

City of Mississauga
Corporate Report



<p>Date: September 3, 2025</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 20/001 W4 and H-OZ 21-5 W4</p>
	<p>Meeting date: September 22, 2025</p>

Subject

REALLOCATION OF SECTION 37 COMMUNITY BENEFITS REPORT (WARD 4)

Community Benefits contribution under Section 37

1 Fairview Road East, Northeast corner of Fairview Road East and Hurontario Street

Owner: Edenshaw Fairview Developments Inc.

Files: OZ 20/001 W4 and H-OZ 21-5 W4

Recommendation

1. That the report dated September 3, 2025, from the Commissioner of Planning and Building outlining the recommended reallocation of the Section 37 Community Benefits under Files OZ 20/001 W4 and H-OZ 21-5 W4, Edenshaw Fairview Developments Inc., 1 Fairview Road East, be approved.
2. That the outstanding Section 37 Community Benefits Affordable Housing cash contribution of \$1,080,000 from Files OZ 20/001 W4 and H-OZ 21-5 W4, Edenshaw Fairview Developments Inc.(Edenshaw), 1 Fairview Road East be provided as five residential units sold at a deeply affordable rate, to a not-for-profit, Habitat for Humanity Halton-Mississauga-Dufferin (Habitat), in accordance with the terms of this report.
3. That the Commissioner of Planning and Building and the City Clerk be authorized to execute an amending Section 37 agreement in a manner satisfactory to the City Solicitor to secure the revised community benefits contribution.

Executive Summary

- As part of the approval of the development at 1 Fairview Road East (Files OZ 20/001 W4 and H-OZ 21-5 W4), the developer, Edenshaw Fairview Developments Inc., and the City agreed to a s.37 cash contribution of \$3,300,000.

- As part of the s. 37 agreement, \$1,140,000 was to be used towards community park upgrades in Ward 4 at Stonebrook Park and \$2,160,000 was committed to affordable housing.
- The City has already received full payment for the park upgrades and half of the sum for affordable housing. This report considers reassigning the remaining \$1,080,000 to be used towards affordable housing initiatives from a cash contribution to a discounted unit sale agreement with Habitat for Humanity Halton-Mississauga-Dufferin (Habitat).
- Under the proposed revised agreement Habitat will manage the purchase of five (5) units ranging in size from one bedroom plus den (1.5) to two bedroom units from Edenshaw at a deeply affordable rate with a subsidy equalling the remaining \$1,080,000 contribution.
- The proposal has been evaluated against the criteria contained in the Corporate Policy and Procedure on Bonus Zoning. Staff suggest the proposed agreement with Habitat represents good planning since the affordable units will come on stream quicker than if the city received cash and then had to redistribute the funds through grants.
- The request can be supported subject to the execution of an amended Section 37 agreement by the owner.

Background

On May 8, 2023, a Section 37 Community Benefits report was presented to Planning and Development Committee (PDC). PDC passed Recommendation PDC-0028-2023 which was subsequently adopted by Council on May 17, 2023.

That the report dated April 14, 2023, from the Commissioner of Planning and Building outlining the recommended Section 37 Community Benefits under Files OZ 20/001 W4 and H-OZ 21-5 W4, Edenshaw Fairview Developments Limited, 1 Fairview Road East, be approved and that a Section 37 agreement be executed in accordance with the following:

1. That the sum of \$3,300,000 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 Edenshaw Fairview Developments Limited., 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.

Since executing the Section 37 Community Benefit agreement, and securing the amount of \$1,140,000 to be used toward existing community park upgrades in Ward 4 at Stonebrook Park,

as well as 50% of the \$2,160,000 Affordable Housing contribution, totalling \$1,080,000, to be used towards affordable housing initiatives in the City, the owner, Edenshaw has requested that the remaining 50% of the Affordable Housing contribution, totalling \$1,080,000, be provided as affordable ownership units in lieu of a cash contribution.

The purpose of this report is to provide comments and a recommendation with respect to the proposed reallocation of a portion of the secured Section 37 community benefit contribution.

Present Status

The owner anticipates occupancy of the building at 1 Fairview Road East in November 2025.

Comments

Background information including an aerial photograph and the concept plan for the proposed development is provided in the previous Section 37 Community Benefits report in Appendix 1.

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, and the initial Section 37 Community Benefits Proposal, Planning staff met with representatives from Edenshaw Fairview Developments Inc. and Habitat for Humanity Halton-Mississauga-Dufferin on separate occasions to discuss revising potential community benefits from a cash contribution for Affordable Housing to affordable ownership units within the same development. Subsequent to these meetings, Planning staff then met with the Ward 4 Councillor, John Kovac on a separate occasion to discuss the possible revised community benefits relating to the proposal.

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 21, 2021 presented to PDC on June 14, 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 represent good planning.

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

The proposed contribution towards affordable ownership units on-site is considered a both a "highest priority" Community Benefit, as it is located on-site and a "next priority" Community Benefit, as it contributes to addressing a City-wide need for affordable housing.

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 revised Community Benefit contribution. Providing units in this project is particularly advantageous since the units are already under construction and can be occupied quickly.

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

This was assessed in the previous Section 37 Community Benefits report (Appendix 1). Following receipt of the amended Section 37 agreement, five (5) affordable ownership units at 1 Fairview Road East will be sold to Habitat for Humanity Halton-Mississauga-Dufferin. The benefit amount remains the same; the reallocation is for a material benefit meeting the same affordable housing objectives.

In summary, the agreement is beneficial to the city as the units will be available for occupancy on site within the coming months. This will save the city from having to collect the funds and then redistribute them through grants which can take years before occupancy. Staff expect more of these requests as condominium apartment sales have slowed significantly.

Section 37 Agreement

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

- a total Community Benefit contribution of \$3,300,000 to be provided as;
 - \$1,140,000 of the contribution to be used towards park improvements at Stonebrook Park in Ward 4;

- \$1,080,000 cash contribution provided to the City to be used for affordable housing; and
- \$1,080,000 provided as affordable ownership units to be sold to Habitat for Humanity Halton-Mississauga-Dufferin at a discounted rate in lieu of a cash contribution.

The amending 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

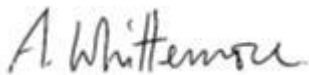
A \$1.08M cash contribution was received from the Section 37 agreement and is held in a Section 37 Reserve Fund set up for that purpose. This fund is managed by Accounting, Corporate Financial Services, who are responsible for maintaining a record of all cash payments received under this policy. The amending agreement will forgo the collection of an additional \$1.08M in order to facilitate the creation of five affordable residential units. There is no financial impact to the Section 37 Reserve Fund by revising the community benefits package from a second cash contribution towards physical affordable housing units since that is how the cash would have been eventually used.

Conclusion

Staff have concluded that the proposed reallocation of the Section 37 Community Benefit is appropriate and adheres to the criteria contained in the Corporate Policy and Procedure on Bonus Zoning. Further, the contribution of affordable housing units in lieu of cash will help to expedite the implementation of complete communities, a guiding principle in Mississauga Official Plan.

Attachments

Appendix 1: Previous Section 37 Community Benefits Report (Ward 4),
1 Fairview Road East, Edenshaw Fairview Developments Inc. (Edenshaw),
Files OZ 20/001 W4 and H-OZ 21-5 W4



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