

Committee of the Whole (2) Report

DATE: Tuesday, April 12, 2022

WARD(S): 4

TITLE: REQUEST FOR PARKLAND DEDICATION RELIEF FOR THE
SENIORS RENTAL HOUSING DEVELOPMENT AT 9800
BATHURST STREET

FROM:

Michael Coroneos, Deputy City Manager, Corporate Services, City Treasurer and Chief Financial Officer

ACTION: DECISION

Purpose

To seek Council's approval with respect to Madison V!VA Bathurst Holdings Limited's request to be relieved of making the cash-in-lieu of parkland ("**CIL**") payment required, in connection with its 167-unit seniors residence development at 9800 Bathurst Street, related site development application DA.19.066.

Report Highlights

- Madison V!VA is constructing a 167-unit seniors residence with 151 rental units and 16 assisted living units at 9800 Bathurst St. as part of the V!VA Thornhill Woods Retirement Community.
- On February 17, 2022, Madison V!VA requested relief of its \$1,283,500.00 CIL of parkland dedication payment requirement.
- In response, City staff have evaluated three options:
Option 1: Defer/Waiver the full CIL payment of \$1,283,500.00.
Option 2: Defer/Waiver of a percentage of the CIL of parkland payment, ranging from 5% to 95%.
Option 3: Defer the CIL payment of \$1,283,500.00 for a period of 3 years interest free (Staff Recommended Option).
- Option 3 would allow the development to qualify for the Region's DC deferral policy for purpose-built rental for 36 months.

Recommendations

1. That Council direct staff to defer the cash-in-lieu of parkland dedication payment of \$1,283,500.00 for Madison V!VA's development of a 167-unit seniors residence development at 9800 Bathurst Street for a period of 36 months, interest free; and
2. That the Mayor and the City Clerk be authorized to execute all documents and agreements necessary to authorize the cash-in-lieu of parkland dedication deferral payment in accordance with the above paragraph, in a form satisfactory to the Deputy City Manager, Legal and Administrative Services & City Solicitor.

Background

A Seniors Rental Housing Development is proposed to be developed on lands known as 9800 Bathurst Street, Vaughan.

Madison V!VA is proposing to construct a fifteen-storey 167-unit seniors residence comprising of 151 rental apartment units and 16 assisted living suites, pursuant to Site Development Application file number DA.19.066. This is Phase 2 of a retirement community complex approved as Site Development Application DA.09.068.

The property is located on the north-east corner of Bathurst Street and Lebovic Campus Drive adjacent to the existing V!VA Thornhill Woods Retirement Community. V!VA Retirement communities provides a variety of seniors living options to accommodate the different living needs of seniors.

As part of the development process, the City requires a CIL payment for the development in accordance with By-law No. 205-2012.

The CIL payment was calculated based on a fixed rate of \$8,500 per unit x 151 units totaling \$1,283,500. The remaining 16 assisted living units are considered an institutional development and are exempt from paying CIL.

Previous Reports/Authority

[Parkland Dedication Guidelines Study – February 2022](#)

Analysis and Options

On February 17, 2022, Madison V!VA made a request to waive/defer its CIL of parkland requirement for its Phase 2 seniors residence project at V!VA Thornhill Woods Retirement Community project in accordance with By-law No. 205-2012, which applies a fixed unit rate of \$8,500 per unit x 151 units totaling \$1,283,500.00 for high-density land. The remaining 16 units are assisted living units and are exempt from paying CIL.

York Region Development Charge Deferral Requires Local Incentive

Madison V!VA is proposing to enter into a Purpose-Built Rental Development Charge (DC) Deferral Agreement with York Region, however the Region's policy requires that the local municipality provides an incentive, financial or otherwise, in order to qualify for the deferral. The City previously entered into a DC prepayment agreement in September 2018 as a transition measure at the time to the 2018 DC Background Study and by-law, which was offered to all developers and therefore is not considered local participation under the Region's deferral policy. Madison V!VA is requesting a deferral of CIL of Parkland as a means for the City to contribute towards this housing development as there are no provisions in By-law No. 205-2012 that exempt Madison V!VA from CIL payments.

Treatment by Other Municipalities of Parkland Dedication Exemptions and Affordable Housing Development Applications

Staff reviewed the by-laws and policies of eight local municipalities as they relate to parkland dedication requirements and exemptions. Four local municipalities – City of Markham, Town of Newmarket, Town of Richmond Hill and Township of King – provide reductions and/or exemptions from parkland and/or cash-in-lieu of parkland requirements. There are multiple categories of exemptions; those most relevant to Madison V!VA's request are as follows:

- Public service facilities;
- Affordable housing, in accordance with how it is defined in the Provincial Policy Statement;
- Nursing homes, as defined by the *Long-Term Care Homes Act, 2007*; and
- Not-for-profit palliative care facilities.

The Towns of East Gwillimbury, Whitchurch-Stouffville, Georgina and Aurora do not provide for any exemptions for parkland dedication and/or cash-in-lieu of parkland requirements.

The City's existing Cash-in-Lieu By-law 139-90 was enacted in 1990. As per previous Council authorization, staff are in process of a comprehensive review of By-law 139-90 and policies and will consider the exemptions applied by other municipalities. Staff will bring forward recommendations to a future Committee for its consideration. In the interim, the request from Madison V!VA merits review in the context of providing much needed seniors rental apartment units within Vaughan.

The City completed a new Parkland Dedication Guideline Study

In February 2022, the Parkland Dedication Guideline Study was approved in principle subject to specific amendments related to the acceptance of a number of parkland conditions.

The City's Parks Infrastructure Planning and Development Department in consultation with Legal Services, Financial Planning & Development Finance, Real Estate Services, and Policy Planning completed the Parkland Dedication Guideline Study. This study includes a review of the City's current By-laws for Parkland Dedication, Land Conveyance and Payment-in-lieu. This guideline document builds upon the existing payment-in-lieu policies and by-laws including the use of community benefits associated with payment-in-lieu funding, land dedication protocols and standards and best practices, conveyance requirements, valuation, credits, deferrals, exemptions and other matters of interpretation identified under Section 42 of the *Planning Act* as amended by Bills 108 and 197. The study will assist in developing a new Parkland Dedication By-Law to be presented to Council before the end of Q2 2022. This by-law will assist in informing future decisions by Council as it relates to, but not necessarily limited to the treatment of rental housing projects and potential exemptions, deferrals etc., similar to the subject site. The study will also inform the upcoming Community Benefit Strategy and By-law and will have policy implications with respect to the City's up-coming Official Plan review.

Consideration 42 of the Study, which is supported by Staff, suggests that the City consider the following developers or development categories as being subject to a reduced parkland dedication/cash-in-lieu requirement:

- Development of land, buildings or structures that is a nursing home, as defined by the Long-Term Care Homes Act;
- Development of land, buildings or structures for affordable housing in accordance with the definition of affordable housing in the Provincial Policy Statement;
- Development of land being undertaken by a not-for-profit organization; and,
- Development of land within a designated Heritage Conservation District that is in substantial conformity with the policies and guidelines of the Heritage Conservation District Plan, the Official Plan and any applicable Secondary Plan.

The applicant's profile and the proposed development generally meets the first three of the above categories.

CIL contributions support acquisition of parkland in the City.

The 2018 review and update of the Active Together Master Plan (ATMP), the City's strategic plan for parks, recreation and libraries, recommends a provision target of 2.0 ha/1000 population in order to meet identified parkland needs at a City-wide level.

Based on the findings of the 2018 ATMP, the Carrville Community has an overall parkland provision rate of 0.92 ha/1000 persons. This is currently below the target rate of 2.0 ha/1000 persons recommended in the 2018 ATMP. With the anticipated growth due to local intensification are such as the Carrville District Centre, the City will require to consider the use of CIL contributions for park acquisition or existing park redevelopment in response to growth needs and maintaining a consistent level of service where possible.

Notwithstanding the above, the Parks Infrastructure Planning and Development Department can support a corporate decision to defer the amount of CIL contributions associated with this application, as outlined in this report, in consideration of this project meeting other City objectives with respect to affordable housing needs, community benefits and to be consistent with the application of CIL requirements on past housing projects.

Staff have evaluated 3 options for Council's consideration in response to the request for a deferral; Option 3 is Staff's recommendation.

In response to Madison VIVA's request for waiver/deferral of the CIL of parkland requirement, there are three options for Council's consideration:

Option 1: Defer/Waiver of the full CIL payment of \$1,283,500.00

This option would provide maximum relief to Madison VIVA. This option would have the biggest impact on the City's CIL Recreation land reserve.

Option 2: Council to decide on a percentage waiver of the CIL of parkland payment ranging from 5% to 95%

The percentage waived would provide some relief to Madison VIVA and would also generate some funds to the City's Cash-in-Lieu Recreation Land Reserve.

Option 3: Defer the CIL payment of \$1,283,500.00 for a period of 3 years, interest free (Staff Recommended Option)

This option would provide relief to Madison VIVA for the same period of time as the Regional DC deferral for purpose built rental. Madison VIVA requested the 3-year term to align to the deferral policy, and for the deferral to be interest free. At the expiry of the deferral, Madison VIVA would be required to pay the deferred CIL amount as per the terms set out in an agreement.

Financial Impact

Funds collected by the City from CIL payments are deposited into the City's Cash-in-Lieu Recreation Land Reserve. The funds are used to acquire active and/or passive parkland for future park development.

The current balance in the CIL Recreation Land Reserve is approximately \$140.6 million. As outlined in the background section of this report, deficiencies in active parkland exist at the City-wide level.

As outlined in the Analysis and Options section of this report, the full or partial refund of the CIL payment made by Madison V!VA would negatively impact the balance in the CIL Recreation Land Reserve. Although funding in the reserve should be maximized, the impact on the reserve balance should relief be granted in this case would not be significant enough to alter strategies for future parkland acquisition.

The financial impact will be subject to Council's preferred option.

Broader Regional Impacts/Considerations

Madison V!VA is requesting a DC deferral with York Region, under the Region's Purpose-Built Rental DC deferral policy. The deferral of CIL of Parkland will satisfy the condition in the deferral policy that the local municipality participate in the development by offering an incentive for the proposed development.

Conclusion

Madison V!VA is constructing a 167-unit seniors residence development adjacent to the existing V!VA Thornhill Woods assisted living development at 9800 Bathurst St. Madison V!VA has requested a 3-year interest free deferral.

Staff recommend Option 3 to defer the amount of CIL Parkland contributions associated with this application for a 3-year period to align with the Region's DC deferral policy. This allows Madison V!VA to qualify for the Region deferral, and the City will still be able to collect the full CIL amount.

For more information, please contact: Nelson Pereira, Manager Development Finance, ext. 8393.

Attachments

None

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