



## **Staff Report for Council Meeting**

**Date of Meeting:** May 12, 2021

**Report Number:** SRPI.21.047

**Department:** Planning and Infrastructure

**Division:** Development Planning

**Subject:** SRPI.21.047 – Request for Approval – Deferral of Development Charges – Site Plan Application – Vitmont Holdings (Oak Ridges) Inc. – City File D06-15014 (Related Files D01-15001 and D02-15006)

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### **Owner:**

Vitmont Holdings (Oak Ridges) Inc.  
170 Industrial Parkway North  
Aurora, Ontario  
L4G 4C3

### **Location:**

**Legal Description:** Part of Lot 13, Registered Plan 202  
**Municipal Address:** 13042 Yonge Street

### **Purpose:**

A request for approval to defer the payment of Development Charges for a proposed mid-rise rental apartment building to be comprised of 64 units to be constructed on the subject lands.

### **Recommendation:**

- a) That the Mayor and Clerk be authorized to execute any agreements and any further documentation as necessary, between the City and Vitmont Holdings (Oak Ridges) Inc. and/or the Region of York to provide a comparable program to enable Vitmont Holdings (Oak Ridges) Inc. to be eligible for York Region's Rental Housing Development Charge Deferral Program with respect to the applicant's development proposal as outlined in SRPI.21.047.

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### Contact Person:

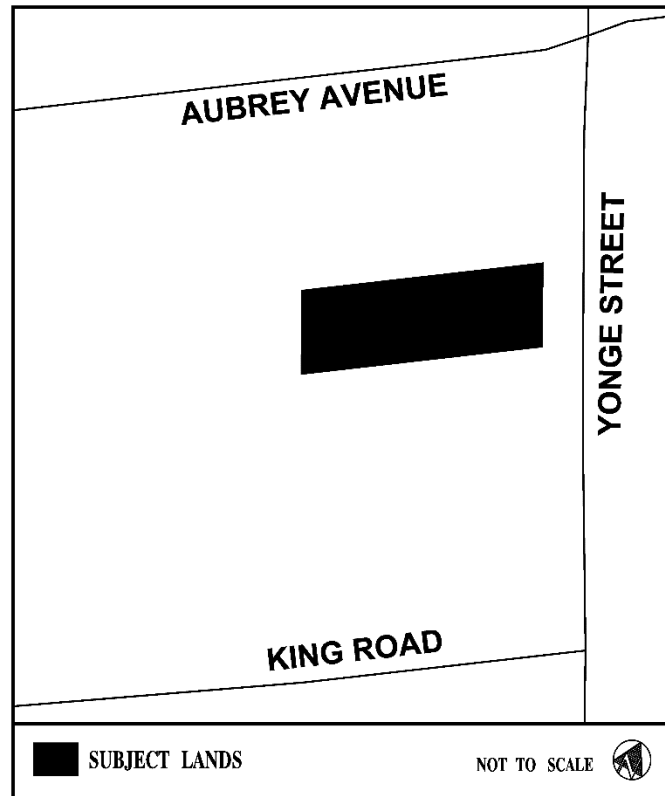
Ferdi Toniolo, Senior Planner – Zoning Section, phone number 905-771-5475 and/or  
Deborah Giannetta Manager of Development – Site Plans, phone number 905-771-5542

### Report Approval:

**Submitted by:** Kelvin Kwan, Commissioner of Planning and Infrastructure Department

**Approved by:** Mary-Anne Dempster, City Manager

All reports are electronically reviewed and/or approved by the Division Director, Treasurer (as required), City Solicitor (as required), Commissioner, and City Manager. Details of the reports approval are attached.



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### Background:

On July 8, 2020, Council endorsed a settlement between the City and the applicant related to their Local Planning Appeal Tribunal (LPAT) of their Official Plan and Zoning By-law Amendment applications to facilitate the construction of a six storey apartment building to be comprised of 64 residential units on the subject lands (refer to Appendix A). The associated Official Plan Amendment was subsequently approved by LPAT on December 16, 2020 and the Zoning By-law Amendment was approved in part, subject to a Site Plan application being finalized to the satisfaction of the City.

The applicant has worked diligently with City staff to satisfy all remaining issues related to the Zoning By-law Amendment and on March 3, 2021, LPAT issued its Final Order on the Zoning By-law Amendment. The applicant is in the process of finalizing Site Plan approval for the development, has satisfied the City's requirements for the assignment of servicing allocation and has submitted Building Permit applications to construct the development.

In accordance with the incentive program offered by the Region of York with respect to the establishment of purpose built affordable rental housing, the applicant is seeking support from both the Region and the City to defer the payment of Development Charges for its project. Accordingly, the purpose of this report is to review the applicant's request and to seek Council's approval to defer the payment of the Development Charges applicable to the applicant's development proposal.

### Discussion:

The applicant has obtained construction financing for the proposed development through the Canada Mortgage Housing Corporation (CMHC) **Mortgage Loan Insurance: Affordable Housing** program which offers ***“flexible options to encourage the construction, preservation and improvement of affordable rental properties”*** throughout Canada. The applicant has satisfied the affordability criteria under this program which requires maintaining a prescribed level of affordability for a period of at least 10 years. In this regard, for the affordability level to be achieved, the total rental income must be at least 10% lower than market rate and 20% of the units must rent for less than 30% of the median household income.

In addition to the above, the applicant wishes to also pursue both local and Regional incentives for the proposed purpose built affordable housing rental project to be constructed on its land holdings. In this regard, the York Region Development Charges Deferral for Purpose-Built Rental Buildings program incentivizes the development of purpose-built rental buildings in York Region through the deferral of Development Charges. Among the requirements to be eligible for this program, the proposed development must be a minimum of four storeys in height above grade, be affordable (in accordance with the Region's definition of affordable), be operated entirely as a rental property for a period of not less than twenty years and the local municipality must provide a similar, if not better, deferral or other incentive for the proposed development.

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Under this program, affordable is defined as “***Rental housing that is less than, or equal to, 175 per cent of Average Market Rent (AMR) for private apartments, by bedroom type.***” Average rents are calculated and published through the **CMHC Fall Rental Market Report annually.**

Region of York staff has confirmed that the applicant’s project is eligible for the York Region’s Development Charges deferral program for a period of five years with the possibility of an additional five year period. As outlined above, the City must offer a similar or comparable program in order for the applicant to access the York Region program.

**Section 3.1.5** of the City’s Official Plan states that a fundamental aspect of a complete community is the provision of “***adequate, affordable and suitable housing to meet the needs of a diverse population***”. In this regard **Section 3.1.5.1** of the Plan states that it is the policy of Council that “***A mix and range of housing types and affordability shall be encouraged in order to meet the needs of the whole community.***” Since the proposed development is to be a purpose built affordable rental project that meets the requirements of both **Sections 3.1.5** and **3.1.5.1** of the Plan, that has received approval under the CMHC **Mortgage Loan Insurance: Affordable Housing** program to facilitate purpose built affordable rental apartment units, and has been determined eligible under the York Region Development Charges Deferral for Purpose-Built Rental Buildings program, staff recommends that Council authorize the Mayor and Clerk to execute an agreement and/or authorize any further agreements or documentation as necessary with the owner and/or the Region of York as may be required to facilitate the deferral of the payment of City of Richmond Hill Development Charges and enable the applicant to qualify for the Regional Development Charges deferral program.

### **Financial/Staffing/Other Implications:**

The recommendations of this report will have financial implications. The deferral of Development Charges associated with this project in accordance with the York Region Development Charges Deferral for Purpose-Built Rental Buildings program and the requirement for the City to provide a comparable program would defer the Development Charge revenues typically collected at the time of Building Permit issuance to a future date for a period of five years with the possibility of an extension to 10 years as determined by the development project’s eligibility under York Region’s Development Charge Deferral Program.

### **Relationship to Council’s Strategic Priorities 2020-2022:**

The recommendations of this report are aligned with the strategic priority of **Strong Sense of Belonging** in recognizing the need to promote an Affordable Housing Strategy.

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### **Climate Change Considerations:**

Climate change considerations are not applicable to this staff report.

### **Conclusion:**

The applicant is seeking Council's approval of its request to defer the payment of Development Charges in accordance with the York Region Development Charges Deferral for Purpose-Built Rental Buildings program to facilitate the construction of a purpose built affordable rental apartment building on its land holdings. The applicant's request is consistent with the City's Official Plan housing policies and supports and complement CMHC's program and the Region's direction to support purpose built rental and affordable housing across the Region.

In consideration of the preceding, it is recommended that the Mayor and Clerk be authorized to execute an agreement made pursuant to the *Development Charges Act*, 1997 between the Corporation of the City of Richmond Hill and Vitmont Holdings (Oak Ridges) Inc. and/or the Region of York as may be required, defer the payment of the Development Charges otherwise payable with the respect to the applicant's development proposal.

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### **Attachments:**

The following attached documents may include scanned images of appendixes, maps and photographs. All attachments have been reviewed and made accessible. If you require an alternative format please call the contact person listed in this document.

- Appendix A - Extract from Council Meeting C#29-20 held July 8, 2020
- Map 1 - Site Plan
- Map 2 - Elevations

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### Report Approval Details

Document Title:	SRPI.21.047 - Request for Approval - Deferral of Development Charges - City File D06-15014 Final.docx
Attachments:	- SRPR.21.047 - Appendix A - Extract from Council Meeting held July 8, 2020.doc - SRPI.21.047- Map 1 - Site Plan.docx - SRPI.21.047- Map 2 - Elevations.docx
Final Approval Date:	Apr 27, 2021

This report and all of its attachments were approved and signed as outlined below:

**Gus Galanis - Apr 27, 2021 - 9:54 AM**

**Kelvin Kwan - Apr 27, 2021 - 10:14 AM**

**MaryAnne Dempster - Apr 27, 2021 - 11:47 AM**