

City of Mississauga
Corporate Report



<p>Date: June 2, 2023</p> <p>To: Chair and Members of Planning and Development Committee</p> <p>From: Andrew Whittemore, M.U.R.P., Commissioner of Planning & Building</p>	<p>Originator's file: OZ 20/020 W5 and H-OZ 22-9 W5</p>
	<p>Meeting date: June 26, 2023</p>

Subject

SECTION 37 COMMUNITY BENEFITS REPORT (WARD 5)

**Community Benefits contribution under Section 37 to permit 23, 33 and 38 storey apartment buildings
5081, 5085, 5105 Hurontario Street and 35 Armdale Road, Northeast corner of Hurontario Street and Armdale Road
Owner: 5081 Hurontario Limited Partnership, by its General Partner, 1997937 Ontario Inc.
File: OZ 20/020 W5 and H-OZ 22-9 W5**

Recommendation

That the report dated June 2, 2023, from the Commissioner of Planning and Building outlining the recommended Section 37 Community Benefits under File OZ 20/020 W5 and H-OZ 22-9 W5, 5081 Hurontario Limited Partnership, by its General Partner, 1997937 Ontario Inc., 5081, 5085, 5105 Hurontario Street and 35 Armdale Road, be approved and that a Section 37 agreement be executed in accordance with the following:

1. That the sum of \$1,000,000.00 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 5081 Hurontario Limited Partnership, by its General Partner, 1997937 Ontario Inc., 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 \$1,000,000.00 which will be used toward planned park improvements to Fairwinds Park, Paramount Fine Foods Centre, Iceland Arena and various infrastructure improvements to local Ward 5 parks
- 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 June 22, 2022, a Recommendation Report was presented to Council recommending approval of official plan amendment and rezoning applications on the subject lands under File OZ 20/020 W5, by 5081 Hurontario Limited Partnership, by its General Partner, 1997937 Ontario Inc., to permit two apartment buildings with heights of 23, 33 and 38 storeys containing 1,243 apartment units and retail commercial and office uses subject to certain conditions. Council passed Resolution 0130-2022 on June 22, 2022. 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.

Present Status

Official Plan Amendment 147 came into force on July 21, 2022 and the implementing zoning by-law (114-2022) was adopted by Council on June 22, 2022. This report addresses the outstanding Section 37 contribution that is required to be made to the City in order to lift the "H" Holding Provision from the zoning of the site. Staff continue to process the associated site plan application (SP 22-135) for the proposed development.

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 met with the developer and Ward 5 Councillor, Carolyn Parrish, 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 \$1,000,000.00 towards the planned park improvements at Fairwinds Park, improvements to the fields at Paramount Fine Foods Centre and Iceland Arena, and various infrastructure improvements to local Ward 5 parks.

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 May 30, 2022 presented to Council on June 22, 2022, 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 planned park improvements at Fairwinds Park and improvements at the fields of Paramount Fine Foods Centre and Iceland Arena are considered a "highest priority" Community Benefit, as they are in the 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 25 storeys in this area, staff have determined that the relationship between the proposed \$1,000,000.00 worth of community benefits and the land value of the requested height and density increase is acceptable. This amount represents 11% of the land lift value, which is acceptable to both the City and the owner.

While the proposed 11% land lift value is below the approximate range of 20% to 40% outlined in our Bonus Zoning Corporate Policy and Procedure, consideration was given to the 41% land lift value and \$15,000,000.00 contribution from the same applicant, Liberty Development Corp., at the nearby development 91 Eglinton Avenue East (OZ 18/016 W5).

3. Community Benefit contributions should respond to community needs.

The creation of complete communities, including easy access to recreational opportunities; and, creating a multi-modal city, including active transportation, are some of Mississauga Official Plan's guiding principles. Funding for the development and design of planned improvements at Fairwinds Park, field improvements at Paramount Fine Foods Centre and Iceland Arena and various infrastructure improvements to local Ward 5 parks were identified as a need through discussions with Parks, Forestry and Environment Staff and Ward 5 Councillor, Carolyn Parrish.

In accordance with the Corporate Policy and Procedure, Ward 5 Councillor, Carolyn Parrish, 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.

Upon receipt of the proposed Community Benefit, the funds will be placed in a Section 37 Reserve fund and then allocated to the Parks, Forestry and Environment Division. The park related projects will ultimately be managed by Park Development in consultation with Facilities and Property Management.

Section 37 Agreement

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

- a Community Benefit contribution of \$1,000,000.00;
- the contribution is to be used towards the planned improvements to Fairwinds Park, field upgrades at Paramount Fine Foods Centre and Iceland Arena, and various infrastructure improvements to local Ward 5 parks;

- 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. Further, the contribution towards improvements at Fairwinds Park, Paramount Fine Foods Centre and Iceland Arena, and various infrastructure improvements to local Ward 5 parks; will help to implement complete communities in Mississauga Official Plan.

Attachments

Appendix 1: Aerial Photograph

Appendix 2: Concept Plan



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

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