

**Municipality of Chatham-Kent**

**Community Development**

**Municipal Governance**

**Information Report**

**To:** Mayor and Members of Council  
**From:** Nancy Havens, Manager, Licensing Services  
**Date:** July 27, 2018  
**Subject:** Habitat for Humanity – fees and charges

---

This report is for the information of Council.

**Background**

At the June 11, 2018 Council Meeting the following recommendation was approved:

*“Whereas Habitat for Humanity has a vision of a world where everyone has a safe and decent place to live. Access to safe, decent and affordable housing is a basic human right that should be available to everyone. Habitat for Humanity has now constructed four homes over the past several years across Chatham-Kent and has opened the ReStore in Chatham, which helps generate funds to support Habitat for Humanity’s Home Building Program;*

*And Whereas the Municipality could greatly assist with future Habitat for Humanity projects by waiving fees related to development;*

*Therefore be it resolved that administration bring back a report to Council on August 13, 2018 with regard to possibility of the Municipality of Chatham-Kent waiving building permits fees, planning application fees, development charges (upon consultation with the PUC) and any other associated charges and fees, if applicable, for new construction or renovations for:*

- 1. Habitat for Humanity housing projects which are built and transferred to low-income families at no profit to Habitat for Humanity, and/or*
- 2. Habitat for Humanity administrative offices and/or ReStore, which support their not-for-profit work in Chatham-Kent.”*

**Comments**

Habitat for Humanity began in Chatham-Kent in 2013 and over the past five years has constructed the following projects:

| Year | Location                |
|------|-------------------------|
| 2013 | Bristol Dr., Chatham    |
| 2015 | Forhan St., Wallaceburg |
| 2016 | Restore addition        |
| 2016 | Prince St., Raleigh     |
| 2017 | Sherman St., Blenheim   |
| 2018 | Bernadette St., Dover   |

Habitat for Humanity is planning on building more new homes in Chatham-Kent.

The following information relating to the waiving of fees and charges for new construction and renovations of housing projects and administrative offices was gathered from several departments within the Municipality.

#### Chatham-Kent's Official Plan

The Official Plan supports the provision of a safe, healthy and complete community through affordable housing choices and a range of safe transportation options, quality human services, schools, public spaces and local amenities.

In support of the Housing Vision in the Official Plan one objective is to:  
*Increase the supply of affordable housing. There is a gap in meeting the housing needs of individuals and families in the lower income ranges. Many households are spending more than 30% of their income on housing, putting them at risk of losing their homes. Waiting lists for social housing, caseloads and persons who receive social assistance are increasing. There continues to be a strong need in the area to increase the supply of affordable housing.*

#### Development Charge By-law No. 50-2014

The *Development Charges Act, 1997* lays out Ontario's regulatory and legislative framework which municipalities must follow to levy development charges.

Development Charge By-law No. 50-2014 is a by-law for the imposition of development charges for water and wastewater. The by-law applies to all lands in the Municipality whether or not the land or use thereof is exempt from taxation. There are however exemptions for lands that are owned by and used for the purposes of:

- (a) a board as defined in section 1(1) (*board* means a district school board or a school authority; (*conseil*, *conseil scolaire*)) of the *Education Act*;
- (b) the Municipality of Chatham –Kent or a local board thereof;
- (c) a place of worship;
- (d) a college or university and student accommodation related directly to the college and/or university.

#### Chatham-Kent Public Utilities Commission

Chatham-Kent Public Utilities Commission (CK PUC) has supported Habitat for Humanity in its efforts in assisting local families with a new start since 2013. The support has been through not having Habitat for Humanity pay development charges. CK PUC will continue to take steps to support Habitat for Humanity on a case by case basis upon request.

### Building Development Services

The Director, Building Development Services suggests that the minimum permit fee be charged to Habitat for Humanity, and the new service connection inspection fee be waived.

### Planning Services

Planning applications were not required for Habitat for Humanity's first 4 builds in Chatham-Kent, since they were all on appropriately zoned parcels and for low density residential purposes. If future builds are also to be located on appropriately zoned existing lots then most likely planning applications will not be necessary. Single detached dwellings, duplex dwellings, and semi-detached dwellings are also exempt from Site Plan Control applications.

In 2014, a Zoning By-law Amendment was required to permit the ReStore at its current location at 566 Riverview Drive. The cost of the application was \$2,160, but was paid for by the owner of the property at the time.

Should the ReStore location change in the future, it is possible that a Zoning By-law Amendment may be required depending on the location. The current fee for a Zoning By-law Amendment is \$2,342. If it were to be a new building, an application for Site Plan Control would also be required and the current fee for Site Plan is \$1,927.

### Social Services

The Director, Employment and Social Services believes it makes sense to waive developmental fees and charges to Habitat for Humanity projects as it directly benefits the low-income families. If development charges and fees were waived for all Habitat for Humanity administrative offices it would open the door to allow all non-profit organizations in Chatham-Kent to apply for this exemption. According to the Chatham-Kent Non Profit Network there are about 50 nonprofit organizations in Chatham-Kent.

### Housing Services

Housing Services has long advocated (along with Employment and Social Services) with Planning Services and the Technical Advisory Committee that we need to have corporate policies which encourage the development of affordable housing. In fact, it is set out in the Municipality's Housing and Homelessness Plan that we would first update our Official Plan (which was achieved with OPA No. 28), then our Comprehensive Zoning By-law (consolidated as of February 18, 2018) and then lastly prepare policy recommendations to Council with respect to encouraging the development of affordable housing in Chatham-Kent.

The development of affordable housing policies has not yet been completed. Earlier this year the Director of Planning Services had recommended that Housing Services engage the services of a consultant in order to be able to get this item on track in 2018. To that end, the Director of Housing Services has issued a request for proposals for this policy work (RFP R18-233) which closes on August 15<sup>th</sup>, 2018. Once the project is awarded it will take a few months to receive the consultant's report that is suitable for presentation to Council; the goal is to do so before year-end 2018. The Director of

Housing Services is in favour of a Council policy decision that encourages affordable housing but would recommend it not be specific to just one non-profit.

Using the Canada-Ontario Affordable Housing Home Ownership program funding, the Municipality of Chatham-Kent has assisted Habitat for Humanity with each of its builds, with upfront grants in the form of 20 year forgivable loans registered on title. For the first build (2013) it was \$50,000; the second (2015) \$25,000; the third (2016) \$21,900; the fourth (2017) \$7,300; and the current (2018) fifth build is under consideration. These funds have assisted the group in that less funding needed to be raised for each respective build.

### Other Municipalities

#### Sarnia

In February 2016 Sarnia Council provided a grant to Habitat for Humanity for half of the total development costs which was funded by way of grant from the Special Projects Account.

#### Toronto

Toronto has authorized grants to Habitat to cover the developments costs through a Capital Revolving Fund.

#### London

London has an Affordable Housing Reserve Fund Implementation Policy – under the eligibility criteria it states “*the maximum allocation is \$24,000 per unit to be provided as a grant to offset the cost of municipal fees and charges.*”

Funding from the program comes from the Affordable Housing Capital Reserve Fund. City of London has supported Habitat for Humanity through this reserve.

#### North Bay

North Bay has a development charges by-law (Dec 2015) which allows homes under 1,200 square feet to forgo development charges altogether.

#### Region of Waterloo

The Region provides a grant to cover the cost of the regional development charges for Habitat for Humanity projects. The policy was established in 1998 and has been confirmed with each term of Council since. The funding for the grant comes from the Region’s Housing Reserve Fund.

#### Cambridge

Cambridge implemented an Affordable Housing Community Improvement Plan wherein applicants can apply for the Affordable Housing Incentive Program (municipal fee exemptions), Affordable Housing Development Charges Deferral Program and Affordable Housing Tax Increment Grant Program.

Consultation

Chatham-Kent Public Utilities, Building Services, Planning Services, Social Services and Housing Services were consulted in the preparation of this report.

**Financial Implications**

There are no financial implications at this time as a result of this report.

Prepared by:

Reviewed by:

---

Nancy Havens  
Manager, Licensing Services

---

Judy Smith, CMO  
Director Municipal Governance/Clerk

Reviewed by:

---

John Norton  
General Manager, Community Development

Consulted and confirmed the content of the consultation section of the report by:

---

Tim Sunderland, General Manager  
Chatham-Kent Public Utilities Commission

---

Bruce McAllister, Director, Planning Services

---

Paul Lacina, Director, Building Development Services

---

Shelley Wilkins, Director, Housing Services

---

Valerie Colasanti • Director, Employment and Social Services

Attachments: None

c

P:\RTC\Community Development\2018\Municipal Governance\Licensing\Habitat for Humanity – fees and charges