



# **Comments on Bill 134 Affordable Homes and Good Jobs Act, 2023**

**October 17, 2023**



## Background

- **Affordable Homes and Good Jobs Act, 2023 (Bill 134)** released on September 28, 2023. It has received second reading and consultation ends on October 28, 2023.
- Bill 134 proposes to:
  1. Amend the **Affordable Residential Unit definition** in the ***Development Charges Act, 1997*** for the purposes of discounts and exemptions to municipal development-related charges;
  2. Amend St. Thomas – Central Elgin Boundary Adjustment Act, 2023;
- Province also announced future consultation regarding Streamlining Decisions at Ontario Land Tribunal (OLT) and Enabling Greater Municipal Procurement Collaboration
- This report only proposes comments on the **Affordable Residential Unit definition**



## City of Markham Context

- City previously advocated for an **income based** definition for Affordable Residential Units and Affordable Housing:
  - **More Homes Faster Act 2022 (Bill 23)**
  - **Proposed Provincial Planning Statement 2023 (PPS)**
- Proposed Bill 134 changes are generally responsive to previous City comments on income thresholds



# Bill 134 Affordable Residential Unit Definition

## Affordable Ownership

Bill 134: The Lesser of 1. and 2.	Bill 23: Meets 2.
<b>1. Income Based</b> In the Minister's opinion: <ul style="list-style-type: none"><li>a. household income is set at 60<sup>th</sup> percentile</li><li>b. purchase price results in housing costs at 30% of income at 60<sup>th</sup> percentile</li></ul>	<b>1. Income Based</b> N/A
<b>2. Market Based</b> 90% of average market purchase price in Minister Bulletin	<b>2. Market Based</b> Purchase price in Minister Bulletin at max. 80% of average purchase price for that year



# Bill 134 Affordable Residential Unit Definition

## Affordable Rental

Bill 134: The Lesser of 1. and 2.	Bill 23: Meets 2.
<b>1. Income Based</b> In the Minister's opinion: <ul style="list-style-type: none"><li>a. household income is set at 60<sup>th</sup> percentile</li><li>b. rent is equal to 30% of income at 60<sup>th</sup> percentile</li></ul>	<b>1. Income Based</b> N/A
<b>2. Market Based</b> Average market rent in Minister Bulletin	<b>2. Market Based</b> Rent listed in Minister Bulletin at max. 80% of average market rent



## Bill 134 Comments

- While proposed changes are generally in-line with previous resolutions, Staff have concerns and are looking for clarity from the Province on:
  - Consistent methodology for defining affordability
  - Potential to apply flexibility to local affordability parameters
  - Use of accurate data sources to determine income and market prices
- Potential financial impacts to the City are unknown without the release of the Minister's bulletin

**Staff do not recommend supporting the proposed changes to the definition of Affordable Residential Unit in the *Development Charges Act***



## Next Steps

1. Staff recommend that the comments on Bill 134 in the Staff Report be endorsed by Council
2. Forward comments to York Region for information
3. Submit comments to Province before October 28, 2023 deadline



Thank you