	\$ 2,000	\$ 667	\$ 1,333	\$ -	\$ 841	\$ 493
9.0 Community Facilities & Urban Parks	\$ 56,877	\$ -	\$ 56,877	\$ -	\$ 56,877	\$ -	\$ -	\$ 56,877
10.0 Public Realm	\$ 3,596	\$ -	\$ 3,596	\$ -	\$ 3,596	\$ -	\$ -	\$ 3,596
11.0 Protection Services	\$ 13,700	\$ 1,500	\$ 12,200	\$ -	\$ 12,200	\$ -	\$ -	\$ 12,200
12.0 Civic Administration	\$ 1,000	\$ -	\$ 1,000	\$ -	\$ 1,000	\$ -	\$ -	\$ 1,000
13.0 Fleet: Provision for Orbit Growth-Related Fleet	\$ 2,507	\$ -	\$ 2,507	\$ -	\$ 2,507	\$ -	\$ -	\$ 2,507
14.0 By-law Services: Provision for Orbit Growth-Related Facilities	\$ 110	\$ -	\$ 110	\$ -	\$ 110	\$ -	\$ -	\$ 110
15.0 Public Works: Provision for Orbit Growth-Related Facilities	\$ 9,273	\$ -	\$ 9,273	\$ -	\$ 9,273	\$ -	\$ -	\$ 9,273
Total	\$ 105,633	\$ 1,500	\$ 104,133	\$ 2,157	\$ 101,976	\$ -	\$ 3,916	\$ 98,060

D. Area-Specific Rate Considerations

Consideration was given as to whether or not CBCs should be implemented on a Town-wide or area-specific basis. Unlike DC by-laws, the Planning Act states that municipalities may only impose one CBC by-law.

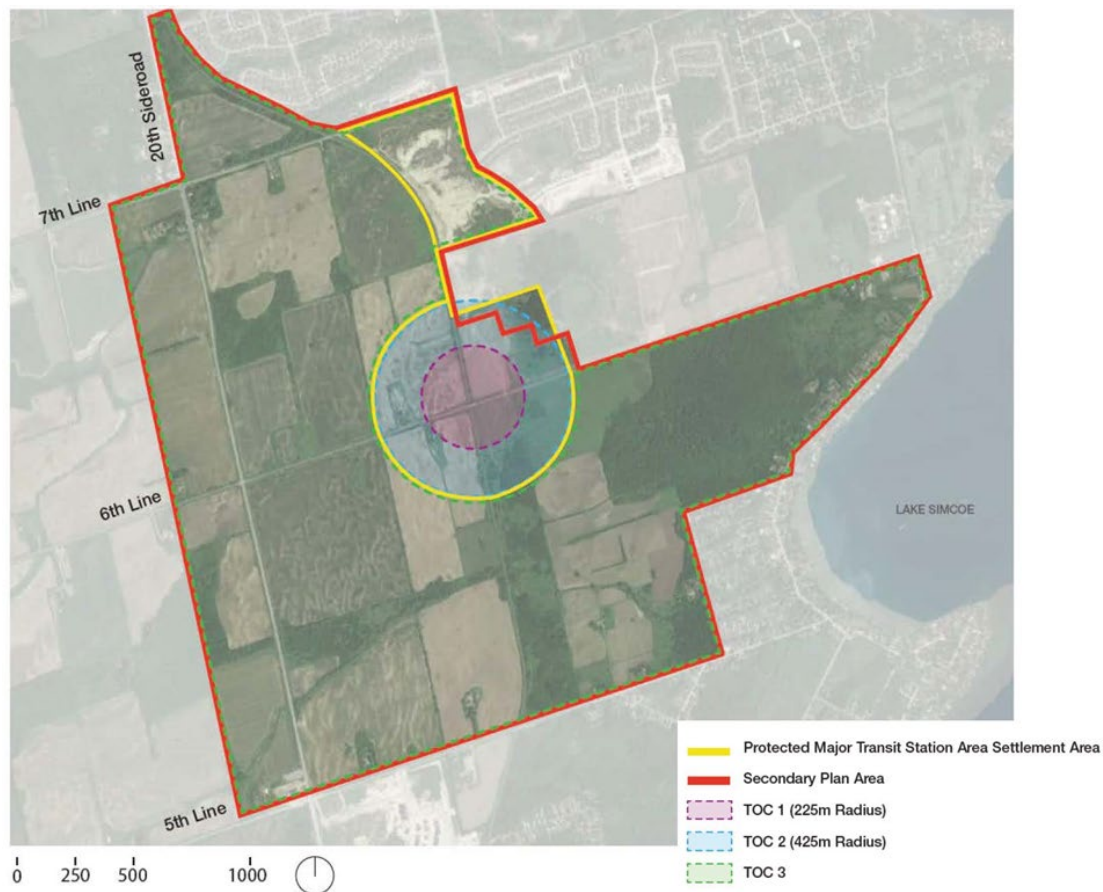
A dollar per unit rate structure is recommended to continue to be administered for the purposes of the Town's CBC By-law. Two rates are administered based on defined geographies in the Town:

1. \$900 per dwelling unit in Orbit Secondary Plan Area
 - a. The rate began at \$800 and increased to \$900 when the Town issued the first Building Permit for the GO Station. When the GO Station becomes operational, the CBC rate will increase to \$950.
2. \$800 per dwelling unit outside the Orbit Secondary Plan Area

The per unit rates will be administered in accordance with the requirements of the Town's CBC By-law 040-23 as amended.

Map 1 illustrates the proposed boundary for the purposes of the CBC rate calculation.

Figure 1: Map of Orbit Secondary Plan Area



E. Relationship to Other Growth Funding Tools and Ongoing Studies

Hemson prepared the Town's 2023 DC Background Study and related By-law, which was completed in January 2024.

The projects identified in this Strategy account for any known contributions from other growth funding tools such as development charges and parkland dedication revenues. This review includes the 2023 DC Background Study and Parkland Dedication/Cash-in-Lieu analysis capital project allocations to reflect anticipated funding from other revenue sources.

F. Implementation and Administration

The implementation and administration of the CBC will be determined by the CBC By-law, prevailing legislation and the CBC policies and practices to be established by Council.

3. Development Forecast

This section describes the methodology and results of the development forecast that forms the basis of the capital program. This section portrays the results of the housing unit and population forecast in line with the requirements of O. Reg. 509/20 s.2(a).

A. Proposed 10-Year Planning Horizon

The Town establishes capital budgets on a 10-year basis and the CBC Strategy capital programs are in line with the internal Town capital planning timeframe. In addition, the time frame aligns with the Town's current 2023 DC Background Study as some capital projects are eligible to be funded using both growth funding tools.

The time frame for the development forecast and the capital programs in this CBC Strategy is 2023 – 2032.

B. Development Forecast Assumptions

The development forecast is based on estimates of growth occurring within approved Official Plan designated urban areas and recent minister's zoning order (MZO) for the Orbit lands. The forecast has been informed by the County of Simcoe 2022 Municipal Comprehensive Review (MCR), the draft 2023 Orbit Secondary Plan and related phasing strategy as well as discussions with Town staff.

It is assumed that approximately 90% of apartment units over the next 10-years will be constructed within the boundary of the Orbit lands and all of these units will meet the CBC criteria and be five or more storeys *and* contain 10 or more residential units. The remaining 10% of units will be constructed elsewhere in the Town. As shown in Table 2, the total forecast of units subject to CBCs is 4,400 apartment unit starts over the 2023-2032 period.

Table 2: Forecast of Town-wide Units Subject to CBCs

Year	Total
Total 2023-2032	4,400

Table 3 shows the calculation of persons in units subject to CBCs as a percentage of persons in all units. This calculation uses the occupancy factors or “persons per unit” (PPU). The average apartment unit PPU is 1.90 for blended apartments; this, when applied by the total 10-year CBC unit start forecast (4,400), results in an estimate of 8,360 persons in units subject to a CBC. This represents 44% of the overall 10-year forecast of people in all unit starts (18,860) which has been informed by the 2022 Simcoe County MCR allocations for the Town.

This 44% figure is used to inform the CBC-eligible percentage of projects that are anticipated to benefit all residential and mixed-use development, as shown in Section 4. It is noted that, for certain projects a non-residential benefit is recognized resulting in a CBC-eligible share of 37%.

The 10-year non-residential forecast informed by the Simcoe County MCR allocations is used to determine shares of capital costs related to growth in CBC-eligible development where a project benefits both residential and non-residential development. The 10-year forecasted population in new dwelling units plus place of work employment totals 22,623; of this total growth, 83% (18,860) is anticipated to occur within residential development while the remaining 17% (3,760) is related to non-residential development. The CBC eligible share of projects which have a residential and non-residential benefit is 37%.

Table 3: Town-wide Forecast of Persons in Unit Starts, 2023 – 2032

Residential	Single/Semi	Row	Apartment	Total
Units Subject to CBC	0	0	4,400	4,400
All Units	1,572	1,591	4,887	8,050
PPU Assumptions	3.36	2.70	1.90	
Persons in Units Subject to CBCs	0	0	8,360	8,360
Persons in All Units	5,281	4,295	9,287	18,863
% of Persons in Units Subject to CBCs (Residential Only)				44%
Non-Residential				Total
Employment Growth				3,760
Residential & Non-Residential Allocation				
Total Gross Population & Employment Growth				22,623
% of Persons in Units Subject to CBCs (Residential/Non-Residential)				37%

4. CBC Capital Program

A. Facilities, Services, and Matters Considered

Before passing a CBC by-law, the Act requires municipalities to prepare a CBC Strategy that identifies the facilities, services and matters that will be funded with community benefits charges. The Act does not prescribe the specific facilities, services or matters to which CBC funding may be allocated.

Section 5 outlines the CBC revenue analysis and rate structure. Detailed in this section is evidence that the anticipated CBC revenue permitted for collection under the 4% cap, is insufficient to meet the increased needs arising from the CBC-eligible development. Through consultation with Town staff, a priority list of service categories has been identified. The list is based on projects that have lost eligibility for DC funding, projects anticipated to provide service for new high-density developments not currently identified in the Town's 10-year capital plan, projects where DC legislation limits funding due to historical service level restrictions and others. The following services have been included as related to developments subject to the CBC:

- Public Art;
- Greenhouse;
- Events Equipment;
- Tree Canopy Expansion;
- Lighting Improvements;
- Affordable Housing;
- Traffic Calming Measures;
- Bicycle Lines Painting;
- Community Facilities & Urban Parks;
- Public Realm;
- Protection Services;

- Civic Administration;
- Fleet: Provision for Orbit Growth-Related Fleet;
- By-law Services: Provision for Orbit Growth-Related Facilities; and
- Public Works: Provision for Orbit Growth-Related Facilities.

Under each of these services, the Town anticipates development-related costs which are, fully or partially, driven by mid and high-density residential and mixed-use development. The identified CBC-eligible project costs for these services are beyond the costs anticipated to be funded through other growth funding tools (GFT) - including development charges and parkland dedication.

The CBC capital program is a point-in-time analysis of the needs anticipated over the 2023 – 2032 planning period. It is recognized that these needs may change over time through the Town’s normal annual budgeting processes. While certain projects are listed within the CBC capital program, the identified capital project listings do not preclude the Town from assigning CBC funds to another facility or project under that service.

Each service area covers the following matters:

- Service Description;
- Service Delivery and Service Levels Consideration;
- Estimate of Need;
- Consideration of Excess Capacity;
- Capital Cost;
- Identification of any Anticipated Capital Grants, Subsidies or Other Contributions;
- Consideration of Benefit to Existing;
- Relation to funding from Other Growth Funding Tools (GFT) (if applicable) and Other Funding;
- Share of Net Capital Costs related to CBC Eligible Developments.

B. Projects Funded by Multiple GFTs

When a project is identified for funding from both DCs and CBCs, it recognizes the CBC development (higher density residential) places an incrementally higher demand for the service/project than is permitted under the 15-year service level restrictive funding envelope cap required for development charges. There is no funding of the same share of project from both DC and CBCs.

C. Capital Needs by Service

Table 4 below includes the details by service of the capital needs associated with the forecasted CBC eligible developments in the Town over the 10-year period 2023-2032. The capital costs included in this Strategy reflect a point in time for this framework, however, the need for the services is estimated to continue beyond the 10-year period relative to the amount of CBC development.

Although no formal policy on the application of funds has yet to be developed outside of the statutory requirements, the Town may choose to prioritize projects with no other growth funding tool sources for CBC funds. This will continue to be monitored and evaluated on an ongoing basis.

TABLE 4

TOWN OF INNISFIL
SUMMARY OF CBC CAPITAL PROGRAM

Project Categories	Gross Project Cost	Grants / Subsidies / Other Recoveries	Net Cost	BTE (%)	Replacement & BTE Shares (\$)	Total Development Related Costs (A)	DC Funded Share (B)	Remaining Development-Related (C) = A - B	Other Funding (D) = A - B - E	CBC Share (%)	Total CBC Related Costs (E)
1.0 Public Art	\$1,000,000	\$0	\$1,000,000	33%	\$333,333	\$666,667	\$0	\$666,667	\$371,203	44%	\$295,464
2.0 Greenhouse	\$1,520,000	\$0	\$1,520,000	33%	\$506,667	\$1,013,333	\$0	\$1,013,333	\$564,228	44%	\$449,105
3.0 Events Equipment	\$1,450,000	\$0	\$1,450,000	33%	\$483,333	\$966,667	\$0	\$966,667	\$538,244	44%	\$428,422
4.0 Tree Canopy Expansion	\$1,500,000	\$0	\$1,500,000	0%	\$0	\$1,500,000	\$0	\$1,500,000	\$835,206	44%	\$664,794
5.0 Lighting Improvements	\$1,000,000	\$0	\$1,000,000	0%	\$0	\$1,000,000	\$0	\$1,000,000	\$556,804	44%	\$443,196
6.0 Affordable Housing	\$9,600,000	\$0	\$9,600,000	0%	\$0	\$9,600,000	\$0	\$9,600,000	\$0	100%	\$9,600,000
7.0 Traffic Calming Measures	\$500,000	\$0	\$500,000	33%	\$166,667	\$333,333	\$0	\$333,333	\$210,157	37%	\$123,176
8.0 Bicycle Lines Painting	\$2,000,000	\$0	\$2,000,000	33%	\$666,667	\$1,333,333	\$0	\$1,333,333	\$840,628	37%	\$492,705
9.0 Community Facilities & Urban Parks	\$56,876,977	\$0	\$56,876,977	0%	\$0	\$56,876,977	\$0	\$56,876,977	\$0	100%	\$56,876,977
10.0 Public Realm	\$3,595,500	\$0	\$3,595,500	0%	\$0	\$3,595,500	\$0	\$3,595,500	\$0	100%	\$3,595,500
11.0 Protection Services	\$13,700,000	\$1,500,000	\$12,200,000	0%	\$0	\$12,200,000	\$0	\$12,200,000	\$0	100%	\$12,200,000
12.0 Civic Administration	\$1,000,000	\$0	\$1,000,000	0%	\$0	\$1,000,000	\$0	\$1,000,000	\$0	100%	\$1,000,000
13.0 Fleet: Provision for Orbit Growth-Related Fleet	\$2,507,352	\$0	\$2,507,352	0%	\$0	\$2,507,352	\$0	\$2,507,352	\$0	100%	\$2,507,352
14.0 By-law Services: Provision for Orbit Growth-Related Facilities	\$110,000	\$0	\$110,000	0%	\$0	\$110,000	\$0	\$110,000	\$0	100%	\$110,000
15.0 Public Works: Provision for Orbit Growth-Related Facilities	\$9,273,057	\$0	\$9,273,057	0%	\$0	\$9,273,057	\$0	\$9,273,057	\$0	100%	\$9,273,057
TOTAL	\$105,632,886	\$1,500,000	\$104,132,886		\$2,156,667	\$101,976,220	\$0	\$101,976,220	\$3,916,472		\$98,059,748

D. Public Art

i. Service Description

This service area includes items such as enhanced urban design and public art. Public art can take many forms and is a way to express community values and brings a shared experience into the Town of Innisfil. The capital costs included are those which are ineligible for funding through development charges and is not abutting development which are part of the local service.

Recognizing the higher level of pedestrian and other active transportation activity in the Town – especially in higher density areas, Public Art investment is important to ensure functional and liveable communities.

ii. Service Delivery and Service Levels Consideration

The Town has a dedicated public space installations and care fund for the purposes of investing in public art.

iii. Estimate of Need

The need included in the CBC Strategy for recovery from CBC eligible developments is based on discussions with staff and the Public Art Policy.

iv. Consideration of Excess Capacity

There is no excess capacity in the Public Art CBC capital program.

v. Capital Cost

The total gross cost of \$1.00 million of the program includes a provision for public art installation funding at \$100,000 annually.

vi. Identification of any Anticipated Capital Grants, Subsidies or Other Contributions

No grants, subsidies or other contributions have been identified for the projects included in the capital program.

vii. Consideration of Benefit to Existing

A benefit to existing share of one-third, or \$333,333, has been assigned to the Public Art CBC capital program provision to recognize benefit to existing residents of the public art installations identified in the CBC Strategy.

viii. Relation to Funding from GFT (if applicable) and Other Funding

None of the identified projects have funding from other growth funding tools. A share of \$371,203 has been removed from the eligible costs and is related to development in the Town that does not fall within the CBC eligible development threshold and therefore will not be funded from CBCs.

ix. Share of Net Capital Costs Related to CBC Eligible Developments

The provision for public art has been allocated 44% (\$295,464) to CBC eligible developments.

E. Greenhouse

i. Service Description

The Town of Innisfil will construct a new 10,000 square foot greenhouse within the 2023 – 2032 planning period. Costs are related to constructing the new facility and acquiring tools, materials and staff time.

ii. Service Delivery and Service Levels Consideration

The greenhouse is a new project. In the absence of other revenue sources such as CBCs, funding for the greenhouse would be done through the through the Alternative Revenue Source (ARS) reserve fund and/or Town's tax base funded reserve and reserve funds.

iii. Estimate of Need

The construction of a new greenhouse is proposed in the Town's Civic Campus which is a master planned health and recreation hub to support the growing needs of residents in the community.

iv. Consideration of Excess Capacity

No excess capacity exists for this service.

v. Capital Cost

The gross cost included in the capital program totals \$1.52 million over the 10-year planning period.

vi. Identification of any Anticipated Capital Grants, Subsidies or Other Contributions

No grants, subsidies, or other recoveries have been identified for the new greenhouse facility.

vii. Consideration of Benefit to Existing

One-third or \$506,667 has been identified as non-growth-related share deemed to benefit existing residents.

viii. Relation to Funding from GFT (if applicable) and Other Funding

No other development charges or other growth-funding tools have been identified for this service. In total, \$564,228 has been identified through other funding sources.

ix. Share of Net Capital Costs Related to CBC Eligible Developments

In total, \$449,105 of the greenhouse (44%) is included in the CBC-related cost and is eligible for recovery from CBC developments.

F. Events Equipment

i. Service Description

Events equipment includes capital costs related to annual investment in equipment for places such as campus soccer fields, portable stages, sound equipment, etc.

ii. Service Delivery and Service Levels Consideration

The acquisition of events equipment would be funded from the Town's tax base.

iii. Estimate of Need

The acquisition of events equipment is necessary as the Town continues to grow. As new residents are added, the Town will continue to provide programming and events that service the needs of residents.

iv. Consideration of Excess Capacity

There is no excess capacity available within the Town's events equipment and the costs included in the CBC strategy are related to incremental needs arising from residential development.

v. Capital Cost

The gross capital cost associated with the events equipment program is \$1.45 million.

vi. Identification of any Anticipated Capital Grants, Subsidies or Other Contributions

No grants, subsidies or other contributions have been identified for this service.

vii. Consideration of Benefit to Existing

One-third, or \$483,333, benefit to existing share has been identified for this service area as the costs included are primarily related to future growth but will also provide a benefit to existing residents.

viii. Relation to Funding from GFT (if applicable) and Other Funding

No funding is anticipated from development charges or parkland dedication for this service. In total, \$538,244 will be funded from other revenue sources.

ix. Share of Net Capital Costs Related to CBC Eligible Developments

The total CBC eligible cost is \$428,422 (44%) of the development-related costs.

G. Tree Canopy Expansion

i. Service Description

This service area includes various capital costs related to annual tree purchases.

ii. Service Delivery and Service Levels Consideration

The Town's Official Plan provides policies relating to the protection and enhancement of natural heritage features including the tree canopy.

iii. Estimate of Need

The Town proposes to add 100 new trees to the tree canopy annually. As the Town grows and vacant lands are developed, there is an increased need to expand the tree canopy to provide passive recreation and health benefits for residents. Therefore, costs related to the tree canopy are included in the CBC capital program.

iv. Consideration of Excess Capacity

There is no excess capacity available within the Town's tree canopy expansion and the costs included in the CBC strategy relate to incremental needs arising from development over the 10-year planning horizon.

v. Capital Cost

The gross capital cost included is \$1.50 million.

vi. Identification of any Anticipated Capital Grants, Subsidies or Other Contributions

No grants, subsidies or other contributions have been identified for this service.

vii. Consideration of Benefit to Existing

No benefit to existing shares have been identified for this service area.

viii. Relation to Funding from GFT (if applicable) and Other Funding

Provision of tree canopy expansion is not funded from development charges or parkland acquisition. The non-CBC shares of projects will be funded from other revenue sources.

ix. Share of Net Capital Costs related to CBC Eligible Developments

The total CBC eligible cost is \$664,794 (44%) of the development-related costs. The remaining \$835,206 will be considered for funding from other sources.

H. Lighting Improvements

This service area includes annual lighting improvements throughout the Town of Innisfil.

i. Service Description

Lighting improvements allow for public spaces to be made available in a way that is safe and inviting. It allows extends parks programming trail usage throughout the year and 24-hour period.

ii. Service Delivery and Service Levels Consideration

Lighting improvements, if not included as part of new park development costs, would be funded through the Town's tax base.

iii. Estimate of Need

Included in this service area are costs related to lighting improvements to allow for additional usage of existing parks and trail spaces.

iv. Consideration of Excess Capacity

No excess capacity exists for this service.

v. Capital Cost

The gross cost included in the capital program totals \$1.00 million over the 10-year planning period.

vi. Identification of any Anticipated Capital Grants, Subsidies or Other Contributions

There are no grants, subsidies or other contributions identified for this service area.

vii. Consideration of Benefit to Existing

Given the provision for lighting improvements are net new acquisitions, no replacement or benefit to existing shares have been identified for this service area.

viii. Relation to Funding from GFT (if applicable) and Other Funding

None of the identified project costs have funding from development charges.

ix. Share of Net Capital Costs related to CBC Eligible Developments

The total CBC eligible cost is \$443,196 (44%) of the development-related costs. The remaining \$556,804 will be considered for funding from other sources.

I. Affordable Housing

The need for affordable housing increases as a municipality's population grows and is intended to capture a broad range of affordable housing initiatives. Under the provincial statute, Simcoe County lacks the ability to levy CBCs for infrastructure or services related to affordable housing; the municipality, however, is permitted to use CBCs as a growth funding tool to create affordable housing units.

i. Service Delivery and Service Levels Consideration

Innisfil is currently in the process of developing a new Housing Strategy¹ which will identify how the Town can contribute to, and foster the creation of, affordable housing units. Although the Housing Strategy is not finalized, preliminary discussions with Town staff suggest CBC funding may cover up to 10 units per year in the Town of Innisfil.

ii. Estimate of Need

Preliminary discussions of affordable housing initiatives for the Town suggests that 10% of all units should be targeted as affordable. Further refinements to targets and estimates will be made through the Housing Strategy. Of the 10% of units, approximately 10 units per year may be funded from CBCs.

iii. Consideration of Excess Capacity

No deductions for excess capacity have been made for the affordable housing provision identified in the CBC capital program.

iv. Gross Capital Cost

The gross capital cost of the program is \$9.60 million over the 10-year period from 2023-2032. Eligible costs may include planning application fees and other capital costs associated with the development of affordable housing units in high-density buildings which will be further identified through the Housing Strategy and subsequent staff reports.

¹ Additional information on the development of the new Housing Strategy can be found here: <https://www.getinvolvedinnisfil.ca/housing>

v. Identification of any Anticipated Capital Grants, Subsidies or Other Contributions

There are no grants, subsidies or other contributions identified for this service area.

vi. Consideration of Benefit to Existing

Given that only a small portion of the total potential affordable housing units have been included in the CBC Strategy and recognizing that the 10 units per annum relate to high-density development, no benefit to existing shares have been applied.

vii. Relation to Funding from GFT (if applicable) and Other Funding

Given the legislative changes arising from Bill 23, affordable housing will not be included as a service in the Town of Innisfil's 2023 Development Charges Study. As such, no development charges or other growth funding tools have been identified for this service area.

viii. Share of Net Capital Costs related to CBC Eligible Developments

The amount eligible for recovery from CBCs is 100% or \$9.60 million.

J. Traffic Calming Measures

i. Service Description

Traffic Calming Measures includes various capital costs and projects related to traffic calming as recommended through the Traffic Calming Strategy.

ii. Service Delivery and Service Levels Consideration

The service is currently funded from property taxes, alternative revenue sources and development charges. The Town's current 2023 DC Background

Study includes a historical service level description of roads and related services, which includes traffic calming measures.

iii. Estimate of Need

As the Town continues to grow and intensify, this will put pressure on the existing road network. Some of these needs are funded from development charges however the increased needs arising from high-density development are not fully eligible to be recovered from DCs; CBCs are a tool that can be used to fund a share of these increased needs.

iv. Consideration of Excess Capacity

No excess capacity exists for this service.

v. Capital Cost

The gross cost included in the capital program totals \$500,000 over the 10-year planning period.

vi. Identification of Anticipated Capital Grants, Subsidies or Other Contributions

There are no grants, subsidies or other contributions identified for this service area.

vii. Consideration of Benefit to Existing

A 33% or \$166,667 benefit to existing share is related to the construction of the green building retrofits and is deemed to benefit existing residents.

viii. Relation to Funding from GFT (if applicable) and Other Funding

None of the cost included in the CBC Strategy are currently included in the Town's 2023 DC Background Study. Therefore, no contributions from DCs for this project is anticipated.

ix. Share of Net Capital Costs related to CBC Eligible Developments

The amount eligible for recovery from CBCs is 37% or \$123,176, which reflects that the project will also provide a benefit to non-residential development. The remaining \$210,157 will be considered for funding from other sources.

K. Bicycle Lane Painting

i. Service Description

Bicycle Lane Painting includes painting roads in the Town of Innisfil to promote active living within the community.

ii. Service Delivery and Service Levels Consideration

This is a new program being introduced by the Town. The Town's current 2023 DC Background Study includes a historical service level description of roads and related services, which includes traffic calming measures.

iii. Estimate of Need

The transportation mode shares of higher density developments generally skew to non-car mode shares such as biking, walking and other forms of active transportation. Therefore, costs related to active transportation are included in the CBC capital program.

iv. Consideration of Excess Capacity

No excess capacity exists for this service.

v. Capital Cost

The gross cost included in the capital program totals \$2.00 million over the ten-year planning period.

vi. Identification of any Anticipated Capital Grants, Subsidies or Other Contributions

There are no grants, subsidies or other contributions identified for this service area.

vii. Consideration of Benefit to Existing

A 33% or \$666,667 Benefit to Existing share is related to the construction of the green building retrofits and is deemed to benefit existing residents.

viii. Relation to Funding from GFT (if applicable) and Other Funding

None of the cost included in the CBC Strategy are currently included in the Town's 2023 DC Background Study. Therefore, no contributions from DCs for this project is anticipated.

ix. Share of Net Capital Costs related to CBC Eligible Developments

The amount eligible for recovery from CBCs is 37% or \$492,705, which reflects that the project will also provide a benefit to non-residential development. The remaining \$840,628 will be considered for funding from other sources.

L. Community Facilities & Urban Parks

i. Service Description

Community Facilities and Urban Parks service area encompasses a variety of facilities available to residents of the Town of Innisfil. Community facilities include banquet halls, meeting rooms, ice and slab space, pavilions, community centres, libraries, health and wellness facilities, and other facilities for the delivery of programming in the Town. This also includes costs related to the delivery and development of park space in accordance with the Town's Land and Lake Master Plan (2023).

As the Town continues to grow, especially as new high-density developments are brought forward, there is a need to construct new community facilities and expand existing facilities, and the need for public greenspace intensifies given many new households will not have private outdoor space. The capital costs identified in the CBC Strategy are intended to address additional demands on community facilities arising from high-density development which is not captured in the Town's DC Background Study. Planning Act s.42 parkland conveyance, and other growth funding tools will not fully meet the parkland needs arising from high-density residential development; CBCs provide a mechanism to fund a share of the increased development need. CBCs can also assist in funding a share of development-related community facility needs that are not eligible for funding under development charges or other growth-funding tools.

ii. Estimate of Need

High-density development places a greater demand for urban parks and associated amenities. Decreased access to private greenspace leads to higher use of new and existing parks in high-density neighbourhoods such as the planned Orbit community. Further exacerbated by COVID-19, urban parks now more than ever, are seen as a vital component of a complete community.

The need for urban parks, driven by CBC eligible developments in new growth areas of the Town such as Orbit, is based on the anticipated population growth in these units and the associated demand on infrastructure over and above historical service level standards. The capital program includes for the post-period costs of the Parks & Recreation DC Capital program (\$48.11 million). As such, the capital costs are fully attributable to CBC eligible developments.

The need for community facilities, driven by CBC eligible developments in new growth areas of the Town such as Orbit, is based on the anticipated

population growth in these units and the associated demand on infrastructure over and above historical service levels. The capital program includes for the post-period costs of the Library DC Capital program (\$8.77 million). As such, the capital costs are fully attributable to CBC eligible developments.

iii. Consideration of Excess Capacity

Excess capacity has not been identified for this service area.

iv. Capital Cost

The capital costs included in the CBC Strategy totals \$56.88 million.

v. Identification of Anticipated Capital Grants, Subsidies or Other Contributions

No grants, subsidies, or other recoveries have been identified for this service area.

vi. Consideration of Benefit to Existing

No benefit to existing shares have been identified as the capital cost reflects net new facilities.

vii. Relation to Funding from GFT (if applicable) and Other Funding

No other development charges or other growth-funding tools have been identified for this service as it captures the entirety of the post-period DC capital program costs.

viii. Share of Net Capital Costs related to CBC Eligible Developments

The net capital cost associated with CBC eligible developments is \$56.88 million.

M. Public Realm

i. Service Description

The Public Realm service area includes capital costs related to the provision for improvements to public places.

ii. Service Delivery and Service Levels Consideration

Public realm improvements are currently funded through the Town's tax base.

Recognizing the increased in need for servicing arising from high-density development, particularly in new development areas such as Orbit, an assumption of \$500 per capita for CBC eligible developments has been identified.

iii. Estimate of Need

The need for public realm infrastructure, driven by CBC eligible developments in new growth areas of the Town such as Orbit, is based on the anticipated population growth in these units and the associated demand on infrastructure. As such, the capital costs are fully attributable to CBC eligible developments.

iv. Consideration of Excess Capacity

No excess capacity exists for this service.

v. Capital Cost

The gross cost included in the capital program totals \$3.60 million over the ten-year planning period.

vi. Identification of Anticipated Capital Grants, Subsidies or Other Contributions

There are no grants, subsidies or other contributions identified for this service area.

vii. Consideration of Benefit to Existing

No replacement or benefit to existing shares have been identified for this service area.

viii. Relation to Funding from Other GFT (if applicable)

None of the identified project costs have funding from other growth funding tools.

ix. Share of Net Capital Costs related to CBC Eligible Developments

The total growth-related cost of \$3.60 million is deemed to be related to CBC developments.

N. Protection Services

i. Service Description

Protection Services includes capital costs related to the protection of the lives and property of the residents of the Town of Innisfil which includes fire and police services.

As the Town continues to grow, especially as new high-density developments are brought forward, there is a need to construct new protection services buildings and expand existing facilities. The capital costs identified in the CBC Strategy are intended to address additional demands on community facilities arising from high-density development which is not captured in the Town's DC Background Study.

ii. Service Delivery and Service Levels Consideration

Protection Services improvements are currently funded through the Town's development charges and alternative revenue source. The Town's 2023 DC Background Study provides a summary of the historical service level standard associated with these assets.

iii. Estimate of Need

The need for fire and police infrastructure, driven by CBC eligible developments in new growth areas of the Town such as Orbit, is based on the anticipated population growth in these units and the associated residential demand on infrastructure. As such, the capital costs are fully attributable to CBC eligible developments.

iv. Consideration of Excess Capacity

No excess capacity exists for this service.

v. Capital Cost

The gross cost included in the capital program totals \$13.70 million over the 10-year planning period, based on \$10.70 million in costs for a Provision for Orbit Growth-Related Facilities for Fire Services, and \$3.00 million in costs for a Provision for Orbit Growth-Related Facilities for Police Services, both from the 2023 DC Background Study.

vi. Identification of Anticipated Capital Grants, Subsidies or Other Contributions

A \$1.50 million grant has been deducted for this service area, related to Police Services.

vii. Consideration of Benefit to Existing

No replacement or benefit to existing shares have been identified for this service area.

viii. Relation to Funding from Other GFT (if applicable)

As these costs reflect entirely post-period shares of the 2023 DC Background Study, no other development charges or other growth-funding tools have been identified for this service.

ix. Share of Net Capital Costs related to CBC Eligible Developments

The total growth-related cost of \$12.20 million is deemed to be related to CBC developments.

O. Civic Administration

i. Service Description

The cost of the CBC Strategy itself is eligible under the Act and included in this service category. Costs related to supporting the administration of the CBC Strategy and By-law, including a provision for land appraisals, is also included.

ii. Service Delivery and Service Levels Consideration

Inclusion of the CBC Strategy and implementation is intended to address new requirements of administering the program in response to growth.

iii. Estimate of Need

Included in the cost provision are regular updates to the CBC Strategy as well as the cost of dispute resolutions, legal costs, and other costs related to implementing and administering the Strategy and By-law. While the capital program represents a point-in-time analysis of the anticipated CBC-eligible project costs over the 2023-2032 period, similar needs are anticipated to continue beyond the 10-year planning horizon.

iv. Consideration of Excess Capacity

No excess capacity exists for this service.

v. Capital Cost

The gross cost included in the capital program totals \$1.00 million over the 10-year planning period.

vi. Identification of Anticipated Capital Grants, Subsidies or Other Contributions

There are no grants, subsidies or other contributions identified for this service area.

vii. Consideration of Benefit to Existing

No replacement or benefit to existing shares have been identified for this service area.

viii. Relation to Funding from Other GFT (if applicable)

No development charges or other growth funding tools have been identified for this service area.

ix. Share of Net Capital Costs related to CBC Eligible Developments

The entire cost of the CBC Strategy implementation of \$1.00 million is deemed eligible for funding through CBCs.

P. Fleet: Provision for Orbit Growth-Related Fleet

i. Service Description

Fleet (Orbit Related) includes capital costs related to Orbit Growth-Related municipal fleet and equipment for all DC-eligible services, apart from the Fire and Police Departments, which maintain their own rolling stock.

Included in this category are vehicles for By-law, Building, Parks as well as Roads and Related Services.

ii. Service Delivery and Service Levels Consideration

Fleet additions are currently funded through the Town's development charges and alternative revenue source. The Town's 2023 DC Background Study provides a summary of the historical service level standard associated with these assets.

iii. Estimate of Need

The need for increased fleet, driven by CBC eligible developments in new growth areas of the Town such as Orbit, is based on the anticipated population growth in these units and the associated residential demand on infrastructure. As such, the capital costs are fully attributable to CBC eligible developments.

iv. Consideration of Excess Capacity

No excess capacity exists for this service.

v. Capital Cost

The gross cost included in the capital program totals \$2.51 million over the 10-year planning period, including entirely post-period shares of the Fleet 2023 DC Capital Program.

vi. Identification of Anticipated Capital Grants, Subsidies or Other Contributions

There are no grants, subsidies or other contributions identified for this service area.

vii. Consideration of Benefit to Existing

No replacement or benefit to existing shares have been identified for this service area.

viii. Relation to Funding from Other GFT (if applicable)

As these costs reflect entirely post-period shares of the 2023 DC Background Study, no other development charges or other growth-funding tools have been identified for this service.

ix. Share of Net Capital Costs related to CBC Eligible Developments

The total growth-related cost of \$2.51 million is deemed to be related to CBC developments.

Q. By-law Services: Provision for Orbit Growth-Related Facilities

i. Service Description

By-law Services (Orbit Related) includes capital costs to ensure that the rules and provisions of by-laws are enforced through By-law Officers in the Town.

ii. Service Delivery and Service Levels Consideration

By-law Services additions are currently funded through the Town's development charges and alternative revenue source. The Town's 2023 DC Background Study provides a summary of the historical service level standard associated with these assets.

iii. Estimate of Need

The need for increased By-law Services infrastructure, driven by CBC eligible developments in new growth areas of the Town such as Orbit, is

based on the anticipated population growth in these units and the associated residential demand on infrastructure. As such, the capital costs are fully attributable to CBC eligible developments.

iv. Consideration of Excess Capacity

No excess capacity exists for this service.

v. Capital Cost

The gross cost included in the capital program totals \$110,000 over the 10-year planning period, including entirely post-period shares of the By-law Services 2023 DC Capital Program.

vi. Identification of Anticipated Capital Grants, Subsidies or Other Contributions

There are no grants, subsidies or other contributions identified for this service area.

vii. Consideration of Benefit to Existing

No replacement or benefit to existing shares have been identified for this service area.

viii. Relation to Funding from Other GFT (if applicable)

As these costs reflect entirely post-period shares of the 2023 DC Background Study, no other development charges or other growth-funding tools have been identified for this service.

ix. Share of Net Capital Costs related to CBC Eligible Developments

The total growth-related cost of \$110,000 is deemed to be related to CBC developments.

R. Public Works: Provision for Orbit Growth-Related Facilities

i. Service Description

Public Works (Orbit Related) includes capital costs related to the maintenance of all roads, sidewalks and curbs within the Town boundaries.

ii. Service Delivery and Service Levels Consideration

Public Works infrastructure additions are currently funded through the Town's development charges and alternative revenue source. The Town's 2023 DC Background Study provides a summary of the historical service level standard associated with these assets.

iii. Estimate of Need

The need for increased Public Works infrastructure, driven by CBC eligible developments in new growth areas of the Town such as Orbit, is based on the anticipated population growth in these units and the associated residential demand on infrastructure. As such, the capital costs are fully attributable to CBC eligible developments.

iv. Consideration of Excess Capacity

No excess capacity exists for this service.

v. Capital Cost

The gross cost included in the capital program totals \$9.27 million over the 10-year planning period, including entirely post-period shares of the Public Works 2023 DC Capital Program.

vi. Identification of Anticipated Capital Grants, Subsidies or Other Contributions

There are no grants, subsidies or other contributions identified for this service area.

vii. Consideration of Benefit to Existing

No replacement or benefit to existing shares have been identified for this service area.

viii. Relation to Funding from Other GFT (if applicable)

As these costs reflect entirely post-period shares of the 2023 DC Background Study, no other development charges or other growth-funding tools have been identified for this service.

ix. Share of Net Capital Costs related to CBC Eligible Developments

The total growth-related cost of \$9.27 million is deemed to be related to CBC developments.

5. CBC Revenue Analysis and Rate Structure

A. CBC Capital Needs Greater than Projected CBC Revenue

Based on Town development data, a sample of potential CBC eligible developments was utilized, and current market land values were estimated based on land value estimates from neighbouring municipalities. It is noted that land values at the time of building permit can vary considerably across, and within, geographies.

A high-level estimate of CBC revenues, over the 10-year period, is \$3.92 million, based on the 4% legislated cap (see Table 5). The average land values per unit have been adjusted to reflect the rates settled through the DC By-law appeal process, recognizing that CBC By-law 040-23, as amended, will reflect the current rates that will apply to the Orbit area. The current Orbit rate reflected in Table 5 below, \$900, is informed by the provisions in the amended CBC By-law. The rate for the Other Areas in Innisfil remains at \$800 throughout this period.

The estimated CBC eligible costs of the development-related capital program total \$98.06 million over the 10-year period 2023-2032 (see Table 4). A high-level estimate of CBC revenues, over the same 10-year period, is \$3.92 million, based on the 4% legislated cap (see Table 5 below). As such, the CBC eligible costs exceed the anticipated 10-year revenue potential by a significant margin, supporting the application of a CBC charge that is based on the 4% cap or some other rate variation.

Table 5: Estimate of Potential CBC Revenues, 2023 – 2032

Description	Average Land Value per Unit	Number of Units	Total
Orbit Secondary Plan Area ¹	\$ 900	3,995	\$ 3,595,500
Other Areas in Innisfil	\$ 800	405	\$ 324,000
10-year CBC Revenue Estimate		4,400	\$ 3,919,500

¹ See CBC By-law 040-23 (as amended) for what rates apply to Orbit by date.

B. Rate Structure Considerations

In developing the Town's CBC rate structure, consideration was given to using a rate based on 4% of land value as well as a rate per unit. As per the legislation, the value of the land to which the charge applies is determined as the value on the day before the issuance of a building permit, or the first building permit if the development requires multiple permits.

A dollar per unit rate structure is recommended to continue to be administered for the purposes of the Town's CBC By-law. The determination of the per unit charge has been informed based on land values, with consideration for variations in land values by geography and density. This is reflected in the differentiated per unit CBC rates for within and outside of the Orbit Secondary Plan Area. Importantly, the Town will reserve the right to undertake site specific appraisals if there is a reason to believe the charge per unit assumption may be understated.

Developments that meet the criteria set out in Section 37 (4) of the Act will be subject to the charge excluding those listed as exempt under O. Reg. 509/20.

C. Land Appraisal Process

Payment is required prior to the issuance of a building permit by the Town. In accordance with subsection 37(44) of the Act, if the developer considers

the charge to be higher than 4% of land value, they are permitted to submit a payment under protest and must submit an alternate appraisal within 30 days. The Town then has 45 days to provide the appraisal upon which the charge was based.

D. CBC Special Account

i. CBC Reserve

Subsection 37 (45) of the Act requires that a single CBC special account be established. This is unlike DC reserves which are dedicated to specific service areas as defined in the DC by-law. The funds in the CBC reserve will include any existing reserves from non-eligible DC services and CBC monies collected.

Annually, the Town must allocate or spend 60% of the funds in the special account to CBC-eligible projects. The following information shall be provided to the public each year in the respect of the preceding year:

1. Statements of the opening and closing balances of the special account and of the transactions relating to the account.
2. In respect of the special account referred to in subsection 37 (45) of the Act, statements identifying,
 - i. facilities, services and matters acquired during the year with funds from the special account;
 - ii. details of the amounts spent; and
 - iii. for each facility, service or matter mentioned in subparagraph i, the manner in which any capital cost not funded from the special account was or will be funded.

3. In respect of the special account referred to in subsection 42 (15) of the Act, statements identifying,
 - i. land and machinery acquired during the year with funds from the special account;
 - ii. buildings erected, improved or repaired during the year with funds from the special account;
 - iii. details of the amounts spent; and
 - iv. for each asset mentioned in subparagraphs i and ii, the manner in which any capital cost not funded from the special account was or will be funded.
4. The amount of money borrowed from the special account and the purpose for which it was borrowed.
5. The amount of interest accrued on any money borrowed from the special account.

E. Statutory Exemptions

O. Reg. 509/20 includes the following statutory exemptions:

1. 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.
2. 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.
3. 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.
- 4. 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.
- 5. Development or redevelopment of a building or structure intended for use as a hospice to provide end of life care.
- 6. 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. O. Reg 509/20, s. 1, 8.

6. Implementation & Administration

A. Treatment of In-Kind Contributions

The Town may allow developers to pay CBCs in part or in whole with in-kind contributions. Such contributions will be evaluated on a case-by-case basis. The Town may require that an agreement be registered on title for the provision of these contributions.

Paragraphs 6-8 of subsection 37 of the Act guide the legislative framework for the consideration of in-kind contributions:

In-kind contributions

(6) A municipality that has passed a community benefits charge by-law may allow an owner of land to provide to the municipality facilities, services or matters required because of development or redevelopment in the area to which the by-law applies. 2020, c. 18, Sched. 17, s. 1.

Notice of value of in-kind contributions

(7) Before the owner of land provides facilities, services or matters in accordance with subsection (6), the municipality shall advise the owner of land of the value that will be attributed to them. 2020, c. 18, Sched. 17, s. 1.

Agreement re facilities, services or matters

(7.1) If the municipality intends to allow an owner of land to provide facilities, services or matters in accordance with subsection (6), the municipality may require the owner to enter into an agreement with the municipality that addresses the provision of the facilities, services or matters. 2022, c. 21, Sched. 9, s. 10 (1).

Registration of agreement

(7.2) An agreement entered into under subsection (7.1) may be registered against the land to which it applies and the municipality is entitled to enforce the agreement against the owner and, subject to the *Registry Act* and the *Land Titles Act*, against any and all subsequent owners of the land. 2022, c. 21, Sched. 9, s. 10 (1).

Deduction of value of in-kind contributions

(8) The value attributed under subsection (7) shall be deducted from the amount the owner of land would otherwise be required to pay under the community benefits charge by-law. 2020, c. 18, Sched. 17, s. 1.

The CBC by-law will provide for the potential acceptance of CBC in-kind contributions consistent with the legislative requirements.

B. CBC Payment Dispute Mechanism

Developers may dispute the CBC charge by paying in protest and submitting an alternate appraisal. If the appraisals are within 5% of each other the Town must refund the difference (see outcome in Table 6). However, if the appraisal difference is greater than 5%, the Town will request the developer to select one of three appraisers from a Town list. That will be the final appraisal and if it results in a lower CBC rate than paid, the Town must refund the difference. Table 6 below provides a summary of the appraisal and dispute process.

Table 6: Payment Dispute Mechanism

	Planning Act	Timing	Action	Outcome
Charge as set by Town	37(44)	Building permit	Developer pays	Payment received – process complete
			Developers pays under protest	New appraisal required
Payment under protest	37(33)	30 days	Developer submits appraisal to Town	Town review need for new appraisal or accept value
Town disputes developer's value	37(35)	45 days	Town submits appraisal to applicant	Joint review - if less than 5 percent difference, use higher value
Arbitrated value	37(38)	60 days	Applicant picks appraiser from Town roster	New appraisal sets value
In-kind contribution	37(7)	Before providing service / facility	Town to advise applicant of in kind value	No appeal process, value is deducted from charge

7. Conclusion: CBC By-law Review Recommendation

Under the requirements of section 37 of the Planning Act, a municipality shall complete a regular review of the CBC By-law (within five years after the By-law is passed) to determine the need for a revision of the by-law. Once the review is completed, Town Council can decide whether the current enacted CBC By-law requires any changes through an amendment.

Based on the analysis contained in this report, it is recommended that no change be made to the Town's current enacted CBC By-law. No implementation or administrative policies and practices are being changed through this review process, and as discussed in Section 5, the CBC capital needs adjusted through this review continue to exceed the estimated CBC revenues over the same 10-year period. Therefore, no changes to the Town's current CBC By-law 040-23, as amended, are required.

Appendix A

Approved CBC By-law

Consolidated Community Benefits Charges By-Law No. 040-23, as amended

Revision Date
December 13, 2024

Amending By-law	Date	Brief Description	Notes
109-24(OLT)	December 13, 2024	Ontario Land Tribunal Decision and Order issued on December 13, 2024 in File OLT-23-000749	OLT ordered amendments in bold .

This Office Consolidation is provided for convenience and ease of reference only. It lists all amendments and modifications up to the last date noted above. The official version of the By-Law and all amending bylaws thereto are contained in the Clerk's Department. Any reliance upon the Office Consolidation is done at the sole risk of the user. The Town does not verify the accuracy or completeness of the Office Consolidation and bears no responsibility or liability to any person or entity for any deficiencies, inaccuracies, errors or omissions contained in the Office Consolidation. This Office Consolidation only reflects amendments that have come into force and effect as of the date of this Consolidation.

The Corporation of the Town of Innisfil

By-Law No. 040-23

A By-Law of The Corporation of the Town of Innisfil to Impose Community Benefits Charges, as amended.

Whereas authority is given to Council under section 37 of the Planning Act, R.S.O. 1990, c. P.13, as amended, to adopt a community benefits charge by-law; and

Whereas The Corporation of the Town of Innisfil has prepared a community benefits strategy pursuant to subsection 37(9); and

Whereas The Corporation of the Town of Innisfil has consulted with appropriate persons and public bodies in the preparation of this by-law.

Now Therefore the Council of the The Corporation of the Town of Innisfil enacts:

Definitions:

As used in this by-law the following terms shall have the meaning indicated:

"Basement" - the portion of a building between the first floor and any floor below the level of the first floor.

"Building Code Act" - the Building Code Act, 1992, S.O. 1992, c.23, as amended.

"Building Permit" – means a building permit issued by the Chief Building Official under the authority of the Building Code Act.

"Building Permit Application" – means an application for issuance of a building permit submitted to and deemed complete by the Chief Building Official, which complies with all applicable requirements of the Building Code Act and the Ontario Building Code, including all applicable law as defined therein, and includes payment of all applicable fees;

"Chief Building Official" – means the chief building official for the Town, appointed pursuant to section 3 of the Building Code Act, or their designate.

"Community Benefit Strategy" – the community benefit strategy prepared pursuant to subsection 37(9) of the Planning Act.

"Condominium Act" – the Condominium Act, 1998, S.O. 1998, c.19 as amended.

"Development or Redevelopment" means any activity or proposed activity in respect of any land, Building or structure, whether existing or proposed, that requires:

- a. the passing of a zoning by-law or of an amendment to a zoning by-law;
- b. the approval of a minor variance;
- c. conveyance of land to which a part lot control exemption by-law applies;
- d. the approval of a plan of subdivision;
- e. a consent to sever;
- f. the approval of a description of a plan of condominium pursuant to the Condominium Act; or
- g. the issuing of a permit under the Building Code Act, in relation to a building or structure;

"Residential Dwelling Unit" – means one or more habitable rooms designed or intended to be used together as a single and separate house-keeping unit by one person or jointly by two or more persons, containing its own kitchen and sanitary facilities, with a private entrance from outside the unit itself.

"First Storey" means the storey that has its floor closest to grade and its ceiling more than one- point-eight (1.8) metres above the average adjacent grade abutting the front yard, but shall not include the basement. For purposes of this bylaw, the first storey is deemed to be at or above ground level;

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

"Gross Floor Area" – the sum of the total area of each floor level of a building, above and below the ground, measured from the exterior of the main wall of each floor level.

"In-Kind Contribution" - facilities, services or matters identified in a Community Benefits Strategy and required because of Development or Redevelopment provided by an owner of land, in lieu of payment of the community benefits charge otherwise applicable, in whole or in part.

"Phase" – means a part or parts of a larger development / redevelopment for which separate building permit application(s) will be submitted.

"Planning Act" – means the Planning Act, R.S.O. 1990, c. P.13 as amended from time to time or any successor thereof.

"Residential Unit" - means a dwelling unit that,

- a. consists of a self-contained set of rooms located in a building or structure, and
- b. is used or intended for use as residential premises.

"Storey" – a level of a building, other than a basement, located between any floor and the floor, ceiling or roof immediately above it.

"Town" – means the Corporation of the Town of Innsifl.

"Value of the Land" means for the purposes of determining the Community Benefits Charge payable, the appraised Value of the Land in an appraisal prepared by or for the Town and in accordance with generally accepted appraisal principles and standard

Applicable Lands:

1. Subject to section 2 herein, this by-law applies to all lands within the Town of Innisfil.
2. This by-law shall not apply to land or Buildings within the Town of Innisfil that are owned or used for the purposes of the Town or the County.

Application of By-law:

3. A Community Benefits Charge shall be payable for the capital costs of facilities, services, and matters required for Development or Redevelopment of all lands in the geographic area of the Town of Innisfil unless section 2 herein applies.
4. The Community Benefits Charge shall be imposed on all Development or Redevelopment of a building or structure with five or more storeys and that adds ten or more Residential Dwelling Units.

Amount of Charge

5. The standard approach to calculating the amount of the Community Benefits Charge owing for a specific development will be based on the number of Residential Dwelling Units multiplied by one of the following unit rates:
 - (a) Development located in the Orbit Secondary Plan Area, as shown on Schedule A: **\$800** per Dwelling Unit.
 - (b) Development located elsewhere in the Town outside the Orbit Secondary Plan Area: **\$800** per Dwelling Unit

5.1 On and following the date when the Town's Building Department issues the first Building Permit for the construction of a Major Transit Station in the Orbit Secondary Plan Area, as shown on Schedule A, the rate in subsection 5(a) will increase to \$900 per Dwelling Unit.

5.2 On and following the date when the Major Transit Station located in the Orbit Secondary Plan Area becomes operational and open to the public, the rate in subsection 5(a) will increase to \$950 per Dwelling Unit.

5.3 The per Dwelling Unit rates provided in sections 5, 5.1 and 5.2 shall be adjusted annually without amendment to this By-law, commencing on April 1, 2024, in accordance with the most recent twelve month change in the Statistics Canada Quarterly, Building Construction Cost Index.

- 6 Notwithstanding section 5, the Town **may elect in writing and with notice to the applicant**, to calculate the amount of the Community Benefits Charge payable, for any specific development, at an amount equivalent to 4% of the Value of the Land that is the subject of the Development or Redevelopment on the day before the first building permit is issued in respect of the development or redevelopment, multiplied by the ratio of "A" to "B" where,

- a. "A" is the gross floor area of any part of a building or structure, which part is proposed to be erected or located as part of the development or redevelopment, and

- b. "B" is the gross floor area of all buildings and structures that will be on the land after the development or redevelopment.
- c. The value of the gross floor area for the types of development or redevelopment set out in section 1 of Ontario Regulation 509/20 to the Act shall be deducted from the Community Benefits Charge otherwise payable.

6.1 If the Town elects to calculate the Community Benefits Charge payable as described in section 6, the Town will notify the applicant of the election and the amount payable on or before the earlier of the date upon which the Town (or the Ontario Land Tribunal) issues a Notice of Approval of Conditions (NOAC) or a Site Plan Approval whichever comes first.

Timing of Calculation and Payment:

- 7 The Community Benefits Charge is payable prior to the issuance of the first building permit issued for the Development or Redevelopment.
- 8 If a Development or Redevelopment is to be constructed in phases, each phase of the development is deemed to be a separate Development or Redevelopment for the purposes of this by-law and the amount of the Community Benefits Charge for each phase **is to be calculated in accordance with sections 5 & 6 of this By-law and as otherwise required in accordance with section 37(32) of the Planning Act.**

Exemptions:

- 9 The onus is on the owner or applicant to produce evidence to the satisfaction of the Town establishing that the owner or applicant is entitled to an exemption under the provisions of this by-law.

In-Kind Contributions:

- 10 In the event that Council has allowed an owner of land to provide an In-Kind Contribution in- lieu of payment of a portion or all of the Community Benefits Charge otherwise payable and arrangements for the provision of the In-Kind Contribution that are satisfactory to Council have been made, the Community Benefits Charge otherwise payable for the Development or Redevelopment shall be reduced by the value that the Town has attributed to the In-Kind Contribution.
- 11 Notwithstanding section 10, any Development or Redevelopment or use that is excluded or exempted in this by-law shall not be considered an In-Kind Contribution for the purposes of subsection 37(8) of the Planning Act.

Review:

- 12 Within five years after this by-law is passed Council shall ensure that a review of this by-law is undertaken and shall pass a resolution declaring whether a revision to the by-law is needed and thereafter shall further review the by-law and pass a resolution within every five years after the previous resolution was passed.

Short Title:

13 The by-law may be cited as the “Town of Innisfil Community Benefits Charge By-law”.

Passed this 26th day of April 2023

Lynn Dollin, Mayor

Patty Thoma, Clerk

[Amended by Ontario Land Tribunal (OLT) Decision and Order issued on December 13, 2024 in File OLT-23-000740]

SCHEDULE A – MAP OF ORBIT SECONDARY PLAN AREA

