

The Corporation of the Town of Tecumseh

By-Law Number 2022-32

Being a by-law to provide for Municipal Housing (Municipal Housing Facilities By-Law)

Whereas The Corporation of the City of Windsor has been designated the Service Manager for the County of Essex, including the Town of Tecumseh;

And Whereas The Corporation of the City of Windsor is authorized to establish, administer and fund the housing and homelessness Program and provide housing directly under the *Housing Services Act, 2011*;

And Whereas the provisions of subsection 110 of the *Municipal Act, 2001* applies, with the necessary modifications, to The Corporation of the City of Windsor as the Service Manager for the Town of Tecumseh;

And Whereas subsection 110(1) of the *Municipal Act, 2001* allows municipalities to enter into agreements for the provision of municipalities' capital facilities by any person;

And Whereas Ontario Regulation 603/06, as amended, made pursuant to the *Municipal Act, 2001* allows the Council of the municipality to enter into an agreement by virtue of subsection 110(1) of the *Municipal Act, 2001* for the provision of a variety of enumerated classes of municipal capital facilities;

And Whereas one of those enumerated classes of municipal capital facilities is municipal housing project facilities, as designated by subsection 2(1)18 of the said Ontario Regulation 603/06;

And Whereas, as required by subsection 7(1) of 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 subsection 7(2) of the said Regulation;

And Whereas Council is of the opinion that making use of subsection 110(1) of the *Municipal Act, 2001* is a desirable means of increasing the availability of affordable housing by providing financial or other assistance to private and non-profit Housing Providers based upon the criteria set out in this by-law;

And Whereas this by-law shall only govern agreements entered into with Housing Providers for a period of up to five (5) years from the date of this by-law;

Now Therefore the Council of The Corporation of The Town of Tecumseh enacts as follows:

1. **That** in this By-law,

"Act" means the *Municipal Act, 2001*, as amended, and its regulations;

"Affordable Housing" means municipal housing project facilities to which the Rental Housing Component of the Investment and Affordable Housing for Ontario (2017 Extension) Program applies;

"City" or "City of Windsor" means the municipal corporation known as The Corporation of the City of Windsor, as the context requires;

'Clerk' means the Clerk of The Corporation of the Town of Tecumseh;

"CMHC" means the Canada Mortgage and Housing Corporation;

"Council" means the Council of The Corporation of the Town of Tecumseh;

"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 were rented to them;

"Housing Provider" means any Proponent entering into a Municipal Housing Facility Municipal Housing Facility Agreement for the purpose of providing affordable housing;

"Municipal Housing Project Facility" means the class of municipal capital facilities, as prescribed by Subsection 18 of Section 2 (1) of Ontario Regulation 603/06;

"Municipal Housing Facility Municipal Housing Facility Agreement" means an agreement as set out in Section 2 of Ontario Regulation 603/06;

"Municipal Housing Facility By-law" means a by-law enacted by Council pursuant to Subsection (a) of Section 7 (1) and Section 7 (2) of Ontario Regulation 603/06, as amended;

"Program" means the Rental Housing Component of the Investment and Affordable Housing for Ontario (2014 Extension);

"Proponent" means a person or corporation (private or non-profit) or individual with whom The Corporation of the Town of Tecumseh has entered into or will enter into a Municipal Housing Facility Agreement under Section 2 of this by-law;

"Rent" means all amounts as defined under the *Residential Tenancies Act* and approved by the Service Manager;

"Town" means the corporation known as The Corporation of the Town of Tecumseh;

2. **That** upon passing of this by-law, the Clerk shall give written notice of the by-law to the Minister of Education and Training or successor, as required by the Act.
3. **That** Counsel may grant to the Municipal Housing Project Facilities, entering into Municipal Housing Project Facilities Agreements with the City as Service Manager, financial support, in accordance with Section 6 and 7 of this By-law and Sections 110(3), (6) and (7) of the Act; provided that the housing units, for which financial support is to be given, meet the definition of affordable housing.
4. **That** eligibility for affordable housing to be provided as part of a Municipal Housing Facility Agreement will be determined in accordance with the following:
 - a) For affordable housing units, tenants will be selected in accordance with the Program and if applicable, any local policies adopted by the City as Service Manager.
 - b) For market Rent housing units, tenants will be selected by the landlord through a non-discriminatory process and in accordance with all applicable legislation applying to the landlords.
5. **That** a Municipal Housing Facility Agreement shall contain, but not be limited to, the following provisions:
 - a) a clause stating that each housing unit in the Municipal Housing Facility shall meet the definition of affordable housing;
 - b) the term of the agreement, which, in the case of Rental housing, shall not be less than twenty (20) years;
 - c) the number of housing units being provided;
 - d) provisions regarding increases to Rent;
 - e) subject to Section 5 of the By-law, units subject to the agreement shall not be Rented to the housing Proponent or shareholders or directors of the Proponent, or any individual not at arm's length to the Proponent or shareholders or directors of the Proponent;
 - f) the Town of Tecumseh may register the agreement on title;
 - g) a list of the benefits being conveyed to the Proponent under this By-law;
 - h) the conditions attached to the financial or other assistance given to the housing Proponent under this by-law and under the Program;
 - i) if the Proponent does not comply with the terms and conditions of the agreement, the Proponent shall, if demanded, pay to the Town of Tecumseh the entire amount of benefits conveyed under the agreement,

together with any costs and interests, and any other penalties or consequences as determined by the Town of Tecumseh.

- j) contractual provisions respecting the sale, transfer, mortgage or assignment of the Municipal Housing Facility requiring the consent of the City and the Council;
 - k) the Proponent shall be required to report annually and submit required supporting documentation to the satisfaction of the Town and the City to demonstrate compliance with the Agreement;
 - l) other terms and conditions satisfactory to the Town which may include, but which are not limited to, any and all forms of property transactions together with any and all general and specific security as the Town considers necessary and desirable;
 - m) such other contractual provisions which are required to be inserted based on fundamental contractual drafting principles satisfactory to the Town;
 - n) the Municipal Housing Facility Agreement shall be binding on the Housing Provider's heirs, successors and assigns;
 - o) during the time period in which the Municipal Housing Facility Agreement is in force, the Proponent shall, as a condition precedent to a sale of a Municipal Housing Facility to a subsequent purchaser, require the subsequent purchaser to enter into a Municipal Housing Facility Agreement prior to closing which condition shall not be waived, and that agreement shall impose the terms of the Municipal Housing Facility Agreement on that subsequent purchaser;
 - p) in addition to a general indemnity, the Proponent shall specifically indemnify the Corporation of the Town of Tecumseh if the provision set out in clause (o) is breached.
6. **That** despite section 4(e), units subject to a Municipal Housing Facility Agreement may be Rented to directors of the Proponent or individuals not at arm's length to directors of the Proponent if:

The Proponent is a non-profit housing co-operative as defined in the *Co-operative Corporations Act, 1990*, as amended, or a not-for-profit corporation;

7. **That** with respect to the provision, lease, operation or maintenance of the municipal housing project facilities that are subject to the agreement, Council will provide financial assistance to the Housing Provider to wit:

A reduction in property taxes for the Rental housing project by the setting the tax rate for the portions of the Municipal Housing Facility which are affordable housing at the Single Family Residential Tax Rate.

8. **That** with respect to the provision, lease, operation or maintenance of the Municipal Housing Project Facilities that are subject to the agreement, Council may provide financial assistance to the Housing Provider. Such assistance may include:
- a) Giving financial assistance to Private Providers in the form of a conditional grant to offset the full cost of Development Charges pursuant to the *Development Charges Act* and Building Permit Fees pursuant to the *Planning Act* or both.
 - b) Giving financial assistance to Not-for-Profit Providers in the form of a conditional grant to offset the full cost of Development Charges pursuant to the *Development Charges Act* and Building Permit Fees pursuant to the *Ontario Building Code Act* or both connections charges and landfill tipping fees.
9. **That** this By-law may be cited as the Municipal Housing Facilities By-law.
10. **That** this By-law shall come into force and take effect immediately upon the third reading and execution thereof.

Read a first, second, third time and finally passed this 26th day of April, 2022.

Gary McNamara, Mayor

Laura Moy, Clerk