



**C10
COMMUNICATION
COUNCIL – May 17, 2022
CW (2) - Report No. 24, Item 1**

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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 (**Kleinburg Village Development Corp.** - the “**Owner**” or “**Client**”), who owns land on the south side of Stegman’s Mill Road, just east of Islington Avenue in the historic Kleinburg Village Core, municipally known as 357, 365 and 375 Stegman’s Mill Road (Approved Files Z.21.020, 19T-21V005, 19CDM-21V003, and DA.21.023), 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 – Kleinburg Village Development Corp. Approvals

On February 15, 2022, Vaughan Council approved the Owner’s Zoning By-law Amendment Application Z.21.020, Draft Plan of Subdivision Application 19T-21V005, Draft Plan of Condominium Application 19CDM-21V003, and Site Development Application DA.21.023 to allow the development of a 1.15 ha parcel for 13 freehold single-detached residential dwelling units served by an internal common element condominium road (on 0.78 ha of developable land) and the future conveyance of open space lands (0.37 ha) to the TRCA. The proposed development did not exceed the permitted density and height requirements in the Vaughan Official Plan 2010, and therefore, 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 046-2022 that amended Vaughan Comprehensive Zoning By-law 1-88 was enacted by Vaughan Council on March 22, 2022, and is in full force and effect. A subsequent Administrative Correction Zoning By-law 061-2022 that included inadvertent omissions from the original by-law was enacted on April 26, 2022, and is currently subject to a statutory 20-day appeal period under the Planning Act that will end on May 30, 2022.

Since February 2022, the Owner's consultant team has been addressing the site plan comments identified by the City departments, which was followed by a formal submission on March 1, 2022 and subsequent City responses approving the site plan submission. The consultant team is working with the City Planning staff on the subdivision conditions clearing process with the aim of registering a Subdivision M-Plan over the next few months, followed by the execution of a site plan agreement shortly thereafter.

Concerns with the City-Wide DC and CBC Increases

The City-Wide Development Charges Update proposes a 37 % increase from the current DC rates on single-detached dwellings. 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 13 single-detached dwellings that was recently approved by Vaughan Council on February 15, 2022, and is within a few months of having the subdivision M-Plan being registered and the site plan agreement being executed. In addition, the requirement to pay cash-in-lieu of parkland dedication when factored into the overall costs (ie. in this case, the value of 5 % of the land that would otherwise be conveyed as parkland) 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 Kleinburg Village Development Corp. 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 Kleinburg Village Development Corp. Without these transition and exemption provisions, there is concern with the viability of this development.

We ask the following of Vaughan Council:

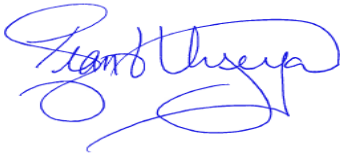
1. To consider a transition provision to be included in the City-Wide DC Rate By-law that will allow developers that have approved development applications to enter into an agreement with the City to pay DC's at the current existing rate.

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: Art Saccoccia, Kleinburg Village Development Corp.
 John Andriano, Kleinburg Village Development Corp.
 Mark Yarranton, KLM Planning Partners Inc.