

Economic Stimulus

There is an ongoing need for affordable housing in the City of Kingston. Over the past decade, the number of low-rent units has declined while the number of households seeking assistance has increased (City of Kingston, 2019). Changes introduced by Bill 108 in 2018 to the Ontario *Planning Act* section 37 allow single and lower tier municipalities to "impose community benefits charges against land to pay for capital costs of facilities, services and matters required because of development or redevelopment in the area to which the by-law applies" (Bill 108, 2019).

According to OREG 509/20 under the *Act*, a Community Benefits Charge (CBC) may consist of a financial contribution of up to 4% of land value that can be levied by a municipality when land is developed or redeveloped. This contribution can be used to fund growth related capital costs for community services, such as affordable housing. Alternatively, under Section 37(6) of the *Act*, the municipality may allow the owner of land to provide in-kind contributions. Municipalities electing to use CBCs are required under section 37(9) of the *Planning Act* to produce a Community Benefits Charges Strategy and enact the associated by-law by September 18, 2022 in order to continue using Section 37 without interruption.

The City of Kingston has identified the provision of affordable housing as a focus for this strategy and has tasked a team of Queen's University Urban and Regional Planning students to conduct preliminary research on a series of topics that will aid in the development of Kingston's Community Benefits Charges Strategy. This report presents the team's findings.

Chapter 2 discusses how demand for affordable housing can be generated in part by development or redevelopment in a municipality. Fundamental and emerging concepts about development, affordable housing, land use regulations and development fees are outlined in this chapter to provide an understanding of the guiding principles of the case studies explored in the following chapters. Through opposing arguments to filtering, the relationship between housing supply and demand and affordability is discussed. Next, this chapter explores the relationship between development, affordable housing, land use regulations and municipal development fees (exactions) in North America and ends with a discussion of the barriers to affordable housing development.

Chapter 3 explores how Canadian cities and select American municipalities are projecting affordable housing demand for the coming years and decades.

The methods, models, sources, and assumptions used by municipalities are noted, as well as specific examples of how cities are defining and quantifying affordable housing demand projections. Most Canadian sources rely on census data for their projections, often using low-income and core housing need statistics to delineate affordable housing demand.

an inclusionary zoning approach. Many Canadian cities attempted to streamline these processes to ensure a steady and stable stream of development. Similarly, American cities identified a range of contributions involving both mandatory and voluntary approaches for affordable housing. Based on the variation, the City of Kingston can assess each approach and identify which is most suitable.

Chapter 6 examines the feedback provided by municipalities regarding their progress of drafting their Community Benefit Charge (CBC) strategy. Municipal planning departments were contacted via email and asked the following questions:

1. What is the current status and progress (if any) of drafting your Community Benefits charges Strategy?
2. What Facilities, Services or Matters are currently being contemplated/included in your CBC Strategy?
3. Are there any challenges that the city is encountering at the moment with drafting their CBC strategy? / Are there any barriers that it will foresee in the near future?

Of the 14 municipalities contacted, 2 responded with feedback. The chapter provides a progress report update fortified a range (olving bif6 (er)10 ()T0 -1.5 Td0 -1.5 Tdin)16 (y m

The results of these projection scenarios are given in Table E1.

It was found that despite the large number of parcels within zones that could trigger CBC-eligible applications in Kingston, very few developments are expected to qualify for CBCs in the next 25 years.

Table E1: Forecasted development applications and deliveries that could potentially qualify for Community Benefits Charges under two growth scenarios

Scenario	Year	Deliveries	Applications
Scenario 1	2020-2025	1	1
	2026-2031	1	1
Scenario 2	2020-2025	1	1
	2026-2031	1	1