

July 5, 2022

Mayor David West and Members of Council

City of Richmond Hill
225 East Beaver Creek Rd,
Richmond Hill, ON
L4B 3P4

Sent via email to clerks@richmondhill.ca

Dear Mayor West and Members of Council

**RE: CITY OF RICHMOND HILL | SRCFS.22.026 - REQUEST FOR APPROVAL -
COMMUNITY BENEFITS CHARGE STRATEGY - JULY 6TH COUNCIL**

The Building Industry and Land Development Association (BILD) is in receipt of Item 13.18 - Request for Approval - Community Benefits Charge Strategy - (Proposed By-law 99-22 and 109-22) as currently presented on the July 6th Council Agenda. On behalf of our York Chapter members, BILD appreciates the opportunity to provide the following sentiments as it relates to this work.

To begin, we would like to thank staff for the June 14th engagement where BILD was presented with the draft CBC Strategy for review. Following this meeting BILD provided a correspondence alongside a memorandum by Altus to staff dated June 17, 2022, which we have attached for your reference below.

From this submission we continue to have a few concerns that remain unaddressed by staff. This includes the following:

- BILD and our consultants from Kagan Shastri LLP and Altus Group strongly recommended that the City exclude the following from the definition of “value of land” in order to aid in the implementation of the By-law:
 - a. All existing buildings and structures;
 - b. All portions of the development which are non-residential so that the City does not impose the charge on non-residential components. This would aid the City in encouraging a mix of uses, such as ground floor retail and second floor commercial uses.
- We remain concerned that the City has not yet committed to a Parkland Cash-in-Lieu (CIL) Cap, yet the majority of costs in the CBC are parkland acquisition costs. As such, we are kindly requesting clarification on how the City will have the basis under *the Planning Act* to recover any additional parkland acquisition costs through the CBC (at least from those same high-density units that would be subject to both) if it is going to go with an uncapped Parkland CIL and use the full 1ha/500 units rate.

In advance of adoption, we kindly ask that Council direct for these revisions to be addressed in order to ensure that the implementation of this By-law is successful.



As your community building partners we thank you for the opportunity to provide these comments. Should there be any questions, please do not hesitate to contact the undersigned.

Victoria Mortelliti
Manager, Policy & Advocacy

CC: BILD Review Team
Gabe DiMartino, York Chapter Co-Chair
Mike McLean, York Chapter Co-Chair
Paula Tenuta, SVP, BILD
Gigi Li, City of Richmond Hill
Members of the BILD York Chapter

The Building Industry and Land Development Association is an advocacy and educational group representing the building, land development and professional renovation industry in the Greater Toronto Area. BILD is the largest home builders' association in Canada, and is affiliated with the Ontario Home Builders' Association and the Canadian Home Builders' Association. It's 1,500 member companies consists not only of direct industry participants but also of supporting companies such as financial and professional service organizations, trade contractors, as well as manufacturers and suppliers of home-related products.



June 17, 2022

Gigi Li, Director, Financial Services and Treasurer
City of Richmond Hill
225 East Beaver Creek Rd.
Richmond Hill, ON
L4B 3P4

Sent via email to gigi.li@richmondhill.ca

Dear Ms. Li,

RE: CITY OF RICHMOND HILL | COMMUNITY BENEFITS CHARGE STRATEGY & BY- LAW
JUNE 14TH - DEVELOPMENT INDUSTRY SESSION FOLLOW-UP

On behalf of our York Chapter members, the Building Industry and Land Development Association (BILD) would like to take this opportunity to thank the City for engaging BILD on June 14th where the City presented the draft Community Benefits Charge Strategy and By-law to the development industry. BILD believes that constructive dialogue with the industry is essential to offer the greatest chance of success for consensus on this important matter.

Following our engagement session with the City, our members, in addition to our consultants from Kagan Shastri LLP and Altus Group, sent us the following remarks on the CBC Strategy to submit to the City. With this, we thank you for the opportunity to submit the attached correspondence for your consideration in advance of Council consideration on July 6th.

As it specifically relates to the City's proposed CBC By-law, we recommend that the City exclude from the definition of "value of land" for:

- a. All existing buildings and structures;
- b. All portions of the development which are non-residential so that the City does not impose the charge on non-residential components. This would aid the City in encouraging a mix of uses, such as ground floor retail and second floor commercial uses.

Thank you for the opportunity to provide these comments. We look forward to further discussions.

Victoria Mortelliti
Manager, Policy & Advocacy

CC: BILD Review Team
Gabe DiMartino, York Chapter Co-Chair
Mike McLean, York Chapter Co-Chair
Paula Tenuta, SVP, BILD
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June 16, 2022

Memorandum to: Gigi Li
City of Richmond Hill

From: Daryl Keleher, Senior Director
Altus Group Economic Consulting

Subject: Richmond Hill CBC
Our File: P-6752

Altus Group Economic Consulting was retained by BILD to review the City of Richmond Hill's Community Benefits Charge (CBC) background study and associated CBC by-law. This memorandum summarizes my questions and comments from that review.

Questions and Comments

- 1) Can a copy of the Antec Appraisal report referenced throughout the CBC Study be provided?
- 2) Table 2-3 of the CBC Study shows "Residential Net Population" of 40,289 persons, but Table 2-4 shows the sum of low/medium-density growth and high-density growth as 36,126 persons, a difference of 4,173 persons – what is the basis for the difference?
- 3) Inclusion of \$50 million in gross parkland acquisition costs (item #66), including \$15.25 million from CBC-eligible developments appears to presume that the City will utilize some sort of Parkland CIL cap. Otherwise, if Parkland CIL is yielded at the maximum alternative rate (1 hectare per 500 dwelling units) from the Planning Act, there should be no need to obtain additional parkland cash from development, as the amount of parkland obtained would exceed the Planning Act maximums (even if under different planning tools).

For reference, the City's Parks Plan sets out the value of lands that need to be acquired at \$411 million. Even in the case of the City utilizing cap on Parkland CIL, assuming that the City's fixed-unit rate will recover all of these \$411 million in needed funds, the \$50 million to be recovered from the City's CBC would not appear necessary to fulfil future parkland needs in the City.

- 4) Item 5 of the project list is a \$10 million provision for "Additional Space" under the General Administration category:
 - a. What are the plans for additional general administration space for \$10 million and how are the need for these works driven by high-density development?
 - b. How was the BTE of 25% determined?
- 5) What are the \$450,000 in "Grants, Subsidies and Other Contributions" for the Streetscape – Yonge and Garden representing?
- 6) It appears that even though the park redevelopment works in the CBC study are DC eligible works, they are not included in the City's DC study, which matches the stated intent for the City's CBC to have a completely separate set of projects from the City's DC Study. However, if these works and

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parkland improvements are required because of development, why were they not included in the City's 2021 DC Study?

- 7) Project #18 in the capital project list is an \$18.3 million provision for "Additional DDO Projects", with DDO meaning the "David Dunlap Observatory" – can the City provide details about what specific works are to be built with these funds?
- 8) How was the "Provision for Public Art (as per Public Art Policy)" gross cost of \$3.96 million determined? The City's Public Art policy states that "1% of each municipal capital project over \$500,000 is dedicated to the commission and management of public art projects."
 - a. Consistent with the City's stated policy, is the amount included in the CBC Study recovering the 1% of costs for municipal capital projects (implying there are \$396 million in municipal capital project costs)?
 - b. If so, wouldn't the 1% contribution already be embedded within those project costs (as included in the CBC Study, DC Study and capital budget)?
- 9) What are the City's plans for the \$19 million line item for Affordable Housing? Does the City have responsibility for delivery and monitoring of affordable housing, or is it a responsibility of the Region of York?