

City Council**Motion Without Notice**

MM11.31	ACTION			Ward: 19
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650 Kingston Road - Building Permit issuance to Facilitate Canada Mortgage and Housing Corporation Affordable Housing Financing - by Councillor Brad Bradford, seconded by Councillor Ana Bailão

** This Motion has been deemed urgent by the Chair.*

** This Motion is not subject to a vote to waive referral. This Motion has been added to the agenda and is before Council for debate.*

Recommendations

Councillor Brad Bradford, seconded by Councillor Ana Bailão, recommends that:

1. City Council authorize the Chief Building Official to enter into a development charge deferral agreement as set out in Chapter 415-8C, for building permit application 19 123234 SHO 00 PP at 650 Kingston Road, to defer payment of the applicable development charge calculated as of the date of building permit issuance, to a date on or before November 6, 2019, with interest payable on the deferred amount at an appropriate short term rate to be determined by the Chief Financial Officer and Treasurer, for a building permit issued on October 30 or 31, 2019, subject to full payment of all other applicable fees and charges at permit issuance, and the payment of the deferred development charge by the end of the deferral period, after which time the permit may be revoked if full payment of the deferred development charges is not received.

Summary

This Motion asks City Council to authorize a five business-day deferral agreement as provided for under the City's Development Charges By-law, for development charges at 650 Kingston Road (Application No. 19 123234 SHO 00 PP) related to the issuance of a building permit on October 30 or 31, 2019. The agreement will stipulate that interest be applicable over the deferral period, and as security, the permit may be revoked if the deferred fees and charges are not paid within the deferral period. The deferral is to assist the applicant with delays in receiving Canada Mortgage and Housing Corporation funding through the Rental Construction Financing Initiative, a program created under the National Housing Strategy to support the delivery of rental housing where there is high need.

650 Kingston Road is a 68-unit Open Door funded affordable housing development, providing 19 affordable rental units, 32 mid-range rental units and 11 market rental units. 11 of the units are rental replacement units. The development is a single, modest 7-storey building which received zoning approvals two years ago at the November 7, 8, 9, 2019 City Council meeting

(see TE27.11).

The building permits for this development are ready for issuance. Due to Canada Mortgage and Housing Corporation rules and the Rental Construction Financing Initiative's reliance on financial markets the initial loan advance can only be made at intermittent times. The earliest first advance available to the applicant is November 1, 2019. The delay in receiving Canada Mortgage and Housing Corporation funding presents a significant financial risk to the project and a deferral creates an opportunity to enable the City to most effectively layer on funding supports for affordable housing with other levels of government.

The applicant has attempted to request Canada Mortgage and Housing Corporation to advance funds in advance (on October 31) so that all charges and fees could be paid without a deferral. However, Canada Mortgage and Housing Corporation has not been able to accommodate this request. Due to the other financial conditions imposed under the Canada Mortgage and Housing Corporation program, the applicant has been unable to obtain funds on a temporary basis from other sources.

This matter is deemed urgent because a deferral is required to ensure sufficient funding is secured from Canada Mortgage and Housing Corporation to advance this affordable housing project.

Background Information (City Council)

Member Motion MM11.31