

# PH16.7 Attachment 1

## Attachment 1: Draft Inclusionary Zoning Official Plan Amendment

City of Toronto By-law No. --20~

1. Section 3.2.1 Housing is amended by adding the following as a new Policy 13:

"13. To increase the supply of affordable housing for low to moderate income households, continue to support a diverse range of housing supply and support the development of more inclusive and equitable communities, new development containing residential units and subject to an inclusionary zoning by-law, outlined in Section 5.1.8 of this Plan, will not be approved unless:

- a) for development that is located in a strong market area identified on Map 37:
  - i. if a condominium development is proposed, a minimum of 10% of the total new residential gross floor area shall be secured as affordable ownership housing or affordable rental housing; or
  - ii. if a purpose-built rental development is proposed, a minimum of 5% of the total new residential gross floor area shall be secured as affordable rental housing;
- b) for development that is located in a moderate market area identified on Map 37:
  - i. if a condominium development is proposed, a minimum of 5% of the total new residential gross floor area shall be secured as affordable ownership housing or affordable rental housing; or
  - ii. if a purpose-built rental development is proposed, a minimum of 3% of the total new residential gross floor area shall be secured as affordable rental housing;
- c) the affordable housing shall be secured at affordable rents or affordable ownership prices, with at least 10% of the residential gross floor area required in Policy 3.2.1.13 a) and b) secured at 80% of affordable rents where affordable rental housing is provided, for a period of at least 99 years from the date of first residential occupancy of the unit; and
- d) the unit mix of the affordable housing reflects the market component of the development, as appropriate, to achieve a balanced mix of unit types and sizes and support the creation of affordable housing suitable for families."

**Sidebar Explanatory text:**

Strong and moderate market areas are determined based on the following indicators: resale prices and escalation, new condominium prices and escalation, new rental prices, residential development activity and financial impact viability. These areas will be reviewed at least every 5 years as part of the update to the Inclusionary Zoning Assessment Report.

2. Section 5.1 Managing Growth and Change: The Planning Tool Box is amended by adding the following policy as a new Policy 8:

"Inclusionary Zoning

Inclusionary zoning is a tool that allows the City to require affordable housing units to be provided in new developments. Policies for inclusionary zoning are required to ensure the provision of affordable housing keeps pace with the growth of new market housing, supporting neighbourhoods across the City to provide housing options for a full range of incomes and households.

1. Zoning by-laws for inclusionary zoning, pursuant to the *Planning Act* and in accordance with the policies of this Plan, may be enacted to require affordable housing to be included in development or redevelopment located within a:

- a) strong or moderate market area as shown on Map 37;
- b) Protected Major Transit Station Area, pursuant to the *Planning Act*; and
- c) An area where a development permit system is adopted or established.

2. Despite Policy 1, Zoning by-laws for Inclusionary Zoning will not apply to:

- a) development or redevelopment located within the Downtown Secondary Plan or Central Waterfront Secondary Plan boundary containing:
  - i. less than 100 residential units; and
  - ii. less than 8,000 square metres of residential gross floor area;
- b) development or redevelopment located outside the Downtown Secondary Plan or Central Waterfront Secondary Plan boundary containing:
  - i. less than 140 residential units; and
  - ii. less than 10,000 square metres of residential gross floor area;
- c) development or redevelopment proposed by a non-profit housing provider or proposed by a partnership where a non-profit housing provider has an interest that is greater than 51 per cent and where a minimum of 51 per cent of the units will be affordable rental housing units or affordable ownership housing units, excluding any offsite inclusionary zoning affordable housing units that would be located in the development; or
- d) the portions of a development or redevelopment containing residential care homes or institutional student residences.

3. At the discretion of the City, some or all of the affordable housing requirement may be provided on an alternate site subject to the following:

- a) the offsite affordable housing units shall be ready and available for occupancy prior to occupancy of the residential units in the proposed development or redevelopment; and
- b) the offsite affordable housing units shall be located in proximity to the proposed development or redevelopment. The requirements for proximity will be met if the offsite development is located within:
  - i. an area outlined in Policy 5.1.8.1; and
  - ii. the same market area category described in Map 37.

4. Any replacement affordable or mid-range rental units or dwelling rooms required under Policy 3.2.1.6 or Policy 3.2.1.11 of this Plan shall not contribute to the affordable housing requirements required in Policy 3.2.1.13 of this Plan.

5. Financial or regulatory incentives provided by the City will only be considered where a development or redevelopment proposes to exceed the requirements set out in Policy 3.2.1.13 of this Plan.

6. Development or redevelopment subject to the requirements of Policy 3.2.1.13 of this Plan will not be subject to the requirements of Policy 3.2.1.9 of this Plan.

7. For development or redevelopment subject to an Inclusionary Zoning By-law, one or more agreements that are registered on title to the lands shall be entered into with the City securing:

- a) the requirements of Policy 3.2.1.13 of this Plan and this Section;
- b) requirements for timely delivery of the affordable units, and if applicable, any phasing of such affordable units, in development or redevelopment;
- c) requirements for additional affordable housing to meet Policy 3.2.1.13 a) i. or b) i., should a proposed purpose-built rental development convert to condominium;
- d) requirements for ongoing reporting and monitoring of the affordable housing units; and
- e) that the owner of an affordable ownership unit would receive 100% of the net proceeds of that unit when it is sold after the 99 year affordability period."

**Sidebar Explanatory text:**

The provincial regulation for Inclusionary Zoning (O. Reg. 232/18) defines non-profit housing providers as:

- (a) a corporation to which the *Not-for-Profit Corporations Act, 2010* applies that is in good standing under that Act *and whose primary object is to provide housing,*
- (b) a corporation without share capital to which the Canada Business Corporations Act applies, that is in good standing under that Act and whose primary object is to provide housing,
- (c) a non-profit housing co-operative that is in good standing under the Co-operative Corporations Act, or
- (d) an organization that is a registered charity within the meaning of the Income Tax Act (Canada) or a non-profit organization exempt from tax under paragraph 149 (1) (l) of that Act, and whose land is owned by the organization, all or part of which is to be used as affordable housing.

Map 37: Inclusionary Zoning Strong and Moderate Market Areas

