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CONDITIONAL GRANTS EQUAL TO DEVELOPMENT CHARGES FOR AFFORDABLE HOUSING PROJECTS – DEAFBLIND ONTARIO SERVICES

The Finance and Administration Committee recommends the adoption of the recommendations contained in the following report from the Commissioner of Finance and the Commissioner of Community & Health Services.

1. RECOMMENDATIONS

It is recommended that:

1. A site specific by-law, as set out in Attachment 1 be enacted pursuant to the Municipal Housing Facilities By-law, to permit the Region to enter into a municipal housing project facilities agreement with DeafBlind Ontario Services for their affordable housing project known as DeafBlind Ontario Services (Project #2).
2. Council authorize conditional grants equal to the amount of Regional development charges payable on the affordable housing project listed above, which shall be paid from the Social Housing Reserve Fund, subject to confirmation that the project has received all necessary municipal approvals and meets the criteria outlined in this report.
3. The Commissioner of Community and Health Services be authorized to execute municipal housing project facilities agreement and other ancillary documents, including security documents, to give effect to the above recommendations.

2. PURPOSE

Site-specific by-law required for affordable housing projects

This report requests enactment of a site-specific by-law to permit the Region to enter into a municipal housing project facilities agreement with DeafBlind Ontario Services in order to provide a conditional grant equal to the Regional development charges for its project.

3. BACKGROUND

Council adopted a policy of granting conditional grants equal to development charges for qualified affordable housing projects

On March 28, 2002, through the adoption of Clause No. 2 of Report No. 3 of the Finance and Administration Committee, Regional Council adopted the policy of providing conditional grants equal to Regional development charges for non-profit groups who are building affordable housing in York Region.

Regional Council first passed a Municipal Housing Facilities (MHF) By-law that outlined in detail the terms by which applicants must abide, including non-profit corporations, to receive benefits from the Region in respect to building affordable housing. These terms included the length of the agreement, the ongoing definition of rent affordability, household income limits, and the ability of the Region to enter into rent supplement agreements at its discretion with the landlord. The MHF By-law requires that the Region and the housing provider enter into a municipal housing project facilities agreement that provides for these terms and conditions. These terms and conditions have been carried forward to the new MHF By-Law enacted by Council on April 22, 2010.

On June 12, 2003, through the adoption of Clause No. 12 of Report No. 6 of the Community Services and Housing Committee, Regional Council approved an application process with respect to its policy of providing conditional grants equal to Regional development charges paid by eligible organizations developing affordable housing. Essentially the process requires that the applicant complies with the provisions of the MHF By-law.

To date, the Region has approved conditional grants equal to Regional development charges for six affordable housing projects, totalling 299 units.

Council recommended a list of affordable housing projects to the Province for funding under the Canada-Ontario Affordable Housing Program (AHP) 2009 Extension including DeafBlind Ontario Services (Project #2)

In September 2009, following the completion of a Request for Proposals (RFP) process, Regional Council approved a list of community affordable housing projects to be recommended to the Minister of Municipal Affairs and Housing to receive Canada-Ontario Affordable Housing Program funding. This was done through the adoption of a private report entitled, "Recommendations for Funding under the Canada-Ontario Affordable Housing Program (AHP) 2009 Extension" of the Community and Health Services Committee.

In November 2009, the Minister provided a conditional letter of commitment for AHP 2009 Extension funding to Voice of the Vedas Cultural Sabha Inc and DeafBlind Ontario

Services (Project #1). In April 2010, the Minister provided a conditional letter of commitment to DeafBlind Ontario Services' second project known as DeafBlind Ontario Services (Project #2).

A Contribution Agreement has been executed for the DeafBlind Ontario Services (Project #2) affordable housing project

The Region has executed a Contribution Agreement with DeafBlind Ontario Services in relation to their second affordable housing project known as DeafBlind Ontario Services (Project #2). This agreement sets out the terms and conditions pertaining to their rights and obligations under the AHP 2009 Extension. These terms and conditions include compliance with the MHF By-law in terms of affordable rents, length of agreement, eligibility for affordable rental units, security provisions and assignment provisions. Generally speaking, the Contribution Agreement contains those provisions that would be contained in a municipal housing project facilities agreement which is required under the MHF By-law.

4. ANALYSIS AND OPTIONS

DeafBlind Ontario Services requests conditional grants equal to development charges

DeafBlind Ontario Services has asked for relief from the payment of Regional development charges on their second affordable housing project, DeafBlind Ontario Services (Project #2). Regional development charges are payable upon the issuance of a building permit. The amount of development charges for the housing project for which a conditional grant is sought is set forth in Table 1 based upon the current project information.

Table 1
Conditional Grants Requested

Agency Developing Affordable Housing Project	Regional Development Charges Payable (1)
DeafBlind Ontario Services	\$26,181 (2)

(1) This amount is subject to change depending on the development charge rate at the time of building permit issuance.

(2) Based on one Single Family Dwelling unit (SFD) rate effective Sept. 24, 2010

The Region is required to enter into a municipal housing project facilities agreement with DeafBlind Ontario Services to provide the conditional grant

As required by the MHF By-law, the Region must enter into a municipal housing project facilities agreement with the group in order to provide the conditional grant. As stated

previously, this agreement will include the terms and conditions set forth in the MHF By-law including but not limited to the term of the agreement being not less than 20 years, each housing unit shall meet the definition of affordable rental housing, and the Region may register the agreement on title.

Prior to entering into a municipal housing project facilities agreement, the MHF By-law requires Council to enact a site-specific by-law for the housing project.

5. FINANCIAL IMPLICATIONS

Regional contribution will assist the DeafBlind with building affordable rental housing in York Region

The Regional development charge for this project is estimated to be \$26,181 (SFD). This development charge will be paid to the Region upon building permit issuance which is expected by the end of September 2010. The offsetting conditional grant in the same amount will be funded by the Region's Social Housing Reserve Fund. Adequate funds (\$67.0 million) remain in the Region's Social Housing Reserve Fund.

The Region's contribution will assist the DeafBlind with building affordable rental housing (four bed units) for persons with disabilities in York Region.

6. LOCAL MUNICIPAL IMPACT

The local municipality in which a new affordable housing project will be built provides York Region residents with affordable alternatives in meeting their housing needs.

Under the current by-law in the Town of Georgina, this particular site does not attract local development charges therefore DeafBlind Ontario Services will not be charged these fees by the local municipality.

7. CONCLUSION

This report asks Regional Council to provide a conditional grant equal to the development charges to an approved affordable housing project under the Affordable Housing Program (AHP) 2009 Extension. It requires that Regional Council enact a site-specific by-law for the housing project, pursuant to the Region's Municipal Housing Facilities By-law.

For more information on this report, please contact Dean Horner, Senior Counsel at Ext. 1408 or Sylvia Patterson, General Manager of Housing and Long Term Care at Ext. 2091.

The Senior Management Group has reviewed this report.

(The attachment referred to in this clause is attached to this report.)

THE REGIONAL MUNICIPALITY OF YORK

BILL NO. 17

BY-LAW NO. XXXX-XX

A By-law to authorize the entering into of municipal housing project facilities agreements for the provision of affordable housing.

WHEREAS subsection 110(1) of the *Municipal Act, 2001*, S.O. 2001, c. 25 provides that the council of a municipality may enter into agreements for the provision of municipal capital facilities with any person;

AND WHEREAS, Regional Council enacted By-law No. 2010-28, (the “Municipal Housing Facilities By-law”) to permit the Region to enter into municipal housing project facilities agreements under subsection 110(1) of the *Municipal Act, 2001*;

AND WHEREAS the Municipal Housing Facilities By-law sets out the terms and conditions to be included in a municipal housing project facilities agreement;

AND WHEREAS a municipal housing project facilities agreement may provide financial assistance to a housing provider with respect to the provision of facilities that are subject to the agreement;

AND WHEREAS prior to entering into a municipal housing project facilities agreement, the Municipal Housing Facilities By-law requires that Regional Council enact a site specific by-law in respect of those facilities;

AND WHEREAS Regional Council is desirous of entering into a municipal housing project facilities agreement with DeafBlind Ontario Services for the provision of municipal housing project facilities, namely, a municipal affordable housing project to be located at Lot 11 Plan 474, in the Town of Georgina.

NOW THEREFORE, Council of The Regional Municipality of York HEREBY ENACTS as follows:

1. The Regional Municipality of York is authorized to enter into a municipal housing project facilities agreement pursuant to subsection 110(1) of the *Municipal Act, 2001* with DeafBlind Ontario Services for the provision of

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Document Number: 2321465

Document Author: MOHAMEDM

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Application: MS WORD

Abstract: DeafBlind

municipal housing project facilities, namely, a municipal affordable housing project to be located at Lot 11 Plan 474, in the Town of Georgina.

ENACTED AND PASSED this 25th day of March, 2010.

Denis Kelly
Regional Clerk

Bill Fisch
Regional Chair

Authorized by Clause , Report , of the Finance and Administration Committee on the 25th day of March, 2010.

YORK#1588225

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