

CORPORATE SERVICES, STRATEGIC PLANNING AND PROPERTY COMMITTEE

REQUEST TO WAIVE EDC PAYMENT – 844 DON MILLS RD WARD 11

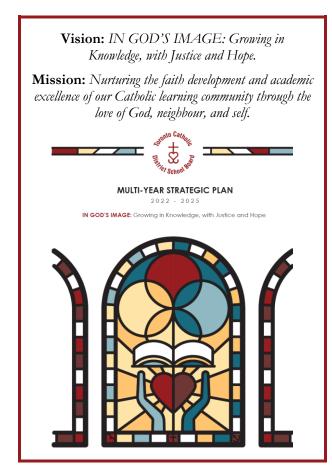
"I can do all things through him who strengthens me." Philippians 4:13 (NRSVCE)

Drafted Meeting Date

October 5, 2022 November 10, 2022

M. Loberto, Superintendent, Planning and Development Services

RECOMMENDATION REPORT



Brendan Browne
Director of Education

Adrian Della Mora
Associate Director of Academic
Affairs & Chief Operating Officer

Derek Boyce

Associate Director of Corporate Services and Chief Commercial Officer

Ryan Putnam Chief Financial Officer and Treasurer

A. EXECUTIVE SUMMARY

This report provides a response to the delegation from representatives of the Multi-Generational Housing Toronto (MGH) at the September 8, 2022 Corporate Services Committee meeting. MGH is requesting the waiver of approximately \$1.1 million in Education Development Charges (EDC) payable for its 27-storey mixed-use development at 844 Don Mills Road, which includes 390 affordable rental housing units and 60,870 square feet of non-residential space.

Staff recognize that affordable rental housing is an important part of the social infrastructure of a City, particularly as the price of housing continues to increase. However, the Board does not receive funding to support City initiatives, and as highlighted in the recent capital program update report, EDC's are a key funding source to deliver accommodation for TCDSB students. In addition, the waiver of EDC funds for this privately developed affordable housing project could set a precedent which would have a negative impact on available resources for TCDSB needs.

As a result, staff recommend that the Board does not waive the EDC payable for the MGH development at 844 Don Mills Road.

The cumulative staff time required to prepare this report was 6 hours

B. BACKGROUND

- 1. The Crosstown Community is a master planned and transit oriented development located at the northwest corner of Eglinton and Don Mills Road. The overall development will include 4,921 residential units and a mix of commercial and office uses.
- 2. The development consortium for the project, with City approval, entered into an agreement with MGH Toronto to develop and own the affordable housing component. MGH Toronto is a volunteer supported registered not-for-profit corporation whose focus is to improve the quality of life for seniors. The organization will be developing a 27-storey mixed-use building which includes 390 affordable rental units which will serve seniors and families. As per the delegation, the affordable housing is being funded by the City of Toronto and Canada Mortgage and Housing (CMHC) finance.
 - The development also includes retail space, two levels of underground parking, a long-term care component funded by the Province and CHMC, an early learning centre, and community space.
- 3. The building permit submitted by MGH Toronto was accepted by the City of Toronto Building Department on January 4, 2022.

Ver2.6 Page 2 of 4

- 4. On June 3, 2022, MGH received a notice from the City of Toronto regarding the required EDC funds payable for the project prior to the issuance of the building permit. The breakdown of the \$1,129,401 payment is outlined below
 - 390 residential units (\$2,693 EDC charge per unit): \$1,050,270
 - 60,870 square feet of non-residential space (\$1.30 per sq.ft EDC charge): \$79,131
- 5. At the September 8, 2022 Corporate Services Committee, representatives of MGH Toronto delegated seeking a waiver of the EDC payments for the mixed-use project. In 2018, Toronto City Council approved the exemption of the affordable rental housing dwelling units from the payment of development charges as well planning and park dedication fees and building permits.

C. EVIDENCE/RESEARCH/ANALYSIS

- 1. The supply of affordable housing is an important component of City building. It has become increasingly important as the price of housing continues to rise, exacerbating housing affordability issues for residents across the City. The City of Toronto has introduced initiatives to increase the supply of affordable housing, namely the Open Door Affordable Housing Program, launched in 2016. This initiative seeks to accelerate affordable housing construction by providing City financial contributions including capital funding as well as fees (including development charges) and property tax relief.
 - The Open Door Program is designed to assist the City in achieving the goals of the Housing TO 2020-2030 Action, which sets targets for the approval of 40,000 new affordable rental homes and 4,000 new affordable ownership homes by 2030.
- 2. *EDC* monies are a key funding source to address *TCDSB* student accommodation needs. The Capital Program Status Update report, considered by the Board at the September 8, 2022 Corporate Services Committee meeting, highlighted the need for the use of approximately \$34.4 million in EDC funds to deliver the capital projects currently in the pipeline. The amount of required funding is likely to increase given the current escalation in site preparation costs. EDC funds are also required for the acquisition of property to address growth across the City.
- 3. While staff recognize the importance of increasing the supply of affordable rental housing, the Board is not in a position to subsidize a City of Toronto funded initiative. Given the Housing TO 2030 affordable housing targets, the waiver of the EDC payable for this development is potentially precedent setting and

Ver2.6 Page 3 of 4

could have a significant impact on available funds required for Board objectives. As such, staff does not recommend approval of the requested EDC waiver.

D. STAFF RECOMMENDATION

That the Board does not approve the request of MGH Toronto to waive the \$1,129,401 EDC payment for the mixed-use development at 844 Don Mills Road.

Ver2.6 Page 4 of 4