Final Report

Prepared by Hemson for the Town of Whitby

Community Benefits Charge Strategy

May 1, 2026

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List of Acronyms

Act	Planning Act (Ontario), R.S.O. 1990, c. P.13
BTE	Benefit to Existing
CBC	Community Benefits Charge
DC	Development Charges
DCA	Development Charges Act, 1997
GFA	Gross Floor Area
GFT	Growth Funding Tools
PPU	Persons per Unit

Executive Summary

A. Purpose of the 2026 CBC Strategy

i. What is a Community Benefits Charge?

A Community Benefits Charge (CBC) is a relatively new funding tool authorized under the *Planning Act, 1990* (the Act) that allows municipalities to impose a charge against higher density development to pay for development-related capital costs. The CBC provisions replace former section 37 height and density bonusing provisions in the Act, subject to transition rules.

Municipalities can use CBCs to pay for "facilities, services, and other matters attributable to the anticipated development and redevelopment to which the community benefits charge by-law would relate." CBCs can be used with development charges (DCs), parkland, and other public recreation amenities contributions by developers under section 42 of the Act, provided the same shares of a project are not also funded from DCs or section 42 contributions.

ii. Legislative Context

The Town of Whitby's 2026 Community Benefits Charge Strategy (CBC Strategy) is presented as part of the process to lead to the approval of a CBC by-law in compliance with the Act. The CBC Strategy is prepared in accordance with the Act and associated *Ontario Regulations 509/20* (O.Reg. 509/20).

iii. CBCs Levied on Higher Density Development

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

- five or more storeys, and
- contains 10 or more residential units.

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

Ontario Regulation 509/20 provides for a number of development types which are exempt from the payment of a CBC, namely:

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

The Act was also recently amended to exempt affordable and attainable housing developments from the payment of CBCs as defined by section 4.1 of the *Development Charges Act.*

B. CBC Strategy

Subsection 37(32) of the Act prescribes that the maximum permitted CBC that can be levied against any particular development is 4% of land value on the day before issuance of the building permit. Several key steps must be undertaken in order to levy CBCs. They include preparing a CBC Strategy prior to passing a CBC by-law. Through the CBC Strategy, the Town must:

- Prepare a development (growth) forecast;
- Determine the increased infrastructure need arising from development;

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

C. Development Forecast

Over the 10-year planning horizon from 2027 – 2036, Whitby is anticipated to grow by approximately 4,743 occupied dwellings in buildings subject to a CBC. As set out in Section 3 of O.Reg. 509/20, the maximum permissible CBC is capped at 4% of the land value of development sites.

D. CBC Capital Needs Exceed Revenue Forecast

The estimated CBC eligible costs of the development-related capital program total $3.8 million (see Section 4) over the 10-year period 2027 – 2036. A high-level estimate of CBC revenues, over the same 10-year period, is $2.8 million, based on the 4% legislated cap. As such, the CBC eligible costs exceed the anticipated 10-year revenue potential by a significant margin, supporting the application of a CBC charge that is based on the 4% cap or some other rate variation.

E. Application of CBCs

It is recommended that the Town of Whitby levy CBCs as a percent of land value of the development prior to the issuance of a building permit, or the first permit, if the development requires multiple permits. The charges will be applied on a Town-wide basis to all eligible developments notwithstanding statutory exemptions in subjection 37(4)(e) of the Act and the Town's CBC By-law.

1. Introduction & Background

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

CBCs are a relatively new revenue source for municipalities. Generally, the framework for CBCs is as follows:

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

A. CBC Strategy Requirements

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

a) Include estimates of the anticipated amount, type and location of development and redevelopment with respect to which community benefits charges will be imposed;

b) Include estimates of the increase in need for facilities, services and matters attributable to the anticipated development and redevelopment to which the community benefits charge by-law would relate;

c) Identify the excess capacity that exists in relation to the facilities, services and matters referred to in clause (b);

d) Include estimates of the extent to which an increase in a facility, service or matter referred to in clause (b) would benefit existing development;

e) Include estimates of the capital costs necessary to provide the facilities, services and matters referred to in clause (b); and

f) Identify any capital grants, subsidies and other contributions made to the municipality or that the council of the municipality anticipates will be made in respect of the capital costs referred to in clause (e).

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

B. Legislative Context

Community Benefits Charges have replaced what was previously referred to as section 37 "Increased Density" or "Density Bonusing" in the Act. The change was finalized through the *COVID-19 Economic Recovery Act, 2020*, which built on the *More Homes, More Choice Act, 2019* and *Plan to Build Ontario Together Act, 2019*.

The new section 37 authorizes municipalities to impose CBCs against land to pay for the capital costs of facilities, services and matters required because of development or redevelopment in the municipality. Reductions for developments containing affordable and attainable residential units, as well as non-for-profit housing developments were introduced through Bill 23, the *More Homes Built Faster Act, 2022*.

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

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

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

Moreover, various administration and reporting requirements must be implemented:

- A municipality with a CBC By-law must establish a "special account";
- In each calendar year a municipality must "spend or allocate" at least 60% of the monies;
- A municipality with a CBC By-law must maintain a list of at least three appraisers; and

- An “annual report” must be produced showing the opening/closing of a special account and all transactions.

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

C. Consultation Process of Proposed CBCs in Whitby

The Act requires that municipalities consult with the public when implementing a CBC By-law. Accordingly, the Town will make a draft CBC Strategy and draft CBC By-law available for public comment prior to Council’s consideration and passage of the By-law. A public meeting of Council will occur on April 27, 2026 following the public release of the CBC Strategy. Additional consultation was held with stakeholders and is summarized in Section 6 of this report.

Council reviewed the Strategy and comments received during the public consultation process prior to adopting the CBC By-law on May 25, 2026.

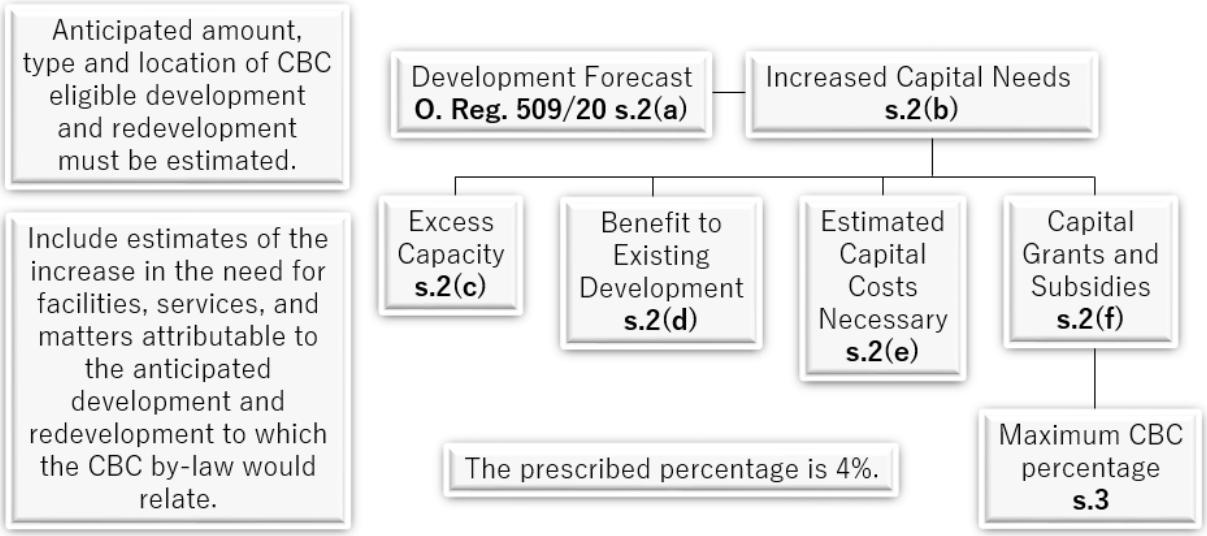
2. Purpose of the 2026 Community Benefits Charge Strategy

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

A. Key Steps in Determining CBCs

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

Figure 1 - Key Steps in Determining CBCs



B. Proposed Methodology and Approach

The Act does not specify the method by which a CBC is levied. In developing a CBC, a municipality can consider charges based on a percentage of land value, a per-unit charge, or a charge based on gross floor area. Most municipalities with CBCs have adopted the first option, based on a charge calculated as 4% of land value at the time of first building permit issuance.

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

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

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

C. CBC Capital Program Summary

The gross cost of the CBC capital program of projects eligible for partial or full funding from CBCs is $57.2 million. No grants or subsidies have been identified to cover the gross cost of the program. Approximately $23.2 million is anticipated to benefit existing residents of the Town (BTE shares).

Of the remaining $34.0 million, $30.3 million is ineligible for CBC funding, having been removed from consideration as excess capacity, or identified as costs to be funded from other growth funding tools such as development charges or other revenue sources (e.g. property taxes or alternative revenue sources). Approximately $3.8 million is considered to benefit development in buildings of five or more storeys and containing 10 or more residential units, and as such, is eligible for CBC funding.

The capital program is based on service levels planned for and provided by the Town. These service levels are not exclusively tied to a particular time horizon. The capital facilities set out herein are a snapshot of what the Town currently needs to fund to maintain those service levels during the 10-year planning horizon of 2027 – 2036. As projects are completed, the Town will continue with additional capital projects to provide the same or similar service levels, and therefore the capital facilities listed will continue to evolve. The CBC capital program is summarized in Table 1 below.

D. Relationship to Other Growth Funding Tools and Ongoing Studies

This CBC Strategy is being completed in advance of the other studies recognizing that applications for CBC eligible high-density developments are imminent. The projects identified in this Strategy account for any known contributions from other growth funding tools such as development charges and parkland dedication revenues. The capital project allocations were reviewed and updated to reflect anticipated funding from other revenue sources.

E. Implementation and Administration

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

TABLE 1

TOWN OF WHITBY
SUMMARY OF CBC CAPITAL PROGRAM ($000)

Service	Gross Cost	Grants, Subsidies & Other Recoveries	Net Cost	Ineligible Shares	Total Development-Related Cost	Development Charge Funding	Other Funding Sources	Total CBC Eligible Costs
1.0 Parking Services	$ 28,775	$ -	$ 28,775	$ 12,500	$ 16,275	$ -	$ 15,243	$ 1,032
2.0 CBC Administration	$ 530	$ -	$ 530	$ -	$ 530	$ -	$ -	$ 530
3.0 Culture & Tourism - Infrastructure, Equipment & Facilities	$ 500	$ -	$ 500	$ -	$ 500	$ -	$ 459	$ 41
4.0 Roads and Related & Active Transportation Infrastructure	$ 5,000	$ -	$ 5,000	$ 1,250	$ 3,750	$ -	$ 3,512	$ 238
5.0 Public Hospital	$ 12,000	$ -	$ 12,000	$ 6,000	$ 6,000	$ -	$ 5,620	$ 380
6.0 Climate Change Initiatives	$ 1,850	$ -	$ 1,850	$ 825	$ 1,025	$ -	$ 960	$ 65
7.0 Town Facilities & Administration Buildings	$ 5,324	$ -	$ 5,324	$ 2,581	$ 2,743	$ -	$ 2,569	$ 174
8.0 Parkland, Park Development & Community Facilities	$ 2,500	$ -	$ 2,500	$ -	$ 2,500	$ -	$ 1,250	$ 1,250
9.0 Public Art, Heritage & Culture	$ 700	$ -	$ 700	$ -	$ 700	$ -	$ 643	$ 57
Total	**$57,179**	**$0**	**$57,179**	**$23,156**	**$34,023**	**$0**	**$30,257**	**$3,766**

3. Development Forecast

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

A. Proposed 10-Year Planning Horizon

The time frame for the development forecast and the capital programs in this CBC Strategy is 2027 – 2036.

B. Development Forecast Assumptions

The development forecast is based on estimates of growth occurring within approved Official Plan designated urban areas. The forecast has been largely informed by discussions with Town staff and development pipeline data.

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

Year	Total
Total 2027 – 2036	4,743

Table 3 shows the calculation of persons in units subject to CBCs as a percentage of persons in all units. This calculation uses the occupancy factors or "persons per unit" (PPU). For apartment units with 2 bedrooms or more a PPU of 1.47 is assumed, while apartments that have less than 2 bedrooms are assumed to have a PPU of 1.13. These PPUs align with the Town's 2021 DC Background Study and are applied to the total 10-year CBC unit start forecast (4,743), which results in an estimate of approximately 5,680 persons in units subject to a CBC. This represents 8% of the overall 10-year forecast of people in all unit starts (69,990) which has been informed by the 2021 DC Background Study.

The share of CBC eligible units (8%) is used to inform the CBC-eligible percentage of projects that are anticipated to benefit all residential and mixed-use development, as shown in Section 4. It is noted that, for certain projects a non-residential benefit is recognized resulting in a CBC-eligible share of 6%.

The 10-year non-residential forecast is informed by the Town's 2021 DC Background Study by maintaining the allocation of growth between residential and non-residential sectors. Anticipated residential and non-residential growth is used to determine shares of capital costs related to growth in CBC-eligible development where a project benefits both residential and non-residential development. The 10-year forecasted population in new dwelling units plus place of work employment totals 89,620; of this total growth, 78% (69,990 persons) is anticipated to occur within residential development while the remaining 22% (19,630 employees) is related to non-residential development.

TABLE 3

TOWN OF WHITBY

TOWN-WIDE FORECAST OF PERSONS IN UNIT STARTS (2027-2036)

Residential	Single/Semi	Row	Apartment 2 Bed+	Apartment >2 Bed	Total
Units Subject to CBC	0	0	949	3,795	4,743
All Units	12,674	6,846	1,542	4,387	25,449
PPU Assumptions	**3.51**	**2.67**	**1.47**	**1.13**	
Persons in Units Subject to CBCs	0	0	1,395	4,288	5,682
Persons in All Units	44,486	18,279	2,266	4,958	69,988
% of Persons in Units Subject to CBCs (Residential Only)					8%
Non-Residential					**Total**
Employment Growth					19,632
Residential & Non-Residential Allocation					
Total Gross Population & Employment Growth					89,621
% of Persons in Units Subject to CBCs (Residential/Non-Residential)					6%

4. CBC Capital Program

A. Facilities, Services, and Matters Considered

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

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

- Parking Services;
- CBC Administration;
- Culture & Tourism – Infrastructure, Equipment & Facilities;
- Roads and Related & Active Transportation Infrastructure;
- Public Hospital;
- Climate Change Initiatives;
- Town Facilities & Administration Buildings;
- Parkland, Park Development, & Community Facilities; and
- Public Art, Heritage, & Culture.

Under each of these services, the Town anticipates development-related costs that are fully or partially driven by mid and high-density residential and mixed-use development. The identified CBC-eligible project costs for these services

are beyond the costs anticipated to be funded through other GFTs – including development charges and parkland dedication.

The CBC capital program is a point-in-time analysis of the needs anticipated over the 2027 – 2036 planning horizon. It is recognized that these needs may change over time through the Town's normal annual budgeting processes. While certain projects are listed within the CBC capital program, the identified capital project listings do not preclude the Town from assigning CBC funds to another facility or project under that service.

Each service area covers the following matters:

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

B. Projects Funded by Multiple GFTs

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

C. Capital Needs by Service

Table 4 below includes the details by service of the capital needs associated with the forecasted CBC eligible developments in the Town over the 10-year period 2027 – 2036. The capital costs included in this Strategy reflect a point in time for this framework, however, the need for the services is estimated to continue beyond the 10-year period relative to the amount of CBC eligible development.

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

D. Parking Services

i. Service Description

The Town is responsible for planning, managing, rehabilitating, and maintaining the parking to meet the needs of the community.

ii. Service Delivery and Service Levels Consideration

There is a need in the Town to update its parking software, acquire land for Brooklin Parking Lot, and construct a new parking structure and parking lots in the Port Whitby/Waterfront area. These projects have been identified to expand servicing capacity to accommodate increased needs arising from growth. Historically, the Town traditionally funded parking expansion through DCs; however, parking services are now ineligible for DC funding. CBCs are a new funding tool that can be leveraged for parking-related investments in developing areas.

TABLE 4

TOWN OF WHITBY
SUMMARY OF CBC CAPITAL PROGRAM

	Project Description	Timing	Gross Project Cost	Grants / Subsidies / Other Recoveries	Net Cost	BTE Shares %	BTE Shares $	(A) Total Development Related Costs	(B) DC Funded Share	(C) = A - B Remaining Development-Related	(D) = A - B - E Other Funding	CBC Share (%)	(E) Total CBC Related Costs
1.0	**Parking Services**												
1.1	Parking Software Update	2027 - 2029	$51,000	$0	$51,000	0%	$0	$51,000	$0	$51,000	$47,766	6%	$3,234
1.2	Brooklin Parking Lot - Land Acquisition	2030 - 2030	$1,241,000	$0	$1,241,000	0%	$0	$1,241,000	$0	$1,241,000	$1,162,315	6%	$78,685
1.3	Port Whitby / Waterfront Parking Lot(s)	2027 - 2027	$2,483,000	$0	$2,483,000	0%	$0	$2,483,000	$0	$2,483,000	$2,325,567	6%	$157,433
1.4	Parking Structure	2027 - 2030	$25,000,000	$0	$25,000,000	50%	$12,500,000	$12,500,000	$0	$12,500,000	$11,707,445	6%	$792,555
	Subtotal Parking Services		**$28,775,000**	**$0**	**$28,775,000**		**$12,500,000**	**$16,275,000**	**$0**	**$16,275,000**	**$15,243,093**		**$1,031,907**
2.0	**CBC Administration**												
2.1	Implementation of CBC By-law	2027 - 2036	$530,000	$0	$530,000	0%	$0	$530,000	$0	$530,000	$0	100%	$530,000
	Subtotal CBC Administration		**$530,000**	**$0**	**$530,000**		**$0**	**$530,000**	**$0**	**$530,000**	**$0**		**$530,000**
3.0	**Culture & Tourism - Infrastructure, Equipment & Facilities**												
3.1	Provision for Place Making and Future Infrastructure	2027 - 2036	$500,000	$0	$500,000	0%	$0	$500,000	$0	$500,000	$459,405	8%	$40,595
	Subtotal Culture & Tourism - Infrastructure, Equipment & Facilities		**$500,000**	**$0**	**$500,000**		**$0**	**$500,000**	**$0**	**$500,000**	**$459,405**		**$40,595**
4.0	**Roads and Related & Active Transportation Infrastructure**												
4.1	Traffic Calming Measures	2027 - 2036	$5,000,000	$0	$5,000,000	25%	$1,250,000	$3,750,000	$0	$3,750,000	$3,512,233	6%	$237,767
	Subtotal Roads and Related & Active Transportation Infrastructure		**$5,000,000**	**$0**	**$5,000,000**		**$1,250,000**	**$3,750,000**	**$0**	**$3,750,000**	**$3,512,233**		**$237,767**
5.0	**Public Hospital**												
5.1	Contribution to Future Hospital Facility	2027 - 2036	$12,000,000	$0	$12,000,000	50%	$6,000,000	$6,000,000	$0	$6,000,000	$5,619,574	6%	$380,426
	Subtotal Public Hospital		**$12,000,000**	**$0**	**$12,000,000**		**$6,000,000**	**$6,000,000**	**$0**	**$6,000,000**	**$5,619,574**		**$380,426**
6.0	**Climate Change Initiatives**												
6.1	EV Charging Stations	2028 - 2034	$200,000	$0	$200,000	0%	$0	$200,000	$0	$200,000	$187,319	6%	$12,681
6.2	Tree Canopy	2027 - 2036	$1,500,000	$0	$1,500,000	50%	$750,000	$750,000	$0	$750,000	$702,447	6%	$47,553
6.3	District Energy Feasibility Study & Implementation	2027 - 2036	$150,000	$0	$150,000	50%	$75,000	$75,000	$0	$75,000	$70,245	6%	$4,755
	Subtotal Climate Change Initiatives		**$1,850,000**	**$0**	**$1,850,000**		**$825,000**	**$1,025,000**	**$0**	**$1,025,000**	**$960,010**		**$64,990**
7.0	**Town Facilities & Administration Buildings**												
7.1	Town Hall Expansion - Design	2027 - 2027	$324,000	$0	$324,000	25%	$81,000	$243,000	$0	$243,000	$227,593	6%	$15,407
7.2	Provision for Future Facilties	2027 - 2031	$5,000,000	$0	$5,000,000	50%	$2,500,000	$2,500,000	$0	$2,500,000	$2,341,489	6%	$158,511
	Subtotal Town Facilities & Administration Buildings		**$5,324,000**	**$0**	**$5,324,000**		**$2,581,000**	**$2,743,000**	**$0**	**$2,743,000**	**$2,569,082**		**$173,918**
8.0	**Parkland, Park Development & Community Facilities**												
8.1	Enhanced Urban Parks & Public Spaces	2027 - 2036	$2,500,000	$0	$2,500,000	0%	$0	$2,500,000	$0	$2,500,000	$1,250,000	50%	$1,250,000
	Subtotal Parkland, Park Development & Community Facilities		**$2,500,000**	**$0**	**$2,500,000**		**$0**	**$2,500,000**	**$0**	**$2,500,000**	**$1,250,000**		**$1,250,000**
9.0	**Public Art, Heritage & Culture**												
9.1	Placemaking	2027 - 2036	$500,000	$0	$500,000	0%	$0	$500,000	$0	$500,000	$459,405	8%	$40,595
9.2	Public Art Fund	2027 - 2036	$200,000	$0	$200,000	0%	$0	$200,000	$0	$200,000	$183,762	8%	$16,238
	Subtotal Public Art, Heritage & Culture		**$700,000**	**$0**	**$700,000**		**$0**	**$700,000**	**$0**	**$700,000**	**$643,167**		**$56,833**
TOTAL			**$57,179,000**	**$0**	**$57,179,000**		**$23,156,000**	**$34,023,000**	**$0**	**$34,023,000**	**$30,256,565**		**$3,766,435**

iii. Estimate of Need

The need for future parking infrastructure has been identified in the CBC capital program. This need is driven by residential and non-residential development across the entire Town.

While the Parking Service CBC capital program represents a point-in-time analysis of the anticipated CBC-eligible project costs over the 2027 – 2036 period, similar service levels are anticipated to be provided by the Town beyond the 10-year planning horizon.

iv. Consideration of Excess Capacity

No excess capacity exists in the Parking Services CBC capital program.

v. Capital Cost

The gross cost included in the capital program totals $28.8M over the 10-year planning horizon.

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

There are no grants, subsidies, or other contributions identified for this service area and as such, no deductions are made.

vii. Consideration of Benefit to Existing

A 50% or $12.5 million benefit to existing share is removed from the total development-related costs for the Parking Structure.

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

No DCs or other GFTs have been identified for this service area.

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

The amount eligible for recovery from CBCs is about 6% or $1.0 million, which reflects that the projects will provide a benefit to both residential and non-residential development as well as non-CBC eligible developments.

x. Other Funding

A share of $15.2 million represents other funding related to development but is not currently funded from DCs or CBCs within the 10-year planning horizon.

E. CBC Administration

i. Service Description

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

ii. Service Delivery and Service Levels Consideration

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

iii. Estimate of Need

Included in the cost provision are regular updates to the CBC Strategy as well as the cost of dispute resolutions, legal costs, and other costs related to implementing and administering the Strategy and By-law. While the capital program represents a point-in-time analysis of the anticipated CBC-eligible project costs over the 2027 – 2036 period, similar needs are anticipated to continue beyond the 10-year planning horizon.

iv. Consideration of Excess Capacity

No excess capacity exists for this service.

v. Capital Cost

The gross cost included in the capital program totals $530,000 over the 10-year planning horizon.

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

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

vii. Consideration of Benefit to Existing

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

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

No DCs or other GFTs have been identified for this service area.

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

The entire cost of the CBC Strategy and By-law implementation of $530,000 is deemed eligible for funding through CBCs.

F. Culture & Tourism – Infrastructure, Equipment & Facilities

i. Service Description

The Culture & Tourism – Infrastructure, Equipment & Facilities capital program includes a provision for placemaking and future infrastructure such

as outdoor games, closing roads, temporary and permanent closures as well as creating public spaces in Downtown Whitby, Brooklin, and the Waterfront.

ii. Service Delivery and Service Levels Consideration

The Culture & Tourism – Infrastructure, Equipment & Facilities service area supports placemaking initiatives that strengthen community identity, enhance the quality of life for residents, and foster social interaction throughout the Town.

iii. Estimate of Need

Town staff from the Development Finance and Strategic Initiatives Departments provided the capital needs for the Culture & Tourism – Infrastructure, Equipment & Facilities service area.

iv. Consideration of Excess Capacity

No excess capacity exists for this service.

v. Capital Cost

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

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

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

vii. Consideration of Benefit to Existing

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

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

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

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

The total growth-related cost related to CBC development is $40,600 (8%).

x. Other Funding

In total, a share of $459,400 has been identified through other funding sources.

G. Roads and Related & Active Transportation Infrastructure

i. Service Description

The Roads and Related & Active Transportation Infrastructure service includes a provision for Traffic Calming Measures.

ii. Service Delivery and Service Levels Consideration

The Traffic Calming Measures provision has been identified in the Town's 2025 budget and through discussions with Town staff.

iii. Estimate of Need

As the Town continues to grow and intensify, this will put pressure on the existing road network and associated infrastructure. Based on the Town's 2025 budget, it is assumed that the Town will spend approximately $500,000 annually over the 10-year planning horizon to accommodate growth-related capital costs.

iv. Consideration of Excess Capacity

No excess capacity exists for the Roads and Related & Active Transportation Infrastructure service.

v. Capital Cost

The gross cost included in the capital program totals about $5.0 million over the 10-year planning horizon.

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

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

vii. Consideration of Benefit to Existing

A 25% or $1.3 million benefit to existing share is removed from the total development related costs for the Traffic Calming Measures.

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

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

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

The total growth-related cost related to CBC development is $237,770 (6%).

x. Other Funding

In total, a share of $3.5 million has been identified through other funding sources.

H. Public Hospital

i. Service Description

Inclusion of the Public Hospital works is intended to address requirements due to new growth.

ii. Service Delivery and Service Levels Consideration

This service area contributes to the Town of Whitby's future hospital facility land acquisition over the 10-year planning horizon.

iii. Estimate of Need

The capital needs included for the Public Hospital is based on discussions with the Development Finance Department and Council reports.

iv. Consideration of Excess Capacity

No excess capacity exists for this service.

v. Capital Cost

The gross capital cost included is $12.0 million for the Town's contribution to a future hospital facility.

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

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

vii. Consideration of Benefit to Existing

A 50% or $6.0 million benefit to existing share is removed from the total development related costs to the Town's contributions to a future hospital facility. The benefit to existing is calculated based on the shares of population and employment growth over the 10-year planning horizon.

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

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

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

The total growth-related cost related to CBC eligible development is $380,430 (6%). This reflects that the project will mainly provide a benefit to residential and non-residential development, including non-CBC eligible development.

x. Other Funding

A share of $5.6 million represents funding required from other sources and is not currently funded from DCs and CBCs over the planning horizon.

I. Climate Change Initiatives

i. Service Description

This service accounts for a provision for future electric vehicle charging stations, tree canopies, and a District Energy Feasibility Study & Implementation.

ii. Service Delivery and Service Levels Consideration

Climate Change Initiatives encompass the implementation of various strategies and incentives such as electric vehicle charging stations, tree canopies, and District Energy Feasibility Study & Implementation.

iii. Estimate of Need

The capital needs included in the CBC Strategy for recovery from CBC eligible developments is based on the Town's budget and discussions with Town staff.

iv. Consideration of Excess Capacity

No excess capacity exists for this service.

v. Capital Cost

The total cost of the provision for future climate change studies, incentives, and projects is approximately $1.9 million.

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

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

vii. Consideration of Benefit to Existing

A 50% or $825,000 benefit to existing share is removed from the total development related costs for the tree canopies and the District Energy Feasibility Study & Implementation.

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

No other development charges or other growth-funding tools have been identified for this service area. In total, $960,010 has been identified through other funding sources.

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

In total, $64,990 (6%) of the Climate Change Initiatives is included in the CBC related cost and is eligible for recovery from CBCs. This reflects that the project will provide a benefit to non-residential development and non-CBC eligible development.

J. Town Facilities & Administration Buildings

i. Service Description

Inclusion of the Town Facilities and Administration Buildings in the CBC strategy is intended to address requirements due to new growth.

ii. Service Delivery and Service Levels Consideration

Inclusion of Town Facilities and Administration Buildings is intended to address the needs arising from new growth over the planning horizon.

iii. Estimate of Need

Based on discussions with Town staff and the Town's 2025 budget, a provision for a Town Hall Expansion and future facilities are required to address the needs of the growing population.

iv. Consideration of Excess Capacity

No deductions for excess capacity have been made for the Town Facilities and Administration Buildings provisions identified in the CBC capital program.

v. Gross Capital Cost

The gross capital cost of the program is about $5.3 million over the 10-year period from 2027 – 2036. Approximately $324,000 is related to the design of the Town Hall Expansion and the remaining $5.0 million is related to provision for future facilities.

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

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

vii. Consideration of Benefit to Existing

A 25% or $81,000 benefit to existing share has been identified for the design of the Town Hall Expansion and a benefit to existing share of 50% or $2.5 million has been identified for the provision for future facilities.

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

None of the identified projects have funding from other growth funding tools.

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

The total growth-related cost related to CBC development is $173,920 (6%). This reflects that the projects will mainly provide a benefit to residential and non-residential development, including non-CBC eligible development.

x. Other Funding

A share of $2.6 million represents funding required from other sources and is not currently funded from DCs and CBCs over the planning horizon.

K. Parkland, Park Development & Community Facilities

i. Service Description

This service area includes capital costs related to the enhancement of urban parks, public spaces, and active transportation infrastructure.

ii. Service Delivery and Service Levels Consideration

The capital needs included for Parkland, Park Development and Community Facilities is based on discussions with Town staff.

iii. Estimate of Need

Based on the discussions with Town staff, the new standard of 1 hectare of parkland per 2,000 people, and replacement costs in the Town's 2021 Development Charges Background Study, a provision for enhanced urban parks and public spaces has been identified.

iv. Consideration of Excess Capacity

There is no excess capacity in the Parkland, Park Development and Community Facilities CBC capital program.

v. Gross Capital Cost

The gross capital cost of the program is about $2.5 million over the 10-year period from 2027 – 2036.

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

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

vii. Consideration of Benefit to Existing

No BTE shares have been identified for this service area, as all capital items are net new and will meet the increase in need for servicing arising from future development.

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

No funding has been identified from other growth funding tools for the enhanced urban parks and public spaces.

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

The total growth-related cost related to CBC development is approximately $1.3 million (50%). This reflects that the projects will mainly provide a significant benefit to higher density residential development.

x. Other Funding

A share of approximately $1.3 million represents funding required from other sources and is not currently funded from DCs and CBCs over the planning horizon.

L. Public Art, Heritage and Culture

i. Service Description

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

Recognizing the higher level of pedestrian and other active transportation activity in the Town – especially in higher density areas, Public Art, Heritage, Culture and Events investments are important to ensure functional and liveable communities.

ii. Service Delivery and Service Levels Consideration

Town staff from the Development Finance and Strategic Initiatives Departments provided the capital needs for Public Art, Heritage and Culture.

iii. Estimate of Need

The capital needs included in the CBC Strategy for recovery from CBC eligible developments are based on discussions with Town staff.

The Town proposes to spend $500,000 on placemaking and $200,000 on the public art fund over the 10-year planning horizon as recommended in the Town's Parks & Recreation Master Plan.

iv. Consideration of Excess Capacity

There is no excess capacity in the Public Art, Heritage and Culture CBC capital program.

v. Capital Cost

The total gross cost of the Public Art, Heritage and Culture program is $700,000.

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

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

vii. Consideration of Benefit to Existing

No BTE shares have been identified for this service area, as all capital items are net new and will meet the increase in need for servicing arising from future development.

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

None of the identified projects have funding from other growth funding tools.

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

About 8% or $56,830 of the Public Art, Heritage and Culture capital program have been allocated to CBC eligible developments as they will primarily benefit residential development.

5. CBC Revenue Analysis and Rate Structure

A. CBC Capital Needs Greater than Projected CBC Revenue

The average per-unit land value in current (2026) dollars is calculated at $15,000. These land values are based on land appraisals in the Town of Whitby.

Applying the legislated 4% cap, the average unit will contribute $600 in CBCs. Applying this range against the projected 4,743 CBC eligible apartment units results in a high-level estimate of potential CBC revenues of $2.6 – $3.1 million over the 2027 – 2036 period.

As set out in Section 4, the total cost of the CBC-eligible capital program over the same 2027 – 2036 period is approximately $3.8 million. As such, the CBC capital needs cannot be fully funded from potential CBC revenues.

Table 5: Estimate of Potential CBC Revenues, 2027 – 2036

Development Scenarios	Land Value per Unit	Average CBC (4% Cap)	Number of Units	Potential CBC Revenue
Reference	$15,000	$600	4,743	$2,845,900
Low	$15,000	$600	4,269	$2,561,300
High	$15,000	$600	5,218	$3,130,500

B. Rate Structure Considerations

It is proposed that the CBC be a uniform 4% of land value across the Town. All development that meets the criteria set out in Section 37(4) of the Act would be subject to the CBC excluding those listed as exempt under O.Reg. 509/20.

C. Land Appraisal Process

Payment is required prior to the issuance of a building permit by the Town. In accordance with subsection 37 (44) of the Act, if the developer considers the charge to be higher than 4% of land value, they are permitted to submit a payment under protest and must submit an alternate appraisal within 30 days. The Town then has 45 days to provide the appraisal upon which the charge was based.

D. CBC Special Account

i. CBC Reserve

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

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

1. Statements of the opening and closing balances of the special account and of the transactions relating to the account.

2. In respect of the special account referred to in subsection 37 (45) of the Act, statements identifying,

    i. facilities, services and matters acquired during the year with funds from the special account;

    ii. details of the amounts spent; and

iii. for each facility, service or matter mentioned in subparagraph i, the manner in which any capital cost not funded from the special account was or will be funded.

3. In respect of the special account referred to in subsection 42 (15) of the Act, statements identifying,

   i. land and machinery acquired during the year with funds from the special account;

   ii. buildings erected, improved or repaired during the year with funds from the special account;

   iii. details of the amounts spent; and

   iv. for each asset mentioned in subparagraphs i and ii, the manner in which any capital cost not funded from the special account was or will be funded.

4. The amount of money borrowed from the special account and the purpose for which it was borrowed.

5. The amount of interest accrued on any money borrowed from the special account.

E. Statutory Exemptions

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

1. Development or redevelopment of a building or structure intended for use as a long-term care home within the meaning of subsection 2 (1) of the *Long-Term Care Homes Act, 2007*.

2. Development or redevelopment of a building or structure intended for use as a retirement home within the meaning of subsection 2 (1) of the *Retirement Homes Act, 2010*.

3. Development or redevelopment of a building or structure intended for use by any of the following post-secondary institutions for the objects of the institution:
    i. a university in Ontario that receives direct, regular and ongoing operating funding from the Government of Ontario,
    ii. a college or university federated or affiliated with a university described in subparagraph i,
    iii. an Indigenous Institute prescribed for the purposes of section 6 of the *Indigenous Institutes Act, 2017*.

4. Development or redevelopment of a building or structure intended for use as a memorial home, clubhouse or athletic grounds by an Ontario branch of the Royal Canadian Legion.

5. Development or redevelopment of a building or structure intended for use as a hospice to provide end of life care.

6. Development or redevelopment of a building or structure intended for use as residential premises by any of the following entities:
    i. a corporation to which the *Not-for-Profit Corporations Act, 2010* applies that is in good standing under that Act and whose primary object is to provide housing,
    ii. a corporation without share capital to which the *Canada Not-for-profit Corporations Act* applies, that is in good standing under that Act and whose primary object is to provide housing,
    iii. a non-profit housing co-operative that is in good standing under the *Co-operative Corporations Act*. O. Reg 509/20, s. 1, 8.

In addition, recent legislative changes introduced to the Act through Bill 23 have provided exemptions for attainable and affordable housing. In accordance with section 37 (32.1) of the *Planning Act*, developments or redevelopment which includes affordable residential units or attainable

residential units, as defined in subsection 4.1 (1) of the *Development Charges Act* or residential units described in subsection 4.3 (2) of that Act, receive a discount from the applicable CBC.

6. Implementation & Administration

A. Consultation

The Act requires that a municipality consult with such persons and public bodies as the municipality considered appropriate. Subsection 37 (10) indicates that, at the discretion of the Town, consultation shall be conducted. For the CBC Strategy, the Town will meet with Council in the spring of 2026 and adhere to the following timeline:

- A formal public meeting will be held on April 27, 2026 ahead of the by-law being presented to Council for passage.
- A report summarizing the draft CBC Strategy is scheduled to be presented to the Committee of the Whole on May 11, 2026.
- The CBC By-law is anticipated to be adopted on May 25, 2026.

B. By-Law Passage, Notice and Appeal Provisions

The CBC By-law is anticipated to be adopted in May of 2026. The commencement of the by-law will be on the date the by-law is passed or the specified date in the by-law, whichever is later in accordance with subsection 37 (11) of the Act.

A notice of By-law passage must be provided no later than 20 days after passing a CBC By-law per subsection 37 (13) of the Act. Furthermore, O.Reg. 509/20 subsection 4(2) states that a notice shall be given by personal service, fax, mail, or email to every owner of land in the area to which the by-law applies, every person and organization that has written request for the notice, upper-tier municipalities, and school boards. Alternatively, notice may be giving in a newspaper that is, in the clerk's opinion, of sufficiently general circulation in the area to which the by-law applies to give the public reasonable notice of the passing of the by-law.

A CBC by-law may be appealed to the Ontario Land Tribunal within 40 days of passage by filing with the clerk of the Town. The Tribunal is limited in its ability to amend the CBC By-law including not being able to increase the amount of CBCs that will be payable in any particular case, add, remove or reduce the scope of an exemption, change a provision for a phasing in so as to make the charges payable earlier and change the date the by-law will expire.

C. Treatment of In-Kind Contributions

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

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

> **In-kind contributions**
>
> (6) A municipality that has passed a community benefits charge by-law may allow an owner of land to provide to the municipality facilities, services or matters required because of development or redevelopment in the area to which the by-law applies. 2020, c. 18, Sched. 17, s. 1.
>
> **Notice of value of in-kind contributions**
>
> (7) Before the owner of land provides facilities, services or matters in accordance with subsection (6), the municipality shall advise the owner of land of the value that will be attributed to them. 2020, c. 18, Sched. 17, s. 1.

Agreement re facilities, services or matters

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

Registration of agreement

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

Deduction of value of in-kind contributions

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

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

D. CBC Payment Dispute Mechanism

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

Table 6: Payment Dispute Mechanism

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

Appendix A

Enacted CBC By-law

(Available Under Separate Cover)