

## Appendix 1: Draft Inclusionary Zoning Mississauga Official Plan Amendment

*Mississauga Official Plan, Chapter 7 – Complete Communities is amended by adding the following policies as Section x.x – Inclusionary Zoning:*

- x.x.1 Inclusionary Zoning is a tool that enables the City to require that new residential development or redevelopment include affordable housing units in specified locations. Inclusionary Zoning in Mississauga will be guided by the following principles and objectives:
- (a) Inclusionary Zoning will be implemented in conjunction with other planning tools to increase the supply of affordable housing, contributing to diverse, mixed-income communities that offer a range of housing options for residents of various socio-economic backgrounds.
  - (b) Inclusionary Zoning policies will be informed by ongoing monitoring and periodic financial impact assessments in accordance with Provincial requirements, or more frequently as necessary, to create and maintain affordable housing stock while also avoiding negative impacts to overall development activity.
  - (c) The City will work collaboratively with the Region of Peel, private and non-profit developers, housing providers, and other special interest groups to leverage expertise and achieve housing objectives.
- x.x.2 An owner of new development or redevelopment proposing ownership buildings containing 50 or more residential units or 3,600 square metres or more of gross floor area for residential purposes, and located within an Inclusionary Zoning area as outlined on **Map xx** of this Plan, and subject to an Inclusionary Zoning by-law is required to include **affordable ownership housing units** or **affordable rental housing units** for **moderate income households**, as follows:
- (a) The minimum required percentage of gross floor area for residential purposes to be set-aside as **affordable ownership housing units** or **affordable rental housing units** is established in **Table x**.

**Table x – Required Percent of Gross Floor Area for residential purposes to be Affordable Housing in Accordance with Policy x.x.2**

Market Area	Affordable Housing Provision	Applies January 1, 2023 to December 31, 2023	Applies January 1, 2024 to December 31, 2024	Applies January 1, 2025
<b>IZ Area 1</b> Hurontario Street LRT MTSA	Affordable Ownership Housing Units Provided	4%	7%	10%
	Affordable Rental Housing Units Provided	2%	3.5%	5%
<b>IZ Area 2</b> Dundas Street BRT MTSA excluding Dundas MTSA	Affordable Ownership Housing Units Provided	3%	5%	7%
	Affordable Rental Housing Units Provided	1.5%	2.5%	3.5%

<b>IZ Area 3a</b> Ninth Line MTSA	Affordable Ownership Housing Units Provided	3%	4%	5%
<b>IZ Area 3B</b> Lakeshore Road East MTSA and portions of Clarkson GO MTSA	Affordable Rental Housing Units Provided	1.5%	2%	2.5%

- (b) At the City's discretion, a discounted set-aside rate may be considered for the delivery of housing for **low income households** through **affordable rental housing units** or **affordable ownership housing units**.
  - (c) The City may introduce Inclusionary Zoning requirements for lands within MTSA that are not currently identified within an IZ Area on **Map xx**.
  - (d) Lands within Southdown Employment Area and Clarkson GO MTSA as identified on **Map xx** are subject to ongoing review and may be subject to Inclusionary Zoning requirements at a rate of 10% upon conclusion of the review.
- x.x.3 The suite mix of the affordable housing component will contain a mix of 1-bedroom units and family sized units (2- and 3-bedroom suites), to ensure the provision of a range of unit types suitable for individuals and families.
- x.x.4 **Affordable rental housing units or affordable ownership housing units** will be required to be maintained at affordable rents or prices for a period of:
- (a) a minimum of 25 years from the date of first occupancy of an **affordable rental housing unit**.
  - (b) a minimum of 50 years from the date of first occupancy of an **affordable ownership housing unit** meeting the description outlined in **x.x.6(a)**; or,
  - (c) a minimum of 2 years from the date of first occupancy of an **affordable ownership housing unit** meeting the description outlined in **x.x.6(b)**.
- x.x.5 The City will receive a portion of the net proceeds from the sale of an **affordable ownership housing unit** in accordance with the following policies:
- (a) For **affordable ownership housing units** subject to price capping over a 50 year affordability period,
    - (i) The resale price of the unit during the affordability period will be capped at the original affordable purchase price, plus annual allowable increases benchmarked to the Consumer Price Index;
    - (ii) The City will receive no more than 20% of the net proceeds of the sale of an **affordable ownership housing unit** sold during the 50 year affordability period, equivalent to no more than 2% of the sale price, for administration fees, with net proceeds determined based on the

difference between the purchase price and the resale price of the affordable ownership unit; and

- (iii) The City will receive 50% of the net proceeds of the first sale of an **affordable ownership housing unit** at market price after the 50 year affordability period, to be reinvested in affordable housing, with net proceeds determined based on the difference between the purchase price and the resale price of the affordable ownership unit, less any legal, administration or real estate commission fees.
  - (b) For **affordable ownership housing units** subject to a 2-year affordability period,
    - (i) No resale is permitted during the affordability period; and,
    - (ii) The City will receive a percentage of the net proceeds of the first sale of an **affordable ownership housing unit** at market price after the 2 year affordability period ends, where the percentage is established at the time of first purchase; and
    - (iii) The City's percentage of net proceeds is equivalent to the difference between the original appraised market value of the unit and the original purchase price, expressed as a percentage of the original appraised value of the unit, to be reinvested in affordable housing, up to no more than 50% of the net proceeds, where net proceeds is defined as the resale market price of the unit, less any legal, administration, or real estate commission fees.
- x.x.6 At the discretion of the City, affordable housing requirements may be met on an offsite location, subject to achieving the following conditions:
- (a) The offsite location must be located in an IZ Area as identified on Map xx.
  - (b) Offsite affordable housing units shall be located in proximity to the proposed development or redevelopment giving rise to the affordable housing requirement. Proximity is deemed to be a site located within the same IZ Area as identified on **Map xx.**
  - (c) The offsite contribution results in an improved housing outcome, such as:
    - (i) Delivery of units occurs sooner than if the units were delivered in the development giving rise to the affordable housing requirement.
    - (ii) The provision of **affordable rental housing**, or the provision of more deeply affordable units than required (i.e. housing affordable to **low-income households**).
    - (iii) The provision of a greater number of affordable GFA than required.
  - (d) Offsite units shall not be used to satisfy affordable housing requirements that apply to the development or redevelopment in which the offsite units are permitted.

- x.x.7 The requirements of Section x.x (i.e. IZ requirements) of this Plan come into effect on the later of January 1, 2023 or ROPA xx and MOPA xx (pertaining to MTSA approval) come into effect.
- x.x.8 Inclusionary Zoning By-laws will not apply to:
- (a) Portions of a development or redevelopment containing long-term care buildings, retirement buildings, hospices, staff/student residences, or group homes.
  - (b) Region of Peel or Peel Housing projects.
  - (c) Developments subject to an existing affordable housing contribution, secured before the date of passage of an Inclusionary Zoning Official Plan Amendment through a Section 37 (density bonusing community benefits) agreement, development agreement, Section 51 agreement, Section 45 agreement or other form agreement with the City, to the satisfaction of the Commissioner of Planning and Building.
  - (d) Development or redevelopment meeting the exemption requirements under the *Planning Act* or related Ontario Regulations.
  - (e) Purpose-built rental buildings.
- x.x.9 Any replacement of affordable rental units required through the Rental Housing Protection policies of this Plan and Rental Housing Protection By-law 0121-2018, as amended, shall not contribute to the affordable housing requirements identified in Policy x.x.2 of this Plan.
- x.x.10 Financial offsets will not be provided for affordable housing units provided in accordance with Policy x.x.2 of this Plan.

*Mississauga Official Plan Chapter 19 – Implementation is amended by adding the following Policies as Section x.x – Inclusionary Zoning Agreements:*

- x.x.1 Owners of development or redevelopment subject to an Inclusionary Zoning By-law will enter into one or more agreements with the City, to be registered on title, securing:
- a) Requirements of Policy x.x.2, x.x.4, x.x.5, and x.x.6 of this Plan;
  - b) Requirements for timely delivery of the affordable units, and if applicable, any phasing of affordable units;
  - c) Requirements for adjustments to the required amount of affordable housing to meet Policy x.x.2 should a proposed purpose-built rental development convert to condominium or a proposed condominium change to purpose-built rental;
  - d) Requirements that ensure affordable units are provided to eligible households;
  - e) Requirements for ongoing administration, reporting and monitoring of the affordable housing units over the affordability period;

- f) The approach for determining the maximum rent or price of an affordable ownership housing unit;
- g) Conditions for offsite unit delivery, if permitted; and
- h) Any other requirements set out in **Section x.x** of this Plan, other standards, or arrangements, as appropriate.

*Mississauga Official Plan Chapter 20 – Glossary is amended by adding the following terms:*

**Affordable ownership housing unit** means the least expensive of: housing for which the purchase price results in annual accommodation costs which do not exceed 30 percent of gross annual household income for **low income households** and **moderate income households**; or 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.

**Affordable rental housing unit** means the least expensive of: a unit for which the rent does not exceed 30 percent of gross annual household income for **low income households** and **moderate income households**; or a unit for which the rent is at or below the average market rent of a unit in the regional market area.

**Moderate income households** means: in the case of ownership housing, households with incomes between 30 to 60 percent of the income distribution for households in the City of Mississauga; or in the case of rental housing, households with incomes between 30 to 60 percent of the income distribution for renter households in the City of Mississauga.

**Low income households** means: in the case of ownership housing, households with incomes in the lowest 30 percent of the income distribution for households in the City of Mississauga; or in the case of rental housing, households with incomes in the lowest 30 percent of the income distribution for renter households in the City of Mississauga.

Mississauga Official Plan is amended by adding the following map as Map xx to Section xx:

