

	<h2>POLICY</h2>	<u>Policy No:</u> <b>FIN-GRA-2006</b>
<u>Policy Title:</u> <b>DEVELOPMENT CHARGES PAYMENT FOR AFFORDABLE RENTAL HOUSING</b>  <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Repealed: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 <a href="#">Development Charges By-law.</a>		

**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:**

<b>POLICY APPLIES TO THE FOLLOWING:</b>	
<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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**5. HISTORY OF POLICY CHANGES**

Administrative Updates

No administrative history to date.

Formal Amendments

No amendment history to date.