

AMENDED DRAFT CHAPTER 4 OF THE CBC
STRATEGY:
CBC CAPITAL PROGRAM

i. Housing

a) Service Description

The City, cooperatively with the Region, evaluates the need and method for delivering affordable housing, recognizing that the Region has the prime service delivery responsibility. The need for affordable housing increases as a municipality's population grows but the City has limited tools available to address housing affordability. CBCs are one growth funding tool at the municipality's disposal to fund the creation of affordable housing units. The Region lacks the ability to levy CBCs, for housing or any service, under provincial statute.

The City has used the prior Section 37 bonusing regime to secure affordable housing units in a market project or to acquire cash to aid in the development of affordable housing off site. As the new Section 37 continues to permit this cash or in kind approach, affordable housing is included in the CBC Strategy.

b) Service Delivery and Service Levels Consideration

The City participates in the creation of new affordable housing through Official Plan policies, funding partnerships, and land disposition. Current funding is from Section 37 contributions or general taxation. At their March 30, 2022 meeting, City Council approved a grant-in-lieu of development charges for affordable rental housing as another mechanism to increase affordable housing supply. CBCs could also be a funding source for these development charges grants, or any similar affordable housing grants provided by City Council in the future.

c) Estimate of Need

As identified in Peel Region's [Home for All: the Region of Peel's Housing and Homelessness Plan 2018-2028](#), 400 low income and 520 middle income (below market) additional units are needed in Mississauga annually.

Table 1: Annual Needs-based New Housing Unit Targets for Mississauga 2018-2028

Emergency / Transitional / Temporary Housing	Supportive Housing	Low Income Housing	Middle Income Housing	Middle Income and Greater (Market)
10	104	400	520	2,860
.3%	2.7%	10.3%	13.3%	73.4%

Source: Peel Housing and Homelessness Plan (2018)

The units identified in Table 9 are equal to 4,000 affordable housing units (10 years x 400 units). While the 4,000 units equals the 10 year low income unit target, it is anticipated CBCs could potentially be utilized for certain middle income units as well. However, middle income units, particularly ownership dwellings, are likely to be provided through Inclusionary Zoning (IZ) without CBC funding.

Region of Peel Official Plan polices expect local municipalities to collaborate, including through financial mechanisms, to close the gap between units needed vs. delivered.

d) Consideration of Excess Capacity

Given the CBC capital program is well below the actual low and middle income unit need, no deductions for excess capacity have been made to the units identified in the CBC capital program.

e) Gross Capital Cost

The gross capital cost of the program is estimated at \$120.00 million over the ten-year period from 2022 to 2031. The cost is based on each unit costing the City \$30,000 in capital contributions with 4,000 units over the ten year period. This is a needs based forecast and the annual number of units constructed is likely to be lower given market conditions.

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

There are no grants, subsidies or other contributions identified for the City's \$30,000 per unit share of affordable housing as this is a net value. There are various additional costs that the Region or other levels of government are responsible for that are not reflected in the City's CBC Capital program.

g) Consideration of Benefit to Existing

The City currently does not have ownership over any existing housing, as such, there is no replacement of existing assets however, there is some benefit identified from the capital program for existing residents. The rate is based on the Region's benefit to existing (BTE) share of 56 per cent as identified in their 2020 DC Background Study. The total cost related to the BTE netted off the eligible development-related cost is \$66.72 million.

h) Relation to funding from Other GFT (if applicable)

Although housing is permitted for collection from DCs, the Region of Peel includes all the costs associated with their share of the program and, at this time, no costs have been identified for recovery from the City's DCs. In addition to DCs, the City has been working on implementing an IZ policy. The costs identified in the CBC Strategy are distinct from the

units identified to be generated through the IZ policy. Staff expect IZ will generate approximately 100 middle or lower income units per year. This is still well under the needs based forecast shown in Table 9.

A total of \$17.94 million has been identified as growth-related but ineligible for funding from CBCs as it relates to other residential development in the City.

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

The amount eligible for recovery from CBCs is 66 per cent, based on the share of the ten-year population growth that is forecast to be in development subject to a CBC, or \$35.3 million.

ii. Public Realm and Road Safety

a) Service Description

This service area includes items such as geometric road safety improvements, road speed mitigation measures, tactical urbanism (i.e. low-cost interventions to the built environment intended to improve local neighbourhoods and city gathering places), and public art.

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

These types of infrastructure improvements are very important in areas of redevelopment and higher-density areas to ensure safe, functional and livable communities recognizing the higher level of pedestrian, and other active transportation, activity in these neighbourhoods.

The City's Official Plan (OP) speaks to the creation of complete communities which includes amenities as identified in this service area. Further more, policy 9.2.1.3 of the OP "Built form should provide for the creation of a sense of place through, among other matters, distinctive architecture, streetcaping, public art and cultural heritage recognition". Through adopting the City's OP, Council has endorsed the provision of these amenities or services in intensification areas. These capital projects are therefore required as part of development in intensification areas.

Further to the Official Plan, local planning documents such as Downtown Core LAP in Chapter 7 speak to building complete communities. These include a mixture of land uses and assortment of activities including community and facilities parks, cultural resources and opportunities for people to engage in community life through a high quality public realm, vibrant cultural activities and meeting facilities.

Based on the direction of Council, these costs have been included in the CBC capital program.

b) Service Delivery and Service Levels Consideration

The City has used the previous *Planning Act* s.37 density bonusing provisions to secure and fund a range of community safety amenities and measures. Community safety amenities and measures also support the City's commitment to Vision Zero.

c) Estimate of Need

The need included in the CBC Strategy for recovery from CBC eligible developments is based on discussions with staff, the City's 2022 capital budget, past Section 37 collections and others.

d) Consideration of Excess Capacity

There is no excess capacity in the Public Realm and Road Safety CBC capital program.

e) Capital Cost

The total gross cost of the program is \$17.87 million, which includes road safety measures, tactical urbanism capital enhancements, and a provision for public art. The cost for road safety measures is based on neighbourhood geometric safety and enhanced speed measurement measures at a cost of \$500,000 and \$170,000 annually respectively. Tactical Urbanism Capital Enhancements are costed at approximately \$200,000 annually which is based on contributions received in the past through legacy Section 37 and is necessitated for capital investments beyond local service requirements. Lastly, the provision for public art is based on the incremental need arising from development and is rooted in the average in contributions over the last five years from Section 37 and other developer contributions.

f) 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.

g) Consideration of Benefit to Existing

All of the projects included in the Public Realm and Road Safety capital program are entirely related to growth and therefore no BTE shares have been identified. Other capital projects and initiatives provide service to the existing community.

h) Relation to funding from Other GFT (if applicable)

None of the identified projects have funding from other growth funding tools. A share of \$2.25 million has been removed from the CBC eligible share related to Road Safety Measures. This capital cost is related to development in the City that does not fall within the CBC eligible development threshold.

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

Road Safety Measures have been allocated 66 per cent to CBC eligible developments based on the share of forecasted CBC eligible developments and total residential developments. Tactical urbanism capital enhancements and public art are eligible to be fully funded from CBC development. These provisions are related to the need driven by CBC developments only and are therefore eligible to be fully funded from CBC developments. The CBC related costs total \$15.61 million.

iii. Community Facilities

a) Service Description

Community Facilities service area encompasses a variety of facilities available to residents of Mississauga. Community facilities include theatres, culture hubs, community centres, libraries and other facilities for the delivery of programming in the City.

The City of Mississauga is a vibrant city with a wide range of community facilities. As the City continues to grow, largely through redevelopment and intensification, there is a need to construct new community facilities and expand existing facilities. Some of these needs are eligible to be funded from development charges, such as library development and expansion, but the DCA has limitations. Some community facilities are not eligible for DC funding, notably theatres, art galleries and other cultural facilities; as such, the rules under the DCA restrict the funding of DC eligible community facilities. CBCs can assist in funding a share of development-related community facility needs that are not eligible for other growth-funding tools.

b) Service Delivery and Service Levels Consideration

Theatres and culture is not an eligible DC service and was previously paid for from the tax base, old Section 37 density bonusing monies, developer contributions as well as other sources. The City has a current inventory of these types of facilities and the needs identified in the CBC capital program provide expanded servicing capacity to meet the need arising from development. The requirement to deliver these services is noted in policy 7.1.7 of the Official Plan.

Community facilities, to the extent permitted under the DCA, have been paid for in part through DCs, property taxes, old Section 37 contributions, grants and other sources. The capital cost included in the CBC Strategy are those above the calculated funding envelope. The amounts that exceed the DC historical service level are required to meet the additional demand and costs arising from higher density residential development.

c) Estimate of Need

The need for community facilities driven by CBC developments is partly based on previous Section 37 contributions, planned capital projects, and costs ineligible for funding in this 2022 DC Background Study but deemed development-related.

d) Consideration of Excess Capacity

Excess capacity has not been identified for this service area.

e) Capital Cost

The capital cost included in the CBC Strategy totals \$34.13 million which includes Theatres and Culture Hubs and Community Facilities.

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

Other funding sources for the Small Arms Building of \$12.27 million, included in the Theatre and Cultural Hubs cost, have been identified and are removed from the CBC eligible share.

g) Consideration of Benefit to Existing

Benefit to existing shares are identified for the Theatres and Culture provision at 33 per cent or \$6.51 million which has been removed from the growth-related eligible funding. The full cost of the Community Facilities cost, related to Cooksville Library as in the 2022 DC Study is included and therefore the BTE share reflects that in the DC Study of 31% based on the share of the facility replacing existing assets.

h) Relation to funding from Other GFT (if applicable)

The shares of Cooksville Library eligible to be recovered from DCs is \$4.71 million which is netted off the total development related cost. Other growth related funding is needed for \$2.08 million which is the remaining ineligible cost which cannot be recovered from CBCs.

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

The net capital cost associated with CBC eligible developments is \$4.09 million. For both projects in this service area the share of costs eligible for recovery is 66 per cent based on shares of CBC eligible development and total ten-year residential growth in the City.

iv. Active Transportation

a) Service Description

This service area includes various capital costs related to active transportation infrastructure within road right-of-way, in greenspaces and other areas. Examples of infrastructure included in this service are multi-use pathways, trails, and cycling infrastructure.

The City of Mississauga has been investing significantly in a comprehensive plan to expand active transportation infrastructure across the City. Much of the City's growth is achieved through redevelopment and intensification, and these land uses have reduced on-site parking requirements, display lower use of single-occupancy motorized vehicles and higher active transportation modes of transportation. Some of these needs are funded from development charges however the increased needs arising from high density are not fully eligible to be recovered from DCs; CBCs are a tool that can be used to fund a share of these increased needs.

b) Service Delivery and Service Levels Consideration

The service is delivered by the City and funded from property taxes, DCs, grants and subsidies. The existing service level is included in the DC Recreation and Parks Development and the DC Roads and Related Infrastructure services. In addition, active transportation infrastructure was included in past section 37 contributions.

c) Estimate of Need

The transportation mode shares of denser urban built environments generally skew to non-car mode shares such as biking, walking and other forms of active transportation. Therefore, costs related to active transportation are included in the CBC capital program. As indicated in the City's OP, active transportation is a key pillar of creating a multi-modal transportation system. In particular, policy 8.1.7 notes "Mississauga will create a well-connected multi-modal transportation system that prioritizes services and infrastructure for Intensification Areas."

Beyond the Official Plan, further details on active transportation needs can be found in [2018 Cycling Master Plan](#).

d) Consideration of Excess Capacity

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

e) Capital Cost

The gross capital cost included in Table 8 is \$22.28 million. This includes a provision for active transportation infrastructure intersection safety at \$1.50 million, a provision for active transportation infrastructure – linear at \$13.98 million, and cycling infrastructure at \$6.80 million.

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

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

g) Consideration of Benefit to Existing

Benefit to existing shares of 23 per cent are allocated to the provision for active transportation infrastructure – intersection safety, cycling infrastructure related to roads and cycling infrastructure related to parks. The shares are based on mode splits and further details can be found in Appendix D.2 of the 2022 DC Background Study.

Benefit to existing shares of 50 per cent are allocated to the provision for active transportation infrastructure – linear. The costs associated with this project are related to, in part, existing linear active transportation infrastructure and therefore, a higher BTE share than the one identified in the DC Background study has been applied.

h) Relation to funding from Other GFT (if applicable)

No other growth funding tools have been identified to fund shares of the identified capital plan. However, \$4.50 million is growth-related and anticipated to be paid for from other funding sources.

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

All projects in the active transportation service category are allocated 66 per cent to CBC development with the remaining amount to be recovered from other sources. This accounts for the need for these projects to be in part driven by overall residential growth in the City over the ten-year period from 2022-2031. The total CBC related share is \$8.88 million.

v. Urban Parks

a) Service Description

Urban parks service area capital program includes costs related to the delivery and development of park space. The service area includes the development of various identified urban parks, privately owned public space (POPS) and related infrastructure.

The City recognizes the importance of providing passive and development parkland for its residents. As the City continues to intensify and as development densities increase, the need for public greenspace also increases given many new households do not have private outdoor space. Furthermore, urban parks are more expensive than traditional suburban parks both for acquisition and development of the park lands. The other growth funding tools, DCs and *Planning Act*s.⁴² parkland conveyance, will not fully meet the parkland needs arising from high density residential development; CBCs provide a mechanism to fund a share of the increased development need.

b) Service Delivery and Service Levels Consideration

In the past, the City has collected both monies and infrastructure related to urban parks through the previous Section 37.

c) Estimate of Need

Dense urban developments place a greater demand for public urban parks and associated amenities. Decreased access to private greenspace leads to higher use of new and existing parks in high density neighbourhoods. Further exacerbated by COVID-19, urban parks now more than ever are seen as a vital component of a complete community. Further details on urban parks needs can be found in the City's [2019 Parks and Forestry Master Plan](#).

d) Consideration of Excess Capacity

There is no excess capacity available within the City's existing parks network in areas that will experience high-density residential development. The costs included in the CBC strategy are related to incremental needs arising from development over the ten-year planning horizon.

e) Capital Cost

The gross capital cost of the service identified in Table 8 is \$187.49 million. This cost includes a provision for privately owned public spaces (POPS) at \$10.0 million, provision for additional parks development and facilities at \$36.82 million, Lakeview Village Park development at \$106.02 million and lastly, West Village Park development at \$34.64 million.

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

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

g) Consideration of Benefit to Existing

Benefit to existing shares have not been identified for this service area as the costs included are entirely related to growth.

h) Relation to funding from Other GFT (if applicable)

Lakeview Village and West Village Parkland development, have DC contributions as identified in the 2022 DC Background Study at \$136.74 million. Other funding is required for \$13.72 million from other sources.

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

The total eligible costs related to CBC development is \$37.03 million. The full cost of POPs, is included in the CBC eligible cost as the remaining non-DC development costs are entirely driven by CBC eligible development and therefore is intended to be recovered through CBCs, as allocated by Council through the annual allocation of CBC funds.

The CBC eligible share for the provision for additional parks development, including the Lakeview and West Village Parks is 66 per cent based on shares of residential growth forecasted to occur in CBC eligible developments and in the City overall over the next ten years.

vi. Parking

a) Service Description

The service area of Parking includes capital costs related to on-street and parking structures in the urban areas of the municipality. Investment in parking infrastructure improvements is very important to maintain accessibility and usability of the transportation network particularly in these denser neighbourhoods. Under the previous legislative regime, parking was a service included in the City's Development Charges (DC) since 2009.

b) Service Delivery and Service Levels Consideration

The City established past service levels through the 2019 DC Background Study. The costs proposed for recovery do not exceed past established service levels.

c) Estimate of Need

On-street City provided parking as well as parking structures are required as the City continues to grow. Despite mandatory parking standards, the City continues to experience greater demand for additional parking arising from development. Further details can be found in the City's [2019 Parking Master Plan and Implementation Strategy](#).

d) Consideration of Excess Capacity

There is no excess capacity available within the City's parking facilities and the costs included in the CBC strategy are related to incremental needs arising from development.

e) Capital Cost

The gross capital cost associated with the parking program is \$87.0 million including a parking structure at the Waterfront at \$86.0 million and parking payment infrastructure at \$1.0 million.

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

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

g) Consideration of Benefit to Existing

It is recognized that there might be some benefit to existing land uses from the addition of parking and therefore a 15 per cent BTE allocation has been made in the CBC capital parking capital program.

h) Relation to funding from Other GFT (if applicable)

Provision of parking is not eligible for funding from development charges.

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

The total CBC eligible cost is \$31.7 million or 43 per cent of the development related costs. This share is based on total forecasted residential and non-residential development in the city between 2022 to 2031 and the growth anticipated to occur in CBC eligible developments.

vii. Civic Administration**a) Service Description**

The cost of the CBC Strategy itself is eligible under the Act and included in this service category is the implementation of the strategy. Costs related to supporting the administration of the CBC Strategy and By-law.

b) Service Delivery and Service Levels Consideration

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

c) Estimate of Need

Included in this service area are costs related to updating the CBC Strategy and costs to support the implementation and administration of the CBC Strategy and By-law.

d) Consideration of Excess Capacity

No excess capacity exists for this service.

e) Capital Cost

The gross cost included in the capital program totals \$500,000 over the ten year planning period.

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

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

g) Consideration of Benefit to Existing

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

h) Relation to funding from Other GFT (if applicable)

No other growth-related funding tools are available for this service.

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

The entire cost of \$500,000 is therefore eligible for recovery from CBC developments. The need for this is solely driven by CBC development and so no shares are netted off for other residential and non-residential growth in the City.