



Staff Report for Committee of the Whole Meeting

Date of Meeting: February 20, 2018

Report Number: SRCAO.18.03

Department: Office of the Chief Administrative Officer

Division: Strategic Initiatives

Subject: SRCAO.18.03 Development Charges Rebate Program Application

Purpose:

To delegate authority to sign and submit an application to the Ontario Development Charges Rebate Program.

Recommendation(s):

- a) That the Director of Financial Services and Treasurer be authorized to sign and submit an application to the Ontario Development Charges Rebate Program.

Contact Person:

Daniel Olding, Manager of Grants & Strategic Initiatives ext. 5505

Michelle Dobbie, Senior Planner (Policy) ext. 2467

Report Approval:

Submitted by: Gwen Manderson, Director of Strategic Initiatives

Approved by: Neil Garbe, Chief Administrative Officer

All reports are electronically reviewed and/or approved by the Division Director, Treasurer (as required), Town Solicitor (as required), Commissioner, and Chief Administrative Officer. Details of the reports approval are attached.

Background:

In November 2017 the Ontario government announced that the province will rebate up to \$125 million in development charges over five years for priority purpose-built rental developments in municipalities with low vacancy rates or high tenant populations, where affordable rentals are hard to find. In December 2017 Richmond Hill was invited to submit an Expression of Interest by March 2, 2018 to take part in the Development Charges Rebate Program. \$25 million is available for 2018-19 which is the first year of the program. Should Richmond Hill's application be approved, the Ontario Ministry of Housing will advance funding directly to Richmond Hill who will be responsible for rebating development charges for eligible developments and units.

There are no requirements for municipalities to contribute to the program although municipalities are encouraged to consider providing municipal incentives where possible to purpose-built market rental developments eligible to receive provincial rebates under the program.

Participating municipalities will administer the program based upon local need, changing rental market conditions, and demand for rental housing in their community as long as this fits within broad provincial program criteria, namely that:

- Developments are consistent with the Provincial Policy Statement and conform with the Growth Plan;
- Developments align with other provincial policies and lead to net new additional public good (rental housing, family-sized units, senior-friendly, close to transit and transit hubs); and
- Developments and units receiving provincial rebates remain rental for a minimum of 20 years.

The following types of developments and units are not eligible under the program:

- Single and semi-detached homes, duplexes/triplexes, and retirement homes;
- Units already receiving provincial capital subsidies under housing supply programs;
- Luxury market rental units, where starting rents exceed 175% of average Market Rents, as published by the Canada Mortgage and Housing Corporation (CMHC); and
- Market rental developments already receiving a deferral of or exemption from the payment of development charges.

Within these parameters Richmond Hill will have the flexibility to determine the built-form of rental housing developments eligible to receive a development charges rebate, unit size configurations in the development, the amount of development charges rebate for eligible rental housing, and the timing of the rebate.

In order to submit an application to the Ontario Development Charges Rebate Program, authority needs to be delegated to an authorized signing officer. Staff are requesting that the Director of Financial Services and Treasurer be authorized to sign the application on the Town's behalf.

Staff are preparing the application form, which is due March 2, 2018. The Province will evaluate the applications received, and advise successful municipalities of their allocation, based on an assessment of submissions and other indicators of rental housing need.

Financial/Staffing/Other Implications:

There are no direct financial implications to the Town arising from SRCAO.18.03. Should Richmond Hill's application to the Ontario Development Charges Rebate Program be successful, the Ontario Ministry of Housing will advance funding directly to Richmond Hill who will be responsible for rebating development charges for eligible developments and units.

Relationship to the Strategic Plan:

The application for funding under the Ontario Development Charges Rebate Program aligns with Goal One: Stronger Connections by planning for a connected community, Goal Two: Better Choice by planning for a range of housing that provides options for people at all stages of life, Goal Three: A more vibrant Richmond Hill by initiating change to the built environment through collaboration with the Province and Goal Four: Wise Management of Resources by creating opportunities for an improved live-work balance to enable better use of time in the community.

Conclusion:

The Ontario Development Charges Rebate Program is a provincial initiative to increase the supply of purpose-built rental housing. Richmond Hill has been invited to submit an Expression of Interest to the program and staff are requesting that the Director of Financial Services and Treasurer be authorized to sign the application on the Town's behalf.

Report Approval Details

Document Title:	SRCAO.18.03 - Development Charges Rebate Program Application.docx
Attachments:	
Final Approval Date:	Feb 2, 2018

This report and all of its attachments were approved and signed as outlined below:

Gwen Manderson - Feb 2, 2018 - 7:22 AM

David Dexter - Feb 2, 2018 - 8:33 AM

Neil Garbe - Feb 2, 2018 - 2:59 PM