

Development Charge Interest Rate Policy

Regional Council Meeting

March 12, 2020

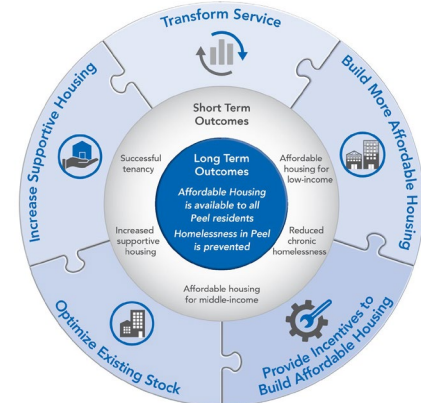
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Region of Peel

Change in the Provincial Policy Landscape

- **Bill 108, *More Homes, More Choice Act*, 2019:** The Province is seeking to increase the supply of housing and to tackle Ontario's housing crisis.
- **The Region supports this goal:**
 - ❑ Council approved the Housing Master Plan in 2019
 - ❑ The Region has initiated the development of an Affordable Housing Incentives Pilot Program.



8.2-17



Recent Changes: DC Freeze and Deferral



DC Freeze

- ☐ When a site plan application is made
- ☐ When a zoning by-law amendment application is made



DC Deferral

- ☐ Rental housing development that is not non-profit housing development
- ☐ Institutional development
- ☐ Non-profit housing development

DC Interest Rate Policy



DC Freeze Interest Rate

- Proposed rate of **5.5%** per annum
- Building permits issued **prior to August 1st, 2020** will have a rate of **0%** per annum



To recover additional costs associated with the DC freeze



DC Deferral Interest Rate

- Proposed rate of **0%** per annum
- Mandatory DC Payment Agreement



To support development of increased affordable housing supply

Interest rates effective immediately and retroactively as of January 1st, 2020.

Next Steps

- **Collaborate with local municipalities to implement the DC Interest Rate Policy**
- **Dialogue and partnership with development community**
- **2020 Development Charge By-law Review**

Questions?