

City of Hamilton Community Benefits Charges (CBC) Fact Sheet

The City of Hamilton has begun work to establish a new Community Benefits Charge (CBC) Strategy and By-law under the *Planning Act*. The proposed Community Benefits Charge Strategy and By-law will be presented to Hamilton City Council in June 2022 for consideration.

Key facts about the CBC:

- Changes to the *Planning Act* include a tool that allows municipalities to impose a Community Benefits Charges on eligible high-density developments or redevelopments
- The new CBC legislation replaces the prior Section 37 of the *Planning Act*, which allowed municipalities to secure community benefits through agreements related to re-zoning that allowed increased height and / or density over and above exiting planning permissions
- Municipalities must pass a CBC Strategy and By-law to utilize this financing tool
- CBC's can fund capital costs of municipal services that are not being funded under a parkland by-law or a DC by-law

What is a CBC?

- A new fee / charge paid by developers when a building permit is issued
- A fee / charge to be imposed in addition to the Development Charges (DC) and Parkland dedication / payment or cash-in-lieu of parkland provisions of the *Planning Act*
- A charge on developments with five or more storeys and 10 or more residential units
- A cap at 4% of the land value on the day before a building permit is issued

NOTE: A CBC is NOT the former Section 37 (*Planning Act*) bonusing density tool, OR a Community Benefit Agreement.

How do CBC's work?

- Growth-related capital infrastructure and services are eligible to be funded from CBC revenue including, but not limited to, the following:
 - Services being removed from DC collections as of September 18, 2022 (Parking, Airport and some Studies)
 - Other current ineligible DC services such as:
 - Municipal Administration Building Expansion
 - Cultural Initiatives (e.g. Museums, Arts Centres, Public Arts, Heritage Preservation)
 - Public Realm Improvements (e.g. Community Gardens, Space for Non-Profits)
 - Expansion to Landfill
 - Parkland Acquisition (in excess of parkland dedication provisions of the *Planning Act*)
 - Eligible DC infrastructure
- Developments EXEMPT from a CBC (where specific criteria is met as set out in Ontario Regulation 509/20) include:
 - Long-term care homes and retirement homes
 - Universities, colleges, and Indigenous Institutes
 - Memorial homes, clubhouses or athletic grounds of the Royal Canadian Legion
 - Hospices
 - Non-profit housing