Forum House at Brookfield Place
East Podium, 2nd Floor
181 Bay Street
Toronto, ON M5J 2T3

121 King St W
Suite 1600
Toronto, ON M5J 2T3

July 28, 2026

**Mayor Olivia Chow and Members of City Council**
City of Toronto
Toronto City Hall, 100 Queen St W
Toronto, ON M5H 2N2

Dear Mayor Chow and Members of Council,

**Re:** Agenda Item CC43.9, Implementation of the Development Charges Reduction Program: Submission regarding 86-100 Lombard

---

Forum Asset Management ("Forum") and Slate Asset Management ("Slate") commend Council's leadership in establishing the Development Charges Reduction Program ("DCRP") in partnership with the Government of Canada and the Province of Ontario to accelerate new housing delivery across Toronto.

We have reviewed the Chief Financial Officer's July 22, 2026 report and support its swift implementation.

We are writing to request that Council consider two refinements to the proposed implementation of the DCRP. First, that the DCRP reduction apply equitably to a project's applicable rate, including any locked-in rate established in accordance with section 26.2(1) of the *Development Charges Act*, rather than to current rates alone. Second, that the by-law provide relief from the above-grade building permit timing requirement for large and complex developments whose below-grade construction sequence reasonably requires more than 24 months, as well as where delays arise from circumstances beyond an applicant's control.

For **86, 100-108 Lombard Street and 103 Richmond Street East** ("86-100 Lombard"), the first refinement means the 2022 locked-in rate would be maintained, with the anticipated DCRP reduction applied to that rate. Implementing this refinement would confirm that projects already advanced through the approvals process receive the program's benefit on the rates they are presently entitled to, which will close the feasibility gap for well-progressed rental housing projects and allow them to expedite construction of much-needed housing.

**Project Background**

86-100 Lombard is a purpose-built rental development project that will deliver approximately 500 new rental homes in Toronto's downtown core. This development has progressed through the following key milestones:

- August 18, 2022: Zoning By-law Amendment and Site Plan Control applications deemed complete per confirmation issued September 19, 2022, establishing a lock-in date for the applicable development charges in accordance with section 26.2 of the *Development Charges Act, 1997*.
- March 2025: Following successful mediation with the City, the Ontario Land Tribunal issued a decision and Interim Order approving the Zoning By-law Amendment in principle. The Owner has been proceeding expeditiously to resolve preconditions to be satisfied prior to the final Tribunal Order issuing, with a projected timeline for completion being Q4 2026.
- Site Plan Approval is anticipated concurrently with resolution of the Tribunal's preconditions. The Owner intends to expeditiously proceed thereafter with building permit and construction. The Owner is targeting completion of construction to occur in 2031.

**A Project Aligned with Council's Priorities**

86-100 Lombard has been designed to advance Council's priorities for housing, transit-oriented growth, heritage conservation, and public realm improvements through:

- new purpose-built rental homes near existing services, transit, and downtown employment;
- continued exploration of a minimum 20 percent affordable housing through the City's housing incentive programs;
- optimization of transit, including subway, streetcar, cycling infrastructure, and the future Ontario Line station at Moss Park;
- conservation and adaptive reuse of an existing heritage building on site, reinforcing the heritage character of the St. Lawrence neighbourhood;
- a publicly accessible open space (POPS) with an integrated public art program that expands the downtown public realm; and
- high-quality architecture and landscape design that enhances the public realm.

**Supporting Housing Delivery Through Application of the DCRP to Locked-in Rates**

Since the project's applications were deemed complete in 2022, development charges for purpose-built rental units have risen approximately 51 percent, and non-residential charges have risen by more than 100 percent. The City's report confirms development activity has fallen sharply, to roughly 4,557 housing starts in the first half of 2026, less than half the levels recorded in 2023 and 2024, with purpose-built rental now the primary source of new supply. Given multi-year construction timelines, deferred starts today mean fewer homes delivered later this decade.

86-100 Lombard expects to obtain its first building permit within the program period and to qualify for the reduction, subject to the above-grade permit timing condition addressed in our second request below. Our first request concerns how the reduction is calculated for a project that has secured a locked-in rate, not whether it qualifies. Applying the reduction to the locked-in rates will give early-committed projects an incentive to expedite construction by providing the full benefit the program is intended to deliver on the rates they are presently entitled to.

**Flexibility on Above-Grade Permit Timing**

The draft by-law requires an above-grade building permit to be issued by the later of the end of the program period or 24 months after the first building permit. For projects that obtain a first permit in the later years of the program, the 24-month period becomes the binding requirement. This period does not reflect the scale of below-grade work required on large, high-density developments: deep excavation, shoring, foundations, and multiple levels of structured below-grade parking can reasonably take more than 24 months to complete before an above-grade permit can be obtained, even where construction is continuous and proceeding in good faith. A fixed 24-month cap therefore risks disqualifying precisely the large-scale rental projects that deliver the greatest supply per site. The work in that interval is also the least predictable phase of a downtown development, including shoring and excavation adjacent to existing buildings, heritage conservation, archaeological assessment, utility relocations, and coordination with adjacent infrastructure projects. Delays in this phase frequently arise from factors outside an applicant's control.

We ask that Council direct staff to provide a mechanism allowing the Chief Financial Officer and Treasurer to extend the 24-month period where the scale and complexity of a development reasonably require a longer below-grade construction period, or where a delay results from circumstances beyond the applicant's reasonable control, in each case where the project has obtained its first building permit and is demonstrably advancing to construction. The first ground ensures the program does not exclude the largest projects, whose scale is itself the reason the below-grade phase extends beyond 24 months and which deliver the most housing per site. The second reflects the same flexibility the City is seeking from the Province, where staff have requested confirmation that funding will not be recovered based on actual development activity, recognizing the role of external factors in construction timing.

Recognizing that staff have brought forward their recommended by-law, we respectfully ask Council to direct staff to report back on options for applying the DCRP reduction equitably to a project's applicable rate, including any locked-in rate, and on providing relief from the above-grade permit timing requirement for large and complex developments whose below-grade construction sequence reasonably requires more than 24 months, or where delays arise from circumstances beyond an applicant's control. We would welcome the opportunity to discuss this before the report is considered on July 29.

Forum and Slate support Council's leadership on housing supply and the significant investment by all orders of government through the DCRP. With approximately 500 new rental homes ready to advance in Toronto's downtown core, these two refinements would help maximize the DCRP's intended impact.

Thank you for your consideration.

Regards,

Signed by:
FEA99BFBE58D445...

Dayna Gilbert
Managing Director, Real Estate Development

**Forum Asset Management**
daynag@forumam.com

Steven Dejonckheere
Managing Director

**Slate Asset Management**
steven@slateam.com

Extraordinary
Outcomes™