



PLANNING AND BUILDING SERVICES MEMORANDUM

TO: MAYOR J. LEHMAN AND MEMBERS OF COUNCIL

FROM: K. BRISLIN, RPP, SENIOR PLANNER

NOTED: A. BOURRIE, RPP, DIRECTOR OF PLANNING AND BUILDING SERVICES
D. FRIARY, ACTING GENERAL MANAGER OF INFRASTRUCTURE AND GROWTH MANAGEMENT
M. PROWSE, CHIEF ADMINISTRATIVE OFFICER

RE: COMMUNITY IMPROVEMENT PLAN (CIP) GRANT FUNDING FOR STUDENT HOUSING PROJECT - 306-316 GEORGIAN DRIVE

DATE: JUNE 11, 2018

The purpose of this Memorandum is to advise members of Council that the Director of Planning and Building Services has, in accordance with the Georgian College Neighbourhood Community Improvement Plan (GCN CIP), approved a Planning Application Fees Grant and a Building Permit Fees Grant. The amount of \$80,559.67 has been approved for WCPT Georgian Inc., the owners of a student housing complex at 306-316 Georgian Drive.

The grant is subject to WCPT Georgian Inc. agreeing to maintain the units as rental tenure with a Safety and Security Plan in place for at least 10 years from the date of the grant funding, through a Memorandum of Understanding with wording to the satisfaction of Legal Services. Appendix "A" attached provides a draft Memorandum of Understanding with a Safety and Security Plan setting out the essence of this understanding.

Background

The development at 306-316 Georgian Drive consists of five (5) stacked townhouse rental buildings with between 13 and 16 units per building, for a total of 73 residential units providing 359 bedrooms geared toward students. The majority of units are five bedroom units, which is consistent with the GCN CIP design criterion for housing geared toward students. Three of the units consist of three bedrooms. Refer to Appendix "B" attached showing photographs of the complex.

The primary objective of the GCN CIP is to encourage the development of multi-unit student housing within managed rental complexes close to the college, with a suite of grants which are summarised as follows:

- Planning Applications Fees Grant for 100% of planning application fees;
- Building Permit Fees Grant for 25% of the first \$25,000 of a building permit fee, and 50% for any amount over and above \$25,000; and,
- Tax Increment Based Grant (TIBG) based on the increased taxes as a result of the development paid over a period of five years in decreasing percentages as follows: year 1-100% (pro-rated), year 2-100%, year 3-75%, year 4-50%, year 5-25%.

The grants are subject to eligibility criteria which are intended to ensure the design and tenure of the units are geared towards students. The units must be rental units and the majority shall have a minimum of four bedrooms per unit. There are three units within the complex which do not meet the minimum four bedrooms per unit design criterion and the grant amount reflects this.



PLANNING AND BUILDING SERVICES MEMORANDUM

In accordance with the GCN CIP staff have delegated approval for up to \$100,000, and all grants are subject to funding availability. Delegated grant decisions may be appealed to the Infrastructure Investment and Development Services Committee.

Grant Calculation

The planning applications for the subject property included a zoning by-law amendment application; pre-consultation application for site plan, and a site plan application. The Planning Applications Fees Grant approved is \$21,900.00.

The Building Permit Fees Grant calculation is based on the building permit fees for each building with a total Building Permit Fees Grant of \$59,659.67. This calculation takes into account some units which do not meet the design requirement of at least four bedrooms, by using only 84% of fees for Building 114.

The combined Planning Application Fees and Building Permit Fees Grants are under \$100,000, and have been approved by the Director of Planning and Building Services. There are sufficient funds in the CIP budget to fund these components of the grant.

Tax Increment Based Grant Request – Denied

The applicant's grant application requested the 5 year TIBG for the subject property. This component of the application has not been approved. The total TIBG payment over a 5 year period would be \$747,782. This is a significant amount which would impact the availability of CIP funds for other projects.

All grant applications are reviewed in consideration of funds available to facilitate as many projects as possible under the GCN and BB CIPs. There are sufficient funds available in the 2018 CIP account for the Building Permit and Planning Application Fees Grant components of the subject grant application, however, payment of the TIBG for this project would have a significant impact on the funds available for other BB CIP applications under consideration for this year and for 4 years after that. This includes an application for five affordable rental units within an existing multi-unit project, two affordable home ownership "sweat-equity units" proposed, and an emergency/transition housing development proposed in the Allandale area. The latter two, if approved, will require funds to be advanced in 2018 as these grants are paid at the building permit application stage of the process, in accordance with the BB CIP program implementation.

A breakdown of the Grants calculations for all the grants applied for, including the TIBG, is outlined in Appendix "C" attached.



PLANNING AND BUILDING SERVICES MEMORANDUM

APPENDIX "A"

Draft: Memorandum of Understanding

WCPT Georgian Inc. acknowledges and agrees that while it owns and operates the properties located at 306-316 Georgian Drive (the "Properties"), as student residences it will be responsible for the supervision and management of the Properties and will comply with the Safety and Security Plan attached as Schedule A for a minimum period of 10 years from the date of this undertaking.

WCPT Georgian Inc. acknowledges that failure to comply with the Safety and Security Plan is a breach of the conditions upon which the City of Barrie provided the CIP Grants under the Georgian College Neighbourhood CIP.

WCPT Georgian Inc. agrees that if it sells the Properties before the 10 year period expires, it will:

- a) notify the City of Barrie of such sale;
- b) provide to the new owner(s) a copy of the Safety and Security Plan; and
- c) ensure that the new owner provides the City with a similar undertaking for on-going supervision and management of the Properties and compliance with the Safety and Security Plan outlined in Schedule "A" attached.

Failure to uphold these provisions will result in repayment and the City may register a lien against the property or assign outstanding moneys owed to property the tax bill.

SCHEDULE A Memorandum of Understanding SAFETY AND SECURITY PLAN 306-316 GEORGIAN DRIVE

The Safety and Security of the Tenants at 306-316 Georgian Drive is paramount to the owners.

The following constitutes the Safety and Security Plan for these properties:

- Buildings were newly built in 2016, and conformed to all Ontario Building and Fire Codes at the time. The Owner will always ensure that the buildings are maintained to these codes as a minimum.
- Annual Fire Inspections will be conducted.
- Outdoor areas will always be well lit.
- The property will always have 24 hour video surveillance
- The Property Management firm will at all times:
 - Be a professional and experienced student housing manager with a full-time on-site staff;
 - Develop positive relationships with the tenants and encourage them to bring any concerns (safety and otherwise) to its attention;
 - Develop positive relationships with Georgian College.
- The Owner will always have a process to follow to address any problem tenants. Depending on the severity of the issue, the Owner may issue written warning for the first incident, and a *Notice to Terminate a Tenancy Early* from the Ontario Landlord and Tenant Board for the second incident. Depending on the nature of the incident, the tenant may be able to stay after receiving notice if they correct the problem, or the Owner will apply to the Board for an eviction order.

PLANNING AND BUILDING SERVICES MEMORANDUM

APPENDIX "B" PHOTOGRAPHS OF SUBJECT PROPERTY



(left) No. 306 Georgian Drive, seen from the northeast; (above) No. 306 fronting onto Georgian Drive



(left) Front of No. 316 along Georgian Drive

(below left) Outdoor common space behind No. 310; (middle) Lane-way between Nos. 314 and 316; (right) No. 308, seen from the northwest





PLANNING AND BUILDING SERVICES MEMORANDUM

APPENDIX "C"

GRANT CALCULATION

Planning Application Fees Grant Calculation

Zoning By-law Amendment	\$	12,000.00
Pre-consultation for Site Plan	\$	1,825.00
Site Plan Control	\$	8,075.00
Total Planning Application Fees – 100% Grant	\$	21,900.00

Building Permit Fees Grant Calculation

Building Address	BP Fee	BP Fee Grant
306 Georgian Drive	\$ 39,832.70	\$ 13,666.35
308 Georgian Drive	\$ 39,523.88	\$ 13,511.94
310 Georgian Drive	\$ 39,499.81	\$ 13,499.91
314 Georgian Drive ⁽¹⁾	\$ 33,277.78	\$ 7,726.67
316 Georgian Drive	\$ 33,009.60	\$ 10,254.80
Total BP Fees Based Grant - 25% First \$25,000 and 50% for balance over \$25,000	\$	58,659.67

(1) Note: 84% of units in 314 meet the design concept.

Tax Increment Grant Request

THIS COMPONENT HAS BEEN DENIED AND IS PROVIDED FOR INFORMATION PURPOSES ONLY

2016 Improved Assessment	\$	22,863,000.00
Assessment Prior to Improvement	\$	1,096,000.00
Total Assessment	\$	23,959,000.00
Municipal Tax Calculation Prior to Improvement	\$	12,604.00
Municipal Tax Increment Calculation	\$	262,929.30
Year 1 2018 (pro-rated)	\$	90,458.87
Year 2 2019	\$	262,929.30
Year 3 2022	\$	197,196.98
Year 4 2021	\$	131,464.65
Year 5 2022	\$	65,732.33
	\$	747,782.12
Total Tax Increment Based Grant	\$	0.00