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Type:	Managers' Reports

Request for Decision

Development Charges Rebate Program

Resolution

THAT the City of Greater Sudbury endorses the Expression of Interest (EOI) for the Development Charges Rebate Program submitted to the Ministry of Housing in accordance with the program guidelines as outlined in the report entitled "Development Charges Rebate Program" from the General Manager of Growth and Infrastructure, presented at the Special Council meeting of March 20, 2018;

AND FURTHER THAT Council authorizes the City of Greater Sudbury to enter into a Transfer Payment Agreement with the Ministry of Housing (MHO) should the application be successful.

Relationship to the Strategic Plan / Health Impact Assessment

The City of Greater Sudbury, through Council's Corporate Strategic Plan (2015-2018) is committed to the development of affordable housing, including the consideration of incentives. The Development Charges Rebate Program will assist Greater Sudbury in promoting a range of housing types, which includes purpose built market rental housing. This supports population health by maintaining and enhancing a healthy and sustainable community.

Report Summary

This report summarizes the Ministry of Housing's Development Charges Rebate Program, which was established to incentivize purpose built rental housing. Further, this report requests endorsement of staffs submission of an Expression of Interest (EOI) to the Ministry of Housing in accordance with the Development Charges Rebate Program Guidelines.

Financial Implications

The Ontario Ministry of Housing's Development Charges Rebate Program will not impact the City's

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collection of development charges in accordance with existing by-laws. Rather, a rebate would be provided to the developer, after development charges are collected, in accordance with the terms of the contribution agreements established, utilizing funding provided by the MHO.

Development Charges Rebate Program

Purpose

The purpose of this report is to endorse the Expression of Interest (EOI) submitted to the Ministry of Housing in accordance with the Development Charges Rebate Program guidelines and receive authorization to enter into a Transfer Payment Agreement with the Ministry of Housing (MHO) on the City of Greater Sudbury's behalf should the application be successful.

Background

In April of 2017, the Provincial government announced its Fair Housing Plan with the intention of improving affordability, addressing demand, protecting renters and buyers and improving the sharing of information. One of the measures included within the Plan is the Development Charges Rebate Program (the Program), which provides rebates for development charges (DC) related to purpose-built market rental housing development.

There are two types of rental housing in Ontario: purpose-built housing (which includes market rentals as well as social/affordable housing) and the secondary rental market (which includes individually rented condominiums, singles/semis and secondary suites). The Program is targeted at the purpose-built market, which is more stable and less impacted by factors such as prevailing economic and real estate conditions.

Funding for the Program will total \$125 million over five years for eligible municipalities.

Eligible municipalities identified by the Province are those with:

- Vacancy rates of 3% or less
- High tenancy populations (i.e. 20% or more of all households) or
- Opportunities for rental development within 500-800 meters of a major transit station area

In total, 83 municipalities were invited, including the City of Greater Sudbury. At the time of writing this report, the MHO has yet to determine criteria upon which to allocate the funding to the eligible municipalities.

The full program guidelines have been included as an Appendix to this report as a reference, as well as the Expression of Interest. Features of the Program include:

- The Program can be administered by either the local municipality or the Housing Service Manager (the Manager of Housing Services is the Service Manager for Greater Sudbury)

- A Transfer Payment Agreement between the municipality and the Province will outline the terms and conditions
- Up to 5% of the allocations can be used to support administrative costs
- There is no requirement for municipal funding for the Program
- The Program cannot be used to replace existing incentives, including Development Charge (DC) deferrals
- Based on local need, municipalities or Service Managers will have flexibility to determine how the rebate funding is distributed with consideration for:
 - The built for, of rental housing development eligible to receive a DC rebate (i.e., high-rise, mid-rise, townhouse) as well as unit sizes
 - The amount rebate available to properties (full or partial rebate)
 - The timing of the rebate (i.e., at what point after DC collection would rebate be made, within MHO parameters).
- Developments and units receiving funding must remain rental units for a minimum of 20 years, with starting rents no greater than 175% of the Average Market Rents (AMR) as published by the Canada Mortgage and Housing Corporation.

In order to ensure accountability, the municipality will be required to enter formal contribution agreements with any developers receiving DC rebates. There will also be on-going reporting from the municipality to the MHO including bi-annual take-up plans. Additional staff resources will be required to administer the program. The Health and Housing Working Group could be involved in the intake, evaluation, agreements and dispersal of rebate funding under this Program.

The Development Charges Rebate Program Expression of Interest was released on December 20, 2017. A teleconference was held between the Ministry and eligible municipalities on January 18, 2018. Municipalities intending to submit an EOI were required to begin to draft their submission through the Grants Ontario system by February 16, 2018, with the submission to be completed by March 2, 2018. Given the deadlines associated with the application process, staff have submitted an Expression of Interest to maintain the City's eligibility for participation in the program, subject to a further discussion with Council. This report seeks Council's endorsement of this action.

Council is not making a decision on level of service or parameters of service provision at this time. After a cost-benefit analysis of the City's participation in the program is complete, staff will present a second report for Council's consideration. It is anticipated that staff will provide additional detail regarding potential program administration in early spring, which will align with the Ministry of Housing's intended submission review

and announcement of participating municipalities, which occurs prior to commitment through the signing of an Agreement.

Conclusion:

The Ontario Ministry of Housing has established a Development Charges Rebate Program. A resolution is required and must be submitted as part of the EOI to the Ontario Ministry of Housing. The funding program provides the potential for an opportunity to introduce a new tool to incent the development of market rental units to the housing supply in the City of Greater Sudbury.

2017

Development Charges Rebate Program

Program Guidelines

Ontario Ministry of Housing
December 2017



TABLE OF CONTENTS

Introduction	1
Fair Housing Plan and Development Charges Rebate Program	1
Program Funding	2
Funding for Program Administration	2
Scope of the Guidelines	2
Municipal Contribution.....	2
Role of Municipalities	3
Rental Housing Developments and Units Eligible to Receive Provincial Rebate Funding ..	4
Starting Rents and Long-Term Affordability Criteria.....	5
Stacking With Other Housing Supply Programs.....	5
Examples of Stacking	5
Program Accountability and Reporting	6
Transfer Payment Agreement (TPA)	6
Bi-annual Take-up Plans	6
Payment Process and Schedule	7
Payment Process	7
Payment Schedule	7
Recovery and Reconciliations	7
Indemnification and Repayment	7
Other Reporting Requirements	8
Appendix A: Program Implementation Flow Chart	9
Appendix B: Ministry of Housing Contacts	10

Introduction

It is a provincial interest to have an appropriate mix and range of housing options, including purpose-built rental housing that caters to diverse needs of all ages and incomes.

There are two types of rental housing in Ontario: purpose-built rental housing (which includes market rentals, and social or affordable housing) and the secondary rental market (consisting primarily of individually rented condominiums, singles/semis and basement apartments).

While the secondary rental market is an important part of the overall rental stock, these units may be available in the rental pool one year and not the next. The availability of units in the secondary rental market in any community depends on the owner's decision, which is affected by prevailing economic and real estate conditions, among other factors.

There are many advantages in increasing the supply of purpose-built market rental housing, as it:

- Addresses the need for stable rental housing and better security of tenure for tenants with diverse needs, compared to individually rented homes and condos.
- Caters to older demographics within communities, by offering options for seniors looking to downsize, while enabling them to stay in their communities and age in place.
- Supports and aligns with provincial priorities and goals with respect to growth planning, intensification and the need for more missing middle housing.
- Attracts and retains skilled workers to Ontario and high growth urban areas.
- Increases the province's economic competitiveness and allows for increased mobility of residents, both geographically and within the housing market.

Fair Housing Plan and Development Charges Rebate Program

On April 20, 2017, the government announced its Fair Housing Plan, a comprehensive package of 16 measures to improve housing affordability, address demand, protect renters and buyers, increase the supply of housing, and improve information sharing.

The Development Charges Rebate Program (the "Program") is one of the measures to increase supply of housing, specifically purpose-built market rental development. The Program provides rebates for development charges and aims to reduce the construction costs of building market rental housing, particularly in those communities that are most in need of new purpose-built rental housing.

The Program is in addition to two other initiatives aimed at increasing the supply of purpose-built rental housing:

- A mandatory new multi-residential property tax class, which ensures that municipalities tax new rental apartments at a similar rate as other residential properties. The mandatory new multi-residential property tax class applies to all new rental housing for

which building permits have been issued on or after April 20, 2017.

- A Provincial Affordable Housing Lands Program that leverages surplus provincial land to develop a mix of market housing and new, sustainable affordable housing. Four sites in Toronto have been already announced under the program.

Program Funding

Under the Program, up to a total of \$125 million over five years is available as rebates for development charges, starting with 2018-19. Notional allocations for fiscal years 2018-19, 2019-20, and 2020-21 (\$25 million each year for a total of \$75 million) will be announced in spring 2018 in accordance with provincial accounting and budgetary practices.

Program funding, if approved, will be provided according to the terms and conditions of a Transfer Payment Agreement (TPA) between the Province and the municipality.

Funding for Program Administration

Participating municipalities or their designates such as their Service Managers that administer the program may use up to 5% of allocations to cover administration costs, if needed, as indicated in a municipal take-up plan.

Scope of the Guidelines

The Program Guidelines describe the various program requirements for the Program, including the role of municipalities, long-term affordability requirements for rental developments receiving provincial rebates, rental housing developments and units eligible to receive funding under the program, and accountability and reporting requirements.

Please note that the Program Guidelines may be updated on an as-needed basis and changes will be communicated to municipalities.

Municipal Contribution

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

The Program cannot be used by municipalities to replace any existing housing programs and incentives that municipalities may already have with respect to affordable (below-market) rental housing. For greater clarity, this Program cannot be used by municipalities to replace or

support a municipal program or any municipal decision relating to deferrals or rebates or exemptions of development charges.

Role of Municipalities

Participating municipalities will administer the Program based on local need, changing rental market conditions, and demand for rental housing in their community.

Under the Program, municipalities have the flexibility to determine:

- The built-form of rental housing developments eligible to receive a development charges rebate (e.g., high-rises, mid-rises, town homes), based on local housing need;
- Unit size configurations in the development, based on local need;
- The amount of development charges rebate provided for eligible rental housing developments and units (e.g., full or partial rebates); and
- The timing of the rebate (e.g., at what point after the development charges are collected would a rebate be made available), within program parameters.

As program administrator, a municipality will:

- Enter into a TPA with the Ministry of Housing (MHO);
- Administer the Program in compliance with the TPA and the Program Guidelines;
- Plan activities related to program delivery, which may include assessing local housing needs and planning processes;
- Identify rental housing developments and units eligible to receive a rebate under the program;
- Determine the amount rebates on a project by project basis;
- Determine key milestones for payment of the rebate;
- Develop and enter into required agreements with developers of rental housing developments and units receiving provincial rebates to set out a procedure to receive provincial rebates and monitor progress;
- Flow provincial rebates to eligible rental housing developments and units;
- Complete and submit take-up plans to MHO, as indicated in the TPA; and
- Monitor progress and provide annual reports to MHO, as indicated in the TPA.

In administering the Program, municipalities are encouraged to work with their housing Service Manager and/or the upper-tier municipality (in case of a two-tier system) to ensure alignment with local planning and housing policies, and coordinate municipal incentives, if provided.

Municipalities have an option to designate their housing Service Manager as the administrator of the Program, and also submit an EOI on their behalf.

If a municipal council designates the housing Service Manager as the program administrator:

- The municipality must submit a copy of the municipal council's decision designating the housing Service Manager as program administrator, directing the Service Manager to submit an EOI to MHO, and authorizing the Service Manager to enter into a Transfer Payment Agreement with MHO on the municipality's behalf.
- The housing Service Manager must provide written confirmation from a person of appropriate authority of its willingness to act as program administrator.

In such cases, the Service Manager should work with the designating lower or single-tier municipality in determining rental housing developments and units that are eligible to receive rebate funding under the program, planning approval timelines, and any municipal incentives that may be available.

Rental Housing Developments and Units Eligible to Receive Provincial Rebate Funding

Under the Program, municipalities have the flexibility to determine the rental housing developments and units that will receive funding through this program based on local need, but within broad provincial program criteria:

- Developments must be consistent with the PPS and conform with the [Growth Plan](#);
- Developments must align with other provincial priorities and lead to net new additional public good (rental housing, family-sized units, senior-friendly, close to transit and transit hubs);
- Developments and units receiving provincial rebates remain rental for a minimum of 20 years;
- Non-luxury rental units, where starting rents do not exceed 175% of AMR as published by Canada Mortgage and Housing Corporation (CMHC). Municipalities have the ability to set a lower threshold based on local circumstances and housing policies.

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 (e.g., under IAH – Rental Component);
- Luxury market rental units, where starting rents exceed 175% of Average Market Rents, as published by CMHC; and
- Market rental developments receiving a deferral of or exemption from the payment of development charges.

Starting Rents and Long-Term Affordability Criteria

Proposed starting market rents for developments or units receiving development charges rebates cannot exceed 175% of Average Market Rents (AMRs), as published by CMHC, for a given year. In cases, where CMHC does not publish AMRs, municipalities should use AMRs based on local evidence and research (e.g., survey of market rents in the community or municipality), and inform the Ministry of Housing (MHO) accordingly.

Municipalities have the flexibility to target rebates for proposed market rental housing developments or units with starting rents at a percentage of AMR lower than 175%, without any further provincial restrictions. Municipalities also have the flexibility to use AMRs as the neighbourhood level, if available from CMHC.

There are no long-term affordability requirements for units receiving provincial rebates under the program beyond the threshold for starting market rents, subject to the provisions under the Residential Tenancies Act, 2006.

Stacking With Other Housing Supply Programs

Stacking or combining rebate funding under the Program with MHO's other housing supply programs is permitted only if some additional public good is created (e.g., construction of market-rent family-sized units or have market rental units that were not previously planned).

Examples of Stacking

To illustrate potential developments eligible under the program, please see the following examples:

Example #1	Eligibility
The developer would like to add six market rental units to an affordable rental housing development already approved to receive provincial funding under Investment in Affordable Housing – Rental Component to create a mixed-income rental development. Starting rents are at 150% AMR.	Yes. The six market rental units are not receiving provincial funding under Investment in Affordable Housing would be eligible to receive the development charge rebate under the program.
Example #2	Eligibility
The developer would like to add five market rental units to an affordable rental housing development already approved to receive provincial funding under Investment in Affordable Housing – Rental Component to create a mixed-income rental development. Starting rents are at 185% AMR.	No. The five units would not be eligible as they would be considered luxury units as they exceed this programs threshold of 175% of AMR.

Program Accountability and Reporting

Accountability for provincial actions, decisions, and policies with regard to the use of public funds for programs and services is important. The Province has an obligation to demonstrate value for money, and to ensure that funds have been spent appropriately and in a timely manner.

Transfer Payment Agreement (TPA)

The TPA sets out an accountability requirements between the Province (through MHO) and the municipality, and outlines the roles and responsibilities of both parties, as required by the Province's Transfer Payment Accountability Directive.

In case a housing Service Manager has been designated as program administrator, the Province would enter into a TPA with the Service Manager subject to council's authorization.

The TPA will require the municipality to develop formal contribution agreements with any developers who receive provincial rebates for the purpose of meeting program objectives and/or addressing obligations.

Bi-annual Take-up Plans

Based on their notional allocations, participating municipalities will be required to submit a take-up plan in the first quarter of each fiscal year for all years in the program to MHO for approvals.

The take-up plan for a particular fiscal year will be informed by rental housing developments that have come forward for planning approvals and meet program eligibility criteria. A municipality's take-up plan should:

- Provide details of the proposed market rental housing developments and units that meet program and eligibility criteria as laid out in the Program Guidelines;
- Indicate if municipality has set an AMR threshold for non-luxury market rental units that is lower than from provincial threshold of 175% AMR, and what that threshold would be;
- Indicate timing of when the rebate would flow towards the eligible market rental developments after the collection of the development charges;
- Indicate how much of the fiscal year's notional allocation the municipality would need on a quarterly basis, to facilitate transfer of provincial rebates from MHO to municipality;
- Indicate timelines around expected planning approvals and issuance of building permits for the proposed market rental developments specified in the plan;
- Indicate details of any municipal incentives provided; and
- Identify legal mechanisms that would keep proposed developments and units as rental for a minimum of 20 years.

The Province recognizes that the planning approval processes around market rental housing developments can sometimes take few years before a building permit is issued. To accommodate for any delays in the planning approval processes for developments and units proposed in the initial take-up plans, municipalities will have two years to rebate eligible developments. The two years start at the beginning of each fiscal year, when municipalities receive MHO approval on their initial (first quarter) spending plans. For example, for allocations made in fiscal year 2018-19, municipalities will have up until March 31, 2020 to make the rebates.

Payment Process and Schedule

Payment Process

The Ministry will advance funding directly to municipalities (or designated Service Managers), who will be responsible for rebating development charges for eligible developments and units. Municipalities (or designated housing Service Managers) will provide rebates for eligible developments based on a schedule as determined by the municipality, and in compliance with the program requirements.

Payment Schedule

MHO will provide quarterly funding to municipalities, based on MHO approved first quarter take-up plans.

Recovery and Reconciliations

MHO will also undertake reconciliations through adjusted municipal take-up plans submitted every six months to assess if the provincial rebates are being provided in accordance with program criteria and initial first quarter take-up plan.

If a municipality reports back that it is unable to rebate its allocation for that fiscal year, MHO would either reconcile unspent funding or re-allocate the funding to another municipality. Reallocation would be based on capacity of other municipalities to rebate development charges as reflected in their take-up plans. This would be determined through discussions between MHO and municipalities around proposed rental developments and units that would be eligible to receive provincial development charges rebates, and anticipated timelines these developments/units would be in a position to receive a building permit and make development charges payments within the given time frames.

Indemnification and Repayment

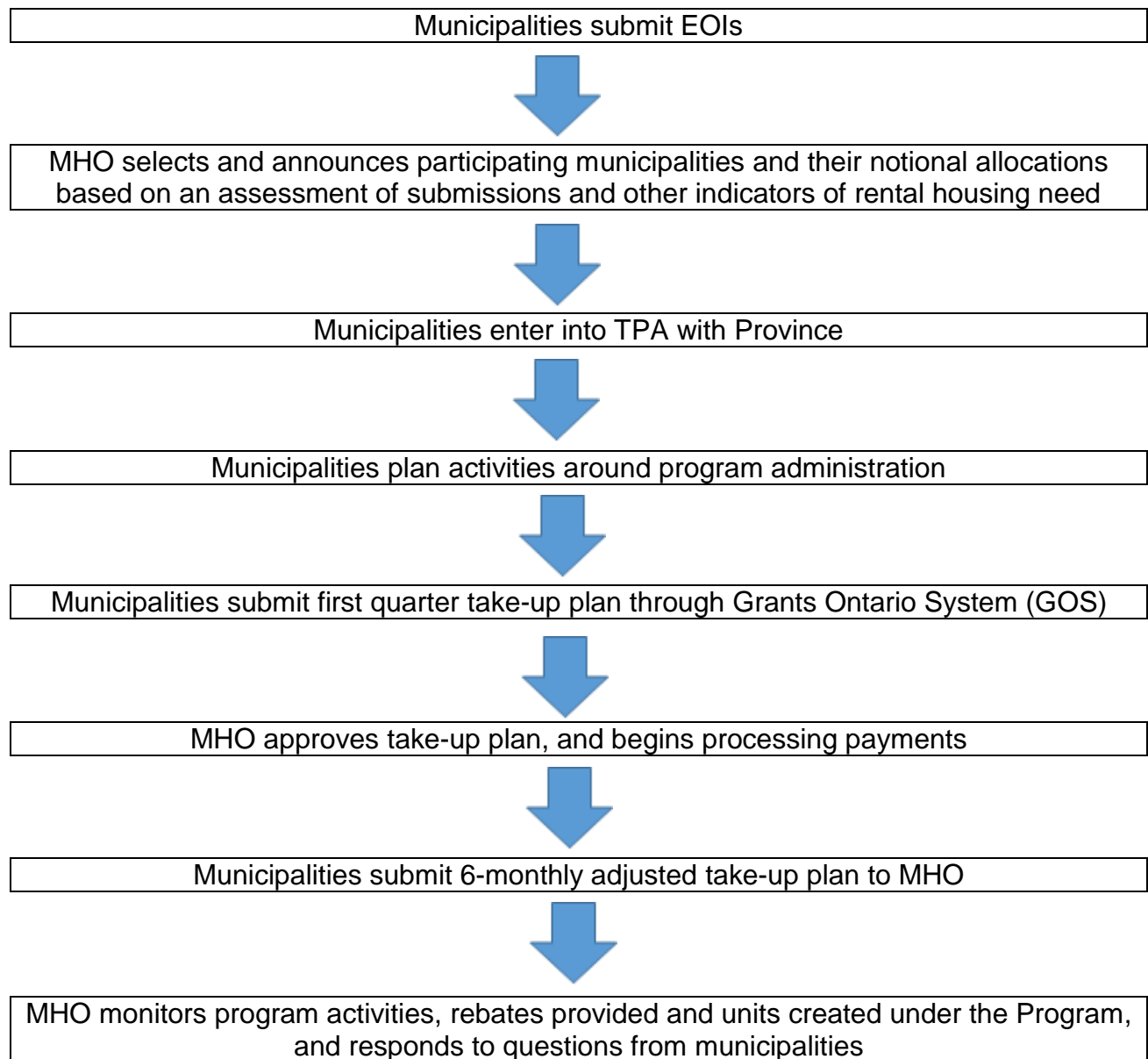
There are obligations for all Program recipients with regard to the indemnification and recovery of provincial government funding. The TPAs will contain specific obligations and provisions relating to indemnification and recovery of provincial funding.

Other Reporting Requirements

Through their adjusted spending plans, municipalities will report back on a bi-annual basis on the following:

- Adjusted forecasted and actual rebates made to date;
- Details of the developments receiving rebates (address of site, total number of units in the development, if there are units in the development receiving capital subsidies through another provincial program such as IAH);
- Total and per unit provincial rebates provided to eligible developments or units on a site-by-site basis (until fully transferred);
- Details of any municipal incentives provided to the eligible developments or units on a site-by-site basis;
- Total number of market rental units receiving rebates by bedroom type and unit size;
- Expected or actual starting market rents by bedroom type and comparison against AMR threshold; and
- Expected or actual occupancy date for the development/units.

Appendix A: Program Implementation Flow Chart



Appendix B: Ministry of Housing Contacts

Municipal Services Office – Central

777 Bay Street 13th Floor
 Toronto, ON, M5G 2E5
 General Inquiry: 416-585-6226
 Toll Free: 1-800-668-0230
 Fax: 416-585-6882

Contact: Ian Russell, Team Lead, Regional Housing Services
 Tel: 416-585-6965
 Email: ian.russell@ontario.ca
 Serving: Durham, Halton, Hamilton, Niagara, Muskoka, Peel, Simcoe, York

Municipal Services Office – Eastern

8 Estate Lane, Rockwood House
 Kingston, ON, K7M 9A8
 General Inquiry: 613-545-2100
 Toll Free: 1-800-267-9438
 Fax: 613-548-6822

Contact: Mila Kolokolnikova, Team Lead, Regional Housing Services
 Tel: 613-545-2123
 Email: mila.kolokolnikova@ontario.ca
 Serving: Cornwall, Hastings, Kawartha Lakes, Kingston, Lanark, Leeds and Grenville, Lennox and Addington, Northumberland, Ottawa, Peterborough, Prescott and Russell, Renfrew

Municipal Services Office – Western

659 Exeter Road, 2nd Floor
 London, ON, N6E 1L3
 General Inquiry: 519-873-4020
 Toll Free: 1-800-265-4736
 Fax: 519-873-4018

Contact: Pearl Dougall, Senior Housing Advisor,
 Tel: 519-873-4521
 Email: pearl.dougall@ontario.ca

 Cynthia Cabral, Senior Housing Advisor,
 Tel: 519-873-4520
 Email: cynthia.cabral@ontario.ca

Serving: Brantford, Bruce, Chatham-Kent, Dufferin, Grey, Huron, Lambton, London, Norfolk, Oxford, St. Thomas, Stratford, Waterloo, Wellington, Windsor

Municipal Services Office – Northeastern

159 Cedar Street, Suite 401
Sudbury, ON, P3E 6A5
General Inquiry: 705-564-0120
Toll Free: 1-800-461-1193
Fax: 705-564-6863

Contact: Cindy Couillard, Team Lead, Regional Housing Services
Tel: 705-564-6808
Email: cindy.couillard@ontario.ca

Serving: Algoma, Cochrane, Greater Sudbury, Manitoulin-Sudbury, Nipissing, Parry Sound, Sault Ste. Marie, Timiskaming

Municipal Services Office – Northwestern

435 James Street, Suite 223
Thunder Bay, ON, P7E 6S7
General Inquiry: 807-475-1651
Toll Free: 1-800-465-5027
Fax: 807-475-1196

Contact: Peter Boban, Team Lead, Regional Housing Services
Tel: 807-473-3017
Email: peter.boban@ontario.ca

Serving: Kenora, Rainy River, Thunder Bay

Housing Programs Branch - Toronto

777 Bay Street, 14th Floor
Toronto, ON, M5G 2E5
Fax: 416-585-7003

Contact: Walter Battello, Account Manager, Regional Services Delivery Unit
Tel: 416-585-6480
Email: walter.battello@ontario.ca

Serving: Toronto

2017

Development Charges Rebate Program

Expression of Interest
Ontario Ministry of Housing
December 2017



TABLE OF CONTENTS

Purpose.....	1
About the Development Charges Rebate Program	1
Program Design	1
Program Funding	1
Municipalities Selected to Participate in the Program	2
Municipalities Invited to Participate in the EOI Process	2
Submitting an Expression of Interest and Important Timelines	3
MHO Supports during EOI Process	4
Acknowledgement.....	4
Important Timelines.....	5
Appendix A: List of Municipalities Invited to Express Interest	6
Appendix B: Ministry of Housing Contacts	9
Appendix C: Applying Through Grants Ontario - Step-By-Step Instructions	12

Purpose

The purpose of this Expression of Interest (EOI), issued by the Ministry of Housing (MHO), is to invite municipalities to indicate their interest in participating in the Development Charges Rebate Program.

About the Development Charges Rebate Program

The Ontario Development Charges Rebate Program is one of the initiatives under the Fair Housing Plan to increase supply of housing – specifically of purpose-built market rental housing. Under the program, eligible market rental housing developments would receive a rebate of development charges collected by municipalities. The program would be administered by municipalities and target priority projects in those communities that are most in need of new purpose-built rental housing.

Program Design

Further details on the program design can be found in the Program Guidelines accompanying this Expression of Interest (EOI). Municipalities are strongly encouraged to review the Program Guidelines prior to submitting an EOI, to ensure that their submissions comply with the Program Guidelines and criteria.

The Program Guidelines outline the policy context for the program, provincial criteria on types of market rental housing developments and units eligible for funding under the program, reporting requirements, and other required information for municipalities.

Municipalities approved for program funding will have the final decision-making authority for eligible developments and are accountable to MHO under a Transfer Payment Agreement for all monies, project components and completion, and reporting requirements.

Program Funding

Under the Development Charges Rebate Program, up to a total of \$125 million over five years is available to municipalities, starting with \$25 million in 2018-19.

MHO cannot guarantee funding to all municipalities that make a submission expressing interest or allocate all funding requested by municipalities through the EOI process. Both successful and unsuccessful municipalities will be notified by MHO.

Program funding, if approved, will be provided subject to the terms and conditions of a Transfer Payment Agreement between the Province and the municipality.

MHO, at its sole discretion, reserves the right to reallocate funds to another municipality in instances where allocations may not be fully used within a fiscal year.

Municipalities Selected to Participate in the Program

The Development Charges Rebate Program has a one-stage selection process. MHO is inviting municipalities identified as being most in need of rental housing to express their interest in participating in the program, through an EOI process.

MHO will assess the municipal submissions, using consistent criteria, to ensure alignment with the provincial requirements under the Development Charges Rebate Program. Selection of municipalities will be based on this assessment, as well as rental housing need in the municipality.

Notional allocations will be announced in spring 2018 in accordance with provincial accounting and budgetary practices, starting with fiscal years 2018-19, 2019-20, and 2020-21.

Municipalities Invited to Participate in the EOI Process

To participate in the Development Charges Program, MHO is inviting municipalities who charge multi-unit development charges¹ and have been identified as being in need of new purpose-built market rental housing to submit an EOI. This includes municipalities that have:

- A vacancy rate of 3% or less², or
- High tenant population³ (i.e. 20% or more of all households are rental households).

Additionally, municipalities with opportunities to approve rental housing developments within an approximate 500-800 metre radius of a major transit station area (MTSA) are also being invited to participate in the program. For the purposes of the program, MTSA includes commuter rail (i.e. GO Transit), subway, light rail or bus rapid transit.

See Appendix A for a list of municipalities being invited to submit an EOI.

¹ Based on 2015 Financial information Return as submitted to the Ministry of Municipal Affairs

² Based on Canada Mortgage and Housing Corporation's 2017 Rental Market Housing

³ Based on 2016 Census

Submitting an Expression of Interest and Important Timelines

In their EOI submissions, municipalities will identify, and provide information on, the following:

- Need and vision for market rental housing in their communities, and any alignment with municipality's land use planning and housing policies;
- How the Development Charges Rebate Program will help increase rental housing in their communities and/or what public good will be created;
- Capacity to administer the program, along with ongoing monitoring and reporting, and whether there is an intention to designate program administration to a housing Service Manager, to submit an EOI and administer the program on the municipality's behalf;
- Any current incentives the municipality provides to encourage construction of market rental housing in their communities;
- Incentives the municipality is willing to apply to market rental developments and units receiving provincial rebates under the program;
- Examples of potential purpose-built market rental developments or units expected to qualify for funding over the five years, if possible;
- Indicate if the municipality would be setting a lower AMR threshold for non-luxury market rental units different from provincial threshold of 175% AMR
- Whether the municipality plans to use the funding to provide rebates covering the full amount of the development charges they collect or partial rebates, as well if these would vary on a site-by-site basis;
- Current and proposed mechanisms (e.g., bylaws restricting conversions) that the municipality would use to ensure that a development receiving rebate funding under the program remains rental; and
- How much funding municipalities anticipate would be needed for this program on an annual basis for each of the five fiscal years, starting in 2018-19 (municipalities can choose to identify funding requirements only for certain years).

Municipalities must submit their completed Expression of Interest through the Grants Ontario System (GOS) **no later than 1:00 p.m. Eastern Standard Time (EST) on March 2, 2018** to be considered for funding under the Development Charges Rebate Program. Municipalities will receive an acknowledgement of their submission, via an electronic receipt.

Municipalities intending to submit an Expression of Interest must begin to draft their submission through the Grants Ontario System (GOS) on or before **February 16, 2018 at 5:00 p.m. Eastern Standard Time (EST)**. This will confirm their intention to submit an Expression of Interest before the deadline.

Submissions received after March 2, 2018 will not be accepted as part of the Expression of Interest process. Further, incomplete submissions will not be assessed or considered in selecting municipalities to participate in the program.

Municipalities are encouraged to make use of the EOI period to review the form and Program Guidelines, draft responses, and use the EOI supports available through MHO.

MHO Supports during EOI Process

To assist municipalities, and respond to questions about the Development Charges Rebate Program and EOI process, MHO will host two half-hour informational teleconferences with municipalities in mid-January, 2018. Details about the teleconferences will be distributed through the Ministry's Municipal Services Offices (MSO) Regional Housing Team Leads.

Additionally, municipal staff are also encouraged to reach out to MHO staff and/or their respective MSO Regional Housing Team Leads with specific questions about the Development Charges Rebate Program or the EOI submission process. Contact information is included in Appendix C.

For assistance or questions regarding GOS, please contact the Grants Ontario Customer Service at 416-325-6691 or toll free at 1-855-216-3090 or email: GrantsOntarioCS@Ontario.ca Monday to Friday from 8:30 a.m. to 5:00 p.m. Eastern Standard Time. TTY/Teletypewriter (for the hearing impaired): 416-325-3408 / Toll-free: 1-800-268-7095.

Acknowledgement

In submitting an EOI, the municipality is deemed to have acknowledged that MHO may, at its discretion:

- Communicate directly with any municipality;
- Verify with any municipality any information set out in an EOI;
- Adjust criteria for the selection of municipalities based on take up and interest.
- Cancel this EOI process or evaluation process; and
- Reject any or all EOIs.

The municipality is deemed to have further acknowledged that MHO shall not be responsible for any costs or expenses incurred by any municipality associated with preparing and submitting responses to this EOI.

Important Timelines

Activity	Date
Invite select municipalities to EOI process	December 20, 2017
Municipalities intending to submit an EOI must begin to draft their submission through GOS	By 5 p.m. EST February 16, 2018
EOI submissions due to MHO	By 1 p.m. EST March 2, 2018
MHO reviews municipal submissions, selects municipalities, and develops allocation model	March-April, 2018
MHO announces participating municipalities and their notional allocations	Early-Spring 2018
MHO and municipalities sign Transfer Payment Agreements	Early Spring 2018
Municipalities submit 2018-19 initial Spending Plan	Late Spring or Summer 2018

Appendix A: List of Municipalities Invited to Express Interest

Municipality	Has a GOS Account	Housing Service Manager
Town of Saugeen Shores	✓	Bruce County
Municipality of Kincardine	✓	Bruce County
City of Brantford	✓	City of Brantford
City of Greater Sudbury	✓	City of Greater Sudbury
City of Hamilton	✓	City of Hamilton
City of Kingston	✓	City of Kingston
City of London	✓	City of London
Municipality of Strathroy-Caradoc	✓	City of London
City of Ottawa	✓	City of Ottawa
City of Peterborough	✓	City of Peterborough
City of St. Thomas	✓	City of St. Thomas
City of Stratford	✓	City of Stratford
Municipality of North Perth	✓	City of Stratford
City of Toronto	✓	City of Toronto
City of Windsor	✓	City of Windsor
Municipality of Leamington	✓	City of Windsor
Town of Lakeshore	✓	City of Windsor
Town of Tecumseh	✓	City of Windsor
Town of Amherstburg	✓	City of Windsor
Town of Orangeville	✓	County of Dufferin
City of Owen Sound	✓	County of Grey
Municipality of Meaford	✓	County of Grey
City of Belleville	✓	County of Hastings
City of Quinte West	✓	County of Hastings
City of Sarnia	✓	County of Lambton
Town of Carleton Place	✓	County of Lanark
Norfolk County	✓	County of Norfolk
Haldimand County	✓	County of Norfolk
Town of Cobourg	✓	County of Northumberland
Municipality of Port Hope	✓	County of Northumberland
City of Woodstock	✓	County of Oxford
Town of Ingersoll	✓	County of Oxford
Town of Tillsonburg	✓	County of Oxford
Town of Petawawa	✓	County of Renfrew
City of Barrie	✓	County of Simcoe
Town of Innisfil	✓	County of Simcoe
Town of Bradford-West Gwillimbury	✓	County of Simcoe
City of Orillia	✓	County of Simcoe

Municipality	Has a GOS Account	Housing Service Manager
Town of Collingwood	✓	County of Simcoe
Town of Midland	✓	County of Simcoe
City of Guelph	✓	County of Wellington
Township of Centre Wellington	✓	County of Wellington
Township of Wellington North	✓	County of Wellington
Town of Huntsville	✓	District Municipality of Muskoka
Town of Bracebridge	✓	District Municipality of Muskoka
Town of Gravenhurst	✓	District Municipality of Muskoka
City of Kawartha Lakes	✓	City of Kawartha Lakes
Town of Greater Napanee	✓	Counties of Lennox and Addington
City of North Bay	✓	Nipissing DSSAB
City of Oshawa	✓	Regional Municipality of Durham
Town of Whitby	✓	Regional Municipality of Durham
Town of Ajax	✓	Regional Municipality of Durham
Municipality of Clarington	✓	Regional Municipality of Durham
City of Pickering	✓	Regional Municipality of Durham
Township of Uxbridge	✓	Regional Municipality of Durham
Town of Oakville	✓	Regional Municipality of Halton
City of Burlington	✓	Regional Municipality of Halton
Town of Milton	✓	Regional Municipality of Halton
Town of Halton Hills	✓	Regional Municipality of Halton
City of St. Catharines	✓	Regional Municipality of Niagara
Town of Fort Erie	✓	Regional Municipality of Niagara
City of Niagara Falls	✓	Regional Municipality of Niagara
City of Welland	✓	Regional Municipality of Niagara
City of Port Colborne	✓	Regional Municipality of Niagara
Town of Grimsby	✓	Regional Municipality of Niagara
Town of Lincoln	✓	Regional Municipality of Niagara
City of Thorold	✓	Regional Municipality of Niagara
City of Mississauga	✓	Regional Municipality of Peel
City of Brampton	✓	Regional Municipality of Peel
City of Kitchener	✓	Regional Municipality of Waterloo
City of Cambridge	✓	Regional Municipality of Waterloo
City of Waterloo	✓	Regional Municipality of Waterloo
Township of Woolwich	✓	Regional Municipality of Waterloo
Township of Wilmot	✓	Regional Municipality of Waterloo
City of Markham	✓	Regional Municipality of York
City of Vaughan	✓	Regional Municipality of York
Town of Richmond Hill	✓	Regional Municipality of York
Town of Whitchurch-Stouffville	✓	Regional Municipality of York
Town of Newmarket	✓	Regional Municipality of York

Municipality	Has a GOS Account	Housing Service Manager
Town of Aurora	✓	Regional Municipality of York
Township of King	✓	Regional Municipality of York
Town of East Gwillimbury	✓	Regional Municipality of York
City of Brockville	✓	United Counties of Leeds and Grenville

Appendix B: Ministry of Housing Contacts

Municipal Services Office – Central

777 Bay Street 13th Floor
 Toronto, ON, M5G 2E5
 General Inquiry: 416-585-6226
 Toll Free: 1-800-668-0230
 Fax: 416-585-6882

Contact: Ian Russell, Team Lead, Regional Housing Services
 Tel: 416-585-6965
 Email: ian.russell@ontario.ca
 Serving: Durham, Halton, Hamilton, Niagara, Muskoka, Peel, Simcoe, York

Municipal Services Office – Eastern

8 Estate Lane, Rockwood House
 Kingston, ON, K7M 9A8
 General Inquiry: 613-545-2100
 Toll Free: 1-800-267-9438
 Fax: 613-548-6822

Contact: Mila Kolokolnikova, Team Lead, Regional Housing Services
 Tel: 613-545-2123
 Email: mila.kolokolnikova@ontario.ca
 Serving: Cornwall, Hastings, Kawartha Lakes, Kingston, Lanark, Leeds and Grenville, Lennox and Addington, Northumberland, Ottawa, Peterborough, Prescott and Russell, Renfrew

Municipal Services Office – Western

659 Exeter Road, 2nd Floor
 London, ON, N6E 1L3
 General Inquiry: 519-873-4020
 Toll Free: 1-800-265-4736
 Fax: 519-873-4018

Contact: Pearl Dougall, Senior Housing Advisor,
 Tel: 519-873-4521
 Email: pearl.dougall@ontario.ca

 Cynthia Cabral, Senior Housing Advisor,
 Tel: 519-873-4520
 Email: cynthia.cabral@ontario.ca

Serving: Brantford, Bruce, Chatham-Kent, Dufferin, Grey, Huron, Lambton, London, Norfolk, Oxford, St. Thomas, Stratford, Waterloo, Wellington, Windsor

Municipal Services Office – Northeastern

159 Cedar Street, Suite 401
Sudbury, ON, P3E 6A5
General Inquiry: 705-564-0120
Toll Free: 1-800-461-1193
Fax: 705-564-6863

Contact: Cindy Couillard, Team Lead, Regional Housing Services
Tel: 705-564-6808
Email: cindy.couillard@ontario.ca

Serving: Algoma, Cochrane, Greater Sudbury, Manitoulin-Sudbury, Nipissing, Parry Sound, Sault Ste. Marie, Timiskaming

Municipal Services Office – Northwestern

435 James Street, Suite 223
Thunder Bay, ON, P7E 6S7
General Inquiry: 807-475-1651
Toll Free: 1-800-465-5027
Fax: 807-475-1196

Contact: Peter Boban, Team Lead, Regional Housing Services
Tel: 807-473-3017
Email: peter.boban@ontario.ca

Serving: Kenora, Rainy River, Thunder Bay

Housing Programs Branch - Toronto

777 Bay Street, 14th Floor
Toronto, ON, M5G 2E5
Fax: 416-585-7003

Contact: Walter Battello, Account Manager, Regional Services Delivery Unit
Tel: 416-585-6480
Email: walter.battello@ontario.ca

Serving: Toronto

Market Housing Branch

777 Bay Street 14th Floor

Toronto, ON, M5G 2E5

General Inquiry: 416-585-5872

Fax: 416-585-7607

Contact: Madhavi Patel
Tel: 416-585-6838
Email: madhavi.patel@ontario.ca

Carly Steinman
Tel: 416-585-7638
Email: carly.steinman@ontario.ca

Appendix C: Applying Through Grants Ontario - Step-By-Step Instructions

All applications must be submitted electronically through Grants Ontario at www.grants.gov.on.ca.

If your municipality has a Grants Ontario account, please request the administrator of the account in your municipality to provide access to your municipality's account. You can contact Grants Ontario Customer Service at 416-325-6691 or toll free at 1-855-216-3090 or email: GrantsOntarioCS@Ontario.ca to obtain your municipality's GOS administrator contact information.

If your municipality does not have a Grants Ontario account, you can create one by following these steps:

- **Create a ONE-key account** at <https://www.iaa.gov.on.ca/iaalogin/IAALogin.jsp>. ONE-key provides secure access to Ontario government programs and services, including the Transfer Payment Common Registration (TPCR) system.
- **Access the TPCR system to register.** For instructions, please refer to the user guides at <http://www.grants.gov.on.ca/GrantsPortal/en/TransferPaymentCommonRegistration/HowtoRegister/index.htm>.
- **Request enrollment to the Grants Ontario System (GOS).** For assistance, please refer to "How to Access Grants Ontario from the Transfer Payment Common Registration System" at <http://www.grants.gov.on.ca/GrantsPortal/en/OntarioGrants/HowtoApply/index.htm>. Please allow sufficient time as confirmation of GOS access may take up to two business days. The grant application form can only be accessed once GOS confirmation is complete.