

Appendix A – Affordable Residential Unit and Affordable Housing Definition Comparison Table

The following table compares the definition of Affordable Residential Unit and Affordable Housing in the Development Charges Act, 1997, the proposed definition in Bill 134, and the definition of Affordable Housing in the Provincial Policy Statement, 2020

Development Charges Act, 1997*	Bill 134 – Affordable Homes and Good Jobs Act, 2023 (Proposed)	Affordable Housing Definition Provincial Policy Statement 2020
Affordable Ownership		
<p>Affordable Residential Unit, ownership</p> <p>A residential unit not intended for use as a rented residential premises shall be considered to be an affordable residential unit if it meets the following criteria:</p> <ol style="list-style-type: none"> 1) The price of the residential unit is not greater than 80% of the average purchase price, as determined in accordance with subsection (6) 2) The residential unit is sold to a person who is dealing with at arm's length with the seller <p>Average Purchase Price</p> <p>(6) For the purposes of paragraph 1 of subsection (3), the average purchase price applicable to a residential unit is the average purchase price for the year in which the residential unit is sold, as</p>	<p>Affordable Residential Unit, ownership</p> <p>Where the price of the unit is no greater than the lesser of:</p> <ol style="list-style-type: none"> 1. the income-based affordable purchase price for the residential unit set out in the Affordable Residential Units bulletin, as identified by the Minister of Municipal Affairs and Housing, and 2. 90 per cent of the average purchase price identified for the residential unit set out in the Affordable Residential Units bulletin. <p>Purchase Price based on income</p> <p>Where for 1. the Minister shall:</p> <ol style="list-style-type: none"> a. determine the income of a household that, in the Minister's opinion, is at the 60th percentile of gross annual 	<p>The least expensive of:</p> <ol style="list-style-type: none"> 1. housing for which the purchase price results in annual accommodation costs which do not exceed 30 percent of gross annual household income for low and moderate income households; or 2. housing for which the purchase price is at least 10 percent below the average purchase price of a resale unit in the regional market area

Appendix A – Affordable Residential Unit and Affordable Housing Definition Comparison Table

identified in the bulletin entitled the “Affordable Residential Units for the Purposes of the <i>Development Charges Act, 1997</i> Bulletin”, as it is amended from time to time, that is published by the Minister of Municipal Affairs and Housing on a website of the Government of Ontario. 2022, c. 21, Sched. 3, s. 3.	<p>incomes for households in the applicable local municipality; and</p> <p>b. identify the purchase price that, in the Minister’s opinion, would result in annual accommodation costs equal to 30 per cent of the income of the household referred to in clause a.</p>	
Affordable Rental		
<p>Affordable residential unit, rented</p> <p>A residential unit intended for use as a rented residential premises shall be considered to be an affordable residential unit if it meets the following criteria:</p> <ol style="list-style-type: none"> 1) The rent is no greater than 80 per cent of the average market rent, as determined in accordance with subsection 5 2) The tenant is dealing at arm’s length with the landlord <p>Average Market Rent</p> <p>(5) For the purposes of paragraph 1 of subsection (2), the average market rent applicable to a residential unit is the average market rent for the year in which the residential unit is occupied by a</p>	<p>Affordable residential unit, rented</p> <p>Where the rent is no greater than the lesser of:</p> <ol style="list-style-type: none"> 1. the income-based affordable rent for the residential unit set out in the Affordable Residential Units bulletin, as identified by the Minister of Municipal Affairs and Housing, and 2. the average market rent identified for the residential unit set out in the Affordable Residential Units bulletin <p>Rent based on Income</p> <p>(5) For the purposes of subparagraph 1 I of subsection (2), in identifying the income-based affordable purchase price applicable</p>	<p>The least expensive of:</p> <ol style="list-style-type: none"> 1. a unit for which the rent does not exceed 30 percent of gross annual household income for low and moderate income households; or 2. a unit for which the rent is at or below the average market rent of a unit in the regional market area.

Appendix A – Affordable Residential Unit and Affordable Housing Definition Comparison Table

<p>tenant, as identified in the bulletin entitled the “Affordable Residential Units for the Purposes of the <i>Development Charges Act, 1997</i> Bulletin”, as it is amended from time to time, that is published by the Minister of Municipal Affairs and Housing on a website of the Government of Ontario. 2022, c. 21, Sched. 3, s. 3.</p>	<p>to a residential unit, the Minister of Municipal Affairs and Housing, shall,</p> <p>Where for 1. the Minister shall:</p> <ul style="list-style-type: none"> a. determine the income of a household that, in the Minister’s opinion, is at the 60th percentile of gross annual incomes for renter households in the applicable local municipality; and b. identify the rent that, in the Minister’s opinion, is equal to 30 per cent of the income of the household referred to in clause a. 	
--	--	--

*The definitions for Affordable Residential Unit Ownership and Rental received royal assent on November 28, 2022, but are not in-effect as they have not been proclaimed