

By-Law Number 24-***

of

The Regional Municipality of Waterloo

A By-law to *** and to Repeal By-Law 02-035 of The Regional Municipality of Waterloo, as amended

WHEREAS The Regional Municipality of Waterloo enacted By-Law 02-035, A By-Law to Provide for Municipal Housing Facilities (the "Municipal Housing Facilities By-Law");

WHEREAS The Regional Municipality of Waterloo is a Consolidated Municipal Service Manager and is authorized to operate and manage housing as well as establish, fund and administer programs for the provision of residential accommodation in its service area under the *Housing Services Act, 2011*, S.O. 2011, c.6, Sched.1;

AND WHEREAS section 110 of the *Municipal Act, 2001*, S.O. 2001, c. 25, as amended, allows municipalities to enter into agreements for the provision of municipal capital facilities;

AND WHEREAS Ontario Regulation 603/06, made under the *Municipal Act, 2001*, allows the council of a municipality to enter into an agreement under section 110 of the *Municipal Act* for the provision of a variety of enumerated classes of municipal capital facilities;

AND WHEREAS one of those enumerated classes is municipal housing project facilities;

AND WHEREAS the said Ontario Regulation 603/06, as amended, requires that before a by-law authorizing an agreement respecting municipal housing project facilities is entered into a municipal housing facilities by-law must be enacted, which must comply with requirements set out in that Regulation;

AND WHEREAS Council is of the opinion that making use of section 110 of the *Municipal Act, 2001*, is a desirable means of increasing the supply of affordable housing by providing financial or other assistance at less than fair market value to private and non-profit housing providers on the criteria set out in this by-law;

THEREFORE the Council of The Regional Municipality of Waterloo enacts as follows:

1. In this By-law,

"Act" means the *Municipal Act, 2001*, S.O. 2001, c. 25, as amended, and its regulations;

"affordable housing" means, for the purposes of this by-law and for all municipal housing project facilities agreements, housing units at or below average rents;

"average rents" means, in respect of any calendar year:

- (i) the average monthly Region-wide rents by unit type for that calendar year as determined and published annually by CMHC; or

- (ii) the average monthly Region-wide rents as determined by the Commissioner, if CMHC does not publish an annual survey of Region-wide rents for any calendar year;

"clerk" means the person appointed by Council pursuant to section 228 of the Act;

"CMHC" means the Canada Mortgage and Housing Corporation;

"Commissioner" means the Region's Commissioner of Community Services or their designate;

"Council" means the Council of The Regional Municipality of Waterloo;

"housing project" means a project or part of a project designated to provide or facilitate the provision of residential accommodation;

"housing provider" means a person with whom the Region has entered into or will enter into a municipal housing project facilities agreement under section 6 of this by-law to operate a housing project;

"housing unit" includes a unit in a housing project used or intended for use as residential accommodation;

"municipal housing project facilities" means the municipal housing project facilities class of municipal capital facilities as set out in Ontario Regulation 603/06, as amended;

"municipal housing project facilities agreement" means a municipal housing project facilities agreement as set out in Section 2 of this By-law;

"municipal housing project facilities by-law" means a by-law enacted by Council pursuant to paragraph 18 of section 2 of Ontario Regulation 603/06, as amended;

"Region" or "Region of Waterloo" means the municipal corporation known as The Regional Municipality of Waterloo, as the context requires;

"rent supplement agreement" means a contract for a non-portable housing benefit provided directly to landlords for households living in a specific housing unit;

"unit type" means the type of housing unit differentiated by the number of bedrooms;

"waiting list" means the Region's Community Housing waiting list or successor waiting list.

2. Council may pass by-laws permitting the Region to enter into municipal housing project facilities agreements, pursuant to section 110 of the Act, for the provision of municipal housing project facilities.
3. Upon passing a by-law referred to in Section 2, the Regional clerk shall give written notice of the by-law as set out in the Act.
4. The Region shall not enter into an agreement mentioned in Section 2 unless it has determined that the housing units to be provided as part of the municipal housing project facilities fall within the definition of affordable housing.

5. Under no circumstances shall a housing unit be made available,
 - (a) at rent that is not within the definition of affordable housing; or
 - (b) to individuals or families who, if at the time the housing unit was initially rented to them, would already own a residential property, as determined by the housing provider after making all reasonable inquiries.
6. The municipal housing project facilities agreements shall contain the following:
 - (a) the term of the agreement shall not be less than twenty years;
 - (b) each housing unit in the municipal housing project facilities shall meet the definition of affordable housing;
 - (c) provisions set out in Sections 4 and 5;
 - (d) subject to section 8 of this by-law, housing units subject to the agreement shall not be rented to the housing provider or shareholders or directors of the housing provider, or any individual not at arm's length to the housing provider or shareholders or directors of the housing provider;
 - (e) the Region must register the agreement on title;
 - (f) the municipal housing project facilities agreement shall be binding on the housing provider's heirs, successors and assigns;
 - (g) during the time period in which the municipal housing project facilities agreement is in force, the housing provider shall, as a condition precedent to a sale to a subsequent purchaser, require the subsequent purchaser to enter into an agreement with the Region, and that agreement shall impose the terms of the municipal housing project facilities agreement on that subsequent purchaser;
 - (h) in addition to a general indemnity, the housing provider shall specifically indemnify the Region if the provision set out in clause (g) is breached;
 - (i) a list of the benefits being conveyed to the housing provider under this by-law, including their estimated present day monetary value;
 - (j) if the housing provider does not carry out its obligations under the agreement, the housing provider shall pay to the Region the entire amount of benefits conveyed under the agreement, together with any applicable costs and interest; and
 - (k) such other terms and conditions satisfactory to the Regional Solicitor and Commissioner.
7. (1) As a means of increasing the affordability of housing within a housing project, the municipal housing project facilities agreement may require that the housing providers enter into a separate rent supplement agreement with the Region.

- (2) If the municipal housing project facilities agreement requires the housing provider to enter into a rent supplement agreement with the Region as set out in subsection (1), the rent supplement agreement shall be entered into concurrently with the municipal housing project facilities agreement and shall be a condition of the Region entering into the municipal housing project facilities agreement.
 - (3) As a further means of increasing the affordability of housing within the project, the municipal housing project facilities agreement may require that lower affordable rents than affordable housing may be established for some or all of the housing units and that eligible incoming residents be allowed to move in only if they are selected from the waiting list or eligible to be on the waiting list.
8. Despite clause 6(d), housing units subject to a municipal housing project facilities agreement shall not be rent to:
 - (a) the housing provider or shareholder or any manager, officer or director of the housing provider;
 - (b) any individual not at arm's length to the housing provider; or
 - (c) any individual not at arm's length to the housing provider or shareholder or any manager, officer or director of the housing provider,unless the housing provider is a non-profit housing co-operative as defined in the *Co-operative Corporations Act*, R.S.O. 1990, c. C.35, as amended, or such other co-operative corporation that receives approval from the Region.
9. A municipal housing project facilities agreement may allow for the sale or other disposition of municipal land or buildings that are still required for the purposes of the Region.
10. A municipal housing project facilities agreement may, with respect to the provision, lease, operation or maintenance of the municipal housing project facilities that are subject to the agreement:
 - (a) provide for financial or other assistance at less than market value rent or at no cost to the housing provider with respect of the provision, lease, operation or maintenance of the facilities that are subject of the agreement, and such assistance may include:
 - (i) giving or lending money and charging interest;
 - (ii) giving, lending, leasing or selling property.
11. A municipal housing project facilities agreement that is made under subsection 110(1) may, subject to subsection 110(6), exempt from taxation for municipal and school purposes land or the portion of it on which the municipal housing project facility is or will be located that:
 - (a) is owned or leased by the housing provider;
 - (b) is entirely occupied and used or intended for use as a municipal housing project facility; and

- (c) Upon passing a by-law under subsection 110(6), the clerk shall give written notice of the contents of the by-law to the parties listed in subsection 110(8).
12. A municipal housing project facilities agreement containing provisions set out in subsection 110(7) of the Act may provide for a full or partial exemption for the municipal housing facilities from the payment of development charges imposed by the Region under the *Development Charges Act, 1997*, as amended.
13. A municipal housing project facilities agreement containing provisions set out in subsection 110(7.1) of the Act may provide for a full or partial exemption for the municipal housing facilities from the payment of transit station charges imposed by the Region under the *GO Transit Station Funding Act, 2023*, as amended.

Short Title of Bylaw

14. This By-law may be cited as the Municipal Housing Facilities By-law.

Force and Effect Date

15. (1) This By-law shall come into force and effect on DATE, 2024.
- (2) Bylaw 02-035, as amended, of the Region shall be repealed effective on the coming into force of this By-law.
- (3) Despite the repeal of By-Law 02-035, none of the provisions of this by-law shall impact municipal housing project facility agreements entered into passed under By-Law 02-035.
- (4) Any reference to By-Law 02-035, or any provision of it is deemed to be a reference to this by-law, modified as necessary.

Regional Clerk

Regional Chair