

Authority: Planning and Transportation Committee Report No. 4, Clause No. 5,
as adopted by City of Toronto Council on April 16, 17 and 18, 2002
Enacted by Council: April 18, 2002

CITY OF TORONTO

BY-LAW No. 282-2002

To enact a Municipal Housing Facility By-law.

WHEREAS section 210.1 of the *Municipal Act* (the “Act”) allows the council of a municipality to enter into agreements for the provision of municipal capital facilities; and

WHEREAS Ontario Regulation No. 46/94 sets out the classes of municipal capital facilities for which municipal councils may enter into agreements pursuant to section 210.1 of the Act; and

WHEREAS Ontario Regulation No. 189/01 was filed on May 31, 2001 to amend Ontario Regulation No. 46/94 to add “municipal housing project facilities” to the class of municipal capital facilities for which municipal councils may enter into agreements pursuant to section 210.1 of the Act; and

WHEREAS Ontario Regulation No. 46/94, as amended, requires that a municipal council enact a municipal housing facility by-law prior to entering into an agreement under section 210.1 of the Act for the provision of municipal housing project facilities; and

WHEREAS Ontario Regulation No. 46/94, as amended, requires that a municipal housing facility by-law contain a definition of “affordable housing”, policies regarding public eligibility for the housing units to be provided as part of the municipal capital facilities, and a summary of the provisions that agreements respecting municipal housing project facilities are required to contain; and

WHEREAS Council is desirous of enacting a municipal housing facility by-law to permit Council to enter into agreements for the provision of municipal housing project facilities; and

WHEREAS this by-law contains the elements required by Ontario Regulation No. 46/94, as amended, of a municipal housing facility by-law;

The Council of the City of Toronto HEREBY ENACTS as follows:

1. In this by-law:

- (a) “Act” means the *Municipal Act*, R.S.O. 1990, c. M.45, as amended;
- (b) “affordable housing” means housing units meeting the definition set out in section 2;

- (c) “average rents” for any calendar year means average monthly City-wide rents by unit type as determined in the annual survey of City-wide rents for the prior calendar year published by CMHC; if CMHC does not publish an annual survey of City-wide rents for the prior calendar year, then “average rents” for the calendar year shall be City-wide average rents as determined by the Commissioner;
- (d) “CMHC” means the Canada Mortgage and Housing Corporation;
- (e) “City” means the City of Toronto;
- (f) “Commissioner” means the City’s Commissioner of Community and Neighbourhood Services or his or her designate;
- (g) “household income” means the gross annual income from all sources of all persons who reside in a housing unit, or who will reside in a housing unit if such housing unit were rented to them;
- (h) “housing project” means a project or part of a project designed to provide or facilitate the provision of rental residential accommodation, with or without any public space, recreational facilities and commercial space or buildings appropriate thereto, which project or part of a project is not a registered condominium;
- (i) “housing provider” means a person with whom the City has entered into or will enter into a municipal housing project facilities agreement under section 3;
- (j) “housing unit” includes a unit in a housing project rented by an occupant;
- (k) “initial income limit” means a household income at or below 4 times the annualized monthly occupancy cost for the housing unit;
- (l) “low-rent units” means housing units, to which a rent supplement agreement does not apply, with monthly occupancy costs below 80 per cent of average rents;
- (m) “moderate-rent units” means housing units, to which a rent supplement agreement does not apply, with monthly occupancy costs at or greater than 80 per cent and at or below 100 per cent of average rents;
- (n) “monthly occupancy costs” means the sum of the monthly rent payable to the landlord of a housing unit and monthly charges for hydro, heat, water and hot water payable in respect of the housing unit; “monthly occupancy costs” do not include charges for parking, cable, telephone or any other like charges;
- (o) “municipal housing project facility” means the class of municipal capital facilities prescribed by paragraph 18 of section 2 of Ontario Regulation No. 46/94, as amended;

- (p) “municipal housing project facility agreement” means an agreement as set out in section 3;
 - (q) “rent-geared-to-income units” means housing units, to which a rent supplement agreement applies, with monthly occupancy costs at or below average rents;
 - (r) “rent supplement agreement” has the same meaning as in the *Social Housing Reform Act*, S.O. 2000, c. 27, as amended;
 - (s) “unit type” means the type of housing unit by number of bedrooms.
2. For the purposes of this by-law, and of all municipal housing project facility agreements, the definition of affordable housing shall be housing units with monthly occupancy costs at or below average rents;
3. (1) Subject to (2) hereof, Council may pass by-laws permitting the City to enter into municipal housing project facility agreements, pursuant to section 210.1 of the Act, for the provision of municipal housing project facilities;
- (2) Prior to entering into a municipal housing project facility agreement, the following conditions must be met:
- (a) Council has enacted a by-law authorizing the entering into of the municipal housing project facility agreement for the provision of the municipal housing project facility;
 - (b) all the housing units to be provided as part of the municipal housing project facility meet the definition of affordable housing as set out in section 2;
 - (c) the City continues to be a delivery agent under the *Ontario Works Act, 1997* authorized to operate and manage housing under the *Social Housing Reform Act, 2000*;
 - (d) public eligibility for the housing units to be provided as part of the municipal housing project facility will be determined in accordance with section 4; and
4. (1) Subject to (2) hereof, eligibility for housing units to be provided as part of a municipal housing project facility will be determined for the following types of housing units in accordance with the following:
- (a) for rent-geared-to-income units, tenants will be selected in accordance with the *Social Housing Reform Act*, regulations under that Act, and any policies adopted by the City in accordance with that Act;

- (b) for low-rent units, tenants will be selected either in the same manner as for rent-gear-to-income units or from the waiting lists of non-profit agencies satisfactory to the Commissioner;
 - (c) for moderate-rent units, tenants will be selected by the landlord provided that, when entering into an initial tenancy for the housing unit, the tenant has a household income at or below the initial income limit, and provided that tenant selection is carried out through a non-discriminatory process to the satisfaction of the Commissioner.
 - (2) Housing units subject to a municipal housing project facility agreement shall not be rented to the housing provider or shareholder or director of the housing provider, or any individual not at arm's length to the housing provider or shareholder or director of the housing provider unless the housing provider is a non-profit co-operative as defined in the *Co-operative Corporations Act*, R.S.O. 1990, c. C.35, as amended, or is a not-for-profit corporation.
- 5. (1) A municipal housing project facilities agreement may, with respect to the provision, lease, operation, and maintenance of the municipal housing project facility that is subject to the municipal housing project facility agreement:
 - (a) provide for financial or other assistance at less than fair market value or at no cost to the housing provider, which assistance may include:
 - (i) giving or lending money and charging interest; and
 - (ii) giving, lending, leasing or selling property.
 - (b) subject to sections 210.1(15), (17), (18) and (19) of the Act, exempt from taxation for municipal and school purposes land or a portion of it on which the municipal housing project facility is or will be located that:
 - (i) is the subject of a municipal housing project facility agreement;
 - (ii) is owned or leased by the housing provider; and
 - (iii) is entirely occupied and used or intended for use as a municipal housing project facility.
- (2) (a) If a municipal housing project facility agreement contains those provisions set out in (1)(b) hereof, a by-law distinct from the by-law referred to in section 3(1) shall be enacted, and the information set out in (1)(b) hereof shall be set out in that by-law, and the by-law shall specify an effective date which shall be the date of passing of the by-law or a later date.

- (b) A by-law enacted under (2)(a) hereof and a municipal housing project facility agreement containing the provisions set out in (1)(b) hereof may provide for a full or partial exemption for the municipal housing project facility from the payment of development charges imposed by the City under the *Development Charges Act, 1997, S.O. 1997, c.27*.
6. A municipal housing project facility agreement may allow for the sale or other disposition of municipal land or buildings that are still required for the purposes of the City.
7. Municipal housing project facility agreements shall include but shall not be limited to the following terms and conditions:
- (a) the term of the agreement, which shall be no less than ten (10) years;
 - (b) the number of housing units being provided, which shall not be less than seven (7) housing units;
 - (c) that each housing unit in the municipal housing project facility meets the definition of affordable housing set out in section 2;
 - (d) that each housing unit shall be made available to tenants in accordance with section 4;
 - (e) a list of the benefits being conveyed to the housing provider in accordance with sections 5 and 6;
 - (f) the monthly occupancy costs which can be charged for each housing unit in the municipal housing project facility for the first year of the term, and the mechanism by which such monthly occupancy costs may annually increase and the restrictions on such annual increases;
 - (g) that the City may register the agreement on title;
 - (h) that the housing provider shall be required to submit documentation to the satisfaction of the Commissioner;
 - (i) other terms and conditions satisfactory to the City Solicitor and the Commissioner, which may include, but which are not limited to, any and all forms of property transactions together with any and all general or specific security as the Commissioner and the City Solicitor consider necessary and desirable.

ENACTED AND PASSED this 18th day of April, A.D. 2002.

CASE OOTES,
Deputy Mayor

ULLI S. WATKISS
City Clerk

(Corporate Seal)