

Report for Public Consultation

Prepared by Hemson for the City of Toronto

City of Toronto

Community Benefits Charge Strategy

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

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Executive Summary

A. Purpose of 2022 CBC Strategy

i. What is a Community Benefits Charge?

A Community Benefits Charge (CBC) is a new growth funding tool (GFT) under the Planning Act (Act) that allows municipalities to levy a charge against certain forms of higher density development to fund associated development-related capital infrastructure needs. The CBC provisions replace the former Section 37 height and density bonusing in the Act, subject to transition rules. A CBC can be levied in addition to development charges (DCs) and parkland collections under Section 42 and 51 of the Planning Act under the provisions and restrictions of the Act.

Municipalities can use CBCs to fund a wide-range of capital costs, of any public service or facility, that are related to the needs associated with new growth if those costs are not already recovered from development charges and parkland dedication. A CBC can be used to fund services and projects provided for under a DC by-law, and for parkland acquisitions, as long as there is no duplication of recovery of the same share of capital costs under another GFT.

ii. Legislative Context

The City of Toronto 2022 Community Benefits Charge Strategy (herein referred to as the “CBC Strategy”) is presented as part of the process to lead to the approval of a CBC By-law in compliance with the Planning Act, 1990 (the “Act”). The report is prepared in accordance with the Act and associated Ontario Regulations 509/20 (O.Reg. 509/20), including the amendments that came into force on September 18, 2020.

iii. CBCs Levied on Higher Density Development

A CBC can only be levied against mid- to high-density development, limited by the Act to developments that are:

- Five or more storeys, **and**
- Contain 10 or more residential units.

Note that a mixed use development, a building that contains both residential and non-residential uses, can be subject to a CBC if it meets the above criteria.

The regulations to s.37 of the Act, O. Reg. 509/20, provide for a number of exemptions from the payment of a CBC, namely, the following uses:

- Long-term care & retirement homes;
- Colleges, universities and post-secondary indigenous institutes;
- Royal Canadian Legion buildings or structures;
- Hospice for end of life care;
- Non-profit housing.

B. CBC Strategy

Subsection 37(32) of the Planning Act prescribes that the maximum permitted CBC charge that can be levied against any particular development is four per cent of land value on the day before issuance of the building permit. Several key steps must be undertaken in order to levy CBCs. They include:

- Prepare a development (growth) forecast;
- Determine the increased infrastructure need arising from development;
- Estimate the capital costs of provide the necessary infrastructure;

- Determine the share of these costs attributed to CBC development, by identifying and deducting the following:
 - Excess capacity;
 - Benefit to existing development; and
 - Grants, subsidies or other contributions.

C. Development Forecast

Over the ten-year planning period from 2022 to 2031, Toronto is anticipated to grow by approximately 124,360 occupied dwelling units in buildings which would be subject to a community benefits charge. As set out in Section 3 of O.Reg. 509/20 the maximum permissible CBC is capped at 4 per cent. At the 4 per cent cap, a high level estimate of the CBC revenue potential associated with these units is approximately \$700 million. Additional details are provided in Section 3.

D. CBC Capital Needs Exceed Revenue Forecast

The estimated CBC eligible costs of the growth-related capital program total nearly \$2.5 billion. The CBC eligible costs exceed the anticipated 10-year revenue potential under the legislated 4 per cent cap (approximately \$700 million).

E. Application of CBCs

The City of Toronto will levy CBCs as a per cent of land value. As per the legislation, the value of the land is the value on the day before the issuance of a building permit, or the first building permit if the development requires multiple permits. The charges will be applied on a City-wide basis to all eligible developments excluding any excluded development in subsection 37 (4) (e) of the Act and section 1 of O. Reg. 509/20.

1. Introduction

A. Introduction and Background

The City of Toronto Community Benefits Charge Strategy is presented as part of a process to lead to the approval of a new community benefits charge by-law in compliance with the Planning Act, 1990 (Act).

Subsection 37(9) of the Act and section 2 of O. Reg. 509/20 require that a community benefits charge 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 City of Toronto. The apportionment of these net capital costs is shown among various growth-related funding sources including development charges, parkland dedication and others.

The Act requires that municipalities consult with the public. Accordingly, the City will make this CBC Strategy and the draft CBC By-law available for public comment before Council's passage of the by-law. Industry and public information sessions were held over the course of 2021-2022. A public meeting of Council is proposed to be held following public release of the CBC Strategy and draft by-law. Following completion of this consultation process, Council will review the strategy, the comments received regarding this report and any other information brought to Council's attention regarding the proposed rate. Finally, Council will pass a new Community Benefits Charge by-law for the City.

The remainder of this strategy report sets out the information and analysis upon which the proposed charge is based.

B. Legislative Context & Regulatory Requirement

The community benefits section of the Planning Act has replaced what was previously referred to as section 37 "Increased Density". This change was introduced through the COVID-19 Economic Recovery Act, 2020 and previous versions in the More Homes, More Choice Act, 2019 as well as the Plan to Build Ontario Together Act, 2019. The new section 37 enables municipalities 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 municipality.

The new section 37 sets out the relationship between community benefits charges and other growth-related funding tools, including the development charges levied under the Development Charges Act, 1997.

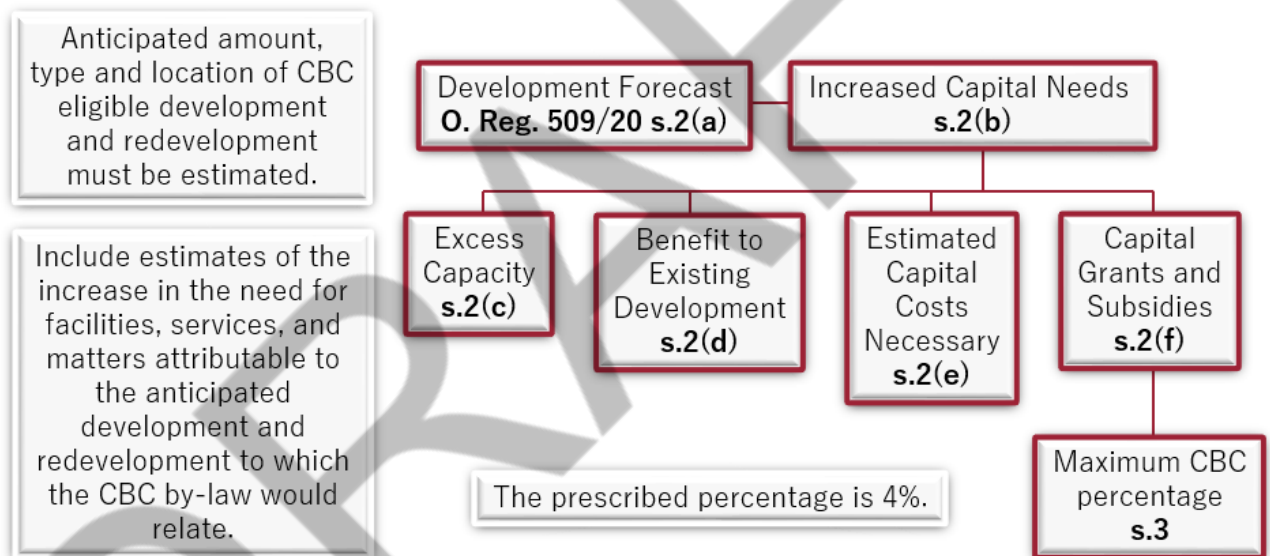
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2. Purpose of the 2022 Community Benefits Charge Strategy

A. Key Steps in Determining CBCs

As shown in Figure 1, the CBC Strategy needs to include various components to validate the applied charge. In the case of the City of Toronto, the charge is levied on a land value basis not exceeding the legislated maximum of 4 per cent.

Figure 1. Key Steps in Determining CBCs



B. Proposed Methodology and Approach

The Community Benefits Charges legislation does not specify the method by which a CBC is levied. Various options could be applied by a municipality, such as charges based on a per cent of land value, a per-unit charge, or a charge based on gross floor area of development. The City is using the first option, based on 4 per cent of land value at the time of first building permit issuance, for the collection of CBCs levied on a City-wide basis. This approach adjusts for variability in land values across City geographies and building typologies. An area specific approach is not necessary as the per cent of land value rate structure will account for variable land values across the City.

The CBC capital program, summarized in the section below and in Section 4 of the Strategy, was developed with City staff and relies on previous work completed for the City's capital budgets, the 2022 DC Background Study, various master servicing plans, Official Plan and other planning documents (such as Secondary Plans), and other documents, and the previous use of Section 37 contributions. As required by legislation, all CBC collections will be kept in a single special account. A minimum of 60 per cent of the monies in the special account must be allocated or spent annually. A policy outside of this CBC Strategy and separate from this process will provide a framework for allocating CBC monies.

The CBC Strategy serves to substantiate levying a 4% CBC and to satisfy the legislative and regulatory requirements, and is a point in time analysis of eligible capital programs and projects to which the City may allocate CBC monies. From a legislative perspective, the CBC Strategy is devoid of any policy intent, prioritization, or expression from Council on its intent to fund or allocate any funds to a category or any categories of eligible capital program.

C. CBC Capital Program

The total gross capital program identified for projects eligible for partial or full recovery from CBCs is \$19.86 billion. The majority of these gross capital costs are not eligible to be funded by CBCs and a series of legislated deductions have been made, including consideration for excess capacity, replacement or benefit to existing shares, and shares to be funded from other growth funding tools. Grants and subsidies total \$11.57 billion and are netted off the municipal eligible cost, yielding a City cost of \$8.29 Billion. Replacement or benefit to existing shares removed from the eligible recovery costs total \$3.89 billion. Another share totalling \$1.54 billion is intended to be funded through development charges and has been removed from the CBC eligible costs. Finally, of the remaining \$2.86 billion, \$2.47 billion is considered to relate to developments that are five or more storeys and contain 10 or more residential units, and as such, is eligible for recovery from CBCs.

The capital program is based on service levels planned for and provided by the City. These service levels are not exclusively tied to a time horizon. The capital facilities set out herein are a snapshot of what the City currently needs to fund to maintain those service levels during the ten-year planning period. As projects are completed, the City 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 capital program is summarized in Table 1 below.

Table 1. Summary of CBC Capital Program (\$000s)

Service	Gross Project Cost ¹	Grants / Subsidies/ Other Recoveries	Net Cost	Replacement & BTE Shares	Total Development Related Costs	2022 DC Study Share	Remaining Development- Related	CBC Share
1.0 PARKS AND RECREATION	\$622,611.5	\$0.0	\$622,611.5	\$0.0	\$622,611.5	\$6,543.8	\$616,067.7	\$544,838.5
2.0 COMMUNITY FACILITIES	\$683,140.0	\$180,000.0	\$503,140.0	\$183,793.8	\$319,346.2	\$0.0	\$319,346.2	\$289,810.0
3.0 AFFORDABLE HOUSING	\$17,820,835.5	\$11,389,000.0	\$6,431,835.5	\$3,473,191.2	\$2,958,644.3	\$1,477,388.8	\$1,481,255.5	\$1,275,220.3
4.0 PUBLIC REALM	\$172,700.0	\$100.0	\$172,600.0	\$200.0	\$172,400.0	\$0.0	\$172,400.0	\$161,945.2
5.0 ACTIVE & SUSTAINABLE TRANSPORTATION	\$58,225.5	\$2,300.0	\$55,925.5	\$11,267.2	\$44,658.2	\$0.0	\$44,658.2	\$36,273.5
6.0 PROTECTIVE SERVICES	\$159,897.5	\$0.0	\$159,897.5	\$32,712.5	\$127,185.0	\$6,802.9	\$120,382.0	\$69,036.1
7.0 WASTE MANAGEMENT	\$343,280.6	\$0.0	\$343,280.6	\$192,052.0	\$151,228.6	\$47,773.0	\$103,455.6	\$89,065.4
8.0 CIVIC ADMINISTRATION	\$2,500.0	\$0.0	\$2,500.0	\$0.0	\$2,500.0	\$0.0	\$2,500.0	\$2,500.0
TOTAL	\$19,863,190.6	\$11,571,400.0	\$8,291,790.6	\$3,893,216.7	\$4,398,573.9	\$1,538,508.6	\$2,860,065.3	\$2,468,689.0

D. Proposed City-Wide Rate

Consideration was given as to whether or not CBCs should be implemented on a city-wide basis. A single, uniform city-wide charge is most suitable as the services included in the CBC capital program are planned for on a City-wide basis. Importantly, Subsection 37(12) of the Act prescribes that only one CBC By-law may be in effect at a time. By contrast, under the Development Charges Act (DCA), multiple by-laws are permitted particularly in relation to area-specific charges.

E. Implementation and Administration

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

3. Development Forecast

This section describes the basis and results of the development forecast used to calculate the potential CBC revenues. The development forecast is consistent with the 2022 DC Background Study.

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 City establishes capital budgets on a 10-year basis and the CBC Strategy capital programs are in line with this time frame. In addition, the time frame aligns with the 2022 DC Background Study as some capital projects are proposed to be funded using both growth funding tools. The time frame for the development forecast and the capital programs in this CBC Strategy is 2022-2031.

B. Consistent with the DC Development Forecast

The CBC development forecast is consistent with the forecasts used as part of the 2022 DC Background Study.

Based on the City's current development pipeline data, it is anticipated that approximately 95% of apartment units over the 2022-2031 period will meet the CBC criteria of being five or more storeys and containing 10 or more residential units. As shown in Table 2, the total forecast of units subject to CBCs is for 124,360 apartment unit starts over the 2022-2031 period. This represents 95% of the total 10-year forecast of apartment unit starts (130,900) included as part of the 2022 DC Background Study. Singles, semis, and rows are not anticipated to meet the thresholds for a CBC levy.

CBCs will apply to mixed-use buildings that meet the criteria, which may contain non-residential uses. These types of (residential and non-residential) mixed-use developments have been included in the estimates of the anticipated developments and redevelopments to which the CBC will be imposed in this Strategy. All eligible uses within CBC-eligible developments and redevelopments, and which are not expressly excluded in the Regulation, would be included in the appraisal for that site in determining the CBC.

Table 2. Forecast of Annual Housing Unit Starts - Units Subject to CBCs

Year	Single/Semi	Row	Apartment	Total
2022	-	-	16,198	16,198
2023	-	-	14,868	14,868
2024	-	-	16,483	16,483
2025	-	-	12,398	12,398
2026	-	-	11,638	11,638
2027	-	-	11,068	11,068
2028	-	-	10,498	10,498
2029	-	-	12,873	12,873
2030	-	-	9,263	9,263
2031	-	-	9,073	9,073
Total 2022-2031	0	0	124,360	124,360

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) assumptions established as part of the 2022 DC Background Study. The average apartment unit PPU is 1.75 and this, when applied to the total 10-year CBC unit start forecast (124,360), results in an estimate of 217,706 persons. This represents 86% of the overall 10-year forecast of people in all unit starts (252,881). This 86% 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 in certain cases, a potential non-residential (non-mixed-use) benefit is recognized resulting in a CBC-eligible share lower than 86%. The non-residential benefit assumptions are consistent with the 2022 DC Background Study methodology. For example:

- Under the DC Background Study, Parks and Recreation services are anticipated to have a 5% benefit to non-residential development and as such 86% of the remaining 95% residential allocation, or 82%, is considered to relate to developments subject to the CBC ($86\% \times 95\% = 82\%$). The 82% share has similarly been applied to Public Realm projects in the CBC capital program which are anticipated to have partial non-residential and low-density residential benefit shares.
- Protective services (e.g. Ambulance, Police, Fire) and transportation-related services (Transit, Roads and Related) are anticipated to have a 33% benefit to non-residential development under the 2022 DC Background Study, and accordingly a 57% CBC-eligible share has been assigned to the CBC services of Active and Sustainable Transportation and Protective Services, based on the remaining 67% residential share ($86\% \times 67\% = 57\%$).

Table 1. Forecast of Persons in Unit Starts, 2022-2031

	Single/Semi	Row	Apartment	Total
Units Subject to CBC	-	-	124,360	124,360
All Units	2,500	5,000	130,900	138,400
PPU Assumptions	3.69	2.90	1.75	
Persons in Units Subject to CBC	-	-	217,706	217,706
Persons in All Units	9,229	14,497	229,155	252,881
<i>% of Persons in Units Subject to CBC</i>				86%

C. Excluded Development

O.Reg. 509/20 excludes the following types of development from payment of CBCs:

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.

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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.

The following facilities, services and matters have been identified in the CBC Strategy as related to developments subject to the CBC:

- Parks and Recreation
- Community Facilities
- Affordable Housing
- Public Realm
- Active and Sustainable Transportation
- Protective Services
- Waste Management
- Civic Administration

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

It is noted that the CBC capital program is a point-in-time analysis of the needs anticipated over the 2022-2031 planning period. It is recognized that these needs may change over time through the City's normal annual budgeting processes. While certain projects, and types of projects, are listed

within the CBC capital program, the identified capital project listings within each of the service categories do not preclude the City 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 DCs (if applicable); and
- Share of Net Capital Costs related to CBC Eligible Developments.

B. Capital Needs by Service

i. Parks and Recreation

a) Service Description

The Parks and Recreation capital program includes development-related parks and recreation project costs beyond the amount that can be funded through the 2022 DC by-law due to funding envelope restrictions of the DCA. The project costs identified are also in addition to any costs anticipated to be funded through parkland dedication, as informed by the City's Parkland Strategy, Ten Year Capital Plan, and 2022 Alternative Parkland Dedication Rate Study.

It also includes provisions for additional parkland acquisitions and park improvements and community centres to allow the City to respond to the

incremental demands of mid- to high-density residential and mixed-use development.

b) Service Delivery and Service Levels Consideration

Development-related parks and recreation projects in the City are funded by DCs to the extent permitted under the DCA. The capital costs included as CBC-eligible in the CBC Strategy are those above the calculated funding envelope (limited by historical services levels). The amounts that exceed this historical service level are required to meet the additional demand and costs arising from higher density residential and mixed use development.

In the past, the City has collected both monies and infrastructure related to parks and recreation infrastructure, including parkland acquisitions, park improvements, and community centres, through the previous Section 37 provisions. These contributions help the City to maintain adequate service levels locally and City-wide as major developments come forward and address the incremental additional needs arising from population in higher density development. Similar service levels are anticipated to be planned for and provided by the City into the future.

It is noted that the Parks and Recreation CBC capital program does not represent the City's entire ten-year development-related capital program for this service. Only projects with development-related shares beyond the estimated funding capacity of other growth funding tools (development charges, parkland dedication) are included.

c) Estimate of Need

The City experiences growing demand for parks and recreation services, particularly as development continues to intensify. The need for parks and recreation infrastructure driven by developments subject to CBCs is based on development-related costs identified through the 2022 DC Background Study process, but that are ineligible for funding under the 2022 DC by-law.

Additional needs have also been identified based on other planned capital projects.

Provisions for additional parkland acquisitions and improvements as well as community centres have also been included in the capital program, in order to allow the City to respond to additional needs triggered by mid- to high-density development as they arise. The amount of these provisions was calculated based on previous Section 37 contribution rates, and recognizes that these capital needs cannot always be planned in advance through the City's normal budgeting processes.

The Parks and Recreation CBC capital program is a point-in-time estimate of the 2022-2031 CBC-eligible project needs. However, similar service levels are anticipated to continue to be provided beyond the ten-year planning horizon.

The costs brought forward for possible CBC funding are net of any anticipated DC shares, parkland dedication (s. 42) contributions, and other contributions.

d) Consideration of Excess Capacity

Available excess capacity is considered as part of the City's budgeting and planning processes. The costs included in the CBC strategy relate to incremental needs arising from development over the ten-year planning horizon and are net of any excess capacity.

e) Capital Cost

The gross capital cost associated with the Parks and Recreation CBC capital program is \$622.61 million, before any deductions for other funding sources.

f) Identification of any anticipated capital grants, subsidies or other contributions

The gross project costs are 100% City costs; no grants, subsidies, or other contributions are anticipated to cover these costs.

g) Consideration of Benefit to Existing

No benefit to existing has been identified as these projects provide new or expanded facilities, and as such the costs relate entirely to future development within the planning horizon.

h) Relation to funding from DCs (if applicable)

Under the 2022 DC Background Study, DCs are anticipated to fund \$6.54 million of the CBC Parks and Recreation capital projects, leaving \$616.07 million in remaining development-related costs.

i) Share of Net Capital Costs related to CBC Eligible Developments

The total CBC eligible cost is \$544.84 million. This share is based on the growth anticipated to occur in CBC eligible developments from 2022 to 2031. Projects that are anticipated to benefit all forms of residential and mixed-use development, as well as having some non-residential benefit, are assigned an 82 per cent CBC-eligible share. Projects driven solely by the types of development subject to CBCs are considered 100% CBC-eligible.

Table 4. Parks and Recreation Development-Related Capital Program

Project Description	Gross Project Cost	Grants / Subsidies/ Other Recoveries	Net Cost	BTE (%)	Replacement & BTE Shares (\$)	Total Development Related Costs	2022 DC Study Share	Remaining Development-Related	CBC Share (%)	Total CBC Related Costs
1.0 PARKS AND RECREATION										
1.1 Keating West WEP (Silo to Cherry)	\$26,912,691	\$0	\$26,912,691	0%	\$0	\$26,912,691	\$6,543,797	\$20,368,894	82%	\$16,658,899
1.2 Promontory Park North Above Base Condition (Villiers) Trinity Footbridge (across Keating Channel between Quayside and Villiers)	\$49,911,000	\$0	\$49,911,000	0%	\$0	\$49,911,000	\$0	\$49,911,000	82%	\$40,820,200
1.3 Keating Channel Promenade south side of Keating Channel (Villiers)	\$11,453,000	\$0	\$11,453,000	0%	\$0	\$11,453,000	\$0	\$11,453,000	82%	\$9,366,948
1.4 Old Fire Hall (Villiers) conversion to community use space	\$102,467,000	\$0	\$102,467,000	0%	\$0	\$102,467,000	\$0	\$102,467,000	82%	\$83,803,638
1.5 P & R Operations Yard within Villiers	\$3,783,100	\$0	\$3,783,100	0%	\$0	\$3,783,100	\$0	\$3,783,100	82%	\$3,094,045
1.6 Regional Sports Centre	\$6,052,900	\$0	\$6,052,900	0%	\$0	\$6,052,900	\$0	\$6,052,900	82%	\$4,950,423
1.7 Park Planning and Design Development	\$24,867,000	\$0	\$24,867,000	0%	\$0	\$24,867,000	\$0	\$24,867,000	82%	\$20,337,719
1.8 Essroc Silo (Villiers)	\$1,500,000	\$0	\$1,500,000	0%	\$0	\$1,500,000	\$0	\$1,500,000	82%	\$1,226,790
1.9 York Promenade and Sundial Folly Park	\$10,906,500	\$0	\$10,906,500	0%	\$0	\$10,906,500	\$0	\$10,906,500	82%	\$8,919,988
1.10 Promontory Park South Pavilion	\$29,007,371	\$0	\$29,007,371	0%	\$0	\$29,007,371	\$0	\$29,007,371	82%	\$23,723,962
1.11 Turning Basin Dock wall Upgrades	\$7,000,000	\$0	\$7,000,000	0%	\$0	\$7,000,000	\$0	\$7,000,000	82%	\$5,725,018
1.12 Villiers Island Parkland Development	\$4,701,109	\$0	\$4,701,109	0%	\$0	\$4,701,109	\$0	\$4,701,109	82%	\$3,844,848
1.13 McCleary Park Expansion and Community Hub	\$73,687,000	\$0	\$73,687,000	0%	\$0	\$73,687,000	\$0	\$73,687,000	82%	\$60,265,634
1.14 McCleary District Local Park	\$13,876,184	\$0	\$13,876,184	0%	\$0	\$13,876,184	\$0	\$13,876,184	82%	\$11,348,773
1.15 Turning Basin Park + Waters Edge Promenade (western edge)	\$1,770,364	\$0	\$1,770,364	0%	\$0	\$1,770,364	\$0	\$1,770,364	82%	\$1,447,910
1.16 Full Implementation of Don Roadway Linear Park	\$8,646,916	\$0	\$8,646,916	0%	\$0	\$8,646,916	\$0	\$8,646,916	82%	\$7,071,965
1.17 Leslie Street Greening (East Side)	\$1,942,532	\$0	\$1,942,532	0%	\$0	\$1,942,532	\$0	\$1,942,532	82%	\$1,588,719
1.18 Port Lands Water Taxi Dock (2)	\$5,277,522	\$0	\$5,277,522	0%	\$0	\$5,277,522	\$0	\$5,277,522	82%	\$4,316,273
1.19 Port Lands Atlas Crane Restoration	\$1,300,000	\$0	\$1,300,000	0%	\$0	\$1,300,000	\$0	\$1,300,000	82%	\$1,063,218
1.20 Villiers Island Soil Remediation (public/civic uses, PFR office, PFR yard, school site etc.)	\$2,000,000	\$0	\$2,000,000	0%	\$0	\$2,000,000	\$0	\$2,000,000	82%	\$1,635,720
1.21 Provision for Parkland Acquisitions and Park Improvements	\$10,549,300	\$0	\$10,549,300	0%	\$0	\$10,549,300	\$0	\$10,549,300	82%	\$8,627,848
1.22 Provision for Community Centres	\$100,000,000	\$0	\$100,000,000	0%	\$0	\$100,000,000	\$0	\$100,000,000	100%	\$100,000,000
1.23	\$125,000,000	\$0	\$125,000,000	0%	\$0	\$125,000,000	\$0	\$125,000,000	100%	\$125,000,000
TOTAL PARKS AND RECREATION	\$622,611,489	\$0	\$622,611,489		\$0	\$622,611,489	\$6,543,797	\$616,067,692		\$544,838,538

ii. Community Facilities

a) Service Description

The Community Facilities service encompasses a variety of facilities available to residents of Toronto. Community facilities include public agency and community spaces (e.g. community hubs, cultural centres, human services agency spaces), libraries, and child care facilities.

b) Service Delivery and Service Levels Consideration

Toronto is a vibrant city with a wide range of community facilities. As the City continues to grow, largely through redevelopment and intensification, there is a need to construct new community facilities and expand existing facilities. Many of the types of community facilities included in this capital program are not listed as types of projects that are eligible for funding under the DCA.

While library and child care facilities are eligible for DC funding, the CBC capital program includes provisions for additional projects under those categories to respond to major development pressures in unanticipated locations across the City. In the past, these types of projects were funded through the previous Section 37 provisions.

c) Estimate of Need

The need for community facilities driven by CBC developments is based on:

- Planned capital projects over the 2022-2031 period, and
- Provisions for additional facilities to respond to the demands triggered by mid- to high- density development as they arise. These needs are not always known in advance, and as such, estimates have been calculated based on previous Section 37 contribution rates.

While the Community Facilities CBC capital program represents a point-in-time analysis of the anticipated CBC-eligible project costs over the 2022-2031 period, similar service levels are anticipated to continue to be provided by the City beyond the ten-year planning horizon.

d) Consideration of Excess Capacity

Available excess capacity is considered as part of the City's budgeting and planning processes. The costs included in the CBC strategy relate to incremental needs arising from development over the ten-year planning horizon and are net of any excess capacity.

e) Capital Cost

The gross capital cost associated with the Community Facilities program is \$683.14 million, before any deductions for other funding sources.

f) Identification of any anticipated capital grants, subsidies or other contributions

A portion of the project costs, totalling \$180.00 million, is anticipated to be funded through grants, subsidies, or other contributions, such as secured Section 37 commitments.

g) Consideration of Benefit to Existing

Benefit to existing or replacements shares of projects amount to \$183.79 million. This share has been removed from the calculation of CBC-eligible costs.

h) Relation to funding from DCs (if applicable)

The projects included in the Community Facilities capital program will not be funded through any DC shares.

i) Share of Net Capital Costs related to CBC Eligible Developments

The total CBC eligible cost is \$289.81 million. This share is based on the growth anticipated to occur in CBC eligible developments from 2022 to 2031. Projects that are anticipated to benefit all forms of residential and mixed-use development are assigned a 86 per cent CBC-eligible share, based on the percentage of population growth anticipated in units subject to CBCs. Projects driven solely by the types of development subject to CBCs are considered 100% CBC-eligible.

Table 5. Community Facilities Development-Related Capital Program

Project Description	Gross Project Cost	Grants / Subsidies/ Other Recoveries	Net Cost	BTE (%)	Replacement & BTE Shares (\$)	Total Development Related Costs	2022 DC Study Share	Remaining Development-Related	CBC Share (%)	Total CBC Related Costs
2.0 COMMUNITY FACILITIES										
Public Agency and Community Space										
2.1 Parkdale Hub Community Space	\$10,000,000	\$3,333,333	\$6,666,667	0%	\$0	\$6,666,667	\$0	\$6,666,667	86%	\$5,739,367
2.2 A Different Booklist Cultural Centre	\$10,000,000	\$6,833,333	\$3,166,667	0%	\$0	\$3,166,667	\$0	\$3,166,667	86%	\$2,726,199
2.3 Wellington Destructor Non-profit cultural space	\$37,000,000	\$12,333,333	\$24,666,667	0%	\$0	\$24,666,667	\$0	\$24,666,667	86%	\$21,235,658
2.4 St. Lawrence Centre for the Arts Revitalization	\$200,000,000	\$66,666,667	\$133,333,333	75%	\$100,000,000	\$33,333,333	\$0	\$33,333,333	86%	\$28,696,834
2.5 Danforth and Coxwell (former TTC) community hub	\$7,000,000	\$2,333,333	\$4,666,667	0%	\$0	\$4,666,667	\$0	\$4,666,667	86%	\$4,017,557
2.6 Jane and Finch Community arts hub	\$25,000,000	\$8,333,333	\$16,666,667	0%	\$0	\$16,666,667	\$0	\$16,666,667	86%	\$14,348,417
2.7 Dempsey Store Cultural Hub	\$2,500,000	\$833,333	\$1,666,667	0%	\$0	\$1,666,667	\$0	\$1,666,667	86%	\$1,434,842
2.8 Persian Cultural Centre	\$22,500,000	\$7,500,000	\$15,000,000	0%	\$0	\$15,000,000	\$0	\$15,000,000	86%	\$12,913,576
2.9 Geary Avenue cultural spaces	\$5,000,000	\$1,666,667	\$3,333,333	75%	\$2,500,000	\$833,333	\$0	\$833,333	86%	\$717,421
2.10 Little Jamaica cultural district and heritage preservation	\$5,000,000	\$1,666,667	\$3,333,333	75%	\$2,500,000	\$833,333	\$0	\$833,333	86%	\$717,421
2.11 Chinatown cultural district	\$5,000,000	\$1,666,667	\$3,333,333	75%	\$2,500,000	\$833,333	\$0	\$833,333	86%	\$717,421
2.12 2SLGBTQ+ Spaces, Church and Wellesley	\$5,000,000	\$1,666,667	\$3,333,333	75%	\$2,500,000	\$833,333	\$0	\$833,333	86%	\$717,421
2.13 St. Patrick Market music rehearsals space and offices	\$500,000	\$166,667	\$333,333	0%	\$0	\$333,333	\$0	\$333,333	86%	\$286,968
2.14 Cultural Space for Denison Affordable Housing Project (Queen & Augusta)	\$12,000,000	\$4,000,000	\$8,000,000	0%	\$0	\$8,000,000	\$0	\$8,000,000	86%	\$6,887,240
2.15 Community Cultural Spaces in Mall Redevelopments	\$25,000,000	\$8,333,333	\$16,666,667	0%	\$0	\$16,666,667	\$0	\$16,666,667	86%	\$14,348,417
2.16 400 Dufferin Incubator space - City share	\$1,000,000	\$0	\$1,000,000	0%	\$0	\$1,000,000	\$0	\$1,000,000	86%	\$860,905
2.17 36 Lisgar Ave Media arts space - City share	\$2,000,000	\$0	\$2,000,000	0%	\$0	\$2,000,000	\$0	\$2,000,000	86%	\$1,721,810
2.18 Scarborough Arts community hub	\$5,000,000	\$1,666,667	\$3,333,333	0%	\$0	\$3,333,333	\$0	\$3,333,333	86%	\$2,869,683
2.19 Museum of Toronto (Old City Hall)	\$67,000,000	\$22,333,333	\$44,666,667	75%	\$33,500,000	\$11,166,667	\$0	\$11,166,667	86%	\$9,613,440
2.20 Museums Collections Storage Facility	\$20,000,000	\$6,666,667	\$13,333,333	92%	\$12,293,753	\$1,039,581	\$0	\$1,039,581	86%	\$894,980
2.21 Villiers Island Human Agency Space	\$15,820,000	\$0	\$15,820,000	0%	\$0	\$15,820,000	\$0	\$15,820,000	86%	\$13,619,518
2.22 McCleary Island Human Agency Space	\$15,820,000	\$0	\$15,820,000	0%	\$0	\$15,820,000	\$0	\$15,820,000	86%	\$13,619,518
2.23 Toronto Zoo Community Conservation Campus- Phase 1	\$28,000,000	\$2,000,000	\$26,000,000	50%	\$13,000,000	\$13,000,000	\$0	\$13,000,000	86%	\$11,191,765
2.24 Toronto Zoo Community Conservation Campus- Phase 2	\$35,000,000	\$15,000,000	\$20,000,000	50%	\$10,000,000	\$10,000,000	\$0	\$10,000,000	86%	\$8,609,050

Project Description	Gross Project Cost	Grants / Subsidies/ Other Recoveries	Net Cost	BTE (%)	Replacement & BTE Shares (\$)	Total Development Related Costs	2022 DC Study Share	Remaining Development-Related	CBC Share (%)	Total CBC Related Costs
Library										
2.25 Provision for Library Facilities	\$7,000,000	\$0	\$7,000,000	0%	\$0	\$7,000,000	\$0	\$7,000,000	100%	\$7,000,000
Child Care										
2.26 Provision for New Child Care Facilities	\$100,000,000	\$0	\$100,000,000	0%	\$0	\$100,000,000	\$0	\$100,000,000	100%	\$100,000,000
2.27 Toronto Zoo Daycare facility	\$15,000,000	\$5,000,000	\$10,000,000	50%	\$5,000,000	\$5,000,000	\$0	\$5,000,000	86%	\$4,304,525
TOTAL COMMUNITY FACILITIES	\$683,140,000	\$180,000,000	\$503,140,000		\$183,793,753	\$319,346,247	\$0	\$319,346,247		\$289,809,953

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iii. Affordable Housing

a) Service Description

The Affordable Housing capital program includes the capital costs associated with providing a mix of housing to serve the growing population in the City. While the need for affordable housing increases as a municipality's population grows, the City has limited tools available to address housing affordability. CBCs are one growth funding tool at the municipality's disposal to fund additional affordable housing units.

b) Service Delivery and Service Levels Consideration

As the City's population grows, the need for affordable housing increases. Affordable housing is funded by DCs to the extent permitted under the DCA. The capital costs identified as CBC-eligible in the CBC Strategy are those above the calculated funding envelope (limited by historical services levels). The amounts that exceed this historical service level are required to meet the additional demand and costs arising from population growth, and to achieve the City's service level targets for the provision of affordable housing.

c) Estimate of Need

The City aims to create 40,000 new affordable units over the next ten years. This unit target will address some existing deficiencies, as well as increasing demand as the City's population grows. The development-related share will be funded through DCs to the extent permitted under the DCA. The remaining development-related costs are brought forward for consideration for CBC funding.

It is anticipated that the City will continue to respond to affordable housing needs at similar rates beyond the 2022-2031 planning horizon.

d) Consideration of Excess Capacity

There is no excess capacity available within the City's existing affordable housing inventory and the costs included in the CBC strategy relate to incremental needs arising from development over the ten-year planning horizon.

e) Capital Cost

The gross capital cost associated with the Affordable Housing program is \$17.82 billion, before any deductions for other funding sources and benefit to existing shares.

f) Identification of any anticipated capital grants, subsidies or other contributions

Upper level government funding totalling \$11.39 billion is anticipated to cover a share of the project costs, and has been removed from the calculation of CBC-eligible costs, yielding a City share of \$6.43 billion.

g) Consideration of Benefit to Existing

A benefit to existing share of 54% of the City's share, or \$4.01 billion, has been calculated consistent with the 2022 DC Background Study. This share is related to the housing units required to bring the existing population base to the City's planned level of service for affordable housing.

h) Relation to funding from DCs (if applicable)

DCs are anticipated to fund \$1.48 billion of the identified project costs, leaving \$1.48 billion in remaining development-related costs.

i) Share of Net Capital Costs related to CBC Eligible Developments

The total CBC eligible cost is \$1.28 billion. This share is based on the percentage of population growth anticipated in units subject to CBCs (86%).

Table 6. Affordable Housing Development-Related Capital Program

Project Description	Gross Project Cost	Grants / Subsidies/ Other Recoveries	Net Cost	BTE (%)	Replacement & BTE Shares (\$)	Total Development Related Costs	2022 DC Study Share	Remaining Development-Related	CBC Share (%)	Total CBC Related Costs
3.0 AFFORDABLE HOUSING										
3.1 Housing Now - 10,000 Units	\$3,126,930,000	\$0	\$3,126,930,000	54%	\$1,688,542,200	\$1,438,387,800	\$987,656,189	\$450,731,611	86%	\$388,037,113
3.2 Open Door - 10,000 Units	\$1,232,850,000	\$300,000,000	\$932,850,000	54%	\$503,739,000	\$429,111,000	\$86,220,532	\$342,890,468	86%	\$295,196,131
3.3 Other Affordable Rental Development Projects - 1,500 Units	\$835,639,500	\$300,000,000	\$535,639,500	54%	\$289,245,330	\$246,394,170	\$178,476,500	\$67,917,670	86%	\$58,470,664
3.4 Strategic Acquisition (MURA Program) - 500 Units	\$242,606,000	\$75,000,000	\$167,606,000	54%	\$90,507,240	\$77,098,760	\$65,958,707	\$11,140,053	86%	\$9,590,528
3.5 Supportive Housing - 18,000 Units	\$12,382,810,000	\$10,714,000,000	\$1,668,810,000	54%	\$901,157,400	\$767,652,600	\$159,076,881	\$608,575,719	86%	\$523,925,901
TOTAL AFFORDABLE HOUSING	\$17,820,835,500	\$11,389,000,000	\$6,431,835,500		\$3,473,191,170	\$2,958,644,330	\$1,477,388,808	\$1,481,255,522		\$1,275,220,337

iv. Public Realm

a) Service Description

The Public Realm service includes a variety of public realm improvements including urban design improvements (e.g. streetscaping), public art, and heritage conservation projects and studies.

For greater clarity, the capital costs included are those not eligible for funding through development charges and not abutting development which are part of the local service.

b) Service Delivery and Service Levels Consideration

As the City continues to grow, particularly through redevelopment and intensification, there is a growing need to invest in the public realm. Unless associated with a DC-eligible service (e.g. parks, road improvements), many public realm improvement projects are not eligible for DC funding under the DCA. However, the City has historically funded a number of these types of development-related projects through the previous Section 37 provisions, including streetscaping, public art, and heritage conservation.

c) Estimate of Need

The need for public realm projects driven by CBC developments is based on:

- Planned capital projects over the 2022-2031 period, and
- Provisions for additional projects (including streetscape improvements, public art, and heritage conservation projects) to respond to the demands triggered by mid- to high- density development as they arise. These needs are not always known in advance, and as such, estimates have been calculated based on previous Section 37 contribution rates.

While the Public Realm CBC capital program represents a point-in-time analysis of the anticipated CBC-eligible project costs over the 2022-2031

period, similar service levels are anticipated to continue to be provided beyond the ten-year planning horizon.

d) Consideration of Excess Capacity

Available excess capacity is considered as part of the City's budgeting and planning processes. The costs included in the CBC strategy relate to incremental needs arising from development over the ten-year planning horizon and are net of any excess capacity.

e) Capital Cost

The gross capital cost associated with the Public Realm program is \$172.70 million, before any deductions for other funding sources.

f) Identification of any anticipated capital grants, subsidies or other contributions

Grants or subsidies are anticipated to fund \$100,000 of the project costs.

g) Consideration of Benefit to Existing

A benefit to existing share of \$200,000 has been identified. This share has been removed from the calculation of CBC-eligible costs.

h) Relation to funding from DCs (if applicable)

The projects included in the Public Realm capital program will not be funded through any DC shares.

i) Share of Net Capital Costs related to CBC Eligible Developments

The total CBC eligible cost is \$161.95 million. This share is based on the growth anticipated to occur in CBC eligible developments from 2022 to 2031. Projects that are anticipated to benefit all forms of residential and mixed-use development, as well as some non-residential development, are assigned a 82 per cent CBC-eligible share, based on the percentage of population growth anticipated in units subject to CBCs. Projects driven solely by the types of development subject to CBCs are considered 100% CBC-eligible.

Table 7. Public Realm Development-Related Capital Program

Project Description	Gross Project Cost	Grants / Subsidies/ Other Recoveries	Net Cost	BTE (%)	Replacement & BTE Shares (\$)	Total Development Related Costs	2022 DC Study Share	Remaining Development-Related	CBC Share (%)	Total CBC Related Costs
4.0 PUBLIC REALM										
Urban Design Improvements										
4.1 Provision for Streetscape Improvements on the Public Boulevard (not abutting the development site)	\$110,000,000	\$0	\$110,000,000	0%	\$0	\$110,000,000	\$0	\$110,000,000	100%	\$110,000,000
4.2 Port Lands Sediment & Debris Management Area Public Realm	\$6,500,000	\$0	\$6,500,000	0%	\$0	\$6,500,000	\$0	\$6,500,000	82%	\$5,316,089
Public Art										
4.3 Public Art Implementation across the City	\$25,000,000	\$0	\$25,000,000	0%	\$0	\$25,000,000	\$0	\$25,000,000	82%	\$20,446,495
4.4 Keating West-Villiers Island Public Art Master Plan	\$25,700,000	\$0	\$25,700,000	0%	\$0	\$25,700,000	\$0	\$25,700,000	82%	\$21,018,996
4.5 Toronto Zoo Art installations	\$500,000	\$100,000	\$400,000	50%	\$200,000	\$200,000	\$0	\$200,000	82%	\$163,572
Heritage Conservation										
4.7 Provision for Heritage Conservation Projects and Studies	\$5,000,000	\$0	\$5,000,000	0%	\$0	\$5,000,000	\$0	\$5,000,000	100%	\$5,000,000
TOTAL PUBLIC REALM	\$172,700,000	\$100,000	\$172,600,000		\$200,000	\$172,400,000	\$0	\$172,400,000		\$161,945,152

v. Active and Sustainable Transportation

a) Service Description

This service area includes active transportation improvements not eligible for funding through DCs, including improved pedestrian connections, development-related improvements to the PATH system, and bike share expansions. Other City investments in improved sustainability of the transportation network, such as electric vehicle charging infrastructure, are also included.

b) Service Delivery and Service Levels Consideration

Population growth places pressures on the City's various transportation systems. While roads and transit costs are eligible for funding through DCs, many active and sustainable transportation-related projects are not eligible. The City has also historically used the previous Section 37 provisions to respond to the additional demands on active transportation networks placed by higher density development.

c) Estimate of Need

The need for public realm projects driven by CBC developments is based on:

- Planned capital projects over the 2022-2031 period, and
- Provisions for additional projects (including transit-related improvements and other road, transportation, and pedestrian improvements) to respond to the demands triggered by mid- to high- density development as they arise. These needs are not always known in advance, and as such, estimates have been calculated based on previous Section 37 contribution rates.

While the Active and Sustainable Transportation CBC capital program represents a point-in-time analysis of the anticipated CBC-eligible project costs over the 2022-2031 period, similar service levels are anticipated to continue beyond the ten-year planning horizon.

d) Consideration of Excess Capacity

Available excess capacity is considered as part of the City's budgeting and planning processes. The costs included in the CBC strategy relate to incremental needs arising from development over the ten-year planning horizon and are net of any excess capacity.

e) Capital Cost

The gross capital cost associated with the Active and Sustainable Transportation program is \$58.23 million.

f) Identification of any anticipated capital grants, subsidies or other contributions

Grants or subsidies are anticipated to fund \$2.30 million of the project costs.

g) Consideration of Benefit to Existing

A benefit to existing share of \$11.27 million has been identified. This share has been removed from the calculation of CBC-eligible costs.

h) Relation to funding from DCs (if applicable)

The projects included in the Active and Sustainable Transportation capital program will not be funded through any DC shares.

i) Share of Net Capital Costs related to CBC Eligible Developments

The total CBC eligible cost is \$36.27 million. This share is based on the growth anticipated to occur in CBC eligible developments from 2022 to 2031. Projects that are anticipated to benefit all forms of development, including residential and non-residential, are assigned a 57 per cent CBC-eligible share, based on the percentage of population growth anticipated in units subject to CBCs. Projects driven solely by the types of development subject to CBCs are considered 100% CBC-eligible.

Table 8. Active and Sustainable Transportation Development-Related Capital Program

Project Description	Gross Project Cost	Grants / Subsidies/ Other Recoveries	Net Cost	BTE (%)	Replacement & BTE Shares (\$)	Total Development Related Costs	2022 DC Study Share	Remaining Development-Related	CBC Share (%)	Total CBC Related Costs
5.0 ACTIVE & SUSTAINABLE TRANSPORTATION										
5.1 Provision for Transit Improvements incl. Pedestrian Connections	\$5,000,000	\$0	\$5,000,000	0%	\$0	\$5,000,000	\$0	\$5,000,000	100%	\$5,000,000
5.2 Provision for Road, Transportation and Pedestrian Improvements	\$20,000,000	\$0	\$20,000,000	0%	\$0	\$20,000,000	\$0	\$20,000,000	100%	\$20,000,000
5.3 Pedestrian Infrastructure including PATH	\$1,580,465	\$0	\$1,580,465	0%	\$0	\$1,580,465	\$0	\$1,580,465	57%	\$906,357
5.4 Citywide Electric Vehicle Charging Network	\$14,520,000	\$2,300,000	\$12,220,000	92%	\$11,267,224	\$952,776	\$0	\$952,776	57%	\$546,393
5.5 Bike Share Toronto Expansion	\$17,125,000	\$0	\$17,125,000	0%	\$0	\$17,125,000	\$0	\$17,125,000	57%	\$9,820,759
TOTAL ACTIVE & SUSTAINABLE TRANSPORTATION	\$58,225,465	\$2,300,000	\$55,925,465		\$11,267,224	\$44,658,241	\$0	\$44,658,241		\$36,273,509

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vi. Protective Services

a) Service Description

The Protective Services capital program includes ambulance services projects beyond the funding envelope as determined through the 2022 DC Background Study, as well as planned emergency management projects. This service category may also be used to fund development-related police and fire services costs not funded through DCs, should the need arise.

b) Service Delivery and Service Levels Consideration

Protective services are funded by DCs to the extent permitted under the DCA. The capital costs identified as CBC-eligible in the CBC Strategy are those above the calculated funding envelope (limited by historical services levels). The amounts that exceed this historical service level are required to meet the additional demand and costs arising from population growth.

c) Estimate of Need

The need for protective services projects is based on planned capital projects, many of which were identified as part of the 2022 DC Background Study. While the capital program represents a point-in-time analysis of the anticipated CBC-eligible project costs over the 2022-2031 period, similar service levels are anticipated to continue beyond the ten-year planning horizon.

d) Consideration of Excess Capacity

There is no excess capacity available within the City's protective services assets and the costs included in the CBC strategy relate to incremental needs arising from development over the ten-year planning horizon.

e) Capital Cost

The gross capital cost associated with the Protective Services program is \$159.90 million.

f) Identification of any anticipated capital grants, subsidies or other contributions

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

g) Consideration of Benefit to Existing

Benefit to existing or replacement shares totalling \$32.71 million have been identified. This share is removed from the calculation of CBC-eligible costs.

h) Relation to funding from DCs (if applicable)

DCs are anticipated to fund \$6.80 million of the identified project costs, leaving \$120.38 million in remaining development-related costs.

i) Share of Net Capital Costs related to CBC Eligible Developments

The total CBC eligible cost is \$69.03 million. This share, at 57 per cent, is based the percentage of growth anticipated in units subject to CBCs, recognizing that these projects will also benefit residential and non-residential development that is not subject to CBCs.

Table 9. Protective Services Development-Related Capital Program

Project Description	Gross Project Cost	Grants / Subsidies/ Other Recoveries	Net Cost	BTE (%)	Replacement & BTE Shares (\$)	Total Development Related Costs	2022 DC Study Share	Remaining Development-Related	CBC Share (%)	Total CBC Related Costs
6.0 PROTECTIVE SERVICES										
Ambulance Services										
6.1 New Communication Centre	\$80,738,074	\$0	\$80,738,074	0%	\$0	\$80,738,074	\$6,802,928	\$73,935,146	57%	\$42,399,954
6.2 Mobile Data Communications - Future years	\$2,906,571	\$0	\$2,906,571	75%	\$2,179,928	\$726,643	\$0	\$726,643	57%	\$416,711
6.3 Multi-Function Station #3 (FACILITY) - 610 Bay St	\$22,000,000	\$0	\$22,000,000	0%	\$0	\$22,000,000	\$0	\$22,000,000	57%	\$12,616,449
6.4 Multi-Function Station #4	\$7,000,000	\$0	\$7,000,000	0%	\$0	\$7,000,000	\$0	\$7,000,000	57%	\$4,014,325
6.5 Multi-Function Station #5 - 18 Dyas Road	\$10,000,000	\$0	\$10,000,000	0%	\$0	\$10,000,000	\$0	\$10,000,000	57%	\$5,734,750
6.6 Additional Equipment Needs per Ambulance	\$602,844	\$0	\$602,844	0%	\$0	\$602,844	\$0	\$602,844	57%	\$345,716
6.7 Additional Tahoes (3/year) - OPS	\$3,120,000	\$0	\$3,120,000	0%	\$0	\$3,120,000	\$0	\$3,120,000	57%	\$1,789,242
6.8 Ambulance/Portable Radio Replacement	\$2,440,000	\$0	\$2,440,000	92%	\$2,244,800	\$195,200	\$0	\$195,200	57%	\$111,942
6.9 Medical Equipment Replacement	\$5,000,000	\$0	\$5,000,000	92%	\$4,600,000	\$400,000	\$0	\$400,000	57%	\$229,390
6.10 Defibrillator Replacement Purchases	\$10,940,000	\$0	\$10,940,000	92%	\$10,064,800	\$875,200	\$0	\$875,200	57%	\$501,905
6.11 Power Stretchers - Replacements	\$14,400,000	\$0	\$14,400,000	92%	\$13,248,000	\$1,152,000	\$0	\$1,152,000	57%	\$660,643
Emergency Management										
6.12 Emergency Operations Centre	\$750,000	\$0	\$750,000	50%	\$375,000	\$375,000	\$0	\$375,000	57%	\$215,053
TOTAL PROTECTIVE SERVICES	\$159,897,489	\$0	\$159,897,489		\$32,712,528	\$127,184,961	\$6,802,928	\$120,382,033		\$69,036,081

vii. Waste Management

a) Service Description

The Waste Management capital program includes waste projects beyond the funding envelope as determined through the 2022 DC Background Study, as well as additional projects, or shares of projects, not related to waste diversion and therefore not eligible for DC funding under the DCA.

b) Service Delivery and Service Levels Consideration

Waste management services are funded by DCs to the extent permitted under the DCA. The capital costs included in the CBC Strategy are those above the calculated funding envelope as well as types of projects not eligible for DC funding. The amounts that exceed this historical service level are required to meet the additional demand and costs arising from population growth.

c) Estimate of Need

The need for waste management projects is based on planned capital projects, many of which were identified as part of the 2022 DC Background Study. While the capital program represents a point-in-time analysis of the anticipated CBC-eligible project costs over the 2022-2031 period, similar service levels are anticipated to continue beyond the ten-year planning horizon.

d) Consideration of Excess Capacity

There is no excess capacity available within the City's waste management system and the costs included in the CBC strategy relate to incremental needs arising from development over the ten-year planning horizon.

e) Capital Cost

The gross capital cost associated with the Waste Management program is \$343.28 million.

f) Identification of any anticipated capital grants, subsidies or other contributions

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

g) Consideration of Benefit to Existing

Benefit to existing or replacement shares totalling \$192.05 million have been identified. This share is removed from the calculation of CBC-eligible costs.

h) Relation to funding from DCs (if applicable)

DCs are anticipated to fund \$47.77 million of the identified project costs, leaving \$103.46 million in remaining development-related costs.

i) Share of Net Capital Costs related to CBC Eligible Developments

The total CBC eligible cost is \$89.07 million. This share is based the percentage of population growth anticipated in units subject to CBCs (86%).

Table 10. Waste Management Development-Related Capital Program

Project Description	Gross Project Cost	Grants / Subsidies/ Other Recoveries	Net Cost	BTE (%)	Replacement & BTE Shares (\$)	Total Development Related Costs	2022 DC Study Share	Remaining Development-Related	CBC Share (%)	Total CBC Related Costs
7.0 WASTE MANAGEMENT										
7.1 Dufferin Waste Facility Site Improvement 2018-2020	\$40,000,000	\$0	\$40,000,000	54%	\$21,428,571	\$18,571,429	\$5,292,857	\$13,278,571	86%	\$11,431,589
7.2 Extended Producer Responsibility Transition - Rate Review	\$400,000	\$0	\$400,000	88%	\$353,325	\$46,675	\$26,604	\$20,070	86%	\$17,278
7.3 Mixed Waste Process W Organics Recovery	\$4,573,229	\$0	\$4,573,229	0%	\$0	\$4,573,229	\$1,524,410	\$3,048,819	86%	\$2,624,744
7.4 3rd AD Organics Processing Facility	\$129,973,000	\$0	\$129,973,000	20%	\$25,994,600	\$103,978,400	\$34,659,467	\$69,318,933	86%	\$59,677,019
7.5 Transfer Station Efficiencies	\$734,410	\$0	\$734,410	88%	\$648,714	\$85,696	\$48,847	\$36,849	86%	\$31,724
7.6 New Fleet	\$5,000,000	\$0	\$5,000,000	0%	\$0	\$5,000,000	\$4,155,499	\$844,501	86%	\$727,035
7.7 Biogas Utilization at Disco	\$131,000	\$0	\$131,000	88%	\$115,714	\$15,286	\$5,095	\$10,191	86%	\$8,773
7.8 Biogas Utilization at Dufferin	\$628,000	\$0	\$628,000	88%	\$554,721	\$73,279	\$24,426	\$48,853	86%	\$42,058
7.9 RNG Keele Valley Landfill	\$800,000	\$0	\$800,000	88%	\$706,651	\$93,349	\$31,116	\$62,233	86%	\$53,576
7.10 Landfill Gas Utilization	\$51,541,000	\$0	\$51,541,000	88%	\$45,526,868	\$6,014,132	\$2,004,711	\$4,009,422	86%	\$3,451,731
7.11 Landfill Capacity Dev / Energy From Waste	\$109,500,000	\$0	\$109,500,000	88%	\$96,722,842	\$12,777,158	\$0	\$12,777,158	86%	\$10,999,920
TOTAL WASTE MANAGEMENT	\$343,280,639	\$0	\$343,280,639		\$192,052,007	\$151,228,632	\$47,773,032	\$103,455,600		\$89,065,447

viii. Civic Administration

a) Service Description

The cost of the CBC Strategy itself is eligible under the Act and included in this service category is the implementation of the strategy. Costs related to implementing and administering the CBC By-law include dispute resolutions and delivering the CBC capital program.

b) Service Delivery and Service Levels Consideration

Inclusion of the CBC Strategy and implementation does not increase the level of service provided to existing residents as they replace existing Section 37 workflows and ineligible DC Services.

c) Estimate of Need

Included in the cost is a CBC Strategy as well as the cost of dispute resolutions, legal costs and others related to the implementation and administration of the strategy and by-law. While the capital program represents a point-in-time analysis of the anticipated CBC-eligible project costs over the 2022-2031 period, similar needs are anticipated to continue beyond the ten-year planning horizon.

d) Consideration of Excess Capacity

No excess capacity exists for this service.

e) Capital Cost

The gross cost included in the capital program totals \$2.50 million over the ten year planning period.

f) Identification of any Anticipated Capital Grants, Subsidies or Other Contributions

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

g) Consideration of Benefit to Existing

No benefit to existing has been identified as these costs relate entirely to CBC eligible development.

h) Relation to funding from DCs (if applicable)

No DC funding is available for this service.

i) Share of Net Capital Costs related to CBC Eligible Developments

The entire cost of \$2.50 million is related to developments subject to CBCs.

Table 11. Civic Administration Development-Related Capital Program

Project Description	Gross Project Cost	Grants / Subsidies/ Other Recoveries	Net Cost	BTE (%)	Replacement & BTE Shares (\$)	Total Development Related Costs	2022 DC Study Share	Remaining Development-Related	CBC Share (%)	Total CBC Related Costs
8.0 CIVIC ADMINISTRATION										
8.1 CBC Strategy, By-law, and Implementation	\$2,500,000	\$0	\$2,500,000	0%	\$0	\$2,500,000	\$0	\$2,500,000	100%	\$2,500,000
TOTAL CIVIC ADMINISTRATION	\$2,500,000	\$0	\$2,500,000		\$0	\$2,500,000	\$0	\$2,500,000		\$2,500,000

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5. CBC Revenue Analysis and Rate Structure

A. CBC Capital Needs Greater than Projected CBC Revenue

For the purposes of projecting CBC revenues under the 4 per cent cap, the forecast of apartment units subject to CBCs was broken down by five geographies, as shown in Table 12, based on current City development pipeline data. Land values at the time of building permit, observed within the historical development pipeline data, vary considerably across, and within, these five geographies. The average per-unit land value in current (2022) dollars is calculated at approximately \$142,600. Non-residential shares of mixed-use buildings are embedded in the per-unit values.

Applying the legislated 4 per cent cap, it is anticipated that the average unit will contribute approximately \$5,700 in CBCs. This results in a high level estimate of potential CBC revenues of approximately \$700 million for the City over the 2022-2031 period.

As discussed in Section 4, the total cost of the CBC-eligible capital program over the same 2022-2031 period is \$2.47 billion. As such, it is evident that the capital needs cannot be fully funded by potential CBC revenues.

Table 12. Estimate of Potential CBC Revenues, 2022-2031

Area	% of Units ¹	2022-2031 Apt. Units	Average Land Value / Unit ¹	Average CBC / Unit at 4% Cap	Total CBC Revenue at 4% Cap
Etobicoke	9%	11,192	\$76,500	\$3,060	\$34,247,520
North York	23%	28,603	\$120,400	\$4,816	\$137,752,048
Scarborough	12%	14,923	\$57,300	\$2,292	\$34,203,516
Toronto & East York ²	27%	33,577	\$136,100	\$5,444	\$182,793,188
Downtown (TOcore)	29%	36,064	\$222,100	\$8,884	\$320,392,576
Total	100%	124,360	\$142,609	\$5,704	\$709,388,848

Note (1): Based on City of Toronto development pipeline data.

Note (2): Excluding Downtown (TOcore).

B. Proposed Rate Structure is as a Percentage of Site Land Value

It is proposed that the CBC levy rate will be a uniform 4 per cent of land value across the city. 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.

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Appendix
Draft CBC By-law
(To Be Made Available
Under Separate Cover)