

**VISION**

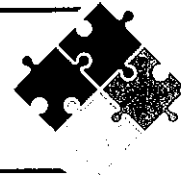
A place for people to prosper  
alive with opportunity

**MISSION**

Working together  
Committed to our values  
Serving our community

**VALUES**

INTEGRITY  
RESPECT  
INCLUSIVENESS  
SERVICE



**Meeting date: April 19, 2016**

16-012(OCM)

**To: Council**

**Report Author: Gary Dyke, City Manager**

**From Department: Office of the City Manager**

**Division: Administration**

**Report Title: Habitat for Humanity – Financial Incentives**

**File No:**

**Ward No:**

## **RECOMMENDATION(S)**

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That Cambridge City Council waives City of Cambridge Development Charges for any Habitat for Humanity project; and

AND THAT Cambridge City Council exempts all City permit and application fees for any Habitat for Humanity projects.

## **SUMMARY**

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- Encourage Habitat for Humanity to build in Cambridge by providing financial incentives.
- Incentives include waiving of development charges and exemption of City fees.
- Habitat for Humanity has requested a grant to cover the City's Development Charges.

## **BACKGROUND**

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Established in 1988, Habitat for Humanity Waterloo Region (HFHWR) is a non-profit housing organization working to provide affordable homes for low-income families.

Habitat for Humanity has expressed an interest in building in Cambridge and staff has prepared this report to address a possible policy framework to facilitate the construction of a Habitat project(s).

## ANALYSIS

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### Strategic Alignment:

**Goal 1** To actively engage, inform and create opportunities for people to participate in community building – making Cambridge a better place to live, work, play and learn for all.

**Goal 1:** Promote a caring community where people can make strong connections with others and lead safe, healthy and productive lives.

**Objective 1.4** Promote, facilitate and participate in the development of affordable, welcoming and vibrant neighbourhoods.

The proposed initiative implements the above noted stated goal and objective of the city strategic plan by supporting homeownership amongst low income families in neighbourhoods across the community.

### Existing Policy/By-Law:

Current Development Charges By-laws, both locally and regionally, do not include exemptions for charitable and non-profit organizations. Staff is recommending policies and procedures be written and implemented that will allow an exemption of all city fees to Habitat for Humanity. These fees would include all planning and building fees along with any permitting fees charged to provide City services to the site. In addition, staff is recommending City development charges be waived. The City will continue to collect development charges on behalf of the school boards.

In February 2015, the Region of Waterloo confirmed its policy to provide a grant to cover the cost of the Regional Development Charges for Habitat for Humanity projects. This 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.

### Financial Impact:

The following chart depicts the current development charges that would be waived and the building permit fees that would be exempted should Council accept the staff recommendation.

	Single/Semi dwelling	Townhouse Dwelling	Apartment Dwelling
Development Charges	\$10,377.50 (\$ per unit)	\$10,377.50 (\$per unit)	\$6,441.63 (\$ per unit)
Building Permits	\$1.34 (Per square foot)	\$1.34 (Per square foot)	\$1.29 (Per square foot)
Site Plan Application	N/A	\$9,500	\$9,500

Should the build site require a Zoning By-law Amendment and an Official Plan Amendment, the exempted fee would be a combined expense of \$20,000. The fee for a minor variance is \$1,000 and the fee for a consent application is \$1,400. Fees for municipal water and sanitary services are based on a site specific charge. An estimate of those costs is \$200. Should an existing residential unit have to be removed in order to accommodate the redevelopment of the site, a demolition control permit would have to be issued for a fee of \$400 (net cost).

Staff is further recommending the City and Habitat for Humanity enters into an agreement, to be registered on the property title, that would outline the repayment terms of the waived fees should the property be sold for purposes other than affordable and/or supportive housing.

#### Public Input:

No public input on this report.

#### Internal/External Consultation:

Habitat for Humanity advises they hope land will be donated for one of their build sites, but typically the land is bought. In the last number of years, Habitat has built town homes due the cost of the land but would consider a single or semi lot if the land becomes available. Habitat for Humanity works with a Real Estate broker who assists them in sourcing possible build sites. As well, there people in the community who suggest land to them. Habitat for Humanity further advises they are set to start a block of townhouse in April in Kitchener but their desire to build in Cambridge is very high and they are flexible regarding the future builds. City staff will also be considering sites that may be suitable for a Habitat build.

Staff from the Asset Management division and the Office of the Chief Financial Officer has been consulted in the writing of this report. Asset Management is currently reviewing the way in which they dispose of City-owned laneways and has identified several public laneways which should be more fully explored as possible build sites.

These laneways were selected because: they do not have a usable road on them; some connect to land-locked properties; and a few are small but adjacent to other City lands which have the potential to be severed to make a building lot.

The CFO recommends that: (a) an amount will be included in the City budget to cover the cost of the grant applicable to the waiving of the development charges applicable to the Habitat for Humanity projects until such time as the existing development charges by-law is amended to apply exempt status for charitable projects promoting affordable housing initiatives; and (b) that a mechanism be put whereby the waived and exempted fees be repaid to the City should the property be sold or otherwise not be used affordable and/or supportive housing purposes.

### **Comments/Analysis:**

The City's Official Plan recognizes the need for affordable housing and encourages the development of affordable housing aimed at meeting the needs of lower income residents. Recently, City Council endorsed the use of financial incentives to assist in the construction of affordable housing units in the Regeneration and Node areas of the city. By providing Habitat for Humanity with financial incentives, the City is supporting homeownership amongst low income families.