



COUNCIL ADDENDUM
Thursday, February 8, 2018
7:00 p.m.

6 PRESENTATION AND CONSIDERATIONS OF REPORTS

Listed on
the Agenda

**6.5 Director of Community Services Report –Development Charges
Rebate Program**

A report from the Director of Community Services dated February 8, 2018 to provide council with information on the Development Charges Rebate Program under Province of Ontario's Fair Housing Plan.



REPORT TO COUNCIL

To: Warden Mills and Members of County Council

From: Keith Palmer, Director of Community Services

Date: February 8th, 2018

Subject: **Development Charges Rebate Program**

In Support of Strategic Plan Priorities and Objectives:

Economic Vitality: 1.4 Support initiatives that improve social determinants of health

Purpose

The purpose of this report is provide council with information on the Development Charges Rebate Program under Province of Ontario's Fair Housing Plan.

Background & Discussion

The Ontario Development Charges Rebate Program is one of the initiatives under the Fair Housing Plan to increase supply of housing – specifically of purpose-built market rental housing. Under the program, eligible market rental housing developments would receive a rebate of development charges collected by municipalities. The program would be administered by municipalities and target priority projects in those communities that are most in need of new purpose-built rental housing.

Council is being made aware of this program as a result of program submission dates. Municipalities intending to submit an Expression of Interest must begin to draft their submission through the Grants Ontario System (GOS) on or before February 16, 2018 at 5:00 p.m. This will confirm their intention to submit an Expression of Interest before the deadline.

Municipalities must submit their completed Expression of Interest through the Grants Ontario System (GOS) no later than 1:00 p.m. on March 2, 2018 to be considered for funding under the Development Charges Rebate Program. Municipalities will receive an acknowledgement of their submission, via an electronic receipt.

The Town of Orangeville has been identified as an eligible municipality who can forward an Expression of Interest (EOI) to the province should they be interested in the program.

The County of Dufferin is not eligible to apply for this program.

County staff have engaged Town of Orangeville staff to investigate overall interest and program administration options. If the Town of Orangeville choose to have the County designated as the program administrator the following will be required:

- The municipality must submit a copy of the municipal council's decision designating the housing Service Manager (County) as program administrator, directing the Service Manager to submit an EOI to MHO, and authorizing the Service Manager to enter into a Transfer Payment Agreement with MHO on the municipality's behalf.
- The housing Service Manager must provide written confirmation from a person of appropriate authority of its willingness to act as program administrator.

Municipalities Invited to Participate in the EOI Process

The Ministry of Housing has Identified the Town of Orangeville as eligible to participate in this program. Municipalities invited to apply had to meet the following criteria:

- A vacancy rate of 3% or less², or
- High tenant population (i.e. 20% or more of all households are rental households).

Additionally, municipalities with opportunities to approve rental housing developments within an approximate 500-800 metre radius of a major transit station area (MTSA) are also being invited to participate in the program. For the purposes of the program, MTSA includes commuter rail (i.e. GO Transit), subway, light rail or bus rapid transit.

Under the Program, municipalities must determine:

- The built-form of rental housing developments eligible to receive a development charges rebate (e.g., high-rises, mid-rises, town homes), based on local housing need;
- Unit size configurations in the development, based on local need;
- The amount of development charges rebate provided for eligible rental housing developments and units (e.g., full or partial rebates); and
- The timing of the rebate (e.g., at what point after the development charges are collected would a rebate be made available), within program parameters.

As program administrator, a municipality will:

- Enter into a TPA with the Ministry of Housing (MHO);
- Administer the Program in compliance with the TPA and the Program Guidelines;
- Plan activities related to program delivery, which may include assessing local housing needs and planning processes;
- Identify rental housing developments and units eligible to receive a rebate under the program;
- Determine the amount rebates on a project by project basis;
- Determine key milestones for payment of the rebate;
- Develop and enter into required agreements with developers of rental housing developments and units receiving provincial rebates to set out a procedure to receive provincial rebates and monitor progress;
- Flow provincial rebates to eligible rental housing developments and units;
- Complete and submit take-up plans to MHO, as indicated in the TPA; and
- Monitor progress and provide annual reports to MHO, as indicated in the TPA.

Program Funding

Under the Development Charges Rebate Program, up to a total of \$125 million over five years is available to municipalities, starting with \$25 million in 2018-19. The Ministry of Housing cannot guarantee funding to all municipalities that make a submission expressing interest or allocate all funding requested by municipalities through the EOI process. Both successful and unsuccessful municipalities will be notified by MHO. Program funding, if approved, will be provided subject to the terms and conditions of a Transfer Payment Agreement between the Province and the municipality. MHO, at its sole discretion, reserves the right to reallocate funds to another municipality in instances where allocations may not be fully used within a fiscal year.

Financial, Staffing, Legal, or IT Considerations

None

Strategic Direction and County of Dufferin Principles

By providing Council with information on the Development Charges Rebate Program, engagement opportunities are created that may address the future development of rental housing in the County of Dufferin.

The actions outlined in this report adhere to the County of Dufferin Principles:

1. We Manage Change – by educating council on programs that may lead to incentives that drive future development of the rental market
2. We Deliver Quality Service – by seeking out ways to enhance co-design and engagement opportunities with member municipalities
3. We Communicate – by providing opportunities to ensure that staff understand new and targeted programs
4. We Make Good Decisions – by reviewing and adhering to program guidelines that assist member municipalities in program development

Recommendation

THAT the report of the Director, Community Services, titled Development Charges Rebate Program dated February 8th, 2018 be received.

Respectfully submitted by,

Keith Palmer
Director, Community Services