



# 2022 DEVELOPMENT CHARGES BYLAW UPDATE

SUPPORTING A MIX AND RANGE OF HOUSING OPTIONS  
Housing Affordability Task Force — October 7, 2021



# OUTLINE

- Background
- 2022 DC Bylaw:  
a financial tool supporting a mix  
and range of housing options
- Next steps



# PROPOSED CHANGES TO THE DC BYLAW ALIGN WITH EFFORTS TO SUPPORT A MIX AND RANGE OF HOUSING OPTIONS

Areas of review included:

- Treatment of emerging housing options (e.g., stacked townhomes)
- Changes to support rental and non-profit housing (e.g., 36-month purpose-built rental deferral policy update)



The background is a solid blue color with several large, overlapping, semi-transparent geometric shapes. These shapes include a large circle on the left, a large triangle on the right, and a large circle on the right side, creating a layered, abstract effect.

# PROPOSED DC TREATMENT OF EMERGING HOUSING OPTIONS

# STAFF HAVE REVIEWED THE TREATMENT OF STACKED TOWNHOMES

- Compact, medium-density, grade-oriented, affordable ownership
- Currently treated as a multiple
- Treated as apartments in:
  - Toronto, Peel, Halton, Hamilton, Ottawa, Mississauga
  - Richmond Hill, East Gwillimbury, Whitchurch-Stouffville





# STAFF RECOMMEND STACKED TOWNHOMES BE TREATED AS APARTMENTS

- More comparable to large apartments than to multiples
- Statistics Canada treats stacked townhomes as apartments
- PPU forecast puts stacked townhomes closer to large apartments
- Apartment treatment consistent with neighbouring municipalities



BILD supports applying an apartment rate

# RECOMMEND CHARGING TINY HOMES/RESIDENTIAL DWELLING <700 SQ. FT. THE SMALL APARTMENT RATE

Private, self-contained dwellings intended for year-round use

- Emerging, ground-related and affordable option
- $\geq 188$  sq. ft. (per Building Code)
- Regional and local DC bylaws currently assess at Single/Semi-Detached Dwelling rate



A site-built Tiny Home




A shipping-container Tiny Home (not yet on site) 7

# EXEMPTIONS FOR ADDITIONAL RESIDENTIAL UNITS WILL BE INCLUDED IN THE 2022 DC BYLAW

- Subject to restrictions, the Act now provides exemptions for:
  - Additional dwellings in, or ancillary to, existing residential buildings
  - Second suites in, or ancillary to, new residential buildings
- Exemption supports options for extended families, mixed-income communities, affordability of ownership and efficient use of existing infrastructure







# PROPOSED CHANGES TO SUPPORT RENTAL AND NON-PROFIT HOUSING

# THE REGION HAS POLICIES IN PLACE TO FACILITATE RENTAL AND NON-PROFIT HOUSING THROUGH EXISTING PROGRAMS

Type of development	Program details	Year introduced
<b>Rental</b>		
Affordable rental – Municipal Housing Facilities Bylaw	Grant equivalent to all, or part, of the development charges payable	2002
Affordable rental – mid-range income households	5-, 10- or 20-year interest-free DC deferral	2019
<b>Ownership</b>		
Habitat for Humanity	DCs deferral/exemption for housing by Habitat for Humanity (with local matching required)	2001

# THE BYLAW WILL REFLECT PHASED PAYMENTS FOR RENTAL AND NON-PROFIT HOUSING

- The amended Act requires rental and non-profit housing to phase-in their development charge payments, beginning at occupancy:
  - Equal annual instalments over 6 years for rental housing
  - Equal annual instalments over 21 years for non-profit housing





# THE BYLAW WILL INCLUDE EXEMPTIONS FOR CONVERSIONS IN EXISTING RENTAL BUILDINGS

- The DCA now allows for existing rental buildings to convert common areas to new units and be exempt from DCs
- Limited to additional units being equivalent to the greater of 1 and 1% of existing units



212 Davis Drive, Town of Newmarket (225 units)

# STAFF RECOMMEND ALL PURPOSE-BUILT RENTAL BUILDINGS, REGARDLESS OF HEIGHT, BE ELIGIBLE FOR THE 36-MONTH DC DEFERRAL

- The 36-month DC deferral policy for purpose-built rental was introduced in 2017
- The policy was originally intended to encourage high-rise rental, a minimum of four storeys above grade
- To encourage purpose-built rental of any height, staff are recommending removing the 4-storey requirement from the policy



8010 Kipling Ave., City of Vaughan - a three-storey, purpose-built rental



49 Charles St., Town of Newmarket - a three-storey, purpose-built rental

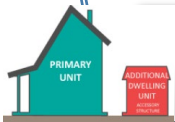
# TO SUPPORT A MIX AND RANGE OF HOUSING OPTIONS, STAFF ARE RECOMMENDING THE FOLLOWING UPDATES



Treat stacked townhomes as apartments



Charge any residential dwelling <700 sq. ft. a small apartment rate



Exempt additional residential units, in both existing and new buildings



Phase-in payments for rental and non-profit housing over 6 and 21 years, respectively



Exempt conversions of common spaces, in rental buildings, into additional new units



Update the 36-month purpose-built rental DC deferral policy: removing four-storey requirement



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# STAKEHOLDER ENGAGEMENT AND NEXT STEPS

# NEXT STEPS

Date	Engagement
2021	November <ul style="list-style-type: none"> <li>Committee/Council – DC Policy Directions report</li> </ul>
	February 3 <ul style="list-style-type: none"> <li>Committee – 2022 DC Bylaw tabling</li> </ul>
2022	March 3 <ul style="list-style-type: none"> <li>Public meeting at Committee</li> </ul>
	May 26 <ul style="list-style-type: none"> <li>Council – 2022 DC Bylaw approval</li> </ul>



Cities depend on a healthy mix of uses and people for their vitality.

There is no one-size-fits-all solution to the challenges facing our cities, or to the housing crisis, but the two issues need to be considered together.

~Richard Rogers

