

Exempting Non-Profit Housing from Planning Application Fees, Building Permit Fees and Parkland Dedication Payment Requirements

(City Council on February 1, 2 and 3, 2000, amended this Clause by:

- (1) *adding to Recommendation No. (1) embodied in the joint report dated December 21, 1999, from the Acting Commissioner of Urban Development Services and the Commissioner of Economic Development, Culture and Tourism, as amended by the Planning and Transportation Committee, after the words “By-law No. 30152 of the former City of North York”, the words “and By-law No. 1944-0786 of the former City of Toronto as applicable”; so that such recommendation shall now read as follows:*

“(1) Council exempt the following non-profit housing developments from the building fees payable under By-law No. 163-1998 and the parkland dedication requirements under By-law No. 30152 of the former City of North York and By-law No. 1944-0786 of the former City of Toronto as applicable:

a 24 unit non-profit housing development at 647-657 Lawrence Avenue West;

30 St. Lawrence Street; and

1070 Queen Street East;

and, if possible, that the waiving of the permit fees for these projects be changed to a deferral of fees if deemed feasible during the course of discussions, and that the approval of the waiver of fees in no way imply that the project be subject to any lower design landscaping or site plan standards than any private sector project;”;

and adopting such recommendation, as so amended; and

- (2) *striking out and referring the balance of the Clause, together with the confidential reports dated December 6, 1999, and January 27, 2000, from the City Solicitor, and the following motion, back to the Planning and Transportation Committee for further consideration, and requesting the Commissioner of Urban Development Services and the City Solicitor to submit a joint report thereon to the Planning and Transportation Committee:*

Moved by: Councillor Moscoe

Seconded by: Councillor Feldman

“WHEREAS the Report of the Mayor’s Homelessness Action Task Force estimated that about 2,000 new below-market rental units are needed every year in Toronto just to meet the new demand; and

WHEREAS, in the City of Toronto, there have only been 159 and 203 rental starts (excludes lifelease units) in 1998 and 1999, respectively; and

WHEREAS City Council endorsed the Task Force’s Action Plan which contains 104 recommendations; and

WHEREAS Recommendation No. 79 in the final report states that ‘The City and its agencies, boards, and commissions should defer development charges, land use application fees, parks levies, hook-up fees and other charges for housing developments that meet affordability criteria’; and

WHEREAS the City’s Development Charges By-law, By-law No. 476-1999, exempts non-profit housing from development charges; and

WHEREAS the Councils of the former municipalities waived building permit fees and parkland dedication payment requirements for certain types of development, including commercial and industrial buildings, places of worship, publicly funded schools, hospitals and social housing (former City of Toronto); and

WHEREAS there are sufficient means to recoup the deferred planning application fees, building permit fees and parkland dedication payment requirements for non-profit housing developments on City-owned sites that subsequently convert from non-profit to for-profit; and

WHEREAS under the City’s Let’s Build program, twenty-two proposals have been submitted for expressions of interest to develop four City-owned sites;

NOW THEREFORE BE IT RESOLVED THAT:

- (a) Council defer for all City-owned sites:
 - (i) planning application fees for non-profit housing developments;*
 - (ii) building permit fees for non-profit housing developments; and*
 - (iii) parkland dedication payment requirements for all non-profit housing developments, except where existing agreements which are registered on title required a parkland cash-in-lieu payment for future housing development;**
- (b) for future non-profit housing developments, the appropriate parkland dedication by-law be amended to exclude the property from the parkland dedication payment requirement; and*

- (c) *the same definition of ‘non-profit housing’ as is used in the Development Charges By-law No. 476-1999 be used for this policy;*
- (d) *City officials be directed to defer collecting planning application fees, building permit fees and parkland dedication payment requirements, in accordance with the above recommendations; and*
- (e) *Council authorize and direct the appropriate City officials to take the necessary action to give effect thereto.”)*

The Planning and Transportation Committee recommends:

- (1) the adoption of Recommendations (3) and (4) of the confidential report (December 6, 1999) from the City Solicitor which has been forwarded to Members of Council under separate cover; and**
- (2) the adoption of the joint report (December 21, 1999) from the Acting Commissioner of Urban Development Services and the Commissioner of Economic Development, Culture and Tourism subject to:**
 - (a) amending Recommendation (1) to read:**
 - “(1) Council exempt the following non-profit housing developments from the building fees payable under By-law No. 163-1998 and the parkland dedication requirements under By-law No. 30152 of the former City of North York:**
 - a 24 unit non-profit housing development at 647-657 Lawrence Avenue West;**
 - 30 St. Lawrence Street; and**
 - 1070 Queen Street East**
 - and, if possible, that the waiving of the permit fees for these projects be changed to a deferral of fees if deemed feasible during the course of discussions, and that the approval of the waiver of fees in no way imply that the project be subject to any lower design landscaping or site plan standards than any private sector project; and**
 - (b) deferring consideration of Recommendations (2) and (3).**

The Planning and Transportation Committee reports, for the information of Council, having:

- (1) in view of the financial impact inherent in the foregoing Recommendation (1), forwarded this matter to the Policy and Finance Committee for consideration of the financial impact and report to Council for its meeting on February 1, 2000;
- (2) requested the City Solicitor to report directly to Council on the concept of reducing permit and similar fees to a nominal amount rather than waiving or deferring them, and to include in his report any suggested clarifying amendments to the recommendations which he feels may be necessary;
- (3) with respect to non City-owned sites, requested the Commissioner of Urban Development Services and the Commissioner of Community and Neighbourhood Services to convene a meeting as soon as possible with interested members of the Planning and Transportation Committee, representatives from the Ontario Non-Profit Housing Association, the Co-op Housing Federation of Toronto, the Co-op Housing Foundation – Ontario Branch and Canada Mortgage and Housing Corporation to discuss the establishment of a policy that would defer all planning application fees, building permit fees and parkland dedication payment requirements for non-profit housing projects, and would include the following provisions:
 - (a) fees and payments would accrue as a liability against the building with interest, all to be recoverable in the event the building is sold or converted to a profit based status;
 - (b) Council, at the time of sale or conversion, to review conditions to determine if it wishes to continue to defer these fees;
 - (c) the value of all payments that have been deferred be calculated for each project and the sponsoring agency be made aware of the subsidy being provided by the City in this regard; and
 - (d) that this be an interim policy to be reviewed after 5 years in order to determine its success in encouraging the construction of non-profit affordable housing;

and requested the Commissioner or Urban Development Services to report to Planning and Transportation Committee on the outcome of this meeting; and

- (4) requested the Acting Commissioner, Urban Development Services to report to the Planning and Transportation Committee on:
 - (a) the following motions placed by Councillor Moscoe:
 - (i) that parkland dedication be on a site-by-site basis accomplished through the regular planning application process; and
 - (ii) for the purposes of By-law 163-1998, a deferral should be construed as if the full building permit fees have deemed to have been paid;

- (b) any appropriate new housing projects he may identify after having conducted a review of new housing projects.

The Planning and Transportation Committee submits the following report (December 21, 1999) from the Acting Commissioner, Urban Development Services and Commissioner, Economic Development, Culture and Tourism:

Purpose:

To waive the building permit fees and the payment in lieu of providing parkland for a 24 unit non-profit housing development at 647 - 657 Lawrence Avenue West (Site Plan Application UDSP-99-117) and exempt all non-profit housing from planning application fees, building permit fees and parkland dedication payment requirements. The waiving of fees would be consistent with the exemption provided in the recently approved development charges by-law.

Financial Implications and Impact Statement:

The adoption of the report's recommendations would:

- (1) Result in lost revenue of approximately \$30,800 from waiving building permit fees and \$27,000 from waiving the parkland dedication payment for a 24 unit non-profit housing development at 647 – 657 Lawrence Avenue west;
- (2) Exempt all new non-profit housing from planning application fees, building permit fees and parkland dedication payment requirements which would result in the City not receiving revenue of approximately \$4,000 - \$5,000 per unit and require the City to expend up to \$4,000 for each proposed non-profit housing development to provide notice (newspaper) of statutory public meetings and adoption of official plan and/or zoning by-law amendments; and
- (3) Impact on the business case plans of the Planning and Building Divisions of the Urban Development Services Department and the capital reserve fund for parks and recreational facilities of the Economic Development, Culture and Tourism Department.

Recommendations:

It is recommended that:

- (1) Council exempt a 24 unit non-profit housing development at 647-657 Lawrence Avenue West from the building fees payable under By-law No. 163-1998 and the parkland dedication requirements under By-law No. 30152 of the former City of North York.
- (2) Council adopt a policy to waive all planning application fees, building permit fees and parkland dedication payment requirements for non-profit housing projects. The same definition of “non-profit housing” as was used in the development charges by-law

(By-law No. 476-1999) should be used for the purposes of the waiver of these fees and payments;

- (3) Council direct City officials to not collect planning application fees, building permit fees and parkland dedication payment requirements for non-profit housing projects and authorize City officials to undertake any necessary action to give effect to the foregoing.

Background:

The city-owned property at 647-657 Lawrence Avenue West is proposed to be developed for a 24 unit non-profit housing project. The Lawrence-Allen Road project is the first affordable housing demonstration project to utilize the Capital Revolving Fund (CRF). Council established the \$11 million CRF to promote and facilitate the construction of affordable housing. The Council approved guidelines limit the use of the fund for capital contributions. The City has issued a request for expressions of interests to develop four other City-owned sites for affordable housing which may create 153 units. The City has also issued a request for expressions of interest for ideas, sites and buildings to create affordable housing on non-city -owned property with assistance from the City. Recommendation 79 of the Golden Task Force Report on Homelessness (approved in principle by Council) states that the City and its agencies, boards, and commissions should waive development charges, land use application fees, parks levies, hook-up fees, and other charges for housing developments that meet “affordability criteria”. This report focuses on the exemptions for non-profit housing initiatives only as staff in Planning and Housing are in the process of defining affordability and the necessary incentives required to facilitate the provision of rental housing.

At its meeting of June 7, 8 and 9, 1999, Council adopted Clause No. 6 in Report No. 10 of the Strategic Priorities and Planning Committee and approved a number of financial measures to assist in facilitating the development of the site for a 24 unit non-profit housing project by Out of the Cold and Congregation Darchei Noam. The financial measures include:

- authorizing a long term lease of the vacant City-owned property at an initial rate of \$2 year;
- approving funds from the Capital Revolving Fund for Affordable Housing for a capital grant of \$10, 000 per unit to a maximum of \$240,000 and a no-interest, second mortgage of up to \$600,000, for a maximum of 35 years; and
- approving the cost of road improvements (estimated at \$8,000) to be provided for in the 2000 Works and Emergency Services capital budget

Council also:

- Agreed in principle that all planning, development and buildings permit fees and charges for 647-657 Lawrence Avenue West, should be waived or forgiven;

- Directed the Commissioner of Urban Development Services to waive all application fees or costs of giving notice under the Planning Act for the development of 647-657 Lawrence Avenue West; and
- Directed the Commissioner of Economic Development, Culture and Tourism and Commissioner of Urban Development Services, in consultation with the City Solicitor, report on the measures required to exempt this development from building permit fees and the payment in lieu of parkland.

In March 1994, North York Council approved on the same site a project similar to the current proposal for a 24 unit assisted housing apartment building with conditions including payment of all required municipal levies and fees. Prior to the enactment of the zoning by-law, the applicant (Reena Foundation) was to obtain site plan approval.

The site plan was approved in June 1995 and included a condition that all work shown on the drawings and required by the conditions of approval (including an executed site plan agreement) shall be completed by June 28, 1997, failing which the approval shall require an extension prior to the issuance of any building permit. In 1995 the Provincial Government terminated the non-profit housing programs. With the elimination of financial assistance, the applicant did not pursue fulfilling the zoning and site plan approval conditions.

A request for extending site plan approval and a revised site plan application (UPDS-99-117) has been submitted. Once the site plan is approved, the bill for the zoning amendment will be introduced at Council.

Exempting Charges, Fees, and Levies for Non-Profit Housing:

(i) Development Charges

Paragraph 10 of subsection 5(1) of the Development Charges Act authorizes the City to provide full or partial exemptions for certain types of developments. Section 14(f) of the City's Development Charges By-law, By-law No. 476-1999 exempts non-profit housing from development charges. The 24 unit non-profit housing project will be exempt from development charges when the non-profit corporation is formed.

(ii) Planning Application Fees

Subsection 69(2) of the Planning Act authorizes the City to reduce the amount or waive the requirement for the payment of a fee for the processing of planning applications.

Council has already directed the Acting Commissioner of Urban Development Services to waive the planning application fees for this project.

It would be appropriate for Council to waive all planning application fees for all non-profit housing projects. This would ensure that all non-profit housing projects would be treated

equally. This approach would be consistent with the exemption provided by the Development Charges By-law.

There is not a specific by-law that Council enacted for the planning application fee schedule. The fee schedule was enacted through the confirmation by-law at Council's April 1998 meeting. Therefore, the waiving of planning application fees for all non-profit housing proposals can be implemented through Council directing the Acting Commissioner of Urban Development Services to waive such fees. Recommendation No. 3 of the report provides such direction.

(iii) Building Permit Fees

Section 6 of the City's Building Permit Fees By-law, By-law No. 163-1998, provides that no permit shall be issued until the full fees have been paid. The fees for the 2570m² building as proposed in site plan application (UDSP-99-117) are \$30,840. Payment is required at the building permit application stage and the amount being the lesser of the Chief Building Official's estimate (\$12 per m² for multiple unit buildings = \$30,840) or \$20,000 with the balance required prior to the issuance of a permit.

The former Borough of East York waived planning and building permit fees for certain types of commercial and industrial development between 1992 and 1995. Between 1995 and 1997, the former City of Scarborough waived building permit fees for expansions of industrial development. Scarborough also waived the building fees for the expansion of a church. In Etobicoke, city-owned buildings and joint ventures/partnership with the school boards and library board were exempted from building permit fees.

(iv) Parkland Dedication or Cash-in-Lieu Payment

Section 42 of the Planning Act authorizes the City to require, as condition of development or redevelopment, the conveyance of land (2 percent for industrial or commercial purposes and 5 percent for other uses) to the City for park or public recreational purposes or to require the payment of money in lieu of the value of the land required to be conveyed for parkland. The Act requires that all money received shall be placed in a special account and spent only for the acquisition of land for park and other public recreational purposes.

The Economic Development, Culture and Tourism is in the process of reviewing and harmonizing the six parkland dedication by-laws of the former municipalities. The former City of North York parkland dedication by-law (By-law Number 30152) necessitated a parkland dedication requirement for this development. North York Council approved a 5 percent cash-in-lieu of parkland dedication payment as a condition of approval for this development. That cash-in-lieu parkland dedication amount has been calculated to be \$27,000 based on an estimated appraised value of the subject lands of \$540,000. Payment is required prior to the issuance of a building permit.

The parkland dedication requirement has been waived by many Ontario municipalities including some of the former municipal councils of the new City of Toronto, for certain types of development including commercial and industrial buildings, places of worship, publicly funded

schools and hospitals. The former City of Toronto also waived the parkland dedication payment for social housing projects.

Grants For Payment of Building Permit Fees and Parkland Dedication Requirements:

As an alternative to exemptions, staff examined using grants to cover building permit fees and parkland dedication requirements. Section 113(1) of the Municipal Act authorizes the City to make grants for any purpose that, in the opinion of Council, is in the interests of the City.

Staff examined the possible implications of establishing a grant program and the potential sources to fund such a program. As the Capital Revolving Fund's (CRF) primary source of revenue is Section 37 agreements for social and affordable rental housing, the intent of this tool is to fund capital works to construct the housing and not to pay for staff services (processing applications, plan and site examinations) or fulfill parkland dedication requirements. The Council approved guidelines limit the use of the Fund for capital contributions.

Exemptions vs. Grants – Policy and Administrative Implications:

A policy that exempts fees and parkland dedication requirements vs. one that combines exemptions and grants (exempts development from development charges and planning application fees and provides grants for building permit fees and the parkland dedication requirements) is desirable as it is simpler, more efficient, less bureaucratic and costs less. A grant program requires Council to allocate the funds from the appropriate budget and staff resources to administer the program. A policy that exempts all fees as opposed to a program that waives some fees and provides grants for others also avoids circumstances where some City services are provided free (process planning applications) while similar type services (process building permit applications) are not. It is our opinion along with the Commissioner of Finance, that it is not appropriate or feasible to establish a new grant program.

The provision of new housing such as non-profit housing does not diminish the need for parkland or money for park improvements or impact on parks and recreational facilities. While a grant would appear to ensure that money is allocated to the park reserve fund, exemptions would not. A grant would simply be using the City's own resources which are paid for primarily by the taxpayers.

On City-owned properties there are sufficient measures available to ensure that the development will remain affordable and available for the target population. However, on sites not owned by the City, Council may want to seek some assurance that fees and parkland dedication requirements are paid if a not for profit development is converted to a for profit development. A grant could include a condition that it be repaid if the development is converted. However, it is more difficult to require payment if the fees are waived. Staff are examining means to require the payment of such fees if a development is converted to for profit.

Financial Impacts:

Planning applications and building permit fees reflect the cost of staff services required to process these types of applications including site inspections. The parks levy is used to acquire parkland and provide and improve recreational facilities. Waiving such fees and levies should be

viewed as part of the City's contribution to facilitating the creation of affordable non-profit housing. The cost of waiving such fees and levies would ultimately be borne by all taxpayers. Waiving fees would impact on the business cases for the Planning and Buildings Divisions of the Urban Development Services Department and the parks capital budget of the Economic Development, Culture and Tourism Department.

Exempting the 24 unit Lawrence Avenue housing proposal from fees, charges and parkland dedication requirements would result in the loss of revenue as follows:

development charges	\$ 55,888	(48.9%)
planning fees (change to site plan)	\$540	(0.5%)
park levy (estimated)	\$ 27,000	(23.6%)
building permit fees	\$ 30,840	(27.0%)
Total	\$114,268	(100.0%)

The City would also have to provide notice of the passing of the zoning by-law amendment, which may cost as much as \$2,800.

As noted earlier, the City has issued a request for expressions of interests to develop four other city-owned sites for affordable housing. The development of these sites and the Lawrence Avenue Road property is expected to create 177 units. Assuming all of the aforementioned 177 units are non-profit and building permits were issued for two projects in 2000 and two in 2001, the revenue lost from exempting development charges, planning application fees, building permit fees and parkland dedication requirements is estimated at \$503,700 in 2000 and \$262,500 in 2001. This represents 0.9 percent and 0.5 percent of all revenue received in 1998 from development charges, planning application fees, building permit applications and parkland dedication requirements made in the form of a cash-in-lieu of parkland dedication payment. In addition, the City would have to expend a total of about \$17,600 for the five projects to provide notice (newspaper) of statutory public meetings and adoption of official plan and zoning by-law amendments.

The greatest impact is in the park cash-in-lieu of parkland dedication payment, which is estimated to be \$1,100 per non-profit unit. For example, if above noted 117 non-profit units were constructed over the aforementioned two year period, the lost revenues in cash-in-lieu would represent 2.0 percent in the year 2000 and 1.0 percent in the year 2001, based on cash-in-lieu payments received in 1998.

Based on the five city-owned sites, the revenue lost from exempting non-profit housing from development charges, planning application fees, building permit fees and parkland dedication requirements is estimated at \$4,000 - \$5,000 per unit. In addition, the cost to the City of providing notice of statutory public meetings and adoption of official plan and zoning amendments can be up to \$4,000 per project.

The financial impact of providing grants for building permit fees and parkland dedication payments is more significant than waiving fees as not only is revenue forgone but the City would have to appropriate funds from general revenue to pay the parkland dedication requirement at an

estimated cost of \$1,100 per unit. While a grant for the building permit fees would be revenue neutral, it would result in the City paying itself for its own services. A grant program also requires more staff time to administer than a policy that waives fees.

The revenue not received from waiving or exempting fees and parkland dedication payment requirements would be offset by annual reality taxes and reducing the City's emergency shelter costs for those that secure long-term housing. This is assuming the subject lands do not remain undeveloped or are developed with a use other than non-profit housing.

Administration:

The City's Development Charges By-law, By-law No. 476-1999 includes the following definition of non-profit housing:

“non-profit housing” means housing which is or is intended to be offered primarily to persons or families of low income on a leasehold or co-operative basis and which is owned or operated by:

- (i) a non-profit corporation, no part of the income of which is payable to or otherwise available for the personal benefit of a member or shareholder thereof; or
- (ii) a non-profit housing co-operative having the same meaning as in the Co-operative Corporations Act, R.S.O. 1990, c. C.35, as may be amended from time to time.”

The by-law's definition of non-profit housing should be used for any policy that exempts or provides grants for fees, charges and levies.

Staff will develop the necessary administrative procedures to implement an exemption policy.

Legal Issue Regarding Waiving Building Permit Fees and Cash-in-Lieu of Parkland:

The Solicitor has prepared a separate report on the legal issues involved in waiving building permit fees and cash-in lieu of parkland payment requirements.

Conclusions:

The demand for housing for low and moderate-income households is increasing and warrants special attention. Council can provide further assistance in the production of affordable housing by waiving planning application fees to providers of non-profit housing. As Council should adopt a policy that is fair, equitable and consistent, it is recommended, that all non-profit housing development be eligible for exemptions from building permit fees and parkland dedication requirements in addition to planning application fees. The adoption of such a policy implements the Homelessness Task Force Action Plan which Council endorsed and complements and supports the recently announced Let's Build initiative.

This report recommends that Council adopt a policy that provides exemptions rather than grants, as it is simpler, less expensive and less bureaucratic. The forgone revenues from exempting

charges, fees and parkland dedication requirements which is estimated at \$4,000 -\$5,000 per unit would be offset by annual reality taxes and by reducing the City's emergency shelter costs over the long term through the provision of permanent affordable rental housing. This is assuming the subject lands do not remain undeveloped or are developed with a use other than non-profit housing.

The Chief Financial Officer and Treasurer and Commissioners of Urban Development Services, Economic Development, Culture and Tourism and Community and Neighbourhood Services concur with this report's recommendations. As noted earlier, the Solicitor's comments are contained in a separate report

Contacts:

Barbara Leonhardt
Director, Policy and Research,
City Planning
392-8148

Frank Kershaw
Director, Policy & Development
Parks & Culture
392-8199

Ann-Marie Nasr
Manager, Policy and Programs
City Planning
392-0402

Brian Rutherford
Manager, Parks & Recreational Planning
Policy Development
392-8179

The Planning and Transportation Committee also had before it the confidential report (December 6, 1999) from the City Solicitor, which was forwarded to all Members of Council, under separate cover, for consideration with the agenda of the Planning and Transportation Committee for its meeting of January 10, 2000, and a copy thereof is on file in the office of the City Clerk.

(City Council on February 1, 2 and 3, 2000, considered the aforementioned confidential report dated December 6, 1999, from the City Solicitor, such report to remain confidential in accordance with the provisions of the Municipal Act, having regard that it pertains to a matter which is subject to solicitor/client privilege.)

(City Council also had before it, during consideration of the foregoing Clause, a confidential report dated January 27, 2000 from the City Solicitor, such report to remain confidential in accordance with the provisions of the Municipal Act, having regard that it pertains to a matter which is subject to solicitor/client privilege.)

(City Council also had before it, during consideration of the foregoing Clause, the following communication (January 24, 2000) from the City Clerk:

Recommendation:

The Policy and Finance Committee concurred with the recommendation of the Planning and Transportation Committee embodied in the communication (January 11, 2000) from the City

Clerk, entitled “Exempting Non-Profit Housing from Planning Application Fees, Building Permit Fees and Parkland Dedication Payment Requirements”.

Background:

The Policy and Finance Committee on January 20, 2000, had before it a communication (January 11, 2000) from the City Clerk advising that the Planning and Transportation Committee, at its meeting on January 10, 2000, recommended the adoption of the joint report (December 21, 1999) from the Acting Commissioner of Urban Development Services and the Commissioner of Economic Development, Culture and Tourism, subject to amending Recommendation (1) to read:

“(1) Council exempt the following non-profit housing developments from the building fees payable under By-law No. 163-1998 and the parkland dedication requirements under By-law No. 30152 of the former City of North York:

- a 24 unit non-profit housing development at 647-657 Lawrence Avenue West;
- 30 St. Lawrence Avenue; and
- 1070 Queen Street East;

and, if possible, that the waiving of the permit fees for these projects be changed to a deferral of fees if deemed feasible during the course of discussions, and that the approval of the waiver of fees in no way imply that the project be subject to any lower design landscaping or site plan standards than any private sector project;

and in view of the financial impact inherent in Recommendation (1), the Committee forwards this matter to the Policy and Finance Committee for consideration and report to Council for its meeting on February 1, 2000.

(Report dated January 11, 2000 from the City Clerk
addressed to the Policy and Finance Committee)

Recommendations:

The Planning and Transportation Committee, at its meeting on January 10, 2000, recommended the adoption of the joint report (December 21, 1999) from the Acting Commissioner of Urban Development Services and the Commissioner of Economic Development, Culture and Tourism, subject to:

(1) amending Recommendation (1) to read:

“(1) Council exempt the following non-profit housing developments from the building fees payable under By-law No. 163-1998 and the parkland dedication requirements under By-law No. 30152 of the former City of North York:

- a 24 unit non-profit housing development at 647-657 Lawrence Avenue West;
- 30 St. Lawrence Avenue; and
- 1070 Queen Street East;

and, if possible, that the waiving of the permit fees for these projects be changed to a deferral of fees if deemed feasible during the course of discussions, and that the approval of the waiver of fees in no way imply that the project be subject to any lower design landscaping or site plan standards than any private sector project; and

- (2) *deferring consideration of Recommendations (2) and (3)*

and in view of the financial impact inherent in Recommendation (1), the Committee forwards this matter to the Policy and Finance Committee for consideration and report to Council for its meeting on February 1, 2000.

The Planning and Transportation Committee reports, for the information of Policy and Finance Committee, having:

- (1) *recommended to Council for its meeting on February 1, 2000, the adoption of Recommendations (3) and (4) of the confidential report (December 6, 1999) from the City Solicitor;*
- (2) *requested the City Solicitor to report directly to Council on the concept of reducing permit and similar fees to a nominal amount rather than waiving or deferring them, and to include in his report any suggested clarifying amendments to the recommendations which he feels may be necessary;*
- (3) *with respect to non-City owned sites, requested the Commissioner of Urban Development Services and the Commissioner of Community and Neighbourhood Services to convene a meeting as soon as possible with interested members of the Planning and Transportation Committee, representatives from the Ontario Non-Profit Housing Association, the Co-op Housing Federation of Toronto, the Co-op Housing Foundation – Ontario Branch and Canada Mortgage and Housing Corporation to discuss the establishment of a policy that would defer all planning application fees, building permit fees and parkland dedication payment requirements for non-profit housing projects, and would include the following provisions:*
 - (a) *fees and payments would accrue as a liability against the building with interest, all to be recoverable in the event the building is sold or converted to a profit based status;*

- (b) *Council, at the time of sale or conversion, to review conditions to determine if it wishes to continue to defer these fees;*
- (c) *the value of all payments that have been deferred be calculated for each project and the sponsoring agency be made aware of the subsidy being provided by the City in this regard; and*
- (d) *that this be an interim policy to be reviewed after 5 years in order to determine its success in encouraging the construction of non-profit affordable housing;*

and requested the Commissioner of Urban Development Services to report to Planning and Transportation Committee on the outcome of this meeting;

(4) *requested the Acting Commissioner, Urban Development Services to report to the Planning and Transportation Committee on:*

- (a) *the following motions placed by Councillor Moscoe:*
 - (i) *that parkland dedication be on a site-by-site basis accomplished through the regular planning application process;*
 - (ii) *for the purposes of By-law 163-1998, a deferral should be construed as if the full building permit fees have deemed to have been paid;*
- (b) *any appropriate new housing projects he may identify after having conducted a review of new housing projects.*

Background:

At its meeting on January 10, 2000, the Planning and Transportation Committee gave consideration to the joint report (December 21, 1999) from the Acting Commissioner of Urban Development Services and the Commissioner of Economic Development, Culture and Tourism requesting to waive the building permit fees and the payment in lieu of providing parkland for a 24 unit non-profit housing development at 647-657 Lawrence Avenue West (Site Plan Application UDSP-99-117) and exempt all non-profit housing from planning application fees, building permit fees and parkland dedication payment requirements, and recommending that:

- (1) *Council exempt a 24 unit non-profit housing development at 647-657 Lawrence avenue West from the building fees payable under By-law No. 163-1998 and the parkland dedication requirements under By-law No. 30152 of the former City of North York;*
- (2) *Council adopt a policy to waive all planning application fees, building permit fees and parkland dedication payment requirements for non-profit housing projects. The same definition of “non-profit housing” as was used in the development charges by-law (By-law No. 476-1999) should be used for the purpose of the waiver of these fees and payments; and*

- (3) *Council direct City officials to not collect planning application fees, building permit fees and parkland dedication payment requirements for non-profit housing projects and authorize City officials to undertake any necessary action to give effect to the foregoing.*

The Committee also had before it a confidential report (December 6, 1999) from the City Solicitor.

The Committee's action is as noted above.)