

From: Jeffrey @ LAND LAW  
To: Clerks Richmondhill  
Copy: David Dexter  
Sent: Mon 5/27/2019 1:50 PM  
Subject: Item 13.3 - SRCFS.19.026 - 2019 Development Charge Update -  
(Proposed By-laws 41-19) - 9251 Yonge Street (submission)

Dear Mayor Barrow and Members of City Council,

I represent Yonge Sixteen Inc. (YSI), owner of 9251 Yonge Street.

I write further to the deputation made to the public meeting (on April 17) concerning the proposed City-Wide DC bylaw rates as reflected in the 2019 DC Background Study and the bylaw going to Council on May 28th.

These submissions focus on the rates proposed by Staff (the “status quo rates”) and not the so calculated rates. YSI requests lower fixed rates to address housing affordability for their purpose built rental apartment project because higher rates are not justified by any measure.

What is before Council are both a City Wide DC bylaw (41-19) and Area Specific DC bylaws.

There is general agreement amongst the landowners who have expressed an interest in these matters that there are many projects that should not be included in the City-Wide Development Charge. Many of these projects are the same projects that were the subject matter of the 2016 DC appeals, although additional projects have been added to the list. All of the above adds yet more cost which is not warranted nor is it realistic going forward to support the need for more affordable housing units especially purpose built rental housing.

#### The Problem

The proposed 2019 rates as recommended by Staff – even for the 2-year period envisioned - have a negative impact on the cost of constructing purpose built rental apartment units - both small and large. The impact is even greater on purpose-built rental housing – which is what is proposed for the YSI lands.

YSI's purpose built rental project (over 500 rental units) is nearing site plan approval. Cost certainty and fairness are required in order to bring the project to fruition – in 2019.

The DC study contains flawed assumptions and the proposed DC unit rates have not been justified. The rate is at least \$1,000 per small apartment too high – because assumptions are flawed.

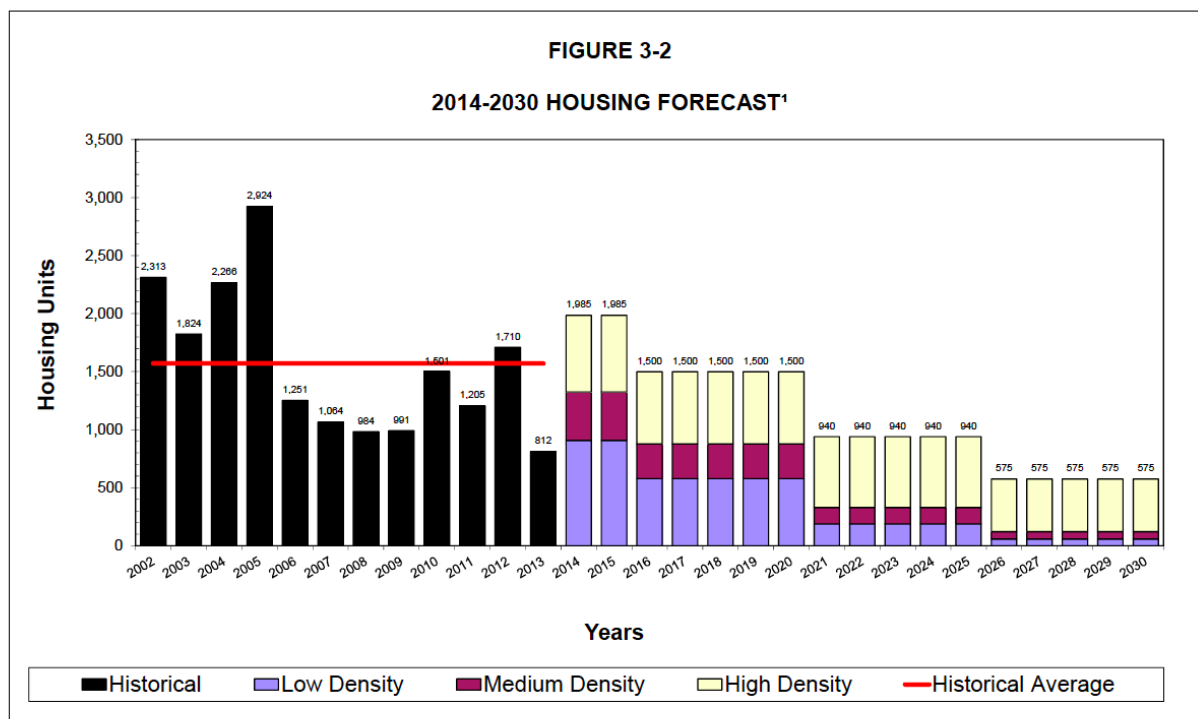
By way of example - the annual housing forecast found on Page A-2 of the Background Study (see the bar charts) assumes that the City will meet its annual housing requirements from 2019 onward. In 2019, the City is to deliver 2000 units of which 500

units are to be high density apartments. This is to increase to 750 apartment units per year from 2021 onward.

The 2019 proposed DC rates are predicated on delivering housing units at a rate never seen before in the City. History has shown that the forecasted supply for new apartment units has not been met and that there exists a serious issue regarding housing affordability in the City. See Socio-Economic Report April 2019 and see and compare the Page A-2 Bar chart with the same bar chart found in the 2014 DC annual housing forecast.

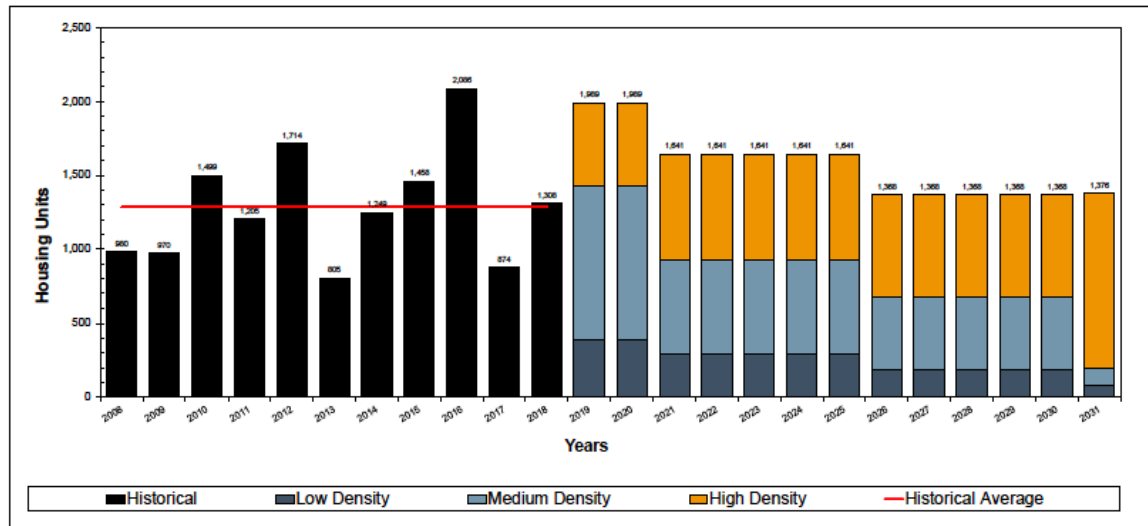
<https://www.richmondhill.ca/en/invest-and-do-business/Socio-Economic-Study.aspx>

See and compare the 2019 Page A-2 Bar chart with the same bar chart found in the 2014 DC annual housing forecast.



Source: Historical housing activity (2002-2012) based on Statistics Canada building permits, Catalogue 64-001-XIB  
2013 building permit activity derived from the Town of Richmond Hill Planning Department, 2013  
1. Growth Forecast represents start year.

Figure A – 1  
Annual Housing Forecast<sup>1</sup>



Additional projects have been added to the list of DC eligible projects with no real oversight for their need, costing, or timing, and with no recognition of what is affordable.

Projects remain on the list that should not be in a City- wide DC, for example, all of the sanitary sewer projects, flood remediation and Harris drive urbanization and there is the north south street on the west side of Yonge Street within the Yonge 16 KDA.

### Fairness

It is difficult to understand why a purpose built rental apartment unit should have to subsidize the cost of these and other projects - which have no benefit to the Yonge 16 KDA or the YSI lands.

### Solution and Proposed Rates

YSI believes the rates proposed by Staff are still excessive and that the rate for small apartment units should be set at \$6,000 per unit (June 2019 dollars) and large apartments set at \$10,500 per unit. We understand these rates would be reviewed in 2 years' time.

YSI agree with Staff's recommendation that Council adopt a policy that provides for the payment of development charges for purpose built rental in instalments as proposed in Bill 108.

YSI are working with Staff to move this rental project forward and to finalize all approvals – so that construction can commence in 2019.

#### DC Rate for Apartment Units

YSI therefore asks Council to endorse the following DC rates:

small apartment unit -\$6,000 per unit (June 2019 dollars); and

large apartment unit - \$10,500 per unit

together with a DC deferral policy of instalments for purpose-built rental.

Please accept this submission and please schedule the undersigned for a deputation on May 28.

Thank you.

Jeffrey E Streisfield, BA LLB MES

Land Lawyer & Land Development Manager

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