**Waiver of Development Charges for New Second Stage Transitional Housing Projects**

***Instructions: This template is intended to assist you in making the case to your local government to waive any development fees imposed on your new second stage transitional housing project. To customize the template to suit your needs, you can make changes to the highlighted sections. Feel free to edit beyond the highlighted sections as you see fit.***

**To: [municipality]**

**From: [contact name], [organization]**

**Date:** February 23, 2024

**Subject:** Recommendation for the **[municipality]** to Waive Development Charges for **[your organization]**’s **[name of second stage transitional housing project]**

**Introduction**

Women’s Shelters Canada (WSC) provides a strong, unified, pan-Canadian voice on the issue of Violence Against Women (VAW). WSC supports VAW shelters across the country in their efforts to build new second stage transitional housing (SSTH) projects.

**[insert a brief description of your organization’s mission, mandate, and services offered. Then briefly describe your second stage transitional housing project to be developed in (municipality)].**

SSTH is a form of transitional housing, often affiliated with an emergency shelter, that provides safe, secure, and affordable housing for women and children fleeing violence. **[Your organization]** is addressing an important need in the community by providing affordable housing for women and children fleeing violence.

As such, WSC and **[your organization]** recommends the waiver of development charges and related fees for **[name of second stage transitional housing project]**. The waiver of these fees will reduce the project costs and demonstrate the **[municipality]**’s commitment to housing its most vulnerable citizens that need a safe, secure, and affordable place to transition out of violence and rebuild their lives.

**Recommendation to Waive Development Charges**

While all levels of government face increasing pressure to address the housing crisis, municipalities play a crucial role in solving affordability. Municipal governments have various tools they can employ to improve housing affordability, including waiving development charges for affordable housing development projects.

Development charges – also referred to as development cost charges, off-site development levies, or development fees in different jurisdictions – imposed by a municipality on residential projects can be [upwards of 20%](https://assets.cmhc-schl.gc.ca/sites/cmhc/professional/housing-markets-data-and-research/market-reports/housing-market-insight/2022/housing-market-insight-69949-m07-en.pdf?rev=bbc85058-a9ee-4a77-a047-80ac855278bc) of total capital costs, which can make or break a project. For violence against women shelters with charitable status, these charges pose a significant financial burden given that many do not have surplus funds available for projects outside of their regular services and programs. The waiver of development charges and municipal fees lessens the financial burden on non-profits, which not only helps projects reach financial viability but also makes more affordable housing units in the community a reality.

The Canada Mortgage and Housing Corporation (CMHC) published a [resource](https://www.cmhc-schl.gc.ca/professionals/project-funding-and-mortgage-financing/funding-programs/all-funding-programs/housing-accelerator-fund/resources-housing-accelerator-fund-applicants) detailing best practices and strategies for municipalities to boost housing supply and affordability. One of CMHC’s recommendations directs municipalities to review their development charges and fee schedules and focus on including waivers of these fees to facilitate the advancement of affordable housing projects.

Provincial and Territorial governments also recommend waiving development charges in their affordable housing strategies and programs to reduce the barriers in creating affordable housing, particularly for non-profit organizations.

* In May 2023, the Government of British Columbia announced their [Homes for People Plan](https://news.gov.bc.ca/files/Homes_For_People.pdf) to address the housing crisis. BC commits to eliminating obstacles, reducing development costs, removing red tape, and speeding up approvals so more homes can be built.
* In July 2023, the Government of Alberta announced their [Affordable Housing Partnership Program (AHPP)](https://open.alberta.ca/dataset/5c943538-6757-45f2-bfba-99f1a3bb7b33/resource/db73ddf8-042d-4d8a-8ea8-5613008128b2/download/scss-affordable-housing-partnership-program-guidelines-2023-07.pdf), in alignment with the province’s [strategy](https://www.alberta.ca/stronger-foundations-affordable-housing-strategy) to improve and expand affordable housing. The program recommends that municipalities contribute to the creation of affordable housing through grants, land contributions, and the waiver of development fees to reduce the barriers that come with developing affordable housing.
* Under [Bill 23: More Homes Built Faster Act](https://www.ontario.ca/page/more-homes-built-faster#section-4), passed in November 2022 to amend the Planning Act (1997), the Government of Ontario exempts affordable housing, non-profit housing, and inclusionary zoning units from development charges, parkland dedication fees, and community benefit charges.
* In October 2023, the Government of Nova Scotia released [Our Homes, Action for Housing](https://novascotia.ca/action-for-housing/docs/strategic-plan-action-for-housing.pdf) and committed to temporarily freeze all municipal permits and development fees for housing projects for two years.

**Waiving these fees is an easy tool that municipalities can implement to support local affordable housing projects without the need for direct capital funds.** Many municipalities across Canada already offer financial incentives, including the waiver of development and building fees to encourage the development of affordable rental housing projects.

**Examples of Municipalities that Waive Development Charges and Building Fees**

***You do not need to include all examples below. Pick and choose the ones that make the strongest case for your jurisdiction. E.g. choosing examples in your province, neighbouring provinces, and/or most similar to your own location (rural or urban).***

**British Columbia**

*Urban*

* **City of Parksville**
	+ The City of Parksville's [Development Cost Charge Waiver for Eligible Developments Bylaw No. 1448](https://parksville.civicweb.net/document/462/) reduces development cost charges by 100% as long as projects are affordable and remain affordable for 15 years.
* **City of Penticton**
	+ The City of Penticton's [Development Cost Charges Reduction Bylaw No. 2010-11](https://www.penticton.ca/sites/default/files/uploads/bylaws/Development%20Cost%20Charge%20Reduction%20%28Bylaw%202010-11%29.pdf) provides rental housing development projects with a 100% reduction in fees and other related charges.
* **City of Surrey**
	+ Under the City of Surrey's [Development Cost Charge Bylaw No. 20865](https://www.surrey.ca/sites/default/files/bylaws/BYL_reg_20865_0.pdf), not-for-profit rental housing projects are exempt from development charges.

*Rural*

* **Town of Oliver**
	+ Development cost charges may be waived or reduced by the Town of Oliver for not-for-profit rental housing projects under [Bylaw 1390: A Bylaw to Establish and Set Development Cost Charges](https://portal.laserfiche.ca/Portal/DocView.aspx?id=9554&repo=r-00013955076a).
* **Town of Osoyoos**
	+ Since 2016, the Town of Osoyoos waives development cost charges for the construction of not-for-profit rental housing under [Bylaw No. 1322: A Bylaw to Impose Development Cost Charges](https://osoyoos.civicweb.net/filepro/documents/12126/?preview=1420).
* **Town of Qualicum Beach**
	+ In 2012, the Town of Qualicum Beach passed [Bylaw No. 682: A Bylaw to Reduce Development Cost Charges for Development](https://qualicumbeach.civicweb.net/filepro/documents/2856/?preview=5685). The bylaw states that not-for-profit, affordable rental housing and supportive living housing will receive 100% reduction in development cost charges.

**Alberta**

*Urban*

* **City of Airdrie**
	+ In September 2023, the City of Airdrie passed [Policy P-DEV-15-C: Affordable Housing Incentive Policy](https://www.airdrie.ca/getDocument.cfm?ID=11005) for the exemption of development and building permit fees for affordable housing projects.
* **City of Grande Prairie**
	+ In March 2005, the City of Grande Prairie's [Policy 607: Waiver of Fees, Levies, and Securities](https://cityofgp.com/sites/default/files/2022-01/policy_607.pdf) waived development costs and associated fees for affordable housing projects.

*Rural*

* **Athabasca County**
	+ In their [Bylaw 020-2019: Planning and Development Fees](https://records.athabascacounty.com/WebLink/DocView.aspx?id=10417&dbid=0&repo=Athabasca-County-Live), Athabasca County states that the Chief Administrative Officer has the authority to reduce or waive development and planning fees for not-for-profit projects or projects of a “humanitarian nature.”
* **Municipal District of Bonnyville No. 87**
	+ The Municipal District of Bonnyville passed their [3A.017: Municipal Development Permit Fee Waiver Policy](https://www.md.bonnyville.ab.ca/DocumentCenter/View/4771/3A017-Municipal-Development-Permit-Fee-Waiver-Policy?bidId=) in January 2022 which allows non-profits to submit a *Waiving of Fees for Non-Profit Organizations Application* along with their *Development Permit Application* to waive up to 100% of development fees. The project must address a community need and/or contribute to the promotion of cultural, heritage, social, or well-being of the community.

**Saskatchewan**

*Urban*

* **City of Estevan**
	+ The City of [Estevan's Off-Site Development Levy Bylaw No. 2020-2030](https://estevan.ca/wp-content/uploads/2020/12/2020-2030-Off-Site-Development-Levy.pdf) states that development levies may be reduced or fully exempted if the project provides public benefit to the community.
* **City of Saskatoon**
	+ In their [Housing Business Plan](https://www.saskatoon.ca/sites/default/files/documents/community-services/planning-development/neighbourhood-planning/housing/City%20of%20Saskatoon%20Housing%20Business%20Plan%202013%20-2022.pdf) for 2013-2022, the City of Saskatoon has determined a set of criteria for waiving offsite levies for affordable housing and neighbourhood revitalization projects. It is expected that initiative will continue beyond 2022.

*Rural*

* **Rural Municipality of Lumsden No. 189**
	+ In [Bylaw No. 11-2016: Development Levy](https://rmoflumsden.ca/Home/DownloadDocument?docId=9fd7aacd-b694-44b8-ad70-4265a56b86e9), RM Lumsden No. 189 may exempt, partially exempt, or defer development levies if the land is owned in whole or in part by a public body and where the development of the lands will be used for public service purposes.

**Manitoba**

*Urban*

* **City of Selkirk**
	+ In their 2021 bylaw, [Bylaw 5349: To establish a system for the assessment and allocation of capital levies on development to support the sustainability of city infrastructure](https://www.myselkirk.ca/wp-content/uploads/2021/06/5349-City-of-Selkirk-Capital-Levy-By-law-Passed-April-26-2021.pdf?swcfpc=1), the City of Selkirk may provide an exemption from capital levies for non-profit organizations.
* **City of Winnipeg**
	+ In the City of Winnipeg's [Planning, Development, and Building Fees Bylaw No. 66/2016](https://clkapps.winnipeg.ca/DMIS/Documents/DocExt/BL/2016/2016.66.pdf), a refund or waiver of development fees may be issued by the *Standing Policy Committee on Property and Development, Heritage and Downtown Development* for charitable groups.

**Ontario**

*Urban*

* **City of Ottawa**
	+ Since 2003, the City of Ottawa's [Action Ottawa](https://app06.ottawa.ca/calendar/ottawa/citycouncil/hrssc/2003/09-04/ACS2003-PEO-HOU-0004%20Attachment%201.htm) initiative for affordable housing has waived planning fees, building permit and development fees, community benefit charges, and parkland dedication charges for affordable housing projects.
* **City of Toronto**
	+ In 2016, the City of Toronto introduced their [Open Door Affordable Housing Program](https://www.toronto.ca/community-people/community-partners/housing-partners/housing-initiatives/open-door-affordable-housing-program/) to accelerate affordable housing projects through the waiver of development fees and property tax, activating surplus land, fast-tracking planning approvals, and offering capital grants.
* **City of Kawartha Lakes**
	+ In 2019, the City of Kawartha Lakes adopted [CP2019-004 Affordable Housing Incentives Policy](https://www.kawarthalakes.ca/en/municipal-services/council-policies.aspx), which reduces or completely waives a number of municipal-related fees, including development charges.

*Rural*

* **Municipality of Trent Lakes**
	+ In their [Bylaw No. B2019-041 Development Charges](https://www.trentlakes.ca/en/build/resources/Documents/B2019-041---Development-Charges.pdf), affordable housing developers and non-profits are exempt from the payment of development charges.

**Quebec**

Note: In 2017,the province of Québec passed the [Act respecting land use planning and development](https://www.legisquebec.gouv.qc.ca/en/document/cs/a-19.1) that allows municipalities to charge a development fee to building permit applicants which will finance the increase in municipal services. To date, only a few municipalities have introduced bylaws or policies to charge development fees, and some indicate exemptions.

*Urban*

* **Plateau-Mont-Royal Borough, City of Montréal**
* Under their [Bylaw 2022-10: Rate Bylaw](https://montreal.ca/reglements-municipaux/recherche/63bd961afc7eaf7c9bdcb02c) in 2023, the borough has [waived study costs and other permit fees](https://montreal.ca/articles/mesures-en-habitation-sur-le-plateau-mont-royal-49058) for non-profit developers and housing projects that accommodate people in need of housing support.

*Rural*

* **Town of Saint Colomban**
	+ In 2020, the Town of Saint Colomban passed [Bylaw 3009: Concerning the payment of a contribution to finance all or part of an expense related to the addition, expansion, or modification of municipal infrastructures or equipment](https://st-colomban.qc.ca/app/uploads/2023/11/3009-redevances-promoteurs.pdf). This bylaw allows the municipality to charge developers for an increase in the use of municipal services for the project. This bylaw indicates that public bodies, including non-profit organizations, are exempt from these charges.

**New Brunswick**

Note: Municipalities across New Brunswick do not generally charge development fees. While this is excellent news for affordable housing developers and providers, there is still an opportunity for municipalities to waive building permit and planning fees for these projects. The examples below are municipalities that have legislation to reimburse these permit and planning fees for affordable housing projects.

*Urban*

* **City of Dieppe**
	+ In 2023, the City of Dieppe passed [Policy Z-5: Affordable Housing Incentive](https://www.dieppe.ca/en/hotel-de-ville/resources/Politiques/Policy-Z-5-%282023%29---Affordable-Housing-Incentive.pdf) that offers grants to developers creating affordable housing to cover their building permit fees.
* **City of Moncton**
	+ The City of Moncton has a number of [incentive programs](https://www.moncton.ca/my-govt-work/affordable-housing) for affordable housing developers to increase the affordable housing stock in the city. [The Building Permit and Planning Fee Equivalent Grant Policy](https://www5.moncton.ca/docs/policies/updated2020/Affordable_housing_grant_policy_new_construction.pdf) offers funding to cover development and building permits, demolition permits, subdivision applications, Municipal Plan and Zoning by-law amendments, and variances.

**Nova Scotia**

Note: After thorough research and consultation with multiple colleagues located in the province, municipalities in Nova Scotia do not have legislation in place to waive development charges. The example provided below is a municipality that waives municipal-related construction fees.

*Urban*

* **Halifax Regional Municipality**
	+ Under the [Retroactively Waiving Municipal Related Construction Fees for Registered Non-Profit and Charitable Housing Developments](https://cdn.halifax.ca/sites/default/files/documents/city-hall/boards-committees-commissions/210712gc911_1.pdf) motion, the Halifax Regional Municipality waives municipal-related construction fees including construction permits, subdivision approval, discretionary approval, variances, and site plan approvals.

**Prince Edward Island**

*Urban*

* **City of Charlottetown**
	+ In 2021, the City of Charlottetown developed an [Affordable Housing Incentive Program](https://www.charlottetown.ca/common/pages/DisplayFile.aspx?itemId=18079917) which offers affordable housing developers a 50% rebate on building permits and development fees. Other incentives include property tax relief and density bonuses.

*Rural*

* **Town of Cornwall**
	+ In 2019, the Town of Cornwall introduced its [Affordable Housing Incentive Program](https://cornwallpe.ca/wp-content/uploads/2019/03/FEB14-2019-Phase-I-Affordable-Housing-Policy-1.pdf) to increase the development of affordable housing options. Incentives such as development permit fee waivers, accessibility bonuses, and property tax grants are offered.

**Newfoundland and Labrador**

*Urban*

* **City of Mount Pearl**
	+ In their [Affordable Housing Fee Discount Policy](https://www.mountpearl.ca/wp-content/uploads/2018/02/Affordable-Housing-Fee-Discount-Policy.pdf), the City of Mount Pearl will consider waiving permit and development fees for affordable housing projects by non-profit organizations.

**The North**

*Urban*

* **City of Whitehorse, YT**
	+ Under their [Housing Development Incentive Program](https://www.whitehorse.ca/wp-content/uploads/2022/06/HousingDevelopmentIncentiv-1.pdf), the City of Whitehorse will reduce development cost charges by up to 100% for non-profit rental and supportive housing projects and provide a Tax Grant Incentive (TGI) for up to $500,000 over ten years.

*Rural*

* **Town of Dawson, YT**
	+ The Town of Dawson passed a [Development Incentives Policy](https://www.cityofdawson.ca/Home/DownloadDocument?docId=62a099b3-0d91-4806-8fad-9c42c5a391e8) that waives development fees, load capacity charges, and provides a ten-year standard tax grant to ne affordable rental housing units.

**Conclusion**

Canada is in a housing crisis of vast proportions. While all housing development is costly, this is especially true for affordable housing projects built to last. Development fees charged to these types of projects exacerbate what is already a challenging financial feat for non-profit, affordable housing providers. Waiving these fees is a crucial financial tool for the **[municipality]** to address the housing crisis, support local housing providers, and expand supports for the most vulnerable groups.

Women’s Shelters Canada and **[your organization]** recommend that the **[municipality]** waive development fees for the **[name of second stage transitional housing project]** and implement legislation to waive development charges and building fees for new affordable housing developments.