



Community Benefits Charge Strategy

Town of Ajax

November 18, 2024

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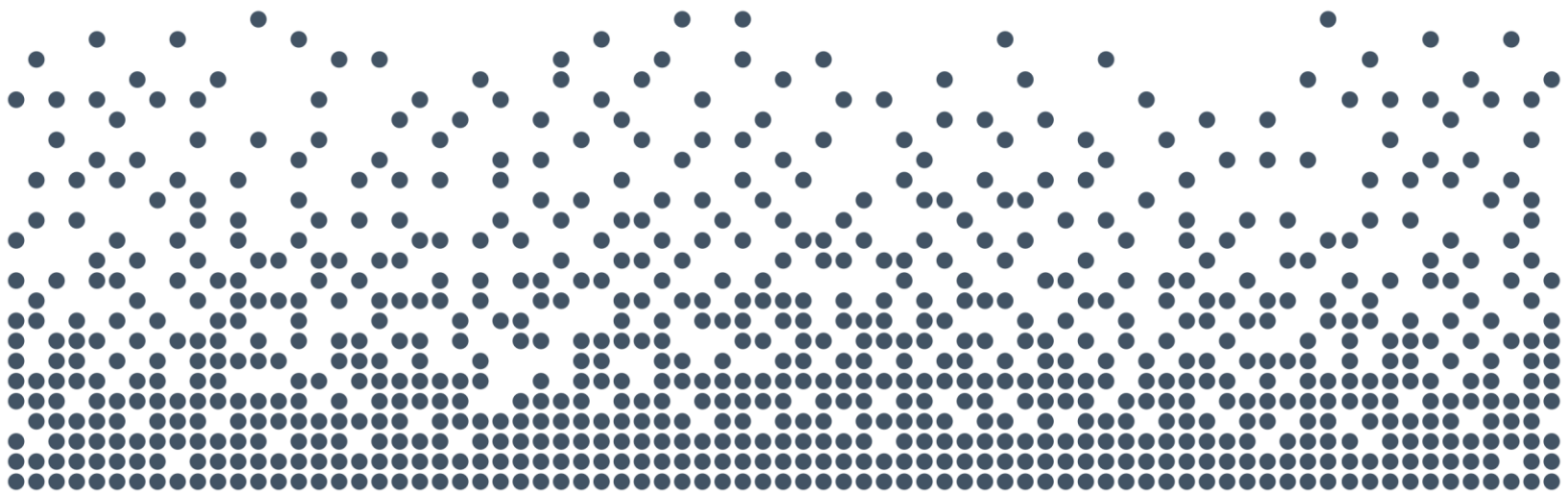
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List of Acronyms and Abbreviations

Acronym	Full Description of Acronym
B.T.E.	Benefit to Existing
C.B.C.	Community Benefits Charge
D.C.	Development charge
D.C.A.	<i>Development Charges Act, 1997</i> , as amended
M.C.R.	Municipal Comprehensive Review
N.F.P.O.W.	No fixed place of work
O.L.T.	Ontario Land Tribunal
O. Reg.	Ontario Regulation
P.D.B.R.	Parkland Dedication By-law Review
P.I.L.	Payment-in-lieu
P.P.U.	Persons per unit
sq.ft.	square foot
sq.m.	square metre



Report



Chapter 1

Introduction



1. Introduction

1.1 Purpose of this Document

The Town of Ajax (Town) retained Watson & Associates Economists Ltd. (Watson), to prepare a Community Benefits Charge (C.B.C.) Strategy and to assist with the by-law adoption process. Watson worked with Town staff preparing the C.B.C. Strategy and policy recommendations contained herein.

The Strategy has been prepared pursuant to the requirements of Section 37 of the *Planning Act*. Accordingly, the Strategy recommends the imposition of a C.B.C. and associated policies for administration of the by-law by the Town. The C.B.C. Strategy, and proposed by-law, will be distributed to members of the public to provide interested parties the background information on the legislation, the recommendations, and the basis for these recommendations.

This Strategy has been prepared, in the first instance, to meet the statutory requirements under the *Planning Act*, as summarized in Chapter 3. In addition, the Strategy is designed to set out sufficient background on the calculation of the charges, and the policies underlying the proposed by-law, to make the exercise understandable to those involved. Chapters 4 and 5 outline the determination of the C.B.C. eligible capital costs and calculation of the charges. The Strategy also provides the rules for administering the by-law, as contained in Chapter 6 herein, and the proposed by-law in Appendix B. Finally, the report addresses post-adoption implementation requirements (Chapter 7) which are critical to the successful application of the new by-law.

The chapters in the Strategy are supported by Appendices containing the data required to explain and substantiate the calculation of the charges.

1.2 Legislative Context

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

The *COVID-19 Economic Recovery Act* (Bill 197) received Royal Assent on July 21, 2020. Schedule 17 of the Act amended the *Planning Act* with respect to the provisions of community benefits and parkland dedication. These amendments were proclaimed and came into effect on September 18, 2020. Municipalities with agreements for



community benefits have two years after the date of proclamation (i.e., September 18, 2022) to transition to the new rules under s.37 of the *Planning Act*. Eligible municipalities also have the ability to impose a C.B.C. under this authority.

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

- land for parks or other public recreational purposes in excess of lands conveyed or funded by payment-in-lieu (P.I.L.) of parkland payments under sections 42 and 51 of the *Planning Act*;
- capital costs for services under subsection 2 (4) of the D.C.A. that are ineligible for recovery under a Development Charges (D.C.) by-law; and
- capital costs for municipal services eligible for inclusion in a D.C. by-law that are not intended to be funded under the municipality's D.C. by-law.

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

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

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

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



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

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

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

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

1. An estimate of the anticipated amount, type, and location of development and redevelopment with respect to which community benefits charges will be imposed;
2. Estimates of the increase in the need for facilities, services and matters attributable to the anticipated development and redevelopment to which the community benefits charge by-law would relate;



3. For the facilities, services, and matters included above an identification of excess capacity and estimates of the benefit to existing development;
4. Estimates of the capital costs necessary to provide the facilities, services, and matters; and
5. Identification of any capital grants, subsidies and other contributions made to the municipality or that the council of the municipality anticipates will be made in respect of the capital costs.

Once the by-law is passed, the municipality must give notice of passage. The by-law may be appealed to the Ontario Land Tribunal (O.L.T.) within 40 days of by-law passage.

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

1.2.2 *More Homes for Everyone Act, 2022 - Bill 109*

The *More Homes for Everyone Act, 2022 (Bill 109)* received Royal Assent on April 14, 2022. Schedule 5 of the Act amends the *Planning Act* with respect to C.B.C. by-laws. New subsections 37 (54) to (59) require that Council must pass a resolution on whether a revision to the C.B.C. by-law is needed at least every five years from the date the by-law was first passed.

The municipality must review the by-law and determine whether there is need for a revision and requires that municipalities shall consult with such persons and public bodies as appropriate. The municipality must give notice of the passing of the resolution within 20 days on the website of the municipality.

If Council does not pass a resolution within the five years, the by-law is deemed to expire.

1.2.3 *More Homes Built Faster Act, 2022 - Bill 23*

The Province introduced the *More Homes Built Faster Act (Bill 23)* with the overall objective to increase housing supply and provide attainable housing options. The Province's plan is to address the housing crisis by targeting the creation of 1.5 million homes over a period to 2031. To implement this plan, the Act introduced several



changes to the *Planning Act*, along with nine other Acts including the *Development Charges Act (D.C.A.)* and the *Conservation Authorities Act*, which seek to increase the supply of housing.

The *More Homes Built Faster Act, 2022* received Royal Assent on November 28, 2022. Schedule 9 of the Act amends the *Planning Act* with respect to C.B.C. by-laws as follows:

- Subsection 37 (7.1) allows a municipality to enter into an agreement with a landowner for the provision of in-kind contributions. It also allows for this agreement to be registered on title of the land to which the charge applies (s.s.37 (7.2)).
- Subsections 37 (32), as amended, clarifies the application of the maximum prescribed percentage of the value of land for redevelopment. Where development or redevelopment is occurring on a parcel of land with an existing building or structure, the maximum C.B.C. that could be imposed is to be calculated based on the incremental development only.
- Subsection 37 (32.1) exempts affordable residential units, attainable residential units, inclusionary zoning residential units, and non-profit housing developments from the payment of a C.B.C. The current definitions for these development types are provided as follows, in reference to the D.C.A.:
 - Affordable Residential Units (Rented): Where rent is no more than 80% of the average market rent as defined by a new bulletin published by the Ministry of Municipal Affairs and Housing.
 - Affordable Residential Units (Ownership): Where the price of the unit is no more than 80% of the average purchase price as defined by a new bulletin published by the Ministry of Municipal Affairs and Housing.
 - Attainable Residential Units: Excludes affordable units and rental units; will be defined¹ as prescribed development or class of development and sold to a person who is at “arm’s length” from the seller.
 - Inclusionary Zoning Units: Affordable housing units required under inclusionary zoning by-laws.

¹ Currently undefined, to be defined by regulation.



- Affordable and attainable units, the municipality shall enter into an agreement that ensures the unit remains affordable or attainable for 25 years.

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

The Ontario Legislature introduced new legislation through Bill 134, the *Affordable Homes and Good Jobs Act*, which received Royal Assent on December 4, 2023. The legislation impacts the D.C.A. and the *Planning Act* by amending the definition of an “affordable residential unit” for the purpose of exempting such developments from the payment of C.B.C., D.C., and parkland dedication requirements. Under the legislation, affordable residential units were defined and required the Minister of Municipal Affairs and Housing to publish an “Affordable Residential Units for the Purposes of the Development Charges Act, 1997 Bulletin.” It is noted that for C.B.C. and parkland dedication requirements, the *Planning Act* refers to the D.C.A. in regard to the exemption for affordable residential units. This bulletin informs the average market rent and purchase price to be used in determining which developments qualify as affordable residential units. The bulletin was published by the Minister on May 1, 2024.

The *Affordable Homes and Good Jobs Act* provides for a modification to the affordable residential unit definition by:

- Introducing an income-based test for affordable rent and purchase price; and
- Increasing the threshold for the market test of affordable rent and purchase price.

This change provides the exemption based on the lesser of the two measures.

Moreover, the rules in subsection 4.1 of the D.C.A. are unchanged with respect to:

- The tenant and purchaser transacting the affordable unit being at arm’s length;
- The intent of maintaining the affordable residential unit definition for a 25-year period, requiring an agreement with the municipality (which may be registered on title); and
- Exemptions for attainable residential units and associated rules (requiring further regulations).

The following table provides a summary of the amended definition provided through the *Affordable Homes and Good Jobs Act* (underlining added for emphasis).



Table 1-1
Definition of Affordable Residential Units

Item	Bill 134 Definition (as per D.C.A.)
Affordable residential unit rent (subsection 4.1 (2), para. 1)	The rent is no greater than <u>the lesser of</u> , <ul style="list-style-type: none"> i. the <u>income-based affordable rent</u> for the residential unit set out in the Affordable Residential Units bulletin, as identified by the Minister of Municipal Affairs and Housing in accordance with subsection (5), and ii. the <u>average market rent</u> identified for the residential unit set out in the Affordable Residential Units bulletin.
Average market rent/rent based on income (subsection 4.1 (5)) for the purposes of subsection 4.1 (2), para. 1	The Minister of Municipal Affairs and Housing shall, <ul style="list-style-type: none"> (a) determine the <u>income of a household</u> that, in the Minister's opinion, is <u>at the 60th percentile of gross annual incomes for renter households in the applicable local municipality</u>; and (b) identify the <u>rent</u> that, in the Minister's opinion, is <u>equal to 30 per cent of the income of the household</u> referred to in clause (a).
Affordable residential unit ownership (subsection 4.1 (3), para. 1)	The price of the residential unit is no greater than <u>the lesser of</u> , <ul style="list-style-type: none"> i. the <u>income-based affordable purchase price</u> for the residential unit set out in the Affordable Residential Units bulletin, as identified by the Minister of Municipal Affairs and Housing in accordance with subsection (6), and ii. <u>90 per cent of the average purchase price</u> identified for the residential unit set out in the Affordable Residential Units bulletin.
Average market purchase price/purchase price based on income (subsection 4.1 (6)) for the purposes of subsection 4.1 (3), para. 1	The Minister of Municipal Affairs and Housing shall, <ul style="list-style-type: none"> (a) determine the <u>income of a household</u> that, in the Minister's opinion, is at the <u>60th percentile of gross annual incomes for households in the applicable local municipality</u>; and (b) identify the <u>purchase price</u> that, in the Minister's opinion, <u>would result in annual accommodation costs equal to 30 per cent of the income of the household</u> referred to in clause (a)

The affordable exemptions came into effect on June 1, 2024. The bulletin provides the information for the Town to measure against in determining the applicability of the exemption from the C.B.C. (as well as D.C. and Parkland requirements). It is anticipated that the bulletin will be updated annually, and currently provides the following information specific to Ajax:



- Affordable Ownership Units: Table 1-2 indicates that the cost of a house based on average household income in the Town, provides the amount to be measured against, as 90% of average purchase prices is greater for all unit types.

Table 1-2
Affordable Ownership Units

Units	90% of Average Purchase Price in the Town	Cost of House Based on Average Household Income in the Town (Affordable Purchase Price)
Detached House	\$981,000	\$495,800
Semi-detached House	\$801,000	\$495,800
Row/Townhouse	\$729,000	\$495,800
Condominium Apartment	\$531,000	\$495,800

- For Affordable Rental Units: The average monthly market rent in the Town provides the amount to be measured against, as the average monthly market rent based on average household income is greater for all unit types, as provided in Table 1-3.

Table 1-3
Affordable Rental Units

Units	Average Monthly Market Rent in the Town (Affordable Monthly Rent)	Average Monthly Rent Based on Household Income in the Town
Bachelor unit	\$1,036	\$2,440
1-Bedroom unit	\$1,456	\$2,440
2-Bedroom unit	\$1,809	\$2,440
3 or more Bedrooms	\$2,224	\$2,440



1.3 Current Policies

Historically, the Town has imposed charges related to community benefits under the prior *Planning Act* section 37 (height and density bonusing) provisions. The Town has passed two by-laws with landowners under these provisions, and subsequently entered into an agreement with one of the landowners. Through these by-laws and agreements, the landowners have agreed to provide funding for or the construction of specific community benefit projects. The funds collected to date, along with the future payments as per these by-laws and agreements, will be placed in the community benefits reserve fund and committed to pay for the specific projects. As such the capital projects within these agreements have not been included in the C.B.C. calculations herein. Further, as per the requirements of the *Planning Act*, these developments will not be subject to the C.B.C. by-law. The developments, contained in the prior s. 37 by-laws and agreements, are listed by legal property description in Schedule “A” to the draft by-law contained in Appendix B of this Strategy.

1.4 Summary of the Process

Prior to passing a C.B.C. by-law, the *Planning Act* requires the Town to consult with the public and such persons and public bodies it considers appropriate. During the 2023 study process, two public consultation meetings were held: one with development industry stakeholders and the other as a public open house. As such, a public consultation meeting has been set for December 2, 2024, with the Community Affairs and Planning Committee to allow for feedback on the Strategy and to answer any questions regarding its purpose, approach, and the proposed C.B.C. by-law. Stakeholders will be given the opportunity to provide comments until December 2, 2024. Council’s consideration of the By-law is anticipated at the Council meeting schedule for December 9, 2024.

Figure 1-1 provides an outline of the schedule to be followed with respect to the C.B.C. Strategy and By-Law process.



Figure 1-1
Town of Ajax
Schedule of Key Dates in the C.B.C. By-Law Process

Item	Date
Data collection, land valuation analysis, growth forecast development, capital needs assessment, staff review, C.B.C. calculations and policy work.	August 2024 to October 2024
Release of the C.B.C. Strategy and draft by-law on Town's IMO (In My Opinion) Page	November 18, 2024
Public Consultation Meeting and Recommendation Report to Committee to present the C.B.C. Strategy and proposed by-law and receive feedback	December 2, 2024
Council Meeting to consider adoption of C.B.C. Strategy and passage of By-Law	December 9, 2024
Notice given of by-law passage	No later than 20 days after passage
Last day for by-law appeal	40 days after passage



Chapter 2

Anticipated Development in the Town of Ajax



2. Anticipated Development

2.1 Requirement of the Act

Chapter 3 provides the methodology for calculating a C.B.C. as per the requirements of the *Planning Act*. Figure 3-1 presents this methodology schematically. It is noted in the first box of the schematic that in order to determine the C.B.C. that may be imposed, it is a requirement of section 37 (9) of the *Planning Act* and O. Reg. 509/20 that “the anticipated amount, type and location of development and redevelopment, for which a C.B.C. can be imposed, must be estimated.”

The growth forecast contained in this chapter (with supplemental tables in Appendix A) provides for the anticipated development for which the Town of Ajax will be required to provide services, over a 10-year (late-2024 to late-2034) horizon.

2.2 Basis of Population, Household and Employment Forecast

The C.B.C. growth forecast has been derived by Watson. The growth forecast provided herein builds on growth assumptions established in Envision Durham, the Durham Region Official Plan (adopted by Regional Council May 17, 2024). In addition to this source, the following information sources were consulted:

- Town of Ajax Official Plan (Office Consolidation October 2022);
- Durham Region Growth Management Strategy – Phase 2 Area Municipal Growth Allocations and Land Needs (Final Report October 17, 2024);
- 2006, 2011, and 2016 population, household, and employment Census data;
- 2021 population and household Census data;
- Historical residential and non-residential building permit data over the 2014 to 2024 year-to-date period;
- Residential supply opportunities as provided by the Town of Ajax; and
- Discussions with Town staff regarding anticipated residential and non-residential development in the Town of Ajax.



2.3 Summary of Growth Forecast

A detailed analysis of the residential and non-residential growth forecasts is provided in Appendix A and the methodology employed is illustrated in Figure 2 1. The discussion provided herein summarizes the anticipated growth for the Town and describes the basis for the forecast. The results of the residential growth forecast analysis are summarized in Table 2 1 below, and Schedule 1 in Appendix A.

As identified in Table 2 1 and Appendix A, Schedule 1, the permanent population in Ajax is anticipated to reach approximately 153,600 by late 2034, resulting in an increase of approximately 23,200 persons.^[1]

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

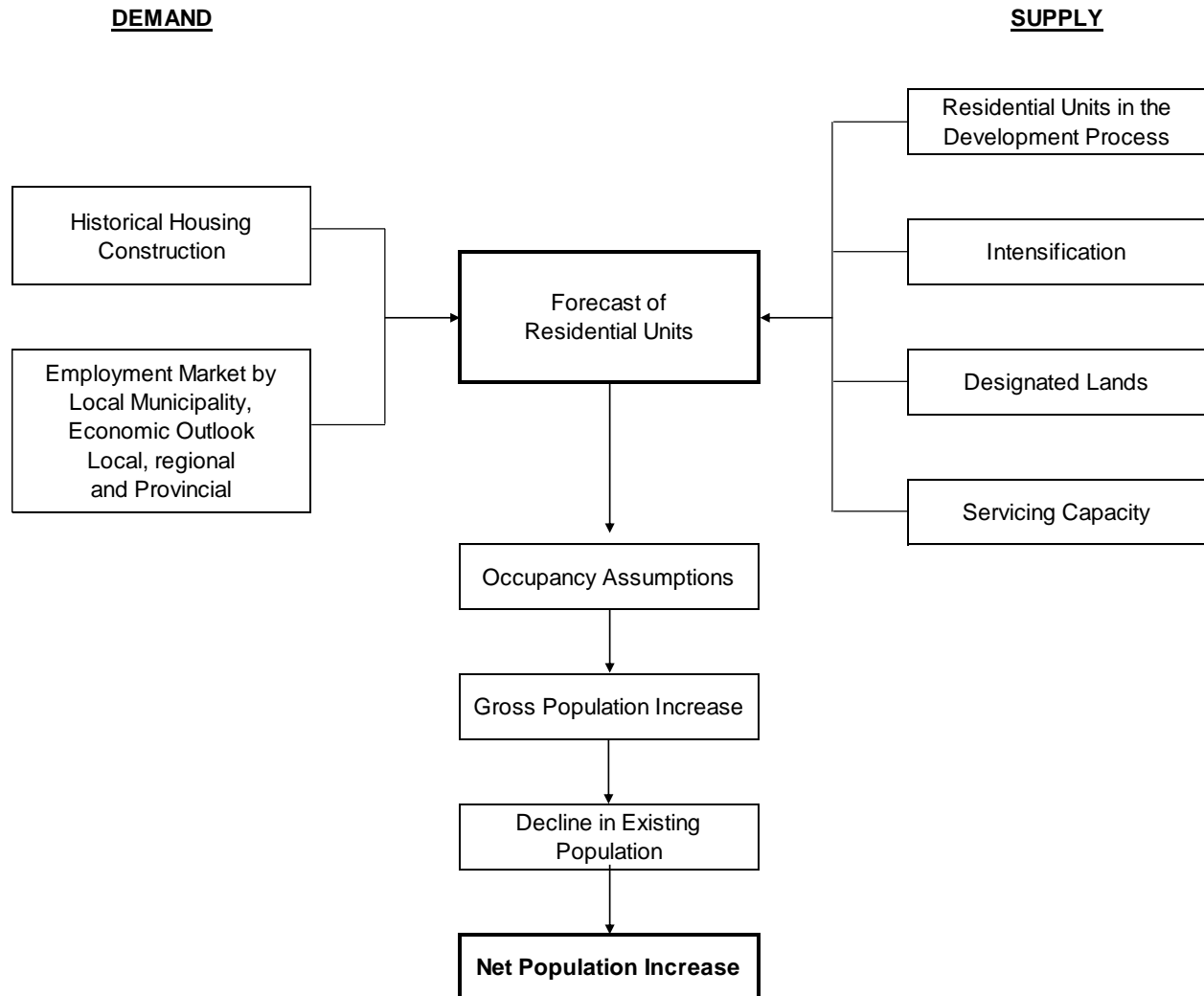
1. Unit Mix (Appendix A – Schedules 1 and 5)

- The housing unit mix for the Town was derived from the Durham Region Growth Management Strategy – Phase 2 Area Municipal Growth Allocations and Land Needs (Final Report October 17, 2024), a detailed review of historical development activity (as per Schedule 5 in Appendix A), as well as active residential development applications and discussions with Town staff regarding anticipated development trends for Ajax.
- Based on the above indicators, the 2024 to 2034 household growth forecast for the Town is comprised of a unit mix of 4% low-density units (single-detached and semi-detached), 28% medium-density (multiples except for apartments), and 68% high-density (accessory units, bachelor, 1-bedroom, and 2+ bedroom apartments) units.

^[1] The population figures used in the calculation of the 2023 C.B.C. exclude the net Census undercount, which is estimated at approximately 3.8%.



Figure 2-1
Approach to Population and Housing Forecast





**Table 2-1
Town of Ajax
Residential Growth Forecast Summary**

Year	Population (Including Census Undercount) ^[1]	Excluding Census Undercount			Housing Units						Person Per Unit (P.P.U.): Total Population/ Total Households	
		Population	Institutional Population	Population Excluding Institutional Population	Singles & Semi-Detached	Multiple Dwellings ^[2]	Apartments ^[3]	Other	Total Households	Equivalent Institutional Households		
Historical	<i>Mid 2006</i>	93,580	90,167	387	89,780	20,965	4,290	3,335	20	28,610	352	3.152
	<i>Mid 2011</i>	113,750	109,600	380	109,220	25,099	6,345	3,580	14	35,038	345	3.128
	<i>Mid 2016</i>	124,210	119,677	497	119,180	26,830	7,050	3,655	10	37,545	452	3.188
	<i>Mid 2021</i>	131,460	126,666	421	126,245	27,825	7,405	4,245	15	39,490	383	3.208
Forecast	<i>Late 2024</i>	135,350	130,412	492	129,920	28,013	7,949	5,477	15	41,454	447	3.146
	<i>Late 2034</i>	159,470	153,648	791	152,857	28,499	11,104	13,195	15	52,813	719	2.909
Incremental	Mid 2011 - Mid 2016	10,460	10,077	117	9,960	1,731	705	75	-4	2,507	107	
	Mid 2016 - Mid 2021	7,250	6,989	-76	7,065	995	355	590	5	1,945	-69	
	Mid 2021 - Late 2024	3,890	3,746	71	3,675	188	544	1,232	0	1,964	64	
	Late 2024 - Late 2034	24,120	23,236	299	22,937	486	3,155	7,718	0	11,359	272	

Source: Envision Durham, the Durham Region Official Plan (adopted by Regional Council May 17, 2023) derived by Watson & Associates Economists Ltd., 2024.

[1] Census undercount estimated at approximately 3.8%. Note: Population including the undercount has been rounded.

[2] Includes townhouses and duplexes.

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



2. C.B.C. Eligible Units

- Subsection 37 (4) of the *Planning Act* establishes the criteria for a development to be C.B.C. eligible. A C.B.C. may be imposed if:
 - Development of a proposed building or structure that has five or more storeys at or above ground and has 10 or more residential units;
 - Redevelopment of an existing building or structure that will have 5 or more storeys at or above ground after redevelopment and proposes to add 10 or more residential units to an existing building or structure; or
 - Such types of development or redevelopment as prescribed. 2020, c. 18, Sched. 17, section 1.
- The C.B.C. eligible unit forecast is derived based on the established criteria above and a detailed review of historical Census housing trends, historical development activity (as per Appendix A, Schedule 5), active residential development applications and discussions with Town staff regarding anticipated C.B.C. eligible developments.
- Based on the above indicators (Table 2-2 and Appendix A, Schedule 2), the Town is forecast to accommodate approximately 4,300 C.B.C. eligible household units over the 2024 to 2034 forecast period. This translates to 56% of all high-density units, including accessory units, being C.B.C. eligible from 2024 to 2034

3. Planning Period

- For the purpose of this study, a 2024 to 2034 planning horizon has been assumed which aligns with the Town's capital budget.

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

- The number of housing units to be constructed by 2034 in the Town over the forecast period is presented in Figure 2-2. Over the 2024 to 2034 forecast period, the Town is anticipated to average approximately 1,140 new housing units per year. It is noted that the Town's target of 1,700 dwelling units per year has been assigned by the Province, and the Town continues to explore initiatives to help achieve this ambitious target.



- Institutional population is anticipated to increase by approximately 300 people between 2024 to 2034. ^[1]
- Population in new units is derived from Schedules 3 and 4 which incorporate historical development activity, anticipated units (see unit mix discussion), and average persons per unit (P.P.U.) by dwelling type for new units.
- Schedule 6 summarizes the average P.P.U. assumed for new housing units by age and type of dwelling based on Statistics Canada 2021 custom Census data for the Town of Ajax. The total calculated P.P.U. for all density types has been adjusted accordingly to account for the P.P.U. trends which have recently been experienced in both new and older units. Forecast 25-year average P.P.U.s by dwelling type are as follows:
 - Low density: 3.792
 - Medium density: 3.093
 - High density:^[2] 1.729

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

- Existing households for late-2024 are based on 2021 Census households, plus estimated residential units constructed between 2021 to the beginning of the growth forecast period, assuming a six-month lag between construction and occupancy (see Appendix A, Schedule 3).
- The change in average occupancy levels for existing housing units is calculated in Schedules 3 and 4, by aging the existing population over the forecast period.^[3] The forecast decline in existing households over the 2024 to 2034 forecast period is 2,010.

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

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

^[3] Change in occupancy levels for existing households occurs due to aging of the population and family life cycle changes, lower fertility rates and changing economic conditions.



**Table 2-2
Town of Ajax
2023-2033 Forecast of the Anticipated Amount and Type of Residential Development
for Which Community Benefits Charges Can Be Imposed**

Development Location	Timing	Single & Semi-Detached	Multiples ^[1]	Apartments ^[2]	CBC Eligible Apartment Units	Non-Eligible Apartment Units	Total Residential Units	Gross Population In New Units	Existing Unit Population Change	Net Population Increase, Excluding Institutional	Institutional Population	Net Population Including Institutional
Town of Ajax	2024 - 2034	486	3,155	7,718	4,302	3,416	11,359	24,947	-2,010	22,937	299	23,236

Source: Envision Durham, the Durham Region Official Plan (adopted by Regional Council May 17, 2023) derived by Watson & Associates Economists Ltd., 2024.

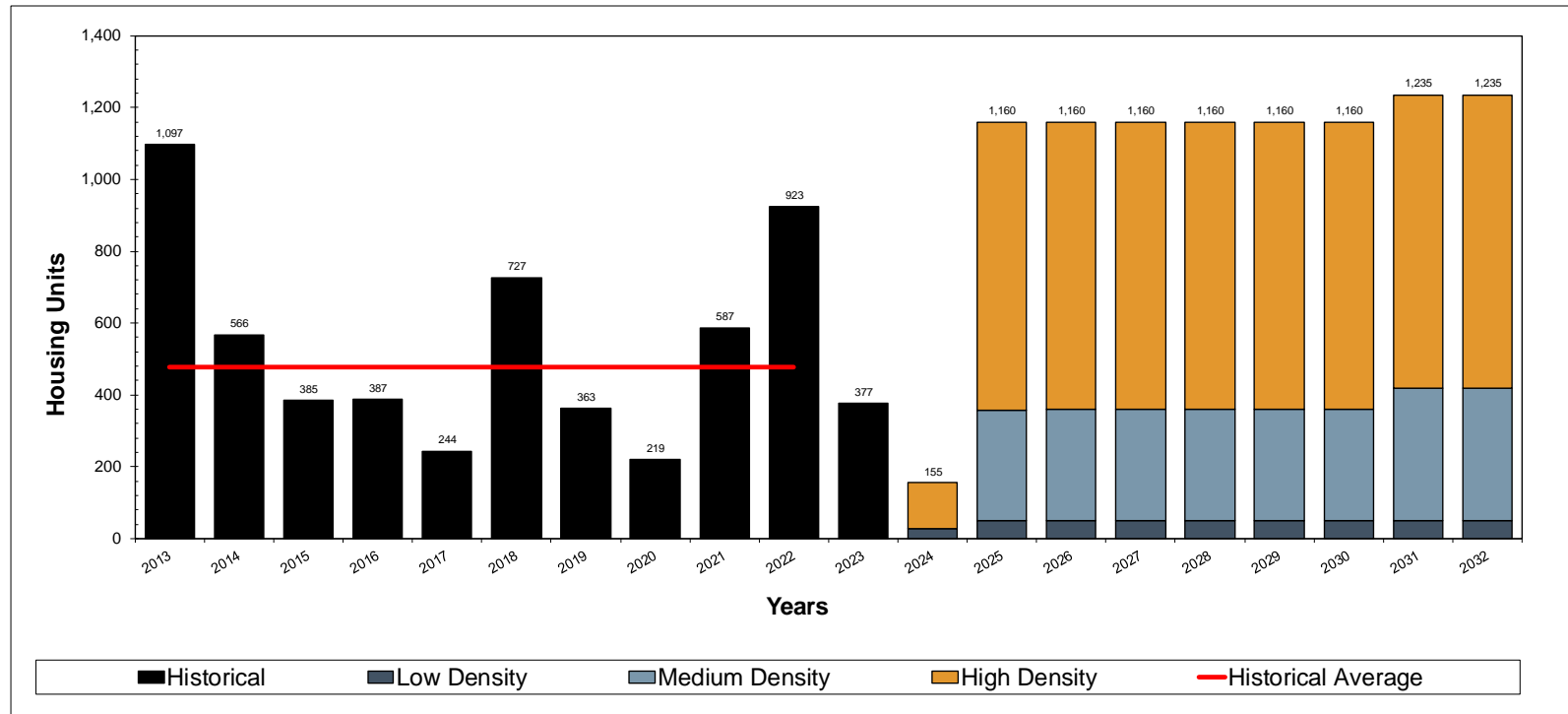
^[1] Includes townhouses and apartments in duplexes.

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

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



Figure 2-2
Town of Ajax
2023-2032 Annual Housing Forecast



Source: Historical housing activity derived from Statistics Canada building permit data for the Town of Ajax, 2013-2022.

^[1] Growth forecast represents calendar year.



6. Employment (Appendix A – Schedule 8)

- The employment projections provided herein are largely based on the Durham Region Growth Management Strategy – Phase 2 Area Municipal Growth Allocations and Land Needs (Final Report October 17, 2024)
- 2016 employment data for the Town is outlined in Schedule 8a. In accordance with Statistics Canada Census data, the Town's 2016 employment base including work at home and no fixed place of work (N.F.P.O.W.) is 34,900. ^{[1][2]}
- Total employment, including work at home and N.F.P.O.W. for the Town is anticipated to reach approximately 39,500 by late-2034. This represents an employment increase of approximately 4,600 over the 2024 to 2034 forecast period.
- Schedule 8b, Appendix A, summarizes the employment forecast, excluding work-at-home employment and N.F.P.O.W. employment, which is the basis for the C.B.C. employment forecast. The impact on municipal services from work-at-home employees has already been included in the population forecast. The need for municipal services related to N.F.P.O.W. employees has largely been included in the employment forecast by usual place of work (i.e., employment and gross floor area generated from N.F.P.O.W. construction employment).
- Total employment for the Town (excluding work at home and N.F.P.O.W. employment) is anticipated to reach approximately 34,800 by late 2034. This represents an employment increase of approximately 5,870 for the 2024 to 2034 forecast period. ^[3]

¹ No fixed place of work is defined by Statistics Canada as "persons who do not go from home to the same workplace location at the beginning of each shift. Such persons include building and landscape contractors, travelling salespersons, independent truck drivers, etc."

² Statistics Canada 2021 Census place of work employment data has been reviewed. The 2021 Census employment results have not been utilized due to a significant increase in work at home employment captured due to Census enumeration occurring during the provincial COVID-19 lockdown from April 1, 2021, to June 14, 2021.

³ G.F.A. and employment associated within special care institutional dwellings are treated as residential, resulting in an institutional employment difference between Schedules 8a and 8b.



7. Anticipated Developable Land and Growth Shares

- Based on development application data, the C.B.C. eligible high-density units that are anticipated over the 10-year forecast period are anticipated to have a density of 287 units per acre (709 units per hectare) in the Intensification Areas (Uptown, Downtown, Midtown, and MTSA), and 100 units per acre (247 units per hectare) in the designated greenfield areas and remaining built-up areas. Based on the anticipated development and density assumptions in these areas, it is anticipated that C.B.C. eligible units will be developed on approximately 32 acres of land (78 hectares) (as per Table 2-3).

Table 2-3
Town of Ajax
2024-2034 Forecast Acres of Developable Land
for Anticipated C.B.C. Eligible High-Density Development

C.B.C. Eligible Growth	Designated Greenfield Area	Remaining Built Up Area	Intensification Areas	Total
C.B.C. Eligible Units	1,125	1,439	1,738	4,302
Estimated High Density units per acre	100	100	287	
Estimated Acres of Land	11	14	6	32

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

- The growth-related costs for the majority of services are based on the proportionate share of forecast population to employment. As provided in Table 2-4, the residential growth-related cost share on that basis is 80%;
- Of the residential growth-related cost share, approximately 54% of the forecast gross population increase is anticipated to reside in high-density residential units (Table 2-5); and
- Of those anticipated to reside in high density residential units, approximately 56% are forecasted to reside in units to which the C.B.C. may be imposed, i.e. buildings of at least 5 storey and containing at least 10 residential dwelling units (Table 2-6).



Table 2-4
Town of Ajax
Residential and Non-Residential Growth Share based on Incremental Growth in Net
Population and Employment over the 10-Year Forecast Period

Residential Population and Non-Residential Employment	Net Population/ Employment	Residential/ Non-Residential %
Residential Net Population	23,236	80%
Employment (Net of Work at Home & N.F.P.O.W.)	5,873	20%
Total Population & Employment	29,109	100%

Table 2-5
Town of Ajax
Low/Medium Density Growth and High-Density Growth Share – Gross Population

Residential Density	Gross Residential Population	% of Gross Population in New Units
Low/Medium Density	11,600	46%
High Density	13,347	54%
Total Residential Forecast	24,947	100%

Table 2-6
Town of Ajax
2 Eligible and Ineligible High-Density Growth Share

Residential High Density	Residential Population	% of Gross Population in High Density Units
Eligible High Density	7,440	56%
Ineligible High Density	5,907	44%
Total Residential High Density Forecast	13,347	100%

2.4 Land Valuation and Analysis

The C.B.C. cannot exceed an amount equal to the prescribed percentage of the value of the land on the date of building permit issuance. As such, the Strategy includes an assessment of the average land values in various locations throughout the Town where the development and redevelopment are anticipated to be located. These land values



assist in determining the eligible C.B.C. rate (currently prescribed at a maximum of 4% of land value).

The Town undertook a Parkland Dedication By-law Review (P.D.B.R.) in 2022 which assessed the Town's need for parkland and the ability of the current Parkland Dedication by-law to satisfy the requirements based on the forecasted development. Since the release of the P.D.B.R., the Planning Act has been amended related to the maximum alternative rate that can be imposed for parkland conveyance (i.e., 1 ha. per 500 residential units, formerly 1 ha. per 300) and payment-in-lieu of conveyance (i.e., 1 ha. per 1,000 residential units, formerly 1 ha. per 500). Additionally, a cap was placed on the maximum amount of land to be conveyed or payment in lieu of conveyance to the municipality (i.e. 10% of a site for properties less than 5 ha. in size and 15% of a site for properties larger than 5 ha. in size). Due to the change in legislation, the 2022 P.D.B.R. was updated in 2023 to determine if the Town would continue to achieve their parkland needs related to growth under the revised rules. The updated P.D.B.R. included updating the underlying land values to 2023 current values (and average value), which was used to determine the anticipated parkland conveyance/payment-in-lieu estimated needs. The revised land values determined for the 2023 updated P.D.B.R. were inflated to 2024 values for the purpose of the C.B.C. In addition, two properties proceeding through the planning process, both which provided the Town with recent land appraisals, were added to the property data sample. The average land value for high density development is therefore, \$7,380,389 per hectare (\$2,986,803 per acre). This value has been used for purposes of this Strategy to estimate total potential land value for C.B.C. eligible high-density development. Table 2-7 provides the background information for which the high-density land values were determined.



Table 2-7
Town of Ajax
Average Land Values

Address	Total Land Value ¹
High/Mixed Use	
Property 1	\$10,194,577
Property 2	\$10,191,391
Property 3	\$3,775,131
Property 4	\$7,744,609
Property 5	\$7,452,794
Property 6	\$7,400,197
Property 7	\$4,182,126
Property 8	\$2,529,856
Property 9	\$12,952,823
Average Land Value per hectare	\$7,380,389
Average Land Value per acre	\$2,986,803

¹ Land values have been indexed to reflect 2024 values from their original appraised value



Chapter 3

Approach to the Calculation

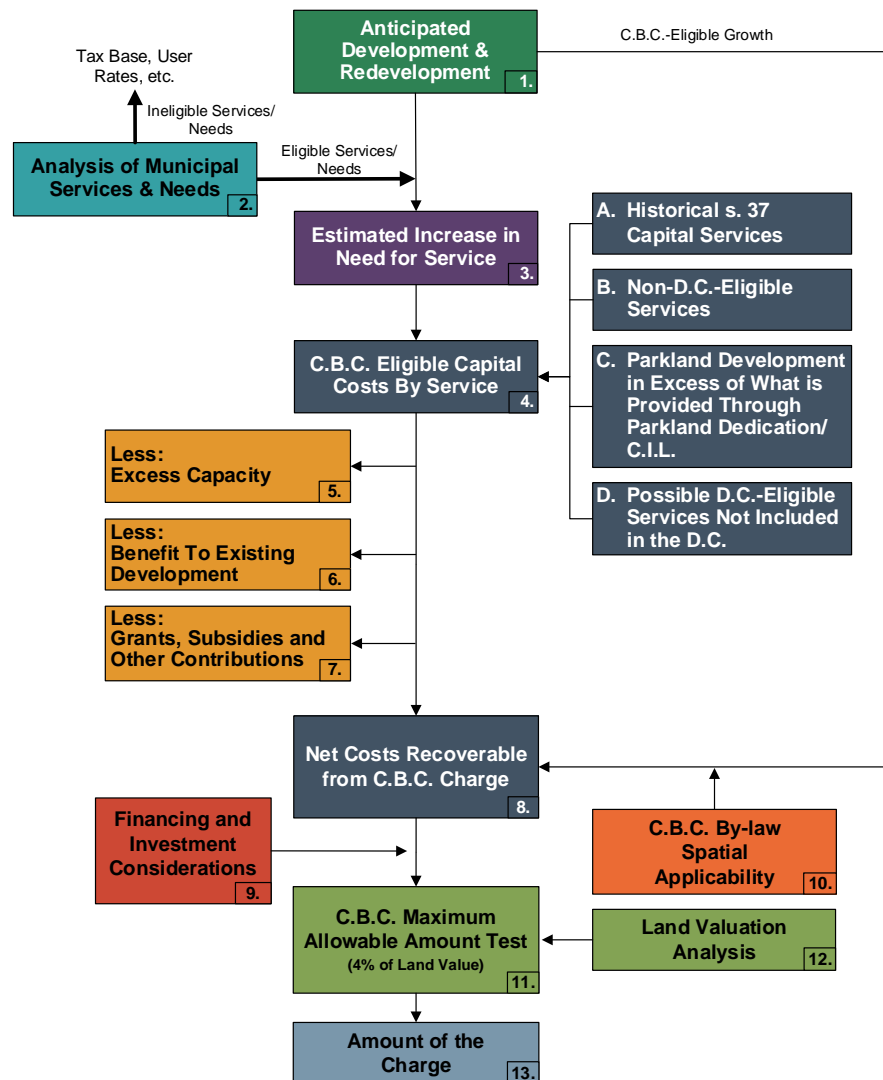


3. The Approach to the Calculation of the Charge

3.1 Introduction

This chapter addresses the requirements of subsection 37 (9) of the *Planning Act* and sections 2 and 3 of O. Reg. 509/20 with respect to the establishment of the need for service which underpins the C.B.C. calculation. These requirements are illustrated schematically in Figure 3-1.

Figure 3-1
The Process of Calculating a Community Benefits Charge under the *Planning Act*





3.2 Anticipated Development and Redevelopment

The anticipated development and redevelopment forecast is provided in Chapter 2, with supplemental tables contained in Appendix A. This chapter provides for the anticipated overall development within the Town over a 10-year (late-2024 to late-2034) time horizon. Moreover, the forecast estimates the amount of residential units for which a C.B.C. can apply as per s.37 (4) of the *Planning Act*.

3.3 Services Potentially Involved

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

- (a) land for parks or other public recreational purposes in excess of lands conveyed or funded by payment-in-lieu of parkland payments under sections 42 and 51 of the *Planning Act*;
- (b) capital costs for services under subsection 2 (4) of the D.C.A. that are not intended to be funded under a D.C. by-law; and
- (c) capital costs for municipal services ineligible for inclusion in a D.C. by-law.

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

3.4 Increase in the Need for Service

The C.B.C. calculation commences with an estimate of “the increase in the need for service attributable to the anticipated development,” for eligible services to be included in the by-law. There must be some form of link or attribution between the anticipated development and the estimated increase in the need for service. While the need could potentially be expressed generally in terms of units of capacity, a project-specific



expression of need would appear to be most appropriate. This is suggested by the requirement of section 2(e) of O. Reg. 509/20 which provides “include estimates of the capital costs necessary to provide the facilities, services and matters referred to in clause 2(b).” As noted, this is a similar consideration provided when undertaking a D.C. calculation.

3.5 Capital Forecast

Section 37 (2) of the *Planning Act* provides that, “The council of a local municipality may by by-law impose community benefits charges against land to pay for the capital costs of facilities, services and matters required because of development or redevelopment in the area to which the by-law applies.” The Act does not define what capital costs may be included within the charge.

As noted in section 3.3 (b) above, the Act provides that the C.B.C. charge could include capital costs for eligible D.C. services that are not intended to be funded under the Town’s D.C. by-law. This provision suggests that capital costs may be defined in an equivalent manner as the D.C.A. Hence, based on this relationship with the D.C.A., capital costs may include (where not being recovered through the D.C. by-law):

- (a) costs to acquire land or an interest therein (including a leasehold interest);
- (b) costs to improve land;
- (c) costs to acquire, lease, construct or improve buildings and structures;
- (d) costs to acquire, lease or improve facilities, including rolling stock (with a useful life of 7 or more years), furniture and equipment (other than computer equipment), materials acquired for library circulation, reference, or information purposes;
- (e) interest on money borrowed to pay for the above-referenced costs; and
- (f) costs to undertake studies in connection with the above-referenced matters.

In addition to the above, where not funded through a D.C. by-law, other growth-related capital costs eligible for inclusion in the C.B.C. may be related to the following (as noted above in section 3.3):

- (a) costs related to D.C. ineligible Services;
- (b) costs related to parkland acquisition in excess of the *Planning Act* provisions under sections 42 and 51; and



(c) costs to undertake the C.B.C. Strategies.

3.6 Deductions

Section 2 of O. Reg. 509/20 potentially requires that three deductions be made to the capital costs estimates. These relate to:

- excess capacity;
- benefit to existing development; and
- anticipated grants, subsidies, and other contributions.

The requirements behind each of these reductions are addressed below.

3.6.1 *Reduction for Excess Capacity*

Section 2 (c) of O. Reg. 509/20 requires the identification of the excess capacity that exists in relation to the facilities, services and matters referred to in clause 2(b) suggesting the need for a potential deduction to the capital.

“Excess capacity” is undefined, but in this case, the excess capacity must be able to meet some or all of the increase in need for service, in order to potentially represent a deduction. The deduction of excess capacity from the future increase in the need for the service would normally occur as part of the conceptual planning and feasibility work associated with justifying and sizing new facilities, e.g., if a new landfill site to accommodate increased solid waste generated by the new growth is not required because sufficient excess capacity is already available, then a landfill site expansion would not be included as an increase in need, in the first instance.

3.6.2 *Reduction for Benefit to Existing Development*

Section 2 (c) of O. Reg. 509/20 of the *Planning Act* provides that the capital estimates identify extent to which an increase in a facility, service or matter referred to in clause 2 (b) of the regulation would benefit existing development. The general guidelines used to consider benefit to existing development included:

- the repair or unexpanded replacement of existing assets that are in need of repair;
- the elimination of a chronic servicing problem not created by growth; and



- providing services where none previously existed (for example, extending garbage pickup to the rural area which previously did not receive the municipal service).

Where existing development has an adequate service level which will not be tangibly increased by an increase in service, no benefit would appear to be involved. For example, where expanding existing garbage collection vehicles simply replicates what existing residents are receiving, they receive very limited (or no) benefit as a result. On the other hand, where a clear existing service problem is to be remedied, a deduction should be made accordingly.

In the case of services such as cultural facilities, the service is typically provided on a municipal-wide system basis. For example, facilities of the same type may provide different services (i.e., art vs. theatre), different programs (i.e., art classes vs. acting classes), and different time availability for the same service (i.e., art classes available on Wednesdays in one facility and Thursdays in another). As a result, residents will travel to different facilities to access the services they want at the times they wish to use them, and facility location generally does not correlate directly with residence location. Even where it does, displacing users from an existing facility to a new facility frees up capacity for use by others and generally results in only a very limited benefit to existing development. Further, where an increase in demand is not met for a number of years, a negative service impact to existing development is involved for a portion of the planning period.

3.6.3 Reduction for Anticipated Grants, Subsidies and Other Contributions

This step involves reducing the capital costs by capital grants, subsidies, and other contributions made or anticipated by Council and in accordance with various rules such as the attribution between the share related to new vs. existing development. That is, some grants and contributions may not specifically be applicable to growth or where Council targets fundraising as a measure to offset impacts on taxes.

Although specific grants, subsidies and/or other contributions may not be currently identified and reduced in the calculations, due diligence will be undertaken by Town staff during the annual budget process to net off any future identified funding from these other sources.



3.7 Municipal-wide vs. Area Rating

This step involves determining whether all of the subject costs are to be recovered on a uniform municipal-wide basis or whether some or all are to be recovered on an area-specific basis. There may be instances where Council may consider varying rates to align with other policies or possible incentives in the development area. Through the C.B.C. strategy process, discussions with municipal staff took place related to structuring the charge on a municipal-wide vs. area specific basis. As the services being provided in the Strategy are not restricted to one specific area and are anticipated to be used by all residents within the Town, the charges have been provided on a municipal-wide basis.

3.8 Land Valuation Analysis

To facilitate the rate calculation provided in section 3.9, an estimate of the land value for the anticipated development/redevelopment presented in section 3.2, needs to be undertaken. It is noted that the land values may vary based on a number of factors including location, zoning density, parcel size, etc., however, these values should estimate the land value the day before building permit issuance. Section 2.4 of the Strategy provides the underlying land value assumptions for the analysis.

3.9 Calculation of the Community Benefits Charge

Section 37 (32) of the *Planning Act* provides that the maximum charge which can be imposed is prescribed by the regulations. The maximum charge is prescribed as a percentage of the value of land for incremental C.B.C. eligible development. Section 3 of O. Reg 509/20 establishes the percentage of the value of land at 4%.

To calculate the rate, the net capital cost (provided by netting the deductions set out in section 3.6 from the capital presented in section 3.5) divided by the land values related to the anticipated applicable development/redevelopment produces a percentage of the capital cost to the land value. The product of this calculation provides for the eligible rate. As noted above, the maximum rate to be imposed is 4% of land value.

Alternatively, a municipality may choose to impose a rate on another basis. For example, the charge could be calculated on a per dwelling unit basis similar to a



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



Chapter 4

C.B.C. Eligible Cost Analysis



4. C.B.C. Eligible Cost Analysis

4.1 Introduction

This chapter outlines the basis for calculating eligible costs to be recovered through a C.B.C. by-law, which are to be applied on a uniform municipal-wide basis. In each case, the required calculation process set out in O. Reg. 509/20 and described in Chapter 3 was followed in determining C.B.C. eligible costs. The capital projects and timing identified in this Chapter reflect the Town's 2024 Capital Budget and Forecast, as well as Town staff's recommendation based on Council policy directions. However, it is recognized that over time, capital projects and Council priorities change, which may alter the timing and/or capital projects required to service growth.

The Town completed an update of its Parkland Dedication By-law, in 2023, to assess the implications of recent legislative changes relative to the Town's Parks Plan. This updated study assisted in the preparation of the C.B.C. Strategy by identifying growth-related parkland and other recreational costs that would not be recovered through the Town's parkland dedication by-law. In this regard, parkland acquisitions costs have been considered herein.

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

- Parks and Recreation Services;
- Growth-Related Studies;
- Public Art Services;
- Municipal-Wide Services including, Corporate Initiatives, Information Technology and Wetland-Natural Heritage Restoration; and
- C.B.C. Strategies.

4.2 Determination of C.B.C Eligible Costs

To determine the C.B.C. eligible capital costs for the Town, the gross capital costs reflective of the needs of the anticipated development were estimated based on the Town's 2024 Capital Budget and Forecast, as well as discussions with Town staff. Having estimated the capital costs for each project related to the needs, deductions



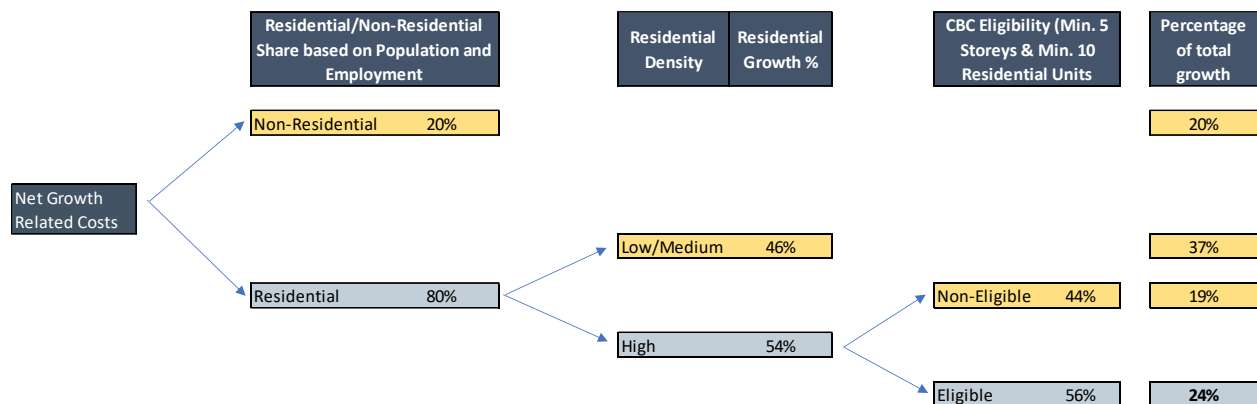
were assessed for excess capacity, benefit to existing development, and grants, subsidies, or other contributions were assessed. The resultant net growth-related costs were then allocated to the share of C.B.C. eligible development anticipated over the forecast period. The following further describes these attributions to arrive at the growth-related capital costs for C.B.C. eligible development:

- The net costs for Growth-Related Studies were apportioned between residential (80%), and non-residential (20%) development (Table 2-4) based on the respective forecast amount of population and employment over the forecast period (as demonstrated in Figure 4-1).
- The net growth-related capital costs for Public Art Services, as well as Parks and Recreation Services were allocated 95% to residential development and 5% to non-residential development. This allocation is reflective of the increase in need for service principally attributable to address the demands of residential development. This allocation approach between residential and non-residential development is consistent with the Town's practice within its D.C. background study for similar services (as per Figure 4-2).
- Forecast costs for C.B.C. Strategies have been allocated entirely to C.B.C. eligible residential development (as per Figure 4-3) reflecting the need for these studies.
- The net costs for Municipal-Wide Services including, Corporate Initiatives, Information Technology and Wetland-Natural Heritage Restoration, were apportioned between residential (80%), and non-residential (20%) development (Table 2-4) based on the respective forecast amount of population and employment over the forecast period (as per Figure 4-4)
- Subsequent to the allocations noted above, the resultant net growth-related residential capital costs were then allocated between the forecast anticipated residential development by type. These allocations are based on the respective 2024-2034 forecast population by dwelling unit type as provided in Table 2-5. On this basis, 46% of the net growth-related capital costs have been allocated to forecast low-density and medium-density development types. The remaining 54% of net growth-related capital costs have been allocated to the forecast high-density development.
- As a final step, the growth-related net capital costs attributable to high-density development were subsequently apportioned between the forecast C.B.C.



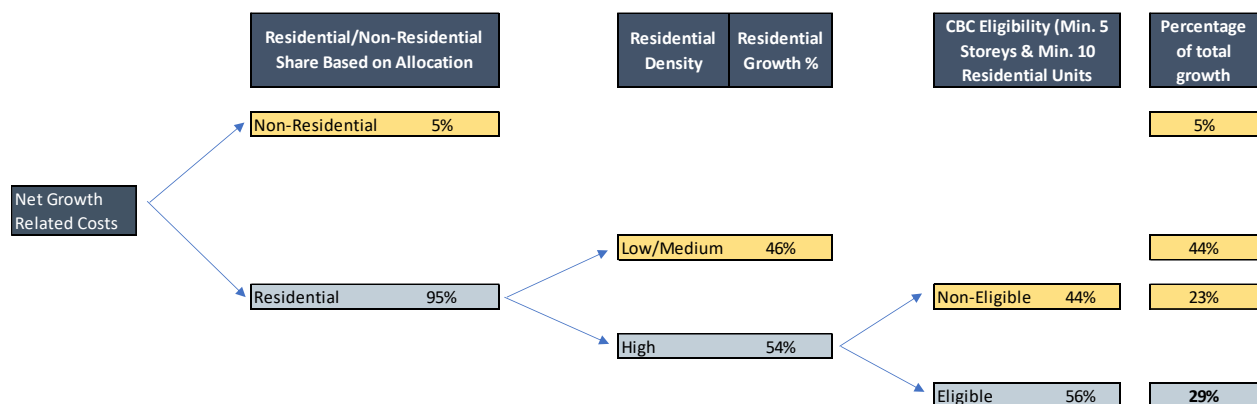
eligible development (i.e., buildings with a minimum of five storeys and at least 10 residential dwelling units) and forecast high-density development below this threshold. As summarized in Table 2-6, this type of development accounts for approximately 56% of population forecast within high-density residential dwelling units over the 2024-2034 period.

Figure 4-1
Town of Ajax
C.B.C. Allocation of Net Growth-Related Capital Costs for Growth-Related Studies



¹ Net Cost are gross costs net of deductions for Benefit to existing, excess capacity, grants, subsidies, and other contributions, etc.

Figure 4-2
Town of Ajax
C.B.C. Allocation of Net Growth-Related Capital Costs for Parks and Recreation Services, and Public Arts Services



¹ Net Cost are gross costs net of deductions for Benefit to existing, excess capacity, grants, subsidies, and other contributions, etc.



Figure 4-3
C.B.C. Allocation of Net Growth-Related Capital Costs for C.B.C. Strategies

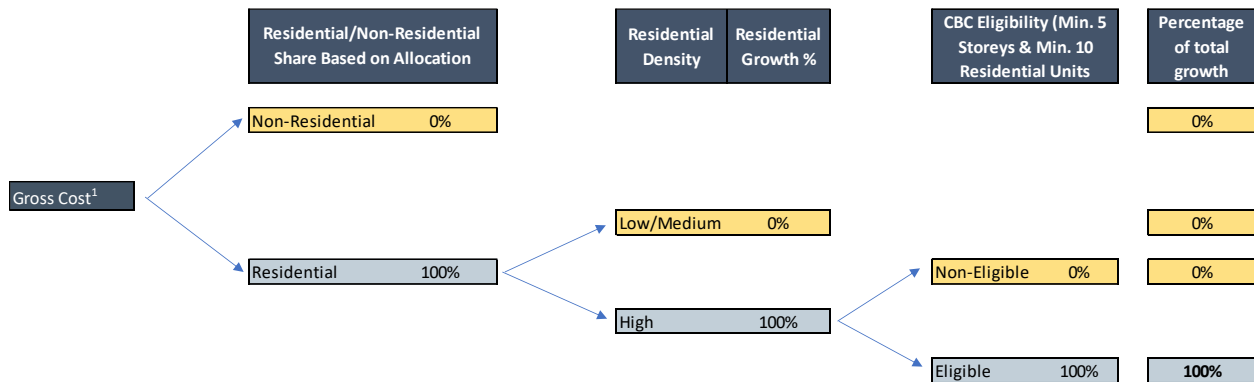
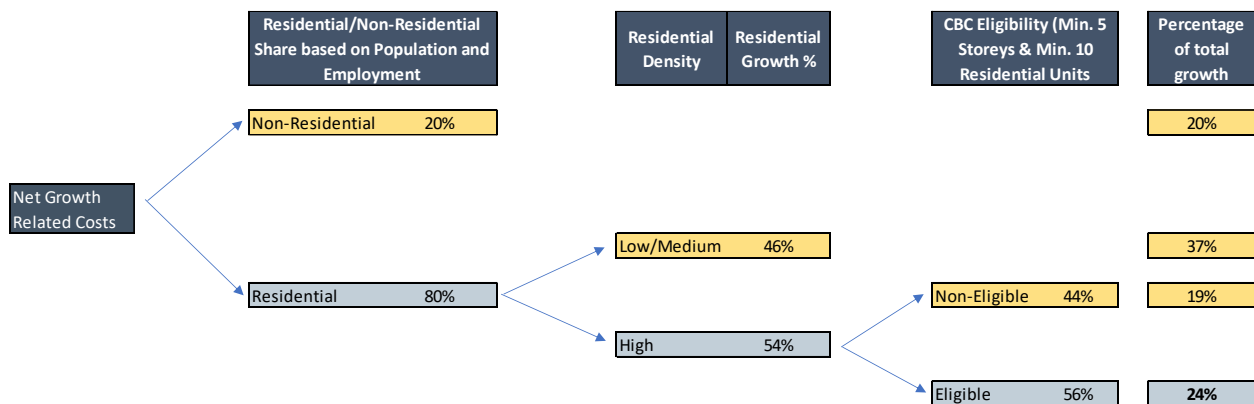


Figure 4-4
C.B.C. Allocation of Net Growth-Related Capital Costs for Municipal-Wide Services including Corporate Initiatives, Information Technology and Wetland-Natural Heritage Restoration



¹ Net Cost are gross costs net of deductions for Benefit to existing, excess capacity, grants, subsidies, and other contributions, etc.

4.3 C.B.C. Eligible Cost Analysis

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

- Public Arts Services** – The Town identified costs regarding three specific Public Art projects that are currently anticipated, along with a provision for additional public art projects anticipated over the forecast period. The gross capital costs of



these projects equate to \$789,000, based on an average of \$78,900 per year for 10-years). A deduction of \$197,250, 25% of the total project cost, has been made for the benefit to existing development as these art projects are anticipated to be required to enhance the areas where high-density growth is forecast to occur. This results a total of \$591,750 in net growth-related capital costs. After accounting for the benefits to non-residential development, low/medium density residential development, and ineligible high density residential development, the potential C.B.C. recoverable costs total \$169,998 (Table 4-1).

- **Growth-Related Studies** – The Town is undertaking multiple studies that inform the increase in need for services of future development. These studies are not eligible for inclusion in the D.C. Background Study and include a Corporate Digital Strategy, Parkland Dedication By-law, District Energy Feasibility Study, Arts and Culture Master Plan, Parking studies, information technology studies, disaster recover/business continuity plan update, as well as a provision for additional growth studies anticipated over the forecast period. The gross capital costs for these studies equate to \$1,761,000. After deducting the share of the costs that are a benefit to existing development and non-C.B.C. eligible development, the potential C.B.C. recoverable costs equate to \$202,439 (Table 4-2).
- **Parks and Recreation Services** – The Town’s 2023 Parkland Dedication Update Study, as noted above, identified parkland acquisition and related projects as per the Town’s Parks Plan. This study estimates that \$16.7 million in gross capital cost from this plan would not be recovered through the parkland dedication provisions of the *Planning Act*. This capital cost recovery shortfall, inflated to 2024, has been included in the C.B.C. As summarized in Table 4-3, there is no benefit to existing development deduction for these capital costs, as these reflect parkland dedication needs attributable to new development. Further, after deducting the share of the costs attributable to non-C.B.C. eligible development, the potential recoverable costs equate to approximately \$4.8 million.
- **Municipal-Wide Services:** The Town is undertaking multiple projects related to Corporate Initiatives, Information Technology and Wetland-Natural Heritage Restoration that will service future development. The gross capital costs of these



projects equate to \$20.45 million. Deductions of approximately \$14.24 million and 3.69 million have been made for the benefit to existing development and anticipated grant funding, respectively. This results a total of \$2.51 in net growth-related capital costs. After accounting for the benefits to non-residential development, low/medium density residential development, and ineligible high density residential development, the potential C.B.C. recoverable costs total \$607,993 (Table 4-4).

- **Community Benefits Charge Strategies** – The Town anticipates undertaking three (3) C.B.C. strategies over the 10-year forecast period. The gross capital cost estimate for these studies is \$152,000. A deduction of \$32,414 has been applied to the 2024 Strategy for anticipated grant funding from the Streamline Development Fund. It is noted that no deductions have been provided for benefit to existing development or costs attributable to non-C.B.C. eligible development, as the C.B.C. Strategies are directly related to the anticipated C.B.C. eligible high-density growth over the 10-year forecast period. As a result, the net growth-related costs for the forecast period of \$119,586 are equal to the potential C.B.C. recoverable costs included in the calculations Table 4-5).

Based on the calculations and allocations to C.B.C eligible high-density development, approximately \$5.9 million in net growth-related costs to be included within the C.B.C. calculations.



Table 4-1
Town of Ajax
Capital Infrastructure Needs to be Recovered through C.B.C.s for Public Art Services

Prj. No.	Increased Service Needs Attributable to Anticipated Development 2024-2033	Timing (year)	Gross Capital Cost Estimate (2024\$)	Less:		Net Growth-Related Cost	Total Non-Residential Share 5%	Total Residential Share 95%	Low/Medium Density Residential 46%	Total High Density Residential 54%	Potential C.B.C. Recoverable Cost	
				Benefit to Existing Development	Grants, Subsidies and Other Contributions Attributable to New Development						Ineligible High Density Residential 44%	Eligible High Density Residential 56%
1	Tree Carving Project	2026-2033	84,000	21,000	-	63,000	3,150	59,850	27,531	32,319	14,220	18,099
2	Ajax Wall of Fame	2026-2032	160,000	40,000	-	120,000	6,000	114,000	52,440	61,560	27,086	34,474
3	Refugees Sculpture	2026-2033	105,000	26,250	-	78,750	3,938	74,813	34,414	40,399	17,775	22,623
4	Provision for Public Art	2029-2033	440,000	110,000	-	330,000	16,500	313,500	144,210	169,290	74,488	94,802
	Total		\$789,000	\$197,250	\$0	\$591,750	\$29,588	\$562,163	\$258,595	\$303,568	\$133,570	\$169,998



Table 4-2
Town of Ajax
Capital Infrastructure Needs to be Recovered through C.B.C.s for Growth-Related Studies

Prj. No.	Increased Service Needs Attributable to Anticipated Development 2043-2033	Timing (year)	Gross Capital Cost Estimate (2024\$)	Less:			Net Growth-Related Cost	Total Non-Residential Share 20%	Total Residential Share 80%	Low/Medium Density Residential 46%	Total High Density Residential 54%	Potential C.B.C. Recoverable Cost	
				Benefit to Existing Development	Grants, Subsidies and Other Contributions Attributable to New Development							Ineligible High Density Residential 44%	Eligible High Density Residential 56%
1	Parkland Dedication By-law	2028	50,000	-	-	50,000	10,000	40,000	18,400	21,600	9,504	12,096	
2	Parkland Dedication By-law	2033	50,000	-	-	50,000	10,000	40,000	18,400	21,600	9,504	12,096	
3	Corporate Digital Strategy	2025	130,000	110,500	-	19,500	3,900	15,600	7,176	8,424	3,707	4,717	
4	District Energy Feasibility Study	2025	150,000	75,000	-	75,000	15,000	60,000	27,600	32,400	14,256	18,144	
5	Pickering Village Parking Study	2029	54,000	27,000	-	27,000	5,400	21,600	9,936	11,664	5,132	6,532	
6	Parking Master Plan	2026	450,000	225,000	-	225,000	45,000	180,000	82,800	97,200	42,768	54,432	
7	Neighbourhood One Heritage Conservation District Study	2030	52,000	44,200	-	7,800	1,560	6,240	2,870	3,370	1,483	1,887	
8	Arts and Culture Master Plan	2032	105,000	52,500	-	52,500	10,500	42,000	19,320	22,680	9,979	12,701	
9	GIS and Data Strategic Plan	2027	90,000	67,500	-	22,500	4,500	18,000	8,280	9,720	4,277	5,443	
10	GIS and Data Strategic Plan	2032	90,000	67,500	-	22,500	4,500	18,000	8,280	9,720	4,277	5,443	
11	Network and Security Architecture Review	2027	100,000	75,000	-	25,000	5,000	20,000	9,200	10,800	4,752	6,048	
12	Network and Security Architecture Review	2032	100,000	75,000	-	25,000	5,000	20,000	9,200	10,800	4,752	6,048	
13	Information Governance and Security Strategy	2029	100,000	75,000	-	25,000	5,000	20,000	9,200	10,800	4,752	6,048	
14	Disaster Recovery/Business Continuity Plan Update	2030	40,000	30,000	-	10,000	2,000	8,000	3,680	4,320	1,901	2,419	
15	Provision for unidentified Growth Studies	2024-2033	200,000	-	-	200,000	40,000	160,000	73,600	86,400	38,016	48,384	
	Total		\$1,761,000	\$924,200	\$0	\$836,800	\$167,360	\$669,440	\$307,942	\$361,498	\$159,059	\$202,439	

Table 4-3
Town of Ajax
Capital Infrastructure Needs to be Recovered through C.B.C.s for Parks and Recreation Services

Prj. No.	Increased Service Needs Attributable to Anticipated Development 2024-2033	Timing (year)	Gross Capital Cost Estimate (2024\$)	Less:			Net Growth-Related Cost	Total Non-Residential Share 5%	Total Residential Share 95%	Low/Medium Density Residential 46%	Total High Density Residential 54%	Potential C.B.C. Recoverable Cost	
				Benefit to Existing Development	Grants, Subsidies and Other Contributions Attributable to New Development							Ineligible High Density Residential 44%	Eligible High Density Residential 56%
1	Parkland Acquisition	2024-2033	16,700,000	-	-	16,700,000	835,000	15,865,000	7,297,900	8,567,100	3,769,524	4,797,576	
	Total		\$16,700,000	\$0	\$0	\$16,700,000	\$835,000	\$15,865,000	\$7,297,900	\$8,567,100	\$3,769,524	\$4,797,576	



**Table 4-4
Town of Ajax
Capital Infrastructure Needs to be Recovered through C.B.C.s for Municipal-Wide Services**

Prj. No.	Increased Service Needs Attributable to Anticipated Development 2024-2033	Timing (year)	Gross Capital Cost Estimate (2024\$)	Less:		Net Growth-Related Cost	Total Non-Residential Share 20%	Total Residential Share 80%	Low/Medium Density Residential 46%	Total High Density Residential 54%	Potential C.B.C. Recoverable Cost	
				Benefit to Existing Development	Grants, Subsidies and Other Contributions Attributable to New Development						Ineligible High Density Residential 44%	Eligible High Density Residential 56%
Corporate Initiatives:												
1	Finance/Legislative & Inforamtion Services/Bylaw - Accessibility Upgrades	2024-2031	86,000	73,100		12,900	2,580	10,320	4,747	5,573	2,452	3,121
2	Security Upgrades - Service Counter Upgrades & Room Modifications Security Improvements	2025-2032	350,000	297,500		52,500	10,500	42,000	19,320	22,680	9,979	12,701
3	Accommodation Strategy-Workstation Modification	2024	1,680,000	1,428,000		252,000	50,400	201,600	92,736	108,864	47,900	60,964
Information Technology:												
1	Human Resource Mgmt System (HRMS)	2024	3,380,000	2,873,000		507,000	101,400	405,600	186,576	219,024	96,371	122,653
2	Customer Relationship Management (CRM)	2024-2025	1,000,000	850,000		150,000	30,000	120,000	55,200	64,800	28,512	36,288
3	JDE Upgrade	2024	62,000	52,700		9,300	1,860	7,440	3,422	4,018	1,768	2,250
4	Email Filter Upgrade	2024-2032	50,000	42,500		7,500	1,500	6,000	2,760	3,240	1,426	1,814
5	FMW Upgrade	2024-2032	100,000	85,000		15,000	3,000	12,000	5,520	6,480	2,851	3,629
6	GIS and CityWorks Upgrade	2025-2030	100,000	85,000		15,000	3,000	12,000	5,520	6,480	2,851	3,629
7	Backup Solution Upgrade	2025-2030	100,000	85,000		15,000	3,000	12,000	5,520	6,480	2,851	3,629
8	Laserfiche Upgrade	2025-2030	60,000	51,000		9,000	1,800	7,200	3,312	3,888	1,711	2,177
9	Amanda Upgrade	2028-2033	150,000	127,500		22,500	4,500	18,000	8,280	9,720	4,277	5,443
10	Anti Virus (EDR) Software Upgrade	2026-2031	120,000	102,000		18,000	3,600	14,400	6,624	7,776	3,421	4,355
11	Tax Software Upgrade	2026-2031	100,000	85,000		15,000	3,000	12,000	5,520	6,480	2,851	3,629
12	Financial System Replacement and Upgrade	2027	3,730,000	3,170,500		559,500	111,900	447,600	205,896	241,704	106,350	135,354
13	Firewall Upgrade	2028-2032	280,000	238,000		42,000	8,400	33,600	15,456	18,144	7,983	10,161
14	JDE Upgrade	2028-2033	400,000	340,000		60,000	12,000	48,000	22,080	25,920	11,405	14,515
15	AVL Dashcam Upgrade	2028-2033	100,000	85,000		15,000	3,000	12,000	5,520	6,480	2,851	3,629
16	Records and Information Management Solution	2026	550,000	467,500		82,500	16,500	66,000	30,360	35,640	15,682	19,958
17	Accommodation Strategy-Phase 1	2024	488,000	414,800		73,200	14,640	58,560	26,938	31,622	13,914	17,709
18	Ajax.ca Redesign	2025	175,000	148,800		26,200	5,240	20,960	9,642	11,318	4,980	6,338
Wetland-Natural Heritage Restoration:												
1	CCWP Priority Wetland Restoration - Rossland Road	2025	959,000	407,600	479,500	71,900	14,380	57,520	26,459	31,061	13,667	17,394
2	CCWP Priority Wetland Restoration – Warbler Woods	2027	1,330,000	565,300	665,000	99,700	19,940	79,760	36,690	43,070	18,951	24,119
3	CCWP Priority Wetland Restoration – Kingston Rd E	2029	5,100,000	2,167,500	2,550,000	382,500	76,500	306,000	140,760	165,240	72,706	92,534
Total			20,450,000	14,242,300	3,694,500	2,513,200	502,640	2,010,560	924,858	1,085,702	477,709	607,993



Table 4-5
Town of Ajax
Capital Infrastructure Needs to be Recovered through C.B.C.s for C.B.C Strategies

Prj. No.	Increased Service Needs Attributable to Anticipated Development 2024-2033	Timing (year)	Gross Capital Cost Estimate (2024\$)	Less:		Net Growth-Related Cost	Total Non-Residential Share 0%	Total Residential Share 100%	Low/Medium Density Residential 0%	Total High Density Residential 100%	Potential C.B.C. Recoverable Cost	
				Benefit to Existing Development	Grants, Subsidies and Other Contributions Attributable to New Development						Ineligible High Density Residential 0%	Eligible High Density Residential 100%
1	C.B.C. Strategy	2024	52,000	-	32,414	19,586	-	19,586	-	19,586	-	19,586
2	C.B.C. Strategy	2028	50,000	-	-	50,000	-	50,000	-	50,000	-	50,000
3	C.B.C. Strategy	2033	50,000	-	-	50,000	-	50,000	-	50,000	-	50,000
	Total		\$152,000	\$0	\$32,414	\$119,586	\$0	\$119,586	\$0	\$119,586	\$0	\$119,586



Chapter 5

C.B.C. Calculation



5. C.B.C. Calculation

5.1 Anticipated Funding Recovery

Table 5-1 summarize the calculation of the charge. Arriving at these calculations, the following has been undertaken:

- 1) **Anticipated Development:** As presented in Chapter 2, the 10-year growth forecast provides for approximately 4,300 C.B.C. eligible high-density units (i.e., in buildings containing a minimum of five storeys and a minimum of 10 residential units).
- 2) **Land Valuation:** Estimated land values were determined based on the Town's 2023 Parkland Dedication Update Study, as described in section 2.4 of this report. Based on the anticipated development in the 10-year growth forecast, density assumptions, and land valuation estimates, the forecast land value for C.B.C. eligible high-density development is calculated to equal approximately \$94.67 million.
- 3) **Identification of Services:** A number of services were considered in the review, including Public Art Services, Parks and Recreation Services, Municipal-Wide Services (Corporate Initiatives, Information Technology and Wetland-Natural Heritage Restoration), Growth-Related Studies, and C.B.C. Strategies.
- 4) **C.B.C. Eligible Costs:** Capital needs related to the identified services were derived from the Town's 2024 Capital Budget and Forecast, as well as estimates from Town staff. Capital cost estimates for these needs were assessed to determine the portion of the projects that would benefit the existing community and the future development. The growth-related share of capital costs was allocated amongst all anticipated development types in the growth forecast to determine the amount attributable to C.B.C. eligible high-density development types. In total, \$5.9 million in growth-related capital costs are attributable to the forecast C.B.C. eligible high-density development.
- 5) **Maximum C.B.C.:** The calculated C.B.C. based on the eligible share of growth-related capital costs and estimated forecast land value of development totals 6.2% of land value. The *Planning Act* limits a C.B.C. that may be imposed on



development to 4% of the land value of a property¹ the day before building permit issuance. Based on the forecast total land value of \$94.67 million, the estimated potential C.B.C. recovery for the Town equates to approximately \$5.90 million for the 10-year forecast period. This measure indicates that approximately \$2.11 million in growth-related capital costs attributable to the forecast C.B.C. high-density development would not be recoverable.

Based on the foregoing, C.B.C. funding will not provide sufficient funding for all growth-related capital costs identified in the tables in Chapter 4. This shortfall in funding is estimated based on the forecast development, land values estimate, and growth-related capital needs attributable to C.B.C. eligible high-density development and the current legislated restriction of 4% of land value. The Strategy recommends imposing the maximum permissible under the *Planning Act*, i.e., 4% of land value. As such, the Town will have to consider the highest capital priorities to be funded through C.B.C. revenue during the annual budget process.

Table 5-1
Town of Ajax
Community Benefits Charge Calculation
2024 -2034

Services	Gross Cost	Benefit to Existing Deduction	Grants, Subsidies & Other Contributions	Net Growth-Related Costs	C.B.C. Eligible Costs
Capital Needs:					
Growth-Related Studies	\$1,761,000	\$924,200	\$0	\$836,800	\$202,439
Corporate Initiatives	\$2,116,000	\$1,798,600	\$0	\$317,400	\$76,785
Information Technology	\$10,945,000	\$9,303,300	\$0	\$1,641,700	\$397,160
Wetland-Natural Heritage Restoration	\$7,389,000	\$3,140,400	\$0	\$4,248,600	\$134,048
CBC Strategies	\$152,000	\$0	\$32,414	\$119,586	\$119,586
Parks and Recreation	\$16,700,000	\$0	\$0	\$16,700,000	\$4,797,576
Public Art	\$789,000	\$197,250	\$0	\$591,750	\$169,998
Total Potential Capital Program	\$39,852,000	\$15,363,750	\$32,414	\$24,455,836	\$5,897,592
Total Land Value					\$94,668,948
Calculated C.B.C. (as percentage of land value)					6.2%
Amount in excess of the Eligible Amount based on 4% of Total Land Valuation					\$2,110,834
Maximum Eligible Amount based on 4% of Total Land Valuation					\$3,786,758
Recommended C.B.C. (as percentage of land value)					4.0%

¹ Adjusted for an existing building where redevelopment occurs.



Chapter 6

C.B.C. Policy Recommendations and C.B.C. By-law Rules



6. C.B.C. Policy Recommendations and C.B.C. By-law Rules

6.1 C.B.C. Policies

Planning Act section 37 and O. Reg. 509/20 outline the required policies that must be considered when adopting a C.B.C. by-law. The following subsections set out the recommended policies governing the calculation, payment, and collection of C.B.C.s in accordance with the legislation.

This report provides the C.B.C. by-law, in Appendix B. The by-law provides for the statutory exemptions required under the *Planning Act*.

It is noted that the *More Homes Built Faster Act*, provided for changes to the *Planning Act* related to C.B.C.s. These changes include additional statutory exemptions from payment of C.B.C.s for affordable residential units, attainable residential units, and affordable residential units in inclusionary zoning areas. The exemption for affordable and attainable residential units will be in effect at the time of C.B.C. by-law passage, however, the exemption related to attainable residential units requires to be further prescribed prior to being applicable. The draft C.B.C. by-law has provided for these exemptions to ensure the legislative requirements are met.

6.2 C.B.C. By-law Rules

6.2.1 Payment in any Particular Case

In accordance with the *Planning Act*, subsection 37 (3), a C.B.C. may be imposed only with respect to development or redevelopment that requires one of the following:

- (a) “the passing of a zoning by-law or of an amendment to a zoning by-law under section 34 of the *Planning Act*;
- (b) the approval of a minor variance under section 45 of the *Planning Act*;
- (c) a conveyance of land to which a by-law passed under subsection 50 (7) of the *Planning Act* applies;



- (d) the approval of a plan of subdivision under section 51 of the *Planning Act*;
- (e) a consent under section 53 of the *Planning Act*;
- (f) the approval of a description under section 9 of the *Condominium Act, 1998*; or
- (g) the issuing of a permit under the *Building Code Act, 1992* in relation to a building or structure.”

6.2.2 Maximum Amount of the Community Benefits Charge

Subsection 37 (32) of the *Planning Act* states that the amount of a C.B.C. payable in any particular case shall not exceed an amount equal to the prescribed percentage of the value of the land as of the valuation date. Moreover, where development or redevelopment is occurring on a parcel of land with an existing building or structure, the maximum C.B.C. that could be imposed is to be calculated based on the incremental development only, based on the ratio of existing floor area to total floor area.

Based on section 3 of O. Reg. 509/20, the prescribed percentage is 4%. The Strategy recommends imposing the maximum prescribed rate.

6.2.3 Exemptions (full or partial)

The following exemptions are provided under subsection 37 (4) of the *Planning Act* and section 1 of O. Reg. 509/20:

- Development of a proposed building or structure with fewer than five storeys at or above ground;
- Development of a proposed building or structure with fewer than 10 residential units;
- Redevelopment of an existing building or structure that will have fewer than five storeys at or above ground after the redevelopment;
- Redevelopment that proposes to add fewer than 10 residential units to an existing building or structure;
- Such types of development or redevelopment as are prescribed:
 - Development or redevelopment of a building or structure intended for use as a long-term care home within the meaning of subsection 2 (1) of the *Fixing Long-Term Care Act, 2021*.



- Development or redevelopment of a building or structure intended for use as a retirement home within the meaning of subsection 2 (1) of the *Retirement Homes Act, 2010*.
- Development or redevelopment of a building or structure intended for use by any of the following post-secondary institutions for the objects of the institution:
 - i. a university in Ontario that receives direct, regular, and ongoing operating funding from the Government of Ontario,
 - ii. a college or university federated or affiliated with a university described in subparagraph i,
 - iii. an Indigenous Institute prescribed for the purposes of section 6 of the *Indigenous Institutes Act, 2017*.
- Development or redevelopment of a building or structure intended for use as a memorial home, clubhouse, or athletic grounds by an Ontario branch of the Royal Canadian Legion.
- Development or redevelopment of a building or structure intended for use as a hospice to provide end of life care.
- Development or redevelopment of a building or structure intended for use as residential premises by any of the following entities:
 - i. a corporation to which the *Not-for-Profit Corporations Act, 2010* applies that is in good standing under that Act and whose primary object is to provide housing,
 - ii. a corporation without share capital to which the *Canada Not-for-Profit Corporations Act* applies, that is in good standing under that Act and whose primary object is to provide housing,
 - iii. a non-profit housing co-operative that is in good standing under the *Co-operative Corporations Act*.
- Development of Attainable Residential Units, which excludes affordable units and rental units, will be defined as a prescribed development or class of development, and sold to a person who is at "arm's length" from the seller.
- Development of Affordable Residential Units, as defined as:
 - i. Affordable Rental Units: Where the rent is no greater than the lesser of:



- The income-based affordable rent for the residential unit set out in the Affordable Residential Units bulletin, as identified by the Minister of Municipal Affairs and Housing; and
- The average market rent identified for the residential unit set out in the Affordable Residential Units bulletin
- ii. Affordable Owned Units: Where the price of the residential unit is greater than the lesser of:
 - The income-based affordable purchase price for the residential unit set out in the Affordable Residential Units bulletin, as identified by the Minister of Municipal Affairs and Housing; and
 - 90 per cent of the average purchase price identified for the residential unit set out in the Affordable Residential Units bulletin.
 - and sold to a person who is at "arm's length" from the seller
- iii. Note: for affordable and attainable units, the municipality shall enter into an agreement that ensures the unit remains affordable or attainable for 25 years.
- iv. The bulletin refers to the "Development Charges Act, 1997 Bulletin" published by the Ministry of Municipal Affairs and Housing.
- Development of Inclusionary Zoning Units: Affordable housing units required under inclusionary zoning by-laws.

In addition to the exemptions noted above, the C.B.C. will not apply to buildings or structures owned by and used for the purposes of any municipality, local board, or Board of Education; affordable units within a development, and to developments where a previously executed Section 37 community benefits agreement is in place. However, if a change is proposed to a development subject to a Section 37 agreement (for example an increase in the approved unit count), the change would be subject to the C.B.C by-law.

6.2.4 Timing of Collection

The C.B.C.s imposed are calculated, payable, and collected upon issuance of a building permit for eligible development or redevelopment.



6.2.5 In-kind Contributions

A municipality that has passed a C.B.C. by-law may allow the landowner to provide to the municipality: facilities, services, or matters required because of development or redevelopment in the area to which the by-law applies. A municipality may enter into an agreement with a landowner for the provision of in-kind contributions and these agreements may be registered on title of the land to which the charge applies.

Prior to providing these contributions, the municipality shall advise the landowner of the value that of the in-kind contributions that will be attributed to them. As part of this valuation, the contributing landowner will be expected to provide any valuation documents as backup or alternatively, staff will investigate and assign a reasonable value to the in-kind contribution. This value shall be deducted from the amount the landowner would otherwise be required to pay under the C.B.C. by-law.

6.2.6 The Applicable Areas

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

6.2.7 Special Account

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

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

In addition to the monies collected under a C.B.C. by-law, transitional rules for transferring existing reserve funds are provided in subsection 37 (51) of the *Planning Act*. These rules apply for any existing reserve funds related to a service that is not listed in subsection 2 (4) of the D.C.A., as well as reserve funds established under section 37 of the *Planning Act* prior to Bill 197.

1. If the municipality passes a C.B.C. by-law under this section before the specified date, the municipality shall, on the day it passes the by-law, allocate the money in



the special account or reserve fund to the special account referred to in subsection (45) of the *Planning Act*.

2. If the municipality has not passed a C.B.C. by-law under this section before the specified date, the special account or reserve fund is deemed to be a general capital reserve fund for the same purposes for which the money in the special account or reserve fund was collected.
3. Despite paragraph 2, subsection 417 (4) of the *Municipal Act, 2001* (a provision which requires the funds raised for a reserve fund must only be used for the intended purpose) and any equivalent provision do not apply with respect to the general capital reserve fund referred to in paragraph 2.
4. If paragraph 2 applies and the municipality passes a C.B.C. by-law under this section on or after the specified date, the municipality shall, on the day it passes the by-law, allocate any money remaining in the general capital reserve fund referred to in paragraph 2 to the special account referred to in subsection (45) of the *Planning Act*.

6.2.8 By-law In-Force Date

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

6.3 Recommendations

It is recommended that Council:

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

Approve imposing the maximum prescribed rate of 4%;

Approve the capital project listing set out in Chapter 4 of the C.B.C. Strategy dated November 18, 2024, subject to further annual review during the capital budget process;

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



Approve the C.B.C. Strategy dated November 18, 2024;

Determine that no further public consultation is required; and

Approve the C.B.C. By-law.



Chapter 7

By-law Implementation



7. By-law Implementation

7.1 Introduction

This chapter addresses the public consultation process and by-law implementation requirements for the imposition of a C.B.C. by-law. Figure 7-1 provides an overview of the process.

7.2 Public Consultation Process

7.2.1 Required Consultation

In establishing the policy for which a C.B.C. strategy and by-law will be based; section 37 (10) of the *Planning Act* requires that:

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

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

7.2.2 Interested Parties to Consult

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

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



particularly the percentage applicable to their properties, projects to be funded by the C.B.C. and the timing thereof, and municipal policy with respect to development agreements and in-kind contributions.

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

As noted in Section 1.4, through the C.B.C. strategy process, the Town's consultation process includes having public consultation meetings of Council and notifying key stakeholders.

7.3 Anticipated Impact of the Charge on Development

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



7.4 Implementation Requirements

7.4.1 Introduction

Once the Town has calculated the charge, prepared the complete strategy, carried out the public process, and passed a new by-law, the emphasis shifts to implementation matters.

These include notices, potential appeals and complaints, in-kind contributions, and finally the collection of revenues and funding of projects.

The sections that follow provide an overview of the requirements in each case.

7.4.2 Notice of Passage

In accordance with subsection 37 (13) of the *Planning Act*, when a C.B.C. by-law is passed, the clerk of the municipality shall give written notice of the passing and of the last day for appealing the by-law (the day that is 40 days after the day it was passed). Such notice must be given no later than 20 days after the day the by-law is passed (i.e., as of the day of newspaper publication or the mailing of the notice).

Section 4 of O. Reg. 509/20 further defines the notice requirements which are summarized as follows:

- notice shall be given by publication in a newspaper which is (in the clerk's opinion) of sufficient circulation to give the public reasonable notice, or by personal service, fax, or mail to every owner of land in the area to which the by-law relates;
- subsection 4 (2) lists the persons/organizations who must be given notice; and
- subsection 4 (5) lists the seven items that the notice must cover.

7.4.3 Appeals

Subsections 37 (13) to 37 (31) of the *Planning Act* set out the requirements relative to making and processing a C.B.C. by-law appeal as well as an O.L.T. hearing in response to an appeal. Any person or organization may appeal a C.B.C. by-law to the O.L.T. by filing a notice of appeal with the clerk of the municipality, setting out the objection to the



by-law and the reasons supporting the objection. This must be done by the last day for appealing the by-law, which is 40 days after the by-law is passed.

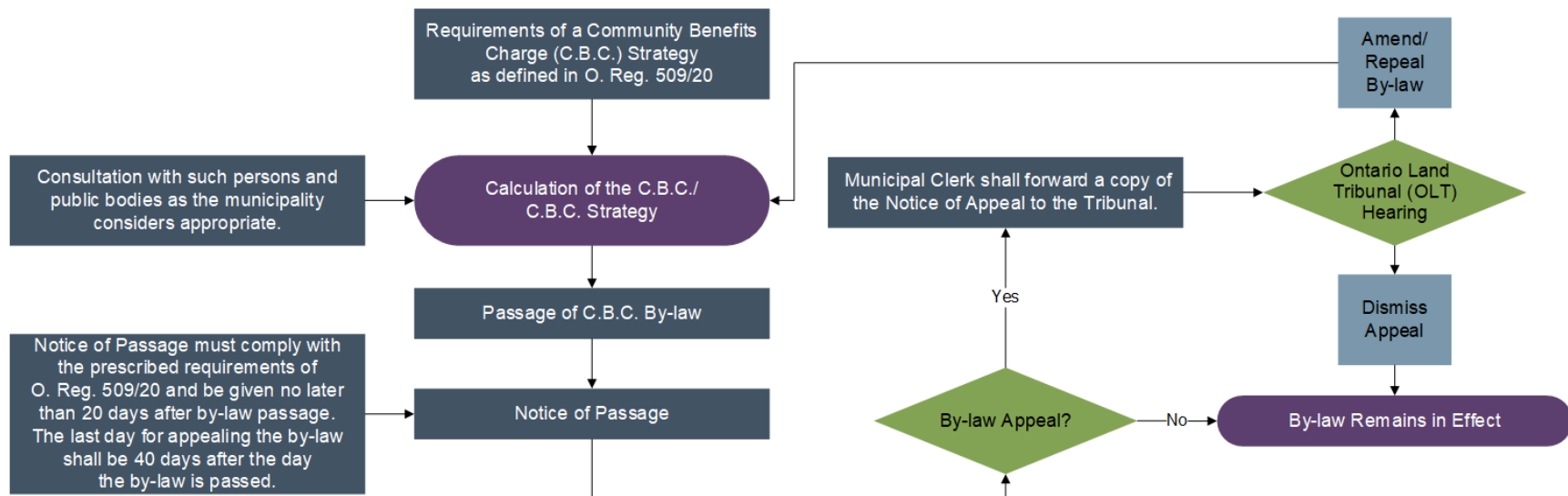
The municipality is carrying out a public consultation process, in order to address the issues that come forward as part of that process, thereby avoiding or reducing the need for an appeal to be made.

7.4.4 In-Kind Contributions

Subsections 37 (6) to 37 (8) provide the rules for in-kind contributions. An owner of land may provide the municipality facilities, services, or matters required because of development or redevelopment in the area to which the by-law applies. Prior to providing these contributions, the municipality shall enter into an agreement with the owner of the land and advise the owner of the value that will be attributed to the contributions. The value of the contributions shall be deducted from the amount the owner of the land would otherwise have to pay under the C.B.C. by-law.



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





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

7.5.1 Introductions

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

7.5.2 Overview of Process and Appraisals

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

Once the C.B.C. by-law is in place, as development or redevelopment that meets the eligibility criteria proceeds (i.e., prior to issuance of a building permit), the municipality collects C.B.C.s based on the calculated percentage (as set out in the by-law and C.B.C. strategy) and the value of the land. The Owner will submit, to the Town, a land appraisal completed by a qualified professional.

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

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

- If no appraisal is provided to the owner within 45 days, the owner's appraisal is deemed accurate and the difference in the amounts shall be refunded to the owner.
- If the municipality's appraisal is within 5% of the landowner's appraisal, the landowner's appraisal is deemed accurate, and the municipality shall refund the difference in the amounts to the owner.
- If the municipality's appraisal is more than 5% higher than the landowner's appraisal, the municipality shall request an appraisal be undertaken by an appraiser, selected by the landowner, from the list of approved appraisers provided by the municipality. This must be undertaken within 60 days. This final



appraisal is deemed accurate for the purposes of calculating the applicable C.B.C.

- In regard to the last bullet, subsection 37 (42) and 37 (43) require the municipality to maintain a list of at least three persons who are not employees of the municipality or members of Council and have an agreement with the municipality to perform appraisals for the above. This list is to be maintained until the C.B.C. by-law is repealed or the day on which there is no longer any refund that could be required (whichever is later).

7.5.3 Special Reserve Fund Account

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

- All money received under a C.B.C. by-law shall be paid into a special account;
- The money in the special account may be invested in securities (as permitted under the *Municipal Act*) and the interest earnings shall be paid into the special account;
- In each year, a municipality shall spend or allocate at least 60 percent of the monies that are in the special account at the beginning of the year; and
- The municipality shall provide reports and information as set out in section 7 of O. Reg. 509/20
- In regard to the third bullet, it is suggested that the annual capital budget for the Town directly list the works which are being undertaken and/or to which monies from this fund are being allocated toward.

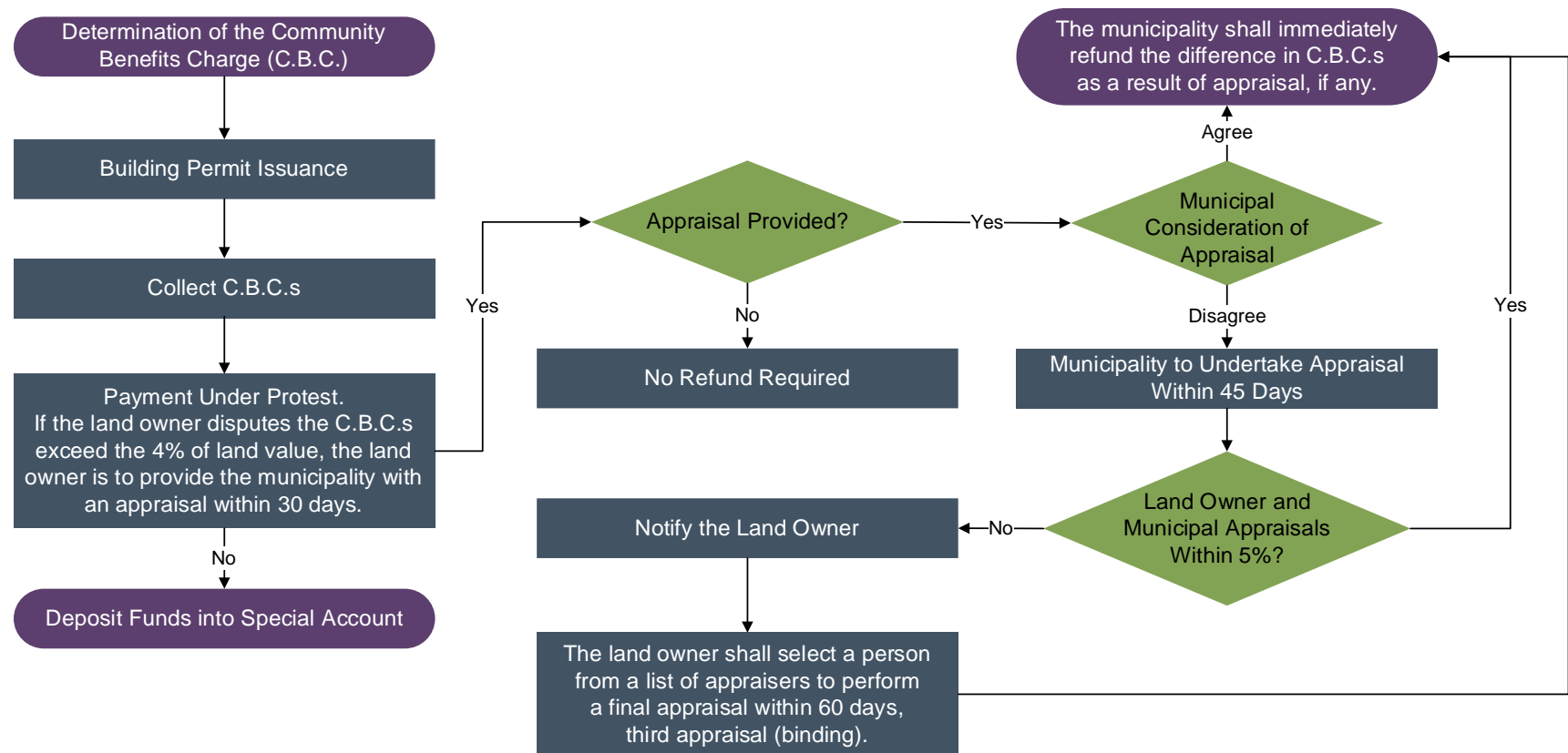
As per this C.B.C. strategy, the growth-related services (as outlined in Chapter 4), form the anticipated capital needs required to service growth over the 10-year forecast period. However, other services may be considered by Council in the future and are subject to approval by resolution and inclusion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



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



Figure 7-2
Town of Ajax
Community Benefits Charge Application and Calculation Process



Note: Maximum charge of 4% of land value is multiplied by ratio of existing floor area and total floor area where redevelopment occurs.



7.6 Transitional Matters

7.6.1 Existing Reserves and Reserve Funds

The *Planning Act*, section 37 (49) to section 37 (51) provides transitional provisions for:

1. A special account established under the previous section 37 rules; and
2. A D.C. reserve fund for which services are no longer eligible.

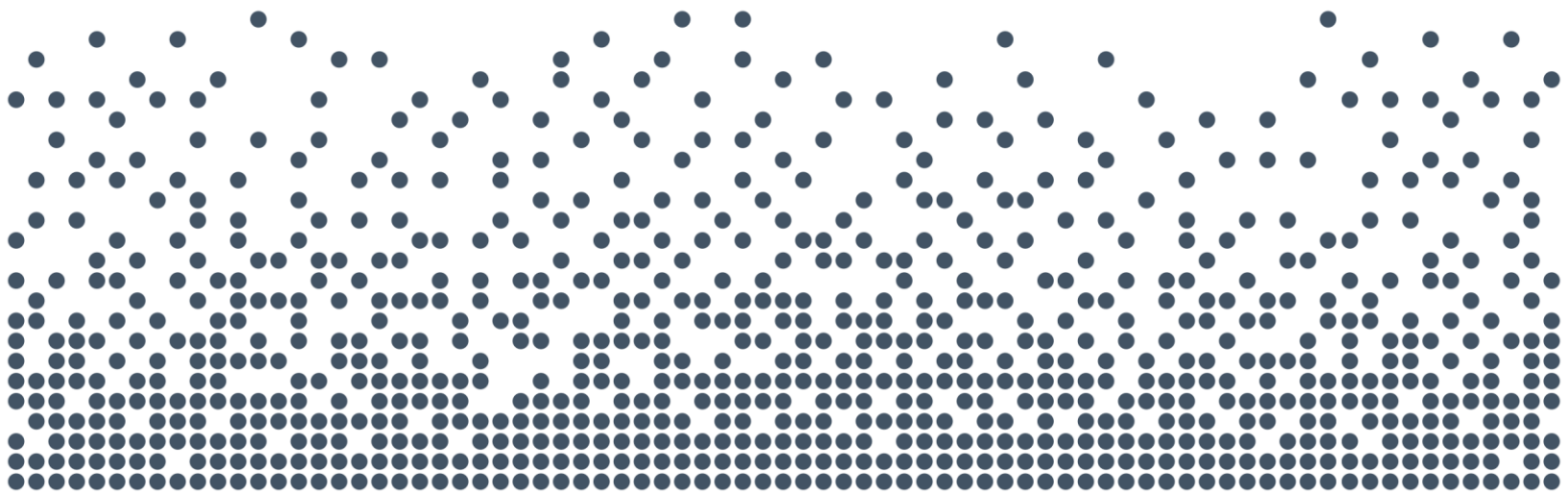
If a municipality passes a C.B.C. by-law with an in-force date before September 18, 2022, the municipality is required to allocate the money in the Section 37 Community Benefits reserve fund to the C.B.C. special account.

If a municipality does not pass a C.B.C. by-law before September 18, 2022, the Section 37 Community Benefits reserve fund is deemed to be a general capital reserve funds for the same purpose in which the money was collected.

If a C.B.C. by-law is passed after September 18, 2022, the municipality is required to allocate the money from the newly created general capital reserve fund, to the C.B.C. special account. The Town's C.B.C. by-law will be passed after September 18, 2022, and as such this provision will apply.

7.6.2 Continued Application of Previous Section 37 Rules

Section 37.1 of the *Planning Act* provides for transitional matters regarding previous section 37 rules whereby any charges that are currently in place under the previous rules, may remain in place until the municipality passes a C.B.C. by-law or September 18, 2022, whichever comes first. Therefore, the prior Section 37 rules are not available for future developments, other than those already in place as provided in Schedule "A" to the draft by-law contained in Appendix B.



Appendices



Appendix A

Background Information on Residential and Non- Residential Growth Forecast



Schedule 1 Town of Ajax Residential Growth Forecast Summary

Year	Population (Including Census Undercount) ^[1]	Excluding Census Undercount			Housing Units						Person Per Unit (P.P.U.): Total Population/ Total Households	
		Population	Institutional Population	Population Excluding Institutional Population	Singles & Semi-Detached	Multiple Dwellings ^[2]	Apartments ^[3]	Other	Total Households	Equivalent Institutional Households		
Historical	Mid 2006	93,580	90,167	387	89,780	20,965	4,290	3,335	20	28,610	352	3.152
	Mid 2011	113,750	109,600	380	109,220	25,099	6,345	3,580	14	35,038	345	3.128
	Mid 2016	124,210	119,677	497	119,180	26,830	7,050	3,655	10	37,545	452	3.188
	Mid 2021	131,460	126,666	421	126,245	27,825	7,405	4,245	15	39,490	383	3.208
Forecast	Late 2024	135,350	130,412	492	129,920	28,013	7,949	5,477	15	41,454	447	3.146
	Late 2034	159,470	153,648	791	152,857	28,499	11,104	13,195	15	52,813	719	2.909
Incremental	Mid 2011 - Mid 2016	10,460	10,077	117	9,960	1,731	705	75	-4	2,507	107	
	Mid 2016 - Mid 2021	7,250	6,989	-76	7,065	995	355	590	5	1,945	-69	
	Mid 2021 - Late 2024	3,890	3,746	71	3,675	188	544	1,232	0	1,964	64	
	Late 2024 - Late 2034	24,120	23,236	299	22,937	486	3,155	7,718	0	11,359	272	

Source: Envision Durham, the Durham Region Official Plan (adopted by Regional Council May 17, 2023) derived by Watson & Associates Economists Ltd., 2024.

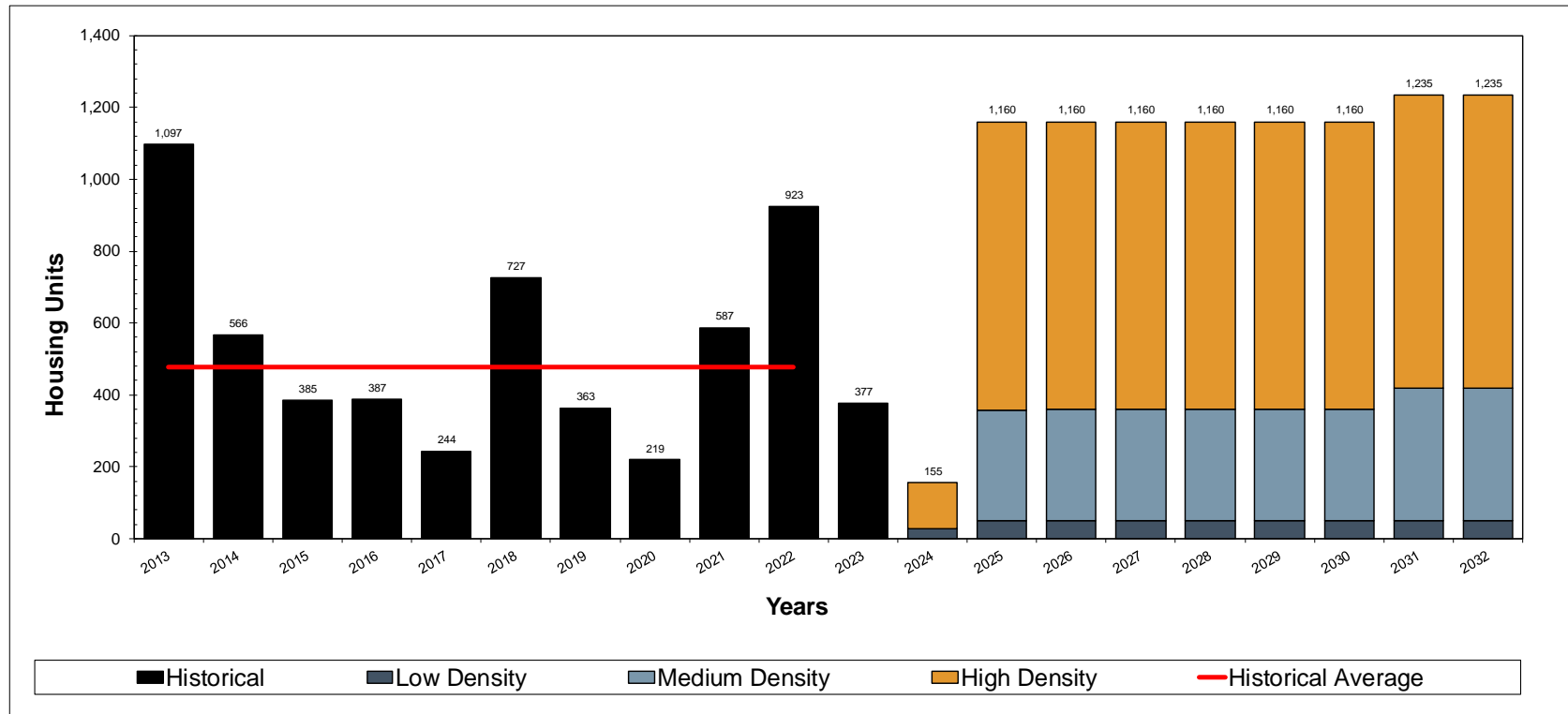
[1] Census undercount estimated at approximately 3.8%. Note: Population including the undercount has been rounded.

[2] Includes townhouses and duplexes.

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



Figure A-1
Town of Ajax
Annual Housing Forecast¹



Source: Historical housing activity derived from Statistics Canada building permit data for the Town of Ajax, 2013-2022.

^[1] Growth forecast represents calendar year.



Schedule 2
Town of Ajax
Estimate of the Anticipated Amount and Type of Residential Development for Which Development Charges can be Imposed, Late-2024 to Late-2034

Development Location	Timing	Single & Semi-Detached	Multiples ^[1]	Apartments ^[2]	CBC Eligible Apartment Units	Non-Eligible Apartment Units	Total Residential Units	Gross Population In New Units	Existing Unit Population Change	Net Population Increase, Excluding Institutional	Institutional Population	Net Population Including Institutional
Town of Ajax	2024 - 2034	486	3,155	7,718	4,302	3,416	11,359	24,947	-2,010	22,937	299	23,236

Source: Envision Durham, the Durham Region Official Plan (adopted by Regional Council May 17, 2023) derived by Watson & Associates Economists Ltd., 2024.

^[1] Includes townhouses and apartments in duplexes.

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

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



Schedule 3
Town of Ajax
Current Year Growth Forecast, Mid-2021 to Late-2024

		Population
Mid 2021 Population		126,666
Occupants of New Housing Units, Mid 2021 to Late 2024	<i>Units (2)</i>	1,964
	<i>multiplied by P.P.U. (3)</i>	2,263
	<i>gross population increase</i>	4,445
Occupants of New Equivalent Institutional Units, Mid 2021 to Late 2024	<i>Units</i>	64
	<i>multiplied by P.P.U. (3)</i>	1,100
	<i>gross population increase</i>	70
Decline in Housing Unit Occupancy, Mid 2021 to Late 2024	<i>Units (4)</i>	39,490
	<i>multiplied by P.P.U. decline rate (5)</i>	-0.019
	<i>total decline in population</i>	-769
Population Estimate to Late 2024		130,412
<i>Net Population Increase, Mid 2021 to Late 2024</i>		<i>3,746</i>

- (1) 2021 population based on Statistics Canada Census unadjusted for Census undercount.
 (2) Estimated residential units constructed, Mid-2021 to the beginning of the growth period assuming a six-month lag between construction and occupancy.
 (3) Average number of persons per unit (P.P.U.) is assumed to be:

Structural Type	Persons Per Unit ¹ (P.P.U.)	% Distribution of Estimated Units ²	Weighted Persons Per Unit Average
<i>Singles & Semi Detached</i>	3.694	10%	0.354
<i>Multiples (6)</i>	3.100	28%	0.859
<i>Apartments (7)</i>	1.675	63%	1.051
Total		100%	2.263

¹ Based on 2021 Census custom database

² Based on Building permit/completion activity

- (4) 2021 households taken from Statistics Canada Census.
 (5) Decline occurs due to aging of the population and family life cycle changes, lower fertility rates and changing economic conditions.
 (6) Includes townhouses and apartments in duplexes.
 (7) Includes bachelor, 1-bedroom and 2-bedroom+ apartments.

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



Schedule 4
Town of Ajax
10-Year Growth Forecast, Late-2024 to Late-2034

		Population
Late 2024 Population		130,412
Occupants of New Housing Units, Late 2024 to Late 2034	<i>Units (2)</i>	11,359
	<i>multiplied by P.P.U. (3)</i>	2,196
	<i>gross population increase</i>	24,947
Occupants of New Equivalent Institutional Units, Late 2024 to Late 2034	<i>Units</i>	272
	<i>multiplied by P.P.U. (3)</i>	1,100
	<i>gross population increase</i>	299
Decline in Housing Unit Occupancy, Late 2024 to Late 2034	<i>Units (4)</i>	41,454
	<i>multiplied by P.P.U. decline rate (5)</i>	-0,048
	<i>total decline in population</i>	-2,010
Population Estimate to Late 2034		153,648
<i>Net Population Increase, Late 2024 to Late 2034</i>		23,236

(1) Late 2024 Population based on:

2021 Population (126,666) + Mid 2021 to Late 2024 estimated housing units to beginning of forecast period (1,964 x 2.263 = 4,445) + (64 x 1.1 = 70) + (39,490 x -0.019 = -769) = 130,412

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

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

Structural Type	Persons Per Unit ¹ (P.P.U.)	% Distribution of Estimated Units ²	Weighted Persons Per Unit Average
<i>Singles & Semi Detached</i>	3.792	4%	0.162
<i>Multiples (6)</i>	3.093	28%	0.859
<i>Apartments (7)</i>	1.729	68%	1.175
<i>one bedroom or less</i>	1.295		
<i>two bedrooms or more</i>	2.063		
Total		100%	2.196

¹ Persons per unit based on adjusted Statistics Canada Custom 2021 Census database.

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

(4) Late 2024 households based upon 2021 Census (39,490 units) + Mid 2021 to Late 2024 unit estimate (1,964 units) = 41,454 units.

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

(6) Includes townhouses and apartments in duplexes.

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

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



Schedule 5
Town of Ajax
Historical Residential Building Permits
Years 2014 to 2023

Year	Residential Building Permits			
	Singles & Semi Detached	Multiples ^[1]	Apartments ^[2]	Total
2014	363	81	122	566
2015	223	111	51	385
2016	228	116	43	387
2017	177	67	0	244
2018	299	92	336	727
Sub-total	1,290	467	552	2,309
Average (2014 - 2018)	258	93	110	462
% Breakdown	55.9%	20.2%	23.9%	100.0%
2019	180	34	149	363
2020	111	46	62	219
2021	62	294	231	587
2022	54	137	732	923
2023	59	113	205	377
Sub-total	466	624	1,379	2,469
Average (2019 - 2023)	93	125	276	494
% Breakdown	18.9%	25.3%	55.9%	100.0%
2014 - 2023				
Total	1,756	1,091	1,931	4,778
Average	176	109	193	478
% Breakdown	36.8%	22.8%	40.4%	100.0%

Source: Historical housing activity derived from Statistics Canada building permit data for the Town of Ajax, 2013-2022.

^[1] Includes townhouses and apartments in duplexes.

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



Schedule 6
Town of Ajax
Person Per Unit by Age and Type of Dwelling
(2021 Census)

Age of Dwelling	Singles and Semi-Detached						25 Year Average Adjusted
	< 1 BR	1 BR	2 BR	3/4 BR	5+ BR	Total	
1-5	-	-	-	3.622	4.200	3.694	
6-10	-	-	-	3.835	5.290	4.034	
11-15	-	-	3.048	3.794	4.808	3.924	
16-20	-	-	3.263	3.595	4.811	3.782	
20-25	-	-	2.909	3.478	4.731	3.680	3.792
25-35	-	-	-	3.357	4.860	3.611	
35+	1.500	2.136	2.138	2.950	4.126	3.002	
Total	2.588	3.189	2.435	3.334	4.604	3.458	

Age of Dwelling	Multiples ^[1]						25 Year Average Adjusted
	< 1 BR	1 BR	2 BR	3/4 BR	5+ BR	Total	
1-5	-	-	-	3.319	-	3.100	
6-10	-	-	2.000	3.264	-	3.070	
11-15	-	-	2.257	3.135	-	3.060	
16-20	-	-	2.737	3.122	-	3.077	
20-25	-	-	-	3.355	-	3.331	3.093
25-35	-	-	2.364	3.049	-	2.881	
35+	-	1.400	1.955	2.953	4.000	2.792	
Total	2.500	1.722	2.164	3.121	4.392	2.990	

Age of Dwelling	Apartments ^[2]						25 Year Average Adjusted
	< 1 BR	1 BR	2 BR	3/4 BR	5+ BR	Total	
1-5	-	1.264	2.087	2.167	-	1.675	
6-10	-	-	-	-	-	1.800	
11-15	-	-	-	-	-	1.583	
16-20	-	-	-	-	-	2.545	
20-25	-	-	1.923	-	-	1.875	1.729
25-35	-	1.214	1.738	-	-	1.544	
35+	-	1.187	1.893	2.581	-	1.934	
Total	0.733	1.197	1.917	2.640	-	1.861	

Age of Dwelling	All Density Types					
	< 1 BR	1 BR	2 BR	3/4 BR	5+ BR	Total
1-5	-	1.636	2.050	3.491	4.333	3.055
6-10	-	2.722	1.979	3.681	5.076	3.685
11-15	-	1.941	2.483	3.619	4.873	3.679
16-20	-	2.200	2.867	3.508	4.820	3.632
20-25	-	1.882	2.471	3.435	4.708	3.526
25-35	-	1.500	1.984	3.282	4.750	3.162
35+	-	1.335	1.971	2.927	4.052	2.793
Total	3.300	1.578	2.085	3.270	4.549	3.198

[1] Includes townhouses and apartments in duplexes.

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

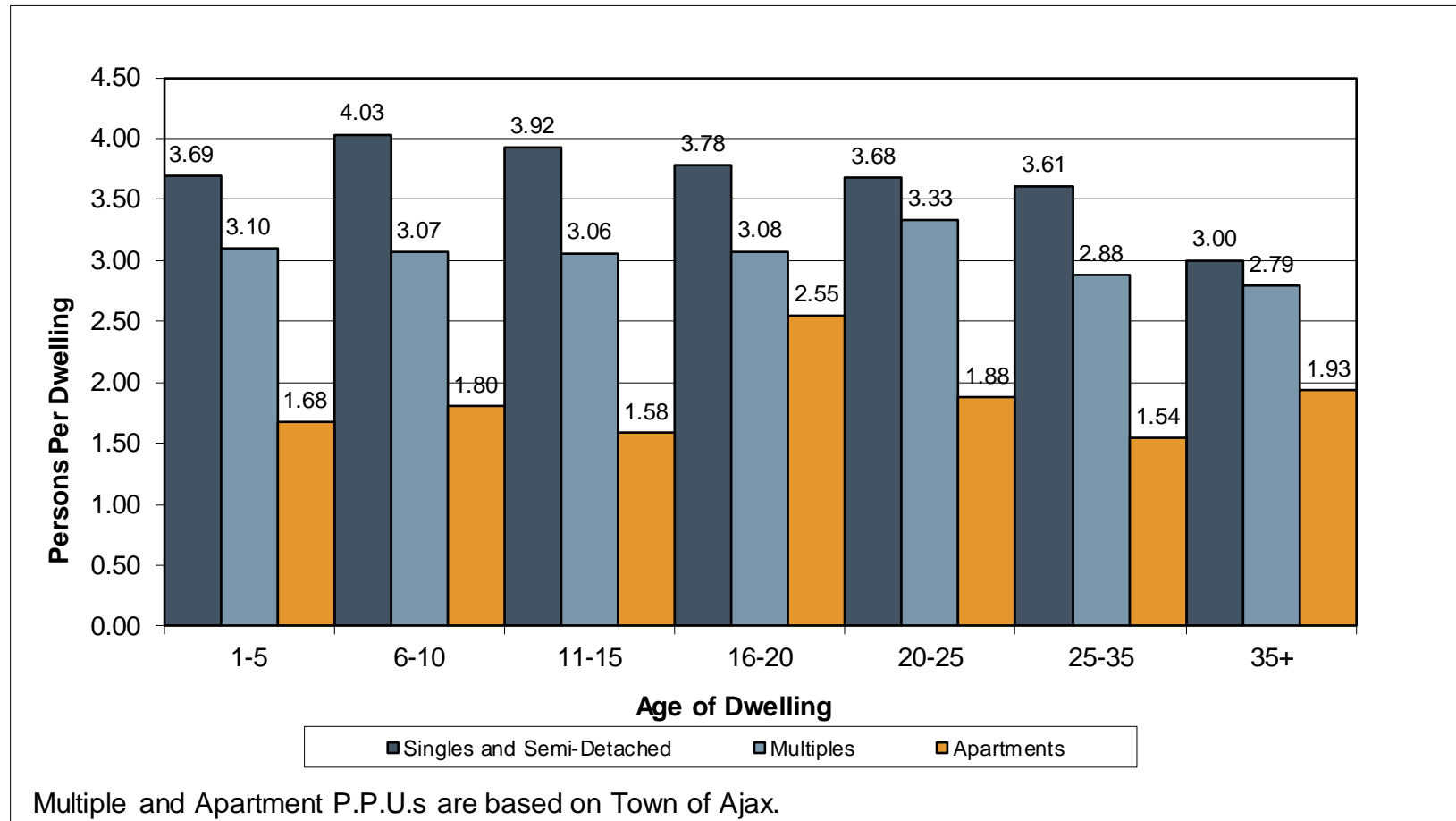
[3] Adjusted based on historical trends.

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

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



Schedule 7
Town of Ajax
Person Per Unit Structural Type and Age of Dwelling
(2021 Census)



Schedule 8a Town of Ajax Employment Forecast, 2024 to 2034

Period	Population	Activity Rate								Employment								Employment Total (Excluding Work at Home and N.F.P.O.W.)
		Primary	Work at Home	Industrial	Commercial/ Population Related	Institutional	Total	N.F.P.O.W. ^[1]	Total Including N.F.P.O.W.	Primary	Work at Home	Industrial	Commercial/ Population Related	Institutional	Total	N.F.P.O.W. ^[1]	Total Employment (Including N.F.P.O.W.)	
Mid 2006	90,167	0.002	0.031	0.087	0.124	0.064	0.307	0.056	0.364	175	2,780	7,853	11,158	5,735	27,700	5,076	32,776	24,920
Mid 2011	109,600	0.002	0.025	0.068	0.098	0.052	0.245	0.046	0.291	175	2,780	7,410	10,715	5,735	26,815	5,076	31,891	24,035
Mid 2016	119,677	0.001	0.031	0.063	0.096	0.053	0.244	0.047	0.291	130	3,685	7,588	11,483	6,315	29,200	5,674	34,874	25,515
Late 2024	130,412	0.002	0.032	0.068	0.099	0.054	0.254	0.048	0.303	205	4,212	8,898	12,861	6,991	33,167	6,319	39,486	28,955
Late 2034	153,648	0.001	0.032	0.066	0.106	0.054	0.259	0.049	0.308	205	4,971	10,108	16,242	8,273	39,799	7,457	47,256	34,828
Incremental Change																		
Mid 2006 - Mid 2011	19,433	0.000	-0.005	-0.019	-0.026	-0.011	-0.063	-0.010	-0.073	0	0	-443	-443	0	-885	0	-885	-885
Mid 2011 - Mid 2016	10,077	-0.0005	0.0054	-0.0042	-0.0018	0.0004	-0.0007	0.0011	0.0004	-45	905	178	768	580	2,385	598	2,983	1,480
Mid 2016 - Late 2024	10,735	0.0005	0.0015	0.0048	0.0027	0.0008	0.0103	0.0010	0.0114	75	527	1,311	1,379	676	3,967	645	4,612	3,440
Late 2024 - Late 2034	23,236	-0.0002	0.0001	-0.0024	0.0071	0.0002	0.0047	0.0001	0.0048	0	759	1,210	3,381	1,282	6,632	1,138	7,770	5,873
Annual Average																		
Mid 2006 - Mid 2011	3,887	-0.00007	-0.00109	-0.00390	-0.00520	-0.00226	-0.01251	-0.00200	-0.01451	0	0	-89	-89	0	-177	0	-177	-177
Mid 2011 - Mid 2016	2,015	-0.0001	0.0011	-0.0008	-0.0004	0.0001	-0.0001	0.0002	0.0001	-9	181	36	154	116	477	120	597	296
Mid 2016 - Late 2024	1,342	0.00006	0.00019	0.00060	0.00033	0.00010	0.00129	0.00013	0.00142	9	66	164	172	85	496	81	576	430
Late 2024 - Late 2034	2,324	-0.00002	0.00001	-0.00024	0.00071	0.00002	0.00047	0.00001	0.00048	0	76	121	338	128	663	114	777	587

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

Note: Statistics Canada 2021 Census place of work employment data has been reviewed. The 2021 Census employment results have not been utilized due to a significant increase in work at home employment captured due to Census enumeration occurring during the provincial COVID-19 lockdown from April 1, 2021 to June 14, 2021.

Source: Envision Durham, the Durham Region Official Plan (adopted by Regional Council May 17, 2023) derived by Watson & Associates Economists Ltd., 2024.

Schedule 8b
Town of Ajax
Employment and Gross Floor Area (G.F.A.) Forecast, 2024 to 2034

Period	Population	Employment				Gross Floor Area in Square Feet (Estimated) ⁽¹⁾			
		Industrial	Commercial/ Population Related	Institutional	Total	Industrial	Commercial/ Population Related	Institutional	Total
Mid 2006	90,167	7,853	11,158	5,735	24,920				
Mid 2011	109,600	7,410	10,715	5,735	24,035				
Mid 2016	119,677	7,588	11,483	6,315	25,515				
Late 2024	130,412	8,898	12,861	6,991	28,955				
Late 2034	153,648	10,108	16,242	8,273	34,828				
Incremental Change									
Mid 2006 - Mid 2011	19,433	-443	-443	0	-885				
Mid 2011 - Mid 2016	10,077	178	768	580	1,480				
Mid 2016 - Late 2024	10,735	1,311	1,379	676	3,440				
Late 2024 - Late 2034	23,236	1,210	3,381	1,282	5,873	1,452,000	1,437,000	833,300	3,722,300
Annual Average									
Mid 2006 - Mid 2011	3,887	-89	-89	0	-177				
Mid 2011 - Mid 2016	2,015	36	154	116	296				
Mid 2016 - Late 2024	1,342	164	172	85	430				
Late 2024 - Late 2034	2,324	121	338	128	587	145,200	143,700	83,330	372,230

Source: Envision Durham, the Durham Region Official Plan (adopted by Regional Council May 17, 2023) derived by Watson & Associates Economists Ltd., 2024.

⁽¹⁾ Square Foot Per Employee Assumptions

Industrial	1,200
Commercial/ Population Related	425
Institutional	650

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



Appendix B

Proposed C.B.C. By-law



By-Law Number 2024-XXX

A By-Law to Provide for the Payment of Community Benefits

Charges Pursuant to Section 37 of the Planning Act

Whereas section 37 of the *Planning Act* provides that the council of a municipality may by by-law impose **community benefits charges** against land to pay for **capital costs** of **services** required because of **development** or **redevelopment**; and

Whereas pursuant to subsection 37(9) of the *Planning Act*, **Council** passed a **community benefits charge strategy**, which identifies the **services** that will be funded with **community benefits charges** and complies with **prescribed** requirements; and

Whereas pursuant to subsection 37(10) of the *Planning Act*, the **Town** consulted with stakeholders and held public consultation meetings on December 2, 2024, in preparing the **community benefits charge strategy**; and

Whereas Council desires to impose **community benefits charges** against land to pay for **capital costs** of **services** required because of **development** and **redevelopment**;

Now Therefore, the Council of the Corporation of the Town of Ajax hereby enacts as follows:

1. Short Title

1.1 This by-law may be cited as the “Community Benefits Charge By-law.”

2. Definitions

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

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

“Affordable Residential Unit” means a residential unit that meets the criteria set out in subsection 4.1 of the *Development Charges Act, 1997* (“Development Charges Act”);

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



“Apartment Building” for the purposes of this By-Law means a residential building or portion of a mixed-use building of 5 or more storeys at or above grade and consisting of 10 or more apartment units.

"Appraisal" means an appraisal of land value prepared in accordance with the Canadian Uniform Standards of Professional Appraisal Practice of the Appraisal Institute of Canada;

“Attainable Unit” means a residential unit that that meets the criteria set out in subsection 4.1 of the *Development Charges Act, 1997*;

“Bedroom” means a habitable room used or capable of use for sleeping accommodation, including a den, study, or other similar area, but excluding a living room, dining room, kitchen, family room, utility room, recreational room, bathroom, sunroom, or porch;

“Building” means any structure or building as defined in the Ontario Building Code (*Ontario Regulation 332/12 under the Building Code Act, 1992*);

“Building Code Act, 1992” means the *Building Code Act, 1992, SO 1992, c 23* as amended;

“Capital Costs” means growth-related costs incurred or proposed to be incurred by the Town or a Local Board thereof directly or by others on behalf of, and as authorized by, the Town or Local Board,

- (a) to acquire land or an interest in land, including a leasehold interest,
- (b) to improve land,
- (c) to acquire, lease, construct or improve buildings and structures,
- (d) to acquire, construct or improve facilities including,
 - i. furniture and equipment, and;
 - ii. rolling stock;
- (e) to undertake studies in connection with any of the matters referred to in clauses (a) to (d) above, including the Community Benefits Charge Strategy, required for the provision of Services designated in this By-law within or outside the Town, including interest on borrowing for those expenditures under clauses (a) to (e) above;



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

“Council” means the Council of the Corporation of the Town of Ajax;

“Development” means the construction, erection, or placing of one or more buildings or structures on Land or the making of an addition or alteration to a building or structure that has the effect of increasing the size or usability thereof or any development requiring any of the actions described in subsection 6.1 of this By-law, and includes Redevelopment;

"Dwelling Unit" shall mean a room or a group of rooms in a dwelling used or intended to be used as a single, independent, and separate housekeeping unit in which a kitchen and sanitary facilities are provided, and which has a private entrance from outside the dwelling or from a common hallway or stairway inside the dwelling. the purposes of this by-law, the terms 'Dwelling Unit' and 'Residential Unit' have the same meaning.

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

“Land” means any parcel, partial or full, of property within the Town of Ajax geographic area;

“Non-profit Housing Development” means development of a Building or structure intended for use as residential premises by:

- (a) a corporation to which the *Not-for-Profit Corporations Act, 2010, S.O. 2010, c. 15* (“Not-for-Profit Corporations Act”) applies, that is in good standing under that Act and whose primary objective is to provide housing;
- (b) a corporation without share capital to which the *Canada Not-for-profit Corporations Act, S.C. 2009, c. 23* (“Canada Not-for-profit Corporations Act”) applies, that is in good standing under the Canada Not-for-profit Corporations Act and whose primary objective is to provide housing; or
- (c) a non-profit housing co-operative that is in good standing under the *Cooperative Corporations Act, R.S.O. 1990, c. C.35*.



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

“Parcel” means a lot or parcel of land which can be legally conveyed pursuant to the Planning Act;

“Prescribed” means prescribed in the regulations made under the Planning Act, unless otherwise expressed used in relation to other legislation;

“Redevelopment” means the construction, erection or placing of one or more Buildings on Land where all or part of a Building on such Land has previously been demolished, or changing the use of a Building from a Non-Residential Use to a Residential Use, or changing a Building from one form of Residential Use to another form of Residential Use and including any Development or Redevelopment requiring any of the actions described in subsection 6.1 of this By-law;

“Residential Unit” shall mean a room or a group of rooms in a dwelling used or intended to be used as a single, independent, and separate housekeeping unit in which a kitchen and sanitary facilities are provided, and which has a private entrance from outside the dwelling or from a common hallway or stairway inside the dwelling.

“Residential Use” means land, buildings, or structures of any kind whatsoever or any portion thereof, that are being used, designed, or intended to be used for one or more individuals as living accommodations or combined live/work accommodations.

“Service” means a service designated in subsection 3.1 of this By-law, and
“Services” shall have a corresponding meaning;

“Storey” means the portion of a Building, excluding roof top enclosure space used for no other purpose than roof top access, and/or elevators and other building service equipment, that is:

- (a) situated between the top of any floor and the top of the floor next above it, or
- (b) situated between the top of the floor and the ceiling above the floor, if there is no floor above it.



“Town” means The Corporation of the Town of Ajax;

“Valuation Date” means with respect to Land that is subject of Development or Redevelopment,

- (a) the day before the day the building permit is issued in respect of the Development or Redevelopment, or
- (b) if more than one building permit is required for the Development or Redevelopment, the day before the first permit is issued;

“Zoning By-Law” means any by-law enacted by the Town under section 34 of the Planning Act.

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

3. Designation of Services

3.1 A Community Benefits Charge may be imposed in respect of the following:

- (a) Land for park or other public recreational purposes in excess of lands dedicated or payment-in-lieu payments made under section 42 or subsection 51.1 of the Planning Act.
- (b) Services not provided under subsection 2 (4) of the Development Charges Act, 1997, S.O. 1997, c. 27.
- (c) As per the Community Benefits Charges Strategy, the Town’s Capital Costs will be recovered via the following services through this By-law:
 - (i) Parks and Recreation Services;
 - (ii) Growth-Related Studies;
 - (iii) Corporate Initiatives;



- (iv) Information Technology;
- (v) Wetland-Natural Heritage Restoration;
- (vi) Public Art Services; and
- (vii) Community Benefits Charge Strategies.

4. Payment of Community Benefits Charge

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

- (a) the Land proposed for Development is located in the area described in subsection 5.1; and
- (b) the proposed Development requires any of the approvals set out in subsection 6.1.

5. Area to Which By-law Applies

5.1 Subject to subsection 5.2, this By-law applies to all Lands in the Town.

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

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

6. Applicable Types of Development

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

- (a) the passing of a Town Zoning By-Law or of an amendment to a Town Zoning By Law under section 34 of the Planning Act;
- (b) the approval of a minor variance under section 45 of the Planning Act;



- (c) a conveyance of Land to which a by-law passed under subsection 50 (7) of the Planning Act applies;
- (d) the approval of a plan of subdivision under section 51 of the Planning Act;
- (e) a consent under section 53 of the Planning Act;
- (f) the approval of a description under section 9 of the *Condominium Act, 1998*, SO 1998, c 19, as amended (“Condominium Act, 1998”), or any successor thereof; or
- (g) the issuing of a permit under the *Building Code Act, 1992* in relation to a Building or Structure.

6.2 Despite subsection 6.1 above, a Community Benefits Charge shall not be imposed with respect to:

- (a) Development of a proposed building or structure with fewer than five (5) storeys at or above ground;
- (b) Development of a proposed building or structure with fewer than ten (10) residential units;
- (c) Redevelopment of an existing building or structure that will have fewer than five storeys at or above ground after the Redevelopment;
- (d) Redevelopment that proposes to add fewer than 10 residential units to an existing building or structure; or
- (e) such types of Development or Redevelopment as are prescribed.

6.3 For the purposes of section 6/2, the first Storey at or above-ground is the Storey that has its floor closest to Grade and its ceiling more than 1.8m above Grade.



7. Additional Exemptions

7.1 Notwithstanding the provisions of this By-law, Community Benefits Charges shall not be imposed with respect to Development or Redevelopment of a building or structure intended for use:

- (a) as a long-term care home within the meaning of the *Fixing Long-Term Care Act, 2021, S.O. 2021, c.39, sched 1*;
- (b) as a retirement home within the meaning of subsection 2(1) of *the Retirement Homes Act, 2010, S.O. 2010, c. 11*;
- (c) 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, S.O. 2017, c. 34, Sched. 20* (“Indigenous Institutes Act, 2017”).
- (d) by an Ontario branch of the Royal Canadian Legion as a memorial home, clubhouse, or athletic grounds;
- (e) as a hospice to provide end-of-life care;
- (f) as a residential premises in a Non-profit Housing Development, pursuant to the exemption in section 4.3 of the Development Charges Act;
- (g) as:
 - (i) Affordable residential units;
 - (ii) Inclusionary zoning residential units that are affordable residential units required to be included in a Development or Redevelopment pursuant to a by-law passed under section 34 of the Planning Act; and



- (iii) Attainable residential units.
- (h) as residential or mixed-use located on lands identified in Schedule A, that are subject to former Section 37 (height and density bonusing) by-law(s)

8. Amount of Charge

8.1 The amount of a Community Benefits Charge payable in any particular case shall be determined as follows:

- (a) Where there is Development or Redevelopment which requires one or more of the approvals set out in subsection 6.1, on Land to which this By-law applies, the Community Benefits Charges payable pursuant to this By-law shall be four (4) percent of the value of Land being developed as the Valuation Date, subject to adjustment as set out in subsection 8.1 b) below;
- (b) The amount of a Community Benefits Charge payable shall not exceed an amount equal to the amount determined in subsection 8.1 a) above, multiplied by the ratio of A to B where:

“A” is the floor area of any part of a building or structure, which part is proposed to be erected or located as part of the Development or Redevelopment, and

“B” is the floor area of all buildings and structures that will be on the Land after the Development or Redevelopment.

- (c) After section 37(32.1) of the Planning Act and any related regulations, or By-law passed by the Town come into force, for Development or Redevelopment which include Affordable Residential Units, Attainable Residential Units, or Inclusionary Zoning Residential Units the amount of a Community Benefits Charge payable shall be further adjusted so that it shall not exceed the amount as determined under section 8.1 b) above multiplied by the ratio of A to B where:

“A” is the floor area of all buildings that are part of the Development or Redevelopment minus the floor area of all Affordable Residential Units, Attainable Residential Units, and Inclusionary Zoning Residential Units; and



“B” is the floor area of all buildings that are part of the Development or Redevelopment.

- 8.2 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 Article and the amount of the community benefit charge for each Phase will be 4 percent of the value of the land attributable to that Phase on the day before the first building permit for development or redevelopment of that Phase is issued. The applicant shall provide a clear phasing plan that identifies the land attributed to each Phase.

9. In-Kind Contribution

- 9.1 The Town may, at its discretion, allow an Owner of Land to provide to the Town facilities, services or matters, such as community infrastructure or equipment, required because of Development or Redevelopment in the area to which the By-law applies in lieu, or partially in lieu of a Community Benefits Charge that would otherwise be payable.
- 9.2 For in-kind contributions pursuant to the preceding subsection to be considered, a request to Planning and Development Services for consideration of in-kind contributions must be submitted with supporting documentation as to the suggested value thereof no less than 180 days prior to the first building permit being granted for the proposed Development or Redevelopment.
- 9.3 In-kind contributions pursuant to subsection 9.1 will be presented by Planning and Development Services staff to Council and shall only be accepted if approved by resolution of Council. The determination of Council as to whether in-kind contributions shall be accepted in full or partial satisfaction of Community Benefits Charges shall be final and binding.
- 9.4 The value attributed to an in-kind contribution under subsection 9.1 shall be as determined by Council, based on one or more third-party valuations to the satisfaction of Council. Council’s determination of the value to be attributed to any in-kind contribution shall be final and binding. The Town shall issue a notice to the Owner advising them of the value of the in-kind contribution that will be attributed to them. The Town may require an owner of Land to enter into an agreement with



the Town outlining the in-kind contribution as outlined in 9.1, and the agreement may be registered on title of the Lands.

10. Time of Payment of Community Benefits Charges

10.1 Community Benefits Charges imposed under this By-law shall be payable prior to the issuance of any building permit for the proposed Development or Redevelopment; unless an agreement is executed in accordance with section 9.4 that establishes an alternative timeline.

10.2 Notwithstanding any of the foregoing, the Town and the Owner may enter into an agreement to defer payment of the Community Benefits Charge to a date stipulated in the agreement. Interest may be applied at a rate not less than that identified in the Town's Development Charge Interest Policy.

11. Community Improvement Plans

11.1 The Town may establish Community Improvement Plans, in accordance with the Official Plan, that provide reduced Community Benefits Charge requirements for specified Development. All criteria, financial incentives and processes shall be outlined in the respective Community Improvement Plan and carried out in accordance with the Planning Act and *Municipal Act*.

12. Severability

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

13. Reserve Funds

13.1 Monies collected from payment of Community Benefits Charge shall be maintained in a separate reserve fund, plus interest.

13.2 The Town shall report the balance of any accounts in accordance with any legislative requirements.



14. Non-binding Nature

14.1 Nothing in this by-law or Council's approval of a capital forecast shall be construed so as to commit or require the Town or its Council to authorize or proceed with any specific capital project at any specific time.

15. Effective Date

15.1 This by-law is effective as of the date of passage.

READ a first and second time this
9th day of December, 2024.

READ a third time and passed this
9th day of December, 2024.

Mayor

Deputy Clerk



SCHEDULE "A"
LANDS SUBJECT TO FORMER S.37 BY-LAWS AND/AGREEMENTS

Medallion (Castlefields – North side of Rossland Road East, between Audley Road North and approximately 70 metres west of Rushworth Drive):

Parcel 1: PIN 26410 - 0080 LT

Description PT LT 4 CON 3 PICKERING, PART OF PARTS 2 & 3 40R21195, LYING SOUTH OF CARBERRY CRESCENT, EAST OF BLOCKS 201 & 206, WEST OF RUSHWORTHDRIVE AND NORTH OF BLOCKS 203 & 212, PLAN 40M2174; AJAX, REGIONAL MUNICIPALITY OF DURHAM.

Parcel 2:

PIN 26410 - 0079 LT

Description PT LT 4 CON 3 PICKERING, PART OF PARTS 1, 2 & 3 40R21195, LYING SOUTH OF MANSBRIDGE CRESCENT, EAST OF RUSHWORTH DRIVE & NORTH OF BLOCKS 203 & 213, PLAN 40M2174; AJAX, REGIONAL MUNICIPALITY OF DURHAM.

Parcel 3: PIN 26410 - 0083 LT

Description PT LT 3 CON 3 PICKERING, PART OF PARTS 1 & 2 40R19840, LYING SOUTH OF STYLES CRESCENT, WEST OF HILTON GATE, NORTH OF BLOCKS 203 & 214, PLAN 40M2174; AJAX, REGIONAL MUNICIPALITY OF DURHAM.

Parcel 4: PIN 26410 - 0935 LT

Description PT LT 3 CON 3, PICKERING PART OF PART 1 PL 40R19840 LYING N, E, & S OF 40M2174 & LYING S OF 40M2228, AJAX, REGIONAL MUNICIPALITY OF DURHAM,

Lands located at the Southwest corner of Taunton Road West and Ravenscroft Road:

Parcel 1 (Phase 1): PIN 26408-2031 LT

PART LOI 12 CONCESSION 3 PICKERING, PARTS 3, 4, 5, 6&7 PLAN 40R30457; SUBJECT TO AN EASEMENT AS IN DR1772064; SUBJECT TO AN EASEMENT OVER PARTS 3 & 5 PLAN 40R30457 IN FAVOUR OF PART LOT 12 CONCESSION 3 PICKERING, PART 1 PLAN 40R30457 AS IN DR1809710; SUBJECT TO AN EASEMENT OVER PART 7, PLAN 40R30457 IN FAVOUR OF PART LOT 12



CONCESSION 3 PICKERING, PART 8 FLAN 40R30457 AS IN DR1809711; TOWN OF AJAX

Parcel 2 (Phase 2): PIN 26408-2032 LT

PART LOT 12 CONCESSION 3 PICKERING, PART 8 PLAN 40R30457; SUBJECT TO AN EASEMENT AS IN DR1772064; TOGETHER WITH AN EASEMENT OVER PART LOT 12 CONCESSION 3 PICKERING, PART 7 PLAN 40R30457 AS IN DR1809711; TOWN OF AJAX

Parcel 3 (Phase 3): PIN 26408-2030 LT

PART LOT 12 CONCESSION 3 PICKERING, PARTS 1 & 2 PLAN 40R30457; T/W EASEMENT OVER PART LOT 12 CONCESSION 3 PICKERING, PARTS 3 & 5 PLAN 40R30457 IN FAVOUR OF PART 1 PLAN 40R30457 AS IN DR1809710; SUBJECT TO AN EASEMENT AS IN DR1772064; TOWN OF AJAX