

A very big thank you to the many members that went a long way to contribute to the formulation of BILD's submission on the proposed Community Benefits Charge. For your reference, the submission can be accessed [here](#).

A summary of the recommendations can be found below. They are presented as part of the ongoing process towards the creation of a Community Benefits Authority, and in the context of assisting the province in achieving its' objective of protecting municipal revenue streams while increasing housing supply.

In general, BILD supports the direction of the Province to introduce a new methodology of calculating charges for development, with the intention of resulting in these vital fiscal management improvements;

(1) Ensuring that development fees and charges, including parkland dedication, are reasonable and fairly applied across the full range of development types and densities, and across municipalities, and do not exceed the actual increases in need arising from development, contributing to housing affordability and supply; and,

(2) Improving the transparency, predictability and certainty of development fees and charges when a project is brought to market, by avoiding unpredictable increases and situations where developers are forced to negotiate contributions, such as cash-in-lieu of parkland and section 37 benefits, outside of the *Development Charges Act*. Certainty in costs helps ensure that developers have the information necessary to appropriately price new housing projects. This can encourage more innovative housing forms and faster development, contributing to housing supply and affordability. It can also avoid adjustment increases to purchasers on closing and situations where projects are cancelled because of unexpected costs, which has become even more important as we navigate the challenges we are currently facing during this pandemic.

**We must emphasize that several of the recommendations must be considered in conjunction with others, so that they work together as a collective approach. We have made it clear to the province that there are certain recommendations identified throughout the submission that are not to be individually implemented without the balance of the recommendations being adopted.**

#### **SUMMARY OF RECOMMENDATIONS:**

- Recognizing that a one-size-fits all approach should not be applied to the proposed CBC, BILD recommends that the province adopt the principle that different treatments for different development types are necessary.
- BILD recommends the calculation of CBCs be required to be based on the same prescribed methodology, and other restrictions and rules, as they apply to the calculation of development charges, and that all of the required calculations must be detailed in the CBC strategy.
- BILD recommends that an appeal to LPAT be available to resolve disputes on the valuation of land.
- Regarding transition in general, BILD recommends that where existing agreements are in place, that the CBC should not apply.
- BILD supports the recommendation of the province to add items to the list of eligible services to be funded through development charges, in order to maintain certain municipal revenues. This list would not include Public Realm/Civic Improvements, Affordable Housing and Long Term Care.

- BILD is not challenging the province's direction to remove the 10% development charge discount on soft services and otherwise recommends that the province apply this discounted value through the other recommendations that are made in this submission.
- BILD recommends that the province limit the percentage cap to a maximum of 10% of the land value, that it apply only to single and lower-tier municipalities, and should be based on a study that is appealable.
- BILD recommends that park needs justification studies should be expressly required to assess whether parkland funded by the CBC would result in an increase in the average amount of parkland per resident within the municipality for parks of various categories (local, community or district).
- BILD recommends that the rules pertaining to the calculation of the CBC should prohibit the CBC funding increases in parkland service levels or parkland that benefits existing development being funded by the CBC.
- BILD recommends that the CBC apply only to new residential development with a net residential development density of over 100 residential units per hectare, with development at lower densities subject to the parkland dedication at the 5% rate.
- In relation, BILD recommends that mid-rise developments classified as a maximum of 11-storeys in higher urbanized centres (in keeping with the City of Toronto's Mid-rise definition in its Mid-rise Building Performance Standards) also be exempt from the CBC, and be subject to parkland dedication at the base rates in the Planning Act as amended by Bill 108.
- BILD recommends that, for purposes of a community benefit charge, a transition Regulation be included that provides for parkland contribution obligations to be determined in accordance with Master Parkland Agreements that are entered into before a CBC by-law is adopted.
- BILD also recommends that the Regulation allow for future Master Parkland Agreements to be entered into by municipalities after a municipality adopts a CBC by-law, with appropriate credits/adjustments to the CBC payable within the applicable area, as determined with the municipality. This approach can also be implemented on an area-specific basis.
- As related to high-rise projects, BILD recommends that the value of the CBC be determined well before a project goes to market for sale, and that this be pushed forward to the Municipal Comprehensive Review or Official Plan stage of development. For site-specific development sites and where master plan communities are intended, land values could be determined at the time of a re-zoning application or site plan application stage.
- BILD recommends that for non-residential developments, that this sector be subject to a community benefits charge of 2% of land value, consistent with the current parkland dedication/cash-in-lieu system at per the Planning Act rates as amended by Bill 108.
- Adaptive-reuse development or renovation projects should be explicitly exempt from the CBC.

BILD will continue to work with OHBA as discussions related to the CBC unfold, and we will keep the members apprised of any updates.