

Affordable Residential Units for the Purposes of the *Development Charges Act, 1997* Bulletin

This bulletin is effective June 1, 2024, and applies until replaced by a new bulletin (anticipated June 1, 2025).

This bulletin sets out the market-based (that is, average purchase prices and market rents) and income-based thresholds that are to be used to determine the eligibility of a residential unit for an exemption from development charges and exclusions from the maximum community benefits charge and parkland dedication requirements.

Applicable units must be subject to agreements that provide for them to remain affordable residential units for 25 years. Units must also be sold or rented on an arm's length basis.

For ownership housing, a unit would be considered affordable when the purchase price is at or below the lesser of:

- Income-based purchase price: A purchase price that would result in annual accommodation costs equal to 30% of a household's gross annual income for a household at the 60th percentile of the income distribution for all households in the local municipality; and
- Market-based purchase price: 90% of the average purchase price of a unit of the same unit type in the local municipality.

For rental housing, a unit would be considered affordable when the rent is at or below the lesser of:

- Income-based rent: Rent that is equal to 30% of gross annual household income for a household at the 60th percentile of the income distribution for renter households in the local municipality; and
- Market-based rent: Average market rent of a unit of the same unit type in the local municipality.

In cases of disagreement, a person (or person's agent) required to pay a development charge may complain to the council of the municipality imposing the development charge that there was an error in the application of the development charge by-law.