

City of Mississauga

Corporate Report



Date: May 6, 2022 To: Chair and Members of Planning and Development Committee	Originator's file: OZ 19/016 W4
From: Andrew Whittemore, M.U.R.P., Commissioner of Planning & Building	Meeting date: May 30, 2022

Subject

SECTION 37 COMMUNITY BENEFITS REPORT (WARD 4)

Community Benefits contribution under Section 37 to permit one new 25 storey, 270 unit, rental apartment building

600 and 620 Lolita Gardens, northwest corner of Dundas Street East and Cawthra Road (connection to Dundas Street East)

Owner: Hanseatic Holdings Limited c/o Park Property Management

File: OZ 19/016 W4

Recommendation

That the report dated May 6, 2022, from the Commissioner of Planning and Building outlining the recommended Section 37 Community Benefits under File OZ 19/016 W4, Hanseatic Holdings Limited c/o Park Property Management, 600 and 620 Lolita Gardens, be approved and that a Section 37 agreement be executed in accordance with the following:

1. That the sum of \$2,232,000.00 be approved as the amount for the Section 37 Community Benefits contribution.
2. That City Council enact a by-law under Section 37 of the *Planning Act* to authorize the Commissioner of Planning and Building and the City Clerk to execute the Section 37 agreement with Hanseatic Holdings Limited c/o Park Property Management, and that the agreement be registered on title to the lands in a manner satisfactory to the City Solicitor to secure the community benefits contribution.

Executive Summary

- The City is seeking a Community Benefits contribution under Section 37 of the *Planning Act*, in conjunction with the proponent's official plan amendment and rezoning applications
- The proposal has been evaluated against the criteria contained in the Corporate Policy and Procedure on Bonus Zoning
- The Community Benefits contribution comprises \$2,232,000.00 towards park and traffic improvements
- The request can be supported subject to the execution of a Section 37 agreement and payment of the cash contribution by the owner.

Background

On September 21, 2021, a Recommendation Report was presented to Planning and Development Committee (PDC) recommending approval of official plan amendment and rezoning applications on the subjects lands under File OZ 19/016 W4, by Hanseatic Holdings Limited c/o Park Property Management, to permit one new 25 storey, 270 unit, rental apartment building subject to certain conditions. PDC passed Recommendation PDC- 0056-2021 which was subsequently adopted by Council on September 29, 2021. As part of the recommendation, staff was directed to hold discussions with the applicant to secure Community Benefits in accordance with Section 37 of the *Planning Act* and the Corporate Policy and Procedure on Bonus Zoning, and to return to Council with a Section 37 report outlining the recommended Community Benefits. The purpose of this report is to provide comments and a recommendation with respect to the proposed Section 37 Community Benefits.

Comments

Background information including an aerial photograph and the concept plan for the proposed development is provided in Appendices 1 and 2.

Section 37 Community Benefits Proposal

Council adopted Corporate Policy and Procedure 07-03-01 – Bonus Zoning on September 26, 2012. In accordance with Section 37 of the *Planning Act* and policies contained in Mississauga Official Plan, this policy enables the City to secure community benefits when increases in permitted development are deemed good planning by Council through the approval of a development application. The receipt of the Community Benefits discussed in this report conforms to Mississauga Official Plan and the Corporate Policy and Procedure on Bonus Zoning.

"Community Benefits" is defined in the Corporate Policy and Procedure as meaning facilities or cash secured by the City and provided by an owner/developer for specific public capital

facilities, services or matters. Chapter 19.8.2 of the Official Plan provides examples of potential Community Benefits, e.g. the provision of public art, the provision of multi-modal transportation facilities, the provision of streetscape improvements, etc.

Following Council's approval in principle of the subject applications, Planning staff met with representatives from Community Services, Transportation and Works, and Corporate Services to discuss potential community benefits. Subsequent to this meeting, Planning staff communicated with the developer and Ward 4 Councillor, John Kovac on separate occasions to discuss the possible community benefits relating to the proposal.

Written confirmation has been provided by the owner confirming that the Community Benefit is \$2,232,000.00, which will include:

- Funds towards City Parks, including: Cedarbrae Park, McKenzie Park, Brentwood Park, Greenfield Park, Stonebrook Park and Mississauga Valleys – \$2,020,750.00.
 - benches,
 - leash free zone (enclosed dog park),
 - community garden,
 - shade structure,
 - chess table,
 - new artificial rink,
 - accessible pathway.
- Funds towards Traffic Improvements – \$211,250.00
 - Traffic calming - \$125,000.00
 - Pedestrian crossing - \$75,000.00
 - Onsite pedestrian access to Dundas Street East - \$11,250.00

In the event that any of these improvements cannot be accommodated, the monies may be applied to other park and traffic improvements in the area.

Guiding Implementation Principles

The Section 37 Community Benefits proposal has been evaluated against the following guiding implementation principles contained in the Corporate Policy and Procedure on Bonus Zoning.

1. Development must represent good planning.

A fundamental requirement of the use of Section 37 is that the application being considered must first and foremost be considered "good planning" regardless of the Community Benefit contribution.

The Recommendation Report dated August 27, 2021 presented to PDC on September 21, 2021, evaluated the proposed official plan amendment and rezoning and recommended

that the applications be approved as they are acceptable from a planning standpoint and represents good planning.

2. A reasonable planning relationship between the secured Community Benefit and the proposed increase in development is required.

The proposed contribution towards park and traffic improvements are considered a "highest priority" Community Benefit, as it is on-site or in the immediate vicinity of the site.

In order to determine a fair value of the Community Benefits, Realty Services retained an independent land appraisal to determine the increased value of the land resulting from the height and density increase. In this instance, acknowledging that Mississauga Official Plan policies permit developments of up to 21 storeys in this area, staff have determined that the relationship between the proposed \$2,232,000.00 worth of community benefits and the land value of the requested height and density increase is acceptable. This amount represents approximately 18% of the land lift value, which is in line with the Corporate Policy and Procedure and is acceptable to both the City and the owner.

3. Community Benefit contributions should respond to community needs.

In accordance with the Corporate Policy and Procedure, Ward 4 Councillor, John Kovac, has been consulted regarding the negotiations and supports the proposed Community Benefit contribution.

4. Ensure that the negotiation process of Section 37 Agreements is transparent.

The land appraisal report prepared by an independent land appraiser is available for viewing. The proposed contribution towards park and traffic improvements is subject to a detailed review by the Community Services Department and Transportation and Works Department.

Section 37 Agreement

The Planning and Building Department and the owner have reached a mutually agreed upon terms and conditions of the Community Benefit and related agreement for the subject lands. The agreement provisions will include the following:

- a Community Benefit contribution of \$2,232,000.00;
- the contribution is to be used towards park and traffic improvements in the area;
- the agreement is to be registered on title to the lands in a manner satisfactory to the City Solicitor, to secure the said benefits.

Financial Impact

Cash benefits received from a Section 37 agreement will be collected by the Planning and Building Department and held in a Section 37 Reserve Fund set up for that purpose. This fund

will be managed by Accounting, Corporate Financial Services, who are responsible for maintaining a record of all cash payments received under this policy.

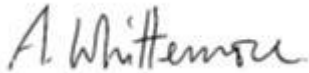
Conclusion

Staff have concluded that the proposed Section 37 Community Benefit is appropriate, based on the increased height and density being recommended through the official plan amendment and rezoning applications; and that the proposal adheres to the criteria contained in the Corporate Policy and Procedure on Bonus Zoning.

Attachments

Appendix 1: Aerial Photograph

Appendix 2: Concept Plan



Andrew Whitemore, M.U.R.P., Commissioner of Planning & Building

Prepared by: Tori Stockwell, Development Planner