



**C9
COMMUNICATION
COUNCIL – May 17, 2022
CW (2) - Report No. 24, Item 1**

64 Jardin Drive, Unit 1B
Concord, Ontario
L4K 3P3
T. 905.669.4055
F. 905.669.0097
klmplanning.com

SENT VIA EMAIL (Please Distribute)

KLM File: P-3207

May 13, 2022

**Office of the City Clerk
Vaughan City Hall
2141 Major Mackenzie Drive
Vaughan, Ontario, L6A 1T1**

Attention: City Clerk and Honourable Mayor & Members of Council

**Attention: Nick Spensieri, City Manager
Michael Coroneos, Deputy City Manager, Corporate Services, City Treasurer & CFO
Haiqing Xu, Deputy City Manager, Planning & Growth Management**

**RE: Comments on the Following City Initiatives:
Vaughan City-Wide Development Charges Update, and
Community Benefits Charge Strategy**

On behalf of our client (**9630 Islington Inc.** - the “**Owner**” or “**Client**”), who owns land at the northwest corner of Islington Avenue and Napa Valley Avenue in Woodbridge (west side of Islington Avenue between Rutherford Road and Major Mackenzie Drive), municipally known as 9630 Islington Avenue (Approved Files Z.20.001 and DA.20.002), KLM Planning Partners Inc. (“**KLM**”) as the client’s land use planning consultant has been instructed to write to you to advise of their **opposition** to Vaughan’s proposed City-Wide Development Charges Update, and to the proposed Community Benefits Charge Strategy, which was documented in the Committee of the Whole Report dated April 12, 2022, and was the subject of a statutory Public Meeting and report on May 10, 2022, and the release of a draft City-Wide DC By-law for public view 10-days prior to the statutory meeting.

Background – 9630 Islington Inc. Approvals

On October 20, 2021, Vaughan Council approved the Owner’s Zoning By-law Amendment Application Z.20.001 and Site Plan Application DA.20.002 to allow the development of a 0.69 ha parcel for a 5-storey apartment building containing 89 residential units. The proposed development met the Vaughan Official Plan maximum permitted density requirement of 1.75 Floor Space Index (FSI) and the maximum 5-storey height limit, and therefore, the project was not subject to Section 37 density bonussing under the Planning Act and no Section 37 contributions were required to be paid by the Owner to the City.

The implementing Zoning By-law 137-2020 that amended Vaughan Comprehensive Zoning By-law 1-88 was enacted by Vaughan Council on October 20, 2021, and is in full force and effect.

Since October 2021, the Owner's consultant team has been addressing the site plan comments identified by the City and Region of York departments, which was followed by a formal submission on March 1, 2022. The consultant team is in the process of addressing a few minor remaining comments and will be making a further submission in May 2022, which is expected to result in the City and Region of York sending us their respective draft site plan agreements for review and execution over the next few months.

Concerns with the City-Wide DC and CBC Increases

The City-Wide Development Charges Update proposes a 40 % increase from the current DC rates on mid and high-density developments including small and large apartment units. In addition, the Community Benefits Charge Strategy proposes a 4 % charge on the land value on the date prior to the issuance of a Building Permit. These additional charges were not factored into the overall cost of the proforma for our client's project, and impacts the viability of constructing the building that was approved on October 20, 2021 for a total of 89 residential apartment units, and as mentioned earlier, is close to receiving a draft site plan agreement for review and execution over the next few months. In addition, we recently learned of the City's intentions to increase the cash-in-lieu of parkland dedication amount from the current \$8,500/unit to \$11,300/unit starting on September 18, 2022 with yearly phased-in increases to \$27,999/unit on March 1, 2025, and subsequent annual increases of 4.25 % thereafter, which will further compound the financial burden.

The combined financial hit to the developer that is associated with all of the above-noted charges does not assist to make housing prices lower and more affordable but rather has the opposite effect. For a project such as 9630 Islington Inc. that has been approved by Vaughan Council already but has not been issued a Building Permit, the added costs have the effect of significantly impacting the project as the added unforeseen costs cannot be absorbed by the developer and will need to be added to the purchase price of the unit. However, this may not always be possible in certain other situations where the units have been pre-sold.

The City needs to consider including a transition provision within the City-Wide DC By-law to allow developers with Council approved projects to lock into paying DC's at the current prevailing rate, and to also include an exemption provision within the CBC By-law so that the CBC is not applied to Council approved projects where an Owner was not previously required to pay Section 37 costs, as is the case with 9630 Islington Inc. Without these transition and exemption provisions, there is concern with the viability of this development.

We ask the following of Vaughan Council:

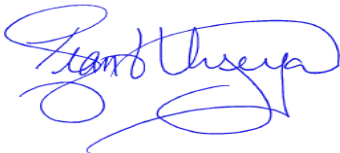
1. To consider a transition provision to be included in the City-Wide DC Rate By-law that will allow developers that have approved development applications to enter into an agreement with the City to pay DC's at the current existing rate.
2. To consider an exemption provision to be included in the Community Benefits Charge By-law that will exempt developers that have approved development applications and were not previously subject to a Section 37 charge when their project was approved from having to pay a CBC charge once the new Community Benefits Charge By-law comes into effect.

3. To consider lower City-Wide DC and CBC rates, and to consider various scenarios whereby the applicable rates can be lowered further where the developers commit to implementing desirable community benefits within the development design to off-set the total costs payable.

We look forward to Vaughan Council making amendments to the City-Wide DC and CBC By-laws to address our comments. If any Member of Vaughan Council or Vaughan Planning and Finance staff have any questions, I and the client can make ourselves available to meet with you.

Respectfully submitted,

KLM PLANNING PARTNERS INC.



Grant Uyeyama, BAA, MCIP, RPP
Principal Planner

Copy to: Steve Saccoccia Jr., Owner, 9630 Islington Inc.
Art Saccoccia, Sky Homes Corporation
Mark Yarranton, KLM Planning Partners Inc.