

City of Mississauga Advancing Inclusionary Zoning

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The City of Mississauga (the City) is poised to become the next major Ontario municipality to implement Inclusionary Zoning policies, which will enable it to require affordable housing units to be included in new residential construction. On February 24, 2022, an online community meeting was held and preliminary policy directions on Inclusionary Zoning were presented. A number of stakeholder sessions have been held to date, and a statutory public meeting is anticipated in May 2022.

What is Inclusionary Zoning?

The stated purpose of inclusionary zoning is to increase the supply of affordable housing for low to moderate income households by establishing policies and by-laws to require a certain percentage of new development to contain affordable housing. It can only be used within Protected Major Transit Station Areas (PMTSAs), which is where growth is directed and transit and services are planned to support growth, where a development permit system is in effect, or where prescribed.

Which Areas of the City Are Affected?

The City has identified five PMTSAs that will require Inclusionary Zoning:

Area	Percentage of Residential GFA Required to be Affordable - Ownership or Rental
Hurontario Street PMTSAs from Port Credit to Bristol	10%
Dundas Street PMTSAs	7%
Lakeshore Road East PMTSAs (towards the Eastern border)	5%
Ninth Line PMTSAs	5%
Clarkson GO Station PMTSAs	5% or 10%

The City is proposing to phase up to these set-aside rates. These set-aside requirements are to be reduced:

- Where affordable rental units are provided;
- Where more deeply affordable units are provided (i.e., units targeting low income households); or

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- Where projects have a large office component, to promote mixed-use projects.

What is Affordable?

The City intends to secure purchase prices that are affordable to middle income households. For renters, this equates to household earnings of \$34,000 to \$64,000. For ownership, this equates to household earnings of \$58,000 to \$109,000. Based on 2021 values, the affordable ownership prices would range from \$292,000 to \$432,000.

The City proposes to use the Average Market Rent set by the Canada Mortgage Housing Corporation for affordable rent, which will be updated annually. Based on 2021 values, affordable rents will be:

Unit Type	Rent
1-bedroom	\$1,380
2-bedroom	\$1,560
3-bedroom+	\$1,670

Other Key Takeaways

- The City is proposing to implement Inclusionary Zoning in projects proposing 50 or more residential ownership units only. Rental projects with 50 or more units will *not* be subject to Inclusionary Zoning.
- The proposed affordability term is 25 years.
- The City will impose suite mix requirements to ensure the creation of both small and larger suite types.
- Parking rates for Inclusionary Zoning units will be reduced by 30%-50%.
- The City will establish policies for offsite unit delivery. These units must be delivered within an Inclusionary Zoning area and be delivered in proximity to developments with Inclusionary Zoning units.
- The City is considering an occupant-unit matching system. Either the City or the Region will maintain a pool of applicants and refer occupants to developers.
- There are no additional transition policies proposed at this time, other than set by provincial regulation, O.Reg. 232/18 Inclusionary Zoning.

Next Steps

City staff are currently preparing draft policies and regulations for Council approval. A statutory public meeting is anticipated in May 2022, and staff's Recommendation Report is expected in July 2022. Final

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approval by the Province of the City's PMTSA policies is expected in Summer 2022, with a target to implement Inclusionary Zoning in Fall/Winter 2022.

Interested persons should continue to be mindful that Inclusionary Zoning policies may change as City staff finalize the draft policies and regulations. Cassels will be monitoring and addressing any major changes in future Cassels Comments.

This publication is a general summary of the law. It does not replace legal advice tailored to your specific circumstances.