

Policy Title: Community Benefits Charge Administration

Policy Number: 04-16-01

Policy Statement

Community Benefits Charges (CBCs) enable the City to help fund a range of infrastructure and amenities that support complete communities and manage the impacts of high-density development.

Purpose

The purpose of this policy is to outline the administration, collection and allocation of Community Benefits Charges pursuant to Section 37 of the *Planning Act*.

Scope

This policy is applicable to the development or redevelopment of buildings or structures that are required to pay the CBC, in accordance with the City’s CBC By-law, as amended.

Legislative Authority

This policy meets the legislative and regulatory requirements of Section 37 of the *Planning Act* and Ontario Regulation 509/20.

Definitions

For the purposes of this policy:

“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

“City” means The Corporation of the City of Mississauga.

“Community Benefits” mean capital facilities, services or matters that the City is providing for public use and enjoyment through the levy of a Community Benefits Charge, either cash or in-kind, on an owner of land (re)developing buildings or structures that are five or more storeys and add or contain 10 or more residential units.

“Valuation Date” means the day before the day the building permit is issued in respect of development, or if more than one building permit is required for the development, the day before the day the first permit is issued.

Administration of Policy

This policy is administered by the Financial Strategies Section, Finance Division, Corporate Services Department.

Administration of CBC

Applicability

The CBC by-law is applied on a City-wide basis to both residential and mixed-use developments. Buildings that are five or more stories and add or contain 10 or more residential units are subject to the by-law.

The Development & Design Division, Planning and Building Department will identify applications that are subject to the CBC by-law through the development application approval process.

Determination of the Charge

A uniform charge of 4% of the development land value, the day before the building permit is issued, is applied across the City. A land value appraisal will serve as the basis for determining the amount of the CBC payable. The valuation date is established prior to the issuance of the first building permit. Appraisals are subject to an expiry date.

The Finance Division, Corporate Services will manage the calculation and invoicing of the CBC.

Land Appraisal Process

The City will initiate and fund a land value appraisal during the site plan approval process.

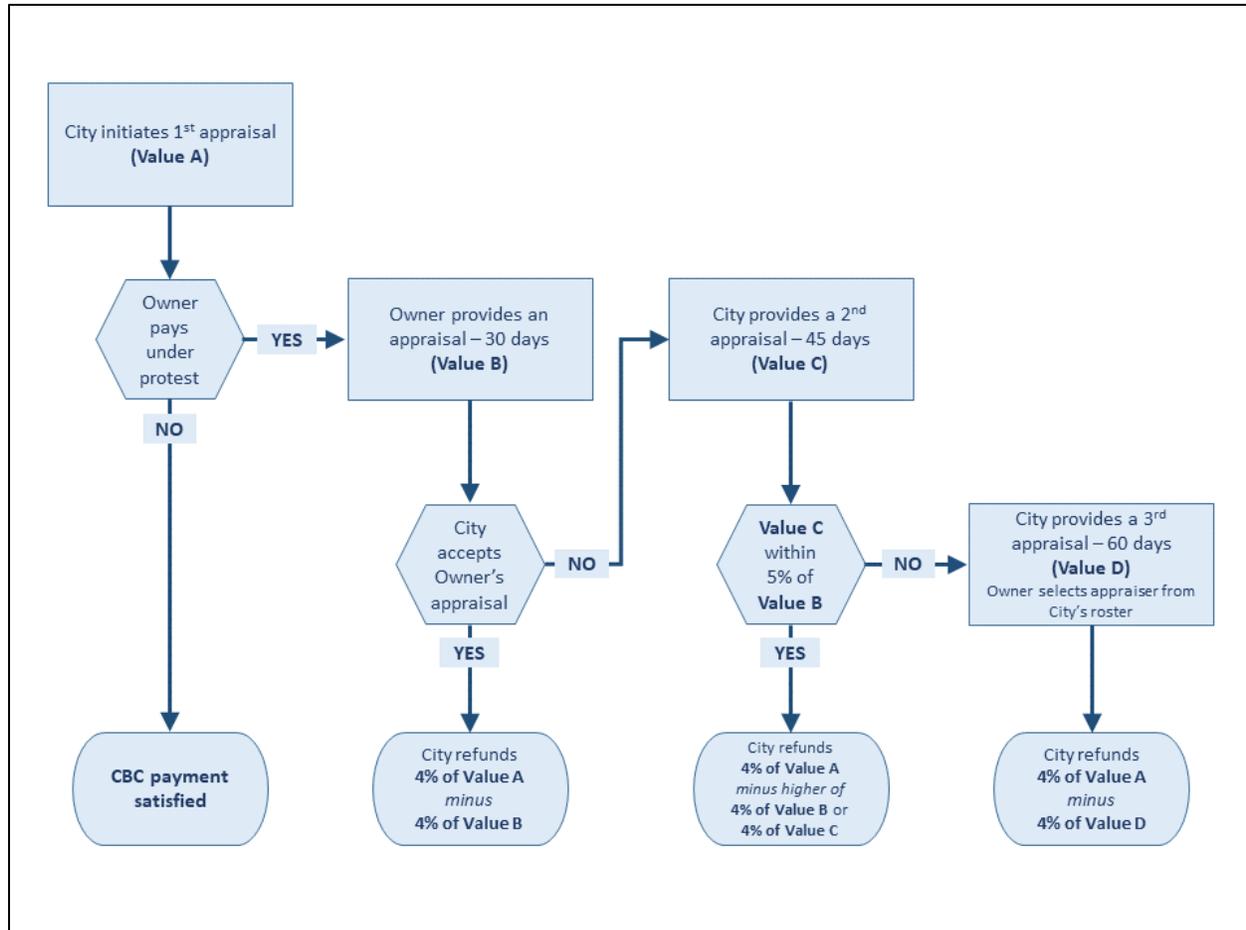
Realty Services, Corporate Services Department, will manage appraisal requests and verify appraisal-related information based upon Terms of Reference provided by the City.

Timing of Payment

The calculated CBC charge must be paid to the City prior to issuance of the first building permit unless alternative payment arrangements have been made that are satisfactory to the Commissioner, Corporate Services & Chief Financial Officer. Council may allow an owner to provide in-kind contributions, on terms satisfactory to Council, prior to building permit issuance.

Dispute Resolution

Should the owner of land dispute the calculated charge, subsections 37(33) to 37(43) of the *Planning Act* apply. Figure 1 illustrates the prescribed dispute resolution process.

Figure 1: Dispute Resolution Process

If an owner of land pays the calculated CBC under protest, they are responsible for the costs of providing an appraisal within 30 days (“Value B” in Figure 1).

If the City does not accept a “Value B” appraisal, the City will provide and fund a second appraisal (“Value C” in Figure 1).

If a “Value D” appraisal is required (Figure 1), the owner of land will select an appraiser from the City’s roster to prepare an appraisal as of the valuation date. The City will maintain a roster of qualified, independent appraisers for this purpose in conformity with subsection 37(42) of the *Planning Act*. The owner of land will be responsible for the cost of this appraisal.

Any refunds that arise from the dispute resolution process will be processed by the City within 30 days of confirmation of the revised charge. No refunds will be made for any administrative fees or costs incurred by the owner of land related to the determination or payment of a community benefits charge. Refunds will only be issued to the person(s) that paid the CBC.

CBC Reserve Fund

The City will collect payments in a CBC Reserve Fund, managed by the Finance Division in accordance with the City's financial policies. The Finance Division is responsible for maintaining a record of all transactions related to the CBC Reserve Fund.

In-Kind Contributions

The City may allow an owner to provide in-kind contributions towards the payment of the CBC through Council authorization. The City may require an owner of land to enter into an agreement for the provision of an in-kind contribution. In accordance with subsection 37(7) and 37(8) of the *Planning Act*, the City will advise the owner of land of the value of the contribution and apply it against the CBC amount payable. The City reserves the right to require securities and/or restrictions on title related to the provision of in-kind contributions.

Where the assigned value of the in-kind contribution equals the CBC amount payable, the CBC charge can be satisfied through the in-kind contribution. The assigned value will not exceed the CBC amount payable. If the assigned value of the in-kind contribution is less than the CBC amount payable, the owner of land will be required to pay the difference between the CBC amount payable and the in-kind contribution value.

The City may index the assigned value of an in-kind contribution from the time the value is established to the time that the CBC is payable.

The Development & Design Division, Planning and Building Department will manage requests for in-kind contributions during the planning approval process.

Prioritization of CBC Funds

The City's Community Benefits Charge Strategy identifies service categories and types of capital facilities, services and matters that are eligible to use funds collected from the CBC. The allocation of CBC funds will occur on an annual basis, in accordance with subsection 37(47) of the *Planning Act* and in consultation with Council and staff in the affected service areas.

City staff, through the annual budgeting process, will outline the following:

- Beginning balance of CBC funds in the special account by ward
- Percentage of CBC funds allocated to City-wide needs, and
- Recommendation of capital projects eligible for CBC funding by ward

Reporting

The City will provide publicly available annual reporting on the state of the CBC Reserve Fund, in accordance with subsection 37(48) of the *Planning Act* and Ontario Regulation 509/20. The Finance Division, through the Treasurer's Statement, will prepare the following:

- The opening and closing balances of the CBC Reserve Fund and the transactions relating to the account in the previous year

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- Facilities, services and matters acquired during the year with funds from the special account; details of the amounts spent; and the manner in which any capital cost not funded from the special account was or will be funded
 - The amount of money borrowed from the CBC Reserve Fund and the purpose for which it was borrowed, and
 - The amount of interest accrued on any money borrowed from the CBC Reserve Fund

Roles and Responsibilities

Finance Division, Corporate Services Department

Finance Division is responsible for:

- Coordinating the timing of appraisals
- Calculating, collecting, recording and reporting on CBC revenues, and
- Providing recommendations to Council on allocation of CBC revenues

Development & Design Division, Planning and Building Department

Development & Design is responsible for:

- Identifying developments subject to CBC through the development application approval process, and
- Coordinating requests for in-kind contributions during planning approvals and preparing reports to Council for approval, if applicable

Building Division, Planning and Building Department

Building Division is responsible for:

- Providing building-related information to determine the CBC payable

Realty Services, Corporate Business Services Division, Corporate Services Department

Realty Services is responsible for:

- Coordinating the appraisal process and validating appraisals, and
- Coordinating the dispute resolution process and validating appraisals

Service Area/Capital Leads:

Service area/capital leads are responsible for:

- Assigning the value of in-kind contributions, and
- Providing input into the CBC capital budget process

Developer Contributions

Any works undertaken by an owner of land as a condition of the site plan approval process, including but not limited to the City's Amended Boulevards Treatment standards, or related planning or servicing agreements is considered distinct and separate from the Community Benefits defined in this policy and the City's CBC Strategy and CBC by-law. There will be no reductions, waivers, exemptions or credits to the City's CBC for works required and undertaken through other development-related agreements.

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Effective Date: June 22, 2022

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Last Review Date: N/A

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Relationship to other Charges

There will be no reductions, waivers or exemptions to the City's Development Charges for developments that are required to pay Section 37 Community Benefit Charges.

There will be no reductions, waivers or exemptions to the City's Parkland Conveyance/Cash-in-lieu of Parkland for developments that are required to pay Section 37 Community Benefit Charges.

Revision History

Reference	Description
GC-0411-2022	N/A