

# **Council Report**

Report Number: HS2024-009

**Meeting Date:** December 10, 2024

Title: Muskoka D & M Corporation Additional Municipal

Fee Waivers 77-83 William Street North, Lindsay

Recommended Additional Municipal Incentives Related to the Development Located at 77-83 William Street North,

Lindsay

**Author and Title:** Michelle Corley, Human Services Manager, Housing

## Recommendation(s):

That Report HS2024-009, Muskoka D & M Corporation Additional Municipal Fee Waivers 77-83 William Street North, Lindsay, be received; and

**That** the additional municipal incentives identified in Table 1 of Report HS2024-009 be approved.

Department Head:
Financial/Legal/HR/Other:
Chief Administrative Officer:

Muskoka D & M Corporation Additional Municipal Fee Waivers 77-83 William Street
North, Lindsay
Page 2 of 4

#### **Background:**

At the Council Meeting of March 21, 2023, Council adopted the following resolution:

CR2023-171
Moved By Councillor Smeaton
Seconded By Councillor McDonald

That Report HS2023-003, Affordable Housing Target Program, be received;

**That** subject to the necessary by-law and Municipal Housing Facilities Agreement with Muskoka D & M Corporation (MDM) for 73-83 William Street North, Lindsay, being forwarded to Council for approval, and the successful completion of such planning and development processes as may be required, the recommended application received through Intake CKL2022-001 of the Affordable Housing Target Program, providing a total of 37 affordable rental units in the City of Kawartha Lakes, as described in Report HS2023-003, be supported;

**That** the municipal incentives identified in Table 1 of Report HS2023-003 be approved;

**That** the waiver of development charges in the amount of \$591,410.00 be recovered through financing from the uncommitted portion of the General Contingency Reserve (1.32090); and

**That** the Director of Human Services and the Human Services Manager, Housing be authorized to execute necessary agreements to provide the incentives to this project.

Carried

This report provides an update to this previous resolution, including the identification of additional eligible municipal incentives, further to the incentives previously recommended within report HS2023-003 included as Attachment A.

#### **Rationale:**

Since March 31, 2023, the development of the 110-unit apartment building located at 77-83 William Street North, Lindsay, owned by Muskoka D & M Corporation (MDM), has continued to progress. As of early November 2024, the owner obtained the building permit, and active site work is now underway.

Muskoka D & M Corporation Additional Municipal Fee Waivers 77-83 William Street
North, Lindsay
Page 3 of 4

Throughout the pre-development process, projects undergo several design revisions to achieve a viable operating model and meet the additional requirements of their primary lender. These revisions often result in changes to the number and size of units, especially for larger multi-residential projects such as this one. The project at 77-83 William Street North, Lindsay, will now include a total of 110 units, with 33 of those units meeting the City's affordability definition, making them eligible for a waiver or exemption of a proportion of municipal fees under the Affordable Housing Target Program (AHTP).

The reduction in affordable units from 37 to 33 does not affect the previous Council resolution, which permits the waiver or exemption of various municipal fees and charges for the proportion of units that meet the affordability requirements. The actual fees and charges collected from MDM by the City will reflect the proportion of units that do not meet AHTP eligibility.

Additionally, since the prior resolution, staff have identified two additional municipal fees for which this project is eligible to receive a waiver, proportional to the number of affordable units. During the early pre-development stages, identifying all applicable municipal fees and charges can be challenging due to timing and limited available information. These additional incentives are detailed in Table 1 below.

Table 1: Affordable Housing Target Program Additional Incentives for project located at 77-83 William Street North, Lindsay				
Proponent	Program	Incentive / Method	Estimated Incentive Value – According to Proportion of Affordable Units	
MDM	New Rental Development Program	Development Application Approvals Process (DAAP) fees (fee waiver)	\$6,545.54	
		Parkland Levy / Cash in- Lieu of Parkland (fee waiver)	\$23,025.00	
		Total value of additional incentives (fee waivers)	\$29,570.54	

Between the incentives identified in the previous report and resolution, and the additional incentives outlined above, the project remains well below the program's per-

Muskoka D & M Corporation Additional Municipal Fee Waivers 77-83 William Street
North, Lindsay
Page 4 of 4

unit contribution limits of \$15,000 for one-bedroom apartments and \$20,000 for two-bedroom apartments, excluding development charges. The corresponding by-law, Municipal Housing Facilities Agreement, and related securities registered on title have already been established at the maximum per-unit incentive limits and do not require amendments to accommodate these additional incentives.

## **Alignment to Strategic Priorities:**

This report aligns to the Exceptional Quality of Life strategic priority. It contributes directly to the goal of:

Increase affordable and attainable housing:

- Meet the targets outlined in our Municipal Housing Pledge
- Encourage intensification, and providing the full continuum of housing types, including ownership and purpose-built rentals

## **Financial/Operation Impacts:**

The identified fees and charges can be provided with minimal impact to the City.

#### **Consultations:**

Affordable Housing Program Coordinator Program Supervisor, Affordable and Community Housing Director, Development Services

#### **Attachments:**

Attachment A: Report HS2023-003



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**Department Head:** Cheryl Faber