

PUBLIC PARTICIPATION MEETING COMMENTS

3.6 PUBLIC PARTICIPATION MEETING – Application – 147-149 Wellington Street and 2530-257 Grey Street (Z-8905)

- *(Mayor M. Brown enquiring about the ten affordable housing units at ninety-five percent of the rate and this is some new territory for them and he is wondering how ninety-five is selected as he has heard other numbers in the past, eighty, eighty-five.);* Mr. J.M. Fleming, Managing Director, Planning and City Planner, responding that Mr. S. Giustizia, from the Housing Development Corporation is here today and has been very involved, as you heard from Mr. M. Corby, Senior Planner, in some of the discussions on the affordable housing components and the ninety-five percent is not something that is set in stone; thinking that Mr. S. Giustizia would be the right person to answer that question as an expert if that is acceptable; Mr. S. Giustizia, there are a couple of different approaches out there right now and he will speak to this later as it relates to the calculation of bonus density and the tools for affordability; specifically to the ninety-five percent, you already have within the London Plan language related to affordability and language which establishes affordability, we also have similar language based on the Municipal Facilities By-law; first we turn to what is going on in other jurisdictions and then they also turn to some of their own tools to determine what does affordability mean; the easiest measure of affordability and the simplest approach for something like this would be to say that average market rent, which right now is \$850 in London, would establish a marker for affordability; noting that our average market rent has jumped considerably over the course of the last five or six years; if you use that as a marker, then what you are establishing is something that goes below that, something that is demonstrably below one hundred percent of average market rent is ninety-five percent of average market rent; thinking that is a safe factor to use and it makes sure that it is conservative to both the developer and to the needs that they have; it also, if he can say just quickly, it also fits with a population and a need at that moderate income level so if you think about \$850 per month so that means rent at about \$800 per month and staying outside of core need, what you are really attracting to is what some municipalities call gap housing which is that really important rental stock that is so necessary for people who are working in the service industry and for labourers; it also matches a huge need within our community.
- *(Councillor A. Hopkins enquiring about the ten affordable housing units, wondering whose responsibility is it to keep them affordable in the next twenty years.);* Mr. J.M. Fleming deferring to Mr. S. Giustizia; Mr. S. Giustizia responding that the way that this would be structured is that it would be structured similar to the way that they do other affordable housing which would be an encumbrance on file so it is on the property; the monitoring and maintenance of the compliance on an ongoing basis for that twenty year period would happen in the exact same way as it currently happens which would be through the Housing Division of the City of London; Mr. J.M. Fleming, Managing Director, Planning and City Planner, indicating that what he thinks is important for people to understand is that this kind of affordable housing relates to that average market rent, it does not relate to a program so it is not the case as some people think it is where there is an affordable housing program and there is a waiting list and you are required to house the people on that list rather this is a situation where there is a market opportunity as long as people qualify for the housing and, again, there is a formula in place but it is available to the market and anybody that qualifies could rent those units; this is an example where there is lots of flexibility involved in terms of providing that level of affordable housing while not being locked into a specific program.
- Harry Froussios, Zelinka Priamo Ltd., on behalf of the applicant – thanking staff for their work with them for working to get to this stage where they have a positive recommendation in front of them; pointing out that they have had extensive discussions regarding the design of the building, they are finally there, they are at a point now where they can finally move forward on the design and

they have been able to accomplish their timing objectives to get this in front of the Committee in such a timely fashion; advising that, in general, they are supportive of the recommendations in front of the Committee; indicating that there is one matter that they want to bring forward for your consideration regarding the bonusing provisions that are outlined in the staff report; prior to the Planning and Environment Committee meeting on September 10, 2018, they had always envisioned that the bonusing for this site would revolve around the Bus Rapid Transit, because of the sites location on the bus rapid transit line and they are trying to meet the City's objectives of intensification along these rapid transit corridors and that was what they were working with staff towards; indicating that, as of September 10, 2018, they had just recently come to an understanding on the design which also informed them on the height and density of the project but they had not finalized the bonusing when it came time for the September 10, 2018 Planning and Environment Committee meeting; noting that, on September 10, 2018, there was the request from the Planning and Environment Committee to incorporate the affordable housing units as part of the overall development; similarly, they have a staff recommendation in front of them that incorporates ten units for affordable housing; stating that it should be noted that affordable housing was never considered as part of this overall development; reiterating that, all along, it was meant to be more bus rapid transit driven and neither did staff ever come to them and say that they are looking for affordable housing until after they received the recommendation from staff; advising that the only concern that they have with this requirement for affordable housing at this stage is that there is no mechanism in place that will guide landowners or developers as to how to incorporate this type of housing in private developments; advising that his opinion is that it is important to be provided, at the onset of a project, so that developers and landowners are well informed as to what may be required of them in terms of any bonusing provisions that may be required as part of a development like this and then they can make informed decisions moving forward on their application before they make a formal decision; advising that the overall financial impact of this type of affordable housing on this type of development is really unknown at this stage, beyond the loss of potential revenues for those ten units that they would otherwise be able to gain through the normal rent situation, they really are aware as to what other financial obligations there may be to provide this type of housing and this type of development; understanding that staff is in the process of preparing a report to address these variations and they will be bringing that report forward shortly; unfortunately, we are not at that stage where that information can inform this project as well; notwithstanding, they are prepared to move forward in the application with the recommendation that is in front of you with a request to consider a revised proposal on the bonusing; advising that the staff recommendation includes a cash contribution of \$200,000 for the bus rapid transit initiatives and they believe that including both bus rapid transit and affordable housing as part of the bonusing may be somewhat excessive when you consider other bonusing projects that have been approved in the city for similar types of heights and densities within the city; acknowledging that moving forward in the London Plan that exceptional design and underground parking is going to be more than norm, that it is going to be required of these projects; however, they are still components within Section 19.4.4. of the Official Plan, therefore, they do qualify for bonusing as part of this project as well; the enhanced landscaping in the civic square, that has always been proposed since day one when they came forward with this proposal and that is something that they intend to follow through on obviously and that, in his opinion, is more directed towards the bus rapid transit function as well; you are going to have an enhanced streetscape, more opportunities for public engagement and involvement along the corridor and that is something that is obviously going to be a plus for this development and the community; indicating that the overall value of adding ten affordable units, both from a public benefit situation and from a

financial commitment, is not insignificant on its own, the value associated with this exceed the one-time cash payment for the bus rapid transit; by adding the cash contribution to the bus rapid transit, in their opinion, it becomes a little more excessive in terms of the overall bonusing that is required for this project; advising that he is not sure if the Committee has had a chance to view their correspondence from September 21, 2018, this was written after the Planning and Environment Committee meeting and before the staff provided the recommendation, they came up with their proposal as to what they thought was appropriate bonusing and that included the exceptional design, the underground parking, specific space and enhanced landscaping and then a \$250,000 contribution for the bus rapid transit; noting that the \$250,000 is something that he thinks has been used regularly for bonusing projects recently in the community for various things whether it is public art or other types of contributions they felt that was appropriate in this situation as well; noting that these items are all consistent with the bonusing provisions under 19.4.4. of the Official Plan but they acknowledge that the Planning and Environment Committee requested the affordable housing component to be part of this housing development as well; right now, there are two options in front of the Committee, you have the staff report, the staff recommendation with the bonusing provisions that were outlined by Mr. M. Corby, Senior Planner, the Committee has their letter from September 21, 2018 that outlines their suggested bonusing provisions and he suggests to the Committee that there may be a third option that hopefully the Committee will consider as well and that is taking the staff recommendation and modifying it to exclude the \$200,000 bus rapid transit payment and asking the Committee to consider one of the three options this evening, they are in a situation where they would like to move forward with the application but they do want the Committee's consideration in terms of whether or not there is a better option available; advising that their preference is to choose between either what they outlined on September 21, 2018 letter or the modified staff recommendation that he just spoke of that would eliminate the \$200,000 bus rapid transit payment; respectfully asking that the Planning and Environment Committee endorse one of the three options that the Committee has available to them this evening.

- Steve Giustizia, CEO, Housing Development Corporation – recognizing that it might be unique to have an agency of the City participate in a forum like this but part of our Council defined role is to work with Civic Administration and our community to advance affordable housing; speaking briefly only to the bonusing zone recognizing the incredible and great proposal that is in front of the Committee and the great work done by both the developer and the planning staff; as background and as presented to you earlier, many of the resources and policies that enable housing happen with programs and services that are associated directly with the municipality; advising that they have worked closely with Civic Administration to advance these tools among them Section 37 Bonus Considerations for Affordable Housing; noting that work is continuing on others where the Committee's authority can further support new and regenerated housing; knowing that report is coming forward; indicating that Londoners need these tools so that persons with low and moderate incomes including new graduates, persons with support needs, seniors, general labourers, and those who work in the service industry are able to access stable housing; stating that CMHC recently updated their Core Housing Needs study reflecting again that London remains ranked fifth in Canadian urban centres for the percentage of Londoners living in core housing need; pointing out that large urban centres across Ontario are engaged in the same conversations as the Committee is having tonight related to bonusing; pointing out that in some locations affordable housing is not just a defined service of Section 37, it is the priority defined by Council and as recently as Friday, he was participating in an affordable housing meeting of Regional Planners and he can attest that Section 37 remains a significant part of their shared work and agenda; as it relates to this specific site,

he can share that the comments made by the proponent in your addendum were considered in their meeting and in consideration of the proposed lift, the local housing needs, the statistics and data that they took into consideration both at a London-wide level and in the neighbourhood, the land location and other bonus elements, they believe that the recommendation that the Committee has in front of them represents a modest but effective use of Section 37 as an off-set to the added lift in revenue potential of the development; this does not include the recently established tax grant program, they did not take that into consideration but they understand that that is also available to the site which they consider separate from the Section 37 provision of course but reflective of Council's ability to stack different programs and services together in considering affordable housing; advising that they will continue to work with Civic Administration on a broader policy framework supporting affordable housing and they have begun that process as was stated earlier to meet with developers up front so that this is a transparent process right from the very beginning, but that said, they believe that they have been able to offer all of the appropriate information required for the decision that is in front of the Committee tonight.