	<h2>POLICY</h2>	<u>Policy No:</u> FIN-GRA-2006
<u>Policy Title:</u> DEVELOPMENT CHARGES PAYMENT FOR AFFORDABLE RENTAL HOUSING <u>Policy Type:</u> COUNCIL <u>Category:</u> Finance <u>Sub-Category:</u> Grants, Rebates & Incentives <u>Author:</u> Planning Analyst <u>Dept/Div:</u> Community Services Department, Planning Division	<u>Approval Date:</u> May 15, 2015 <u>Next Review Date:</u> May 2022 <u>Reviewed Date:</u> <u>Amended:</u> <u>Replaces:</u> <u>Repealed:</u> <u>Replaced by:</u>	
<u>Related Policies, Procedures and/or Guidelines:</u> City of Kitchener Development Charges By-law.		

1. POLICY PURPOSE:

To establish a policy to encourage development of new affordable rental housing units through the timing of City development charge payments.

2. DEFINITIONS:

Affordable rental housing for the purpose of this Policy, means housing constructed or provided for rental purposes, and that rent for the units are set at or below 80 percent of average market rent of a unit in the regional market area.

Not-For-Profit Corporation means a corporation, no part of the income of which is payable to, or otherwise available for, the personal benefit of a member or shareholder thereof.

Proponent means the *Not-For-Profit Corporation* requesting incentives under this policy, and either owns the subject property, or manages and operates the *affordable rental housing* units.

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3. SCOPE:

POLICY APPLIES TO THE FOLLOWING:	
<input checked="" type="checkbox"/> All Employees	
<input type="checkbox"/> All Full-Time Employees	<input type="checkbox"/> All Union
<input type="checkbox"/> Management	<input type="checkbox"/> C.U.P.E. 68 Civic
<input type="checkbox"/> Non Union	<input type="checkbox"/> C.U.P.E. 68 Mechanics
<input type="checkbox"/> Temporary	<input type="checkbox"/> C.U.P.E. 791
<input type="checkbox"/> Student	<input type="checkbox"/> I.B.E.W. 636
<input type="checkbox"/> Part-Time Employees	<input type="checkbox"/> K.P.F.F.A.
<input type="checkbox"/> Specified Positions only:	<input type="checkbox"/> Other:
<input type="checkbox"/> Council	<input type="checkbox"/> Local Boards & Advisory Committees

This Policy applies to all staff that collect and manage development charge payments through the development process.

4. POLICY CONTENT:

4.1 Eligibility Criteria

In order to be eligible for this Policy, the following criteria must be met:

- a) The *proponent* must meet the definition for *Not-For-Profit Corporation*;
- b) Eligible projects may include a development where *affordable rental housing* units are managed and operated by a *Not-For-Profit Corporation*. A minimum of 20 percent of the residential units in the development shall be *affordable rental housing* units.
- c) The subject property is located within 450 metres of an Existing or Planned Transit Corridor as identified on 'Map 2 Urban Structure' in the Official Plan.
- d) The subject property shall not be in a position of tax arrears.
- e) The *proponent* and/or property owner(s) have not defaulted on any other Agreement under this Policy.

4.2 Timing of Development Charge Payments for Affordable Rental Housing

- a. This Policy applies to the City portion of Development Charges only.

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- b. Despite the City of Kitchener Development Charges By-law, eligible *affordable rental housing* providers may request to pay the City portion of Development Charges prior to occupancy, rather than at the issuance of a Building Permit subject to the terms of this Policy.
- c. *Proponent* to submit a completed request form in the prescribed format to the Chief Building Official, prior to the Building Permit Application, to change the milestone at which the City's Development Charges fee is payable.
- d. The City will not charge a fee to process the request.
- e. Request reviewed by City staff to confirm criteria within this Policy are met, and *proponent* advised of the result. Should there be any issues or conflicts between the completed request form and the criteria within this policy, final determination will be made by the Chief Building Official in consultation with the City Solicitor and any other affected business units.
- f. If approved, an Agreement must be prepared and executed prior to the issuance of a Building Permit. The agreement will include that:
 - i. The amount payable will be the development charge rate in effect at the time of Building Permit issuance;
 - ii. Payment will be made prior to requesting the first occupancy only inspection of the building; and,
 - iii. Other clauses as deemed necessary by the City Solicitor.
- g. The Mayor and City Clerk are authorized to sign the Agreement.
- h. The Agreement will be executed once it has been signed by the land owner(s).
- i. In the event that payment is not made at the prescribed milestone, the outstanding payment will be added to the related property tax roll. Interest will be charged as per the rates outlined in Council Policy I-518 Collections – Property Taxes.

4.3 Effective Date

- a) This Policy comes into effect on July 1, 2017.
- b) This Policy will be reviewed no later than 5 years after the effective date.

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AFFORDABLE HOUSING


5. HISTORY OF POLICY CHANGES

Administrative Updates

No administrative history to date.

Formal Amendments

No amendment history to date.

	<h2>POLICY</h2>	<u>Policy No:</u> FIN-PLA-2031
<u>Policy Title:</u> AFFORDABLE HOUSING DEVELOPMENT CHARGES WAIVER POLICY <u>Policy Type:</u> COUNCIL <u>Category:</u> Finance <u>Sub-Category:</u> Financial Planning <u>Author:</u> Ryan Hagey, Director of Financial Planning & Reporting <u>Dept/Div:</u> Financial Services Department /Financial Planning & Reporting	<u>Approval Date:</u> April 11, 2022 <u>Reviewed Date:</u> April 2022 <u>Next Review Date:</u> April 2027 <u>Amended:</u> Click here to enter a date. <u>Replaces:</u> Click here to enter text. <u>Repealed:</u> Click here to enter a date. <u>Replaced by:</u> Click here to enter text.	
<u>Related Policies, Procedures and/or Guidelines:</u> Development Charges Act & Related Regulations		

1. POLICY PURPOSE:

The primary purpose of this policy is to help incent or remove barriers related to the development of non-profit housing development. The policy does this by establishing the parameters by which a waiver for development charges (DCs) would be provided to a qualifying development.

2. DEFINITIONS:

City – City of Kitchener.

DC/DCA – Development Charges/Development Charges Act.

Non-Profit Housing Development – is defined by O. Reg. 454/19, s. 3 (1) and means development of a building or structure intended for use as residential premises by,
(a) 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;

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- (b) 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; or
- (c) a non-profit housing co-operative that is in good standing under the *Co-operative Corporations Act*.

3. SCOPE:

POLICY APPLIES TO THE FOLLOWING:	
<input checked="" type="checkbox"/> All Employees	
<input type="checkbox"/> Management	<input type="checkbox"/> Permanent Full-Time Employees
<input type="checkbox"/> Permanent Full-Time Non Union	<input type="checkbox"/> Permanent Full-Time C.U.P.E. 791
<input type="checkbox"/> Temporary	<input type="checkbox"/> Part-Time Non-Union
<input type="checkbox"/> Student	<input type="checkbox"/> Permanent Full-Time Union
<input type="checkbox"/> Continuous Part-Time Employees	<input type="checkbox"/> Part-Time Employees
<input type="checkbox"/> Continuous Part-Time Non-Union	<input type="checkbox"/> Continuous Part-Time Union
<input type="checkbox"/> Council	<input type="checkbox"/> Local Boards & Advisory Committees
<input type="checkbox"/> Specified Positions Only:	

This policy applies to external customers who meet the definition of non-profit housing development included in this policy. The DC waivers mentioned in this policy do not apply to for-profit housing development.

4. POLICY CONTENT:

The City's DC waiver policy provides the specifics of the City's policy without reiterating most aspects of the DCA itself. The City's policy is meant to be interpreted in accordance and in conjunction with the DCA and the Municipal Act.

1. Policy Application

- a) DC waivers will be available to non-profit housing development units that have not received significant financial considerations (where the considerations are larger than the amount of the DC waiver) from the City, for other site development costs, whether in-kind or cash (e.g. capital grants, outstanding loans, donations of property either by title transfer or long term leases at rates below market value). This will extend the benefit of limited City resources to more developments.
- b) The amount of the waiver will be equal to 100% of the City portion of DCs payable, as long as funds are available in the Affordable Housing reserve fund.

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- c) DC waivers will be funded at the point of occupancy which is when the first instalment of DCs is to be made for non-profit housing developments under current Provincial legislation. This will result in a transfer from the Affordable Housing reserve fund to the Development Charges reserve fund.
- d) If any part of a development to which this policy applies is changed so that it no longer consists of a non-profit housing development within 20 years of initial occupancy, the waived development charge of the entire development is payable immediately.
- e) For developments that are a mixture of for-profit and non-profit housing, DC waivers will be available to non-profit housing development units where the non-profit housing provider is a partner in the project at the time of occupancy. The non-profit housing provider would need to have a signed agreement with the for-profit developer that clearly outlines the terms of the agreement and that those units would meet the Provincial definition and will be owned by the not-for-profit for a duration of at least 20 years.

2. Retroactivity

- a) Upon approval by Council, this policy shall take effect retroactive to January 1, 2020. Any qualifying developments from this timeframe will have their DCs waived (if they haven't paid) or refunded (if they have already paid).

5. HISTORY OF POLICY CHANGES

Administrative Updates

Formal Amendments