



Committee of the Whole Report For the Meeting of May 3, 2018

To: Committee of the Whole **Date:** April 19, 2018
From: Jonathan Tinney, Director, Sustainable Planning and Community Development
Subject: Cash in Lieu of Community Space, Roundhouse Master Development Agreement

RECOMMENDATION

That Council:

1. Direct staff to prepare an amendment to the Roundhouse Master Development Agreement (MDA) deferring the "cash-in-lieu of community space payment" to the time of submission of the first Building Permit Application for the Roundhouse development to the satisfaction of the Director of Sustainable Planning and Community Development and the City Solicitor.
2. Authorize the Mayor and City Clerk to execute the MDA amendment and any other instruments necessary to effect its registration in the Land Title Office in the form satisfactory to the City Solicitor.

LEGISLATIVE AUTHORITY

The City has the statutory authority to hold covenants that are registered against title to land under section 219 of the *Land Title Act*.

EXECUTIVE SUMMARY

The purpose of this report is to provide Council with information, analysis and recommendations in response to a request from Bayview Place and Focus Equities to amend the Roundhouse Master Development Agreement to defer the required "cash-in-lieu of community space payment" (the payment).

BACKGROUND

Relevant History

Section 15 of the Roundhouse Master Development (MDA) required that the Developer provide, at the option of the City, an area for community space (either on-site or a mutually agreeable location off-site) or cash-in-lieu. In response to this requirement, on July 24, 2014, Council passed the following motion:

"That Council direct:

- 1. Staff to prepare an amendment to Section 15 of the Roundhouse Master Development Agreement requiring that the Developer pays cash in lieu of community space prior to submitting a Development Permit Application for the first building constructed in Development Area 3, 4 or 5 of the CD-12 Zone, Roundhouse District, to the satisfaction of the Director of Sustainable Planning and Community Development and the City Solicitor.*
- 2. The Mayor and Corporate Administrator to execute the MDA Amendment and other instruments necessary to effect its registration in the Land Title Office.*
- 3. Staff to consult with community groups with respect to how cash in lieu of community space could be reinvested back into the Victoria West community and report back to Council with the feedback received."*

The Roundhouse MDA was subsequently amended in accordance with the above Council motion.

On November 30, 2017, a Development Permit Application was submitted to the City proposing a 26-storey, mixed-use building at 210 Kimta Road which is located within Development Area 3 of the CD-12 Zone, Roundhouse District; however, the applicant did not make the necessary cash-in-lieu payment prior to their submission and, therefore, they are currently in breach of the MDA and the application has been placed on hold until the monies are received. In response, the applicant has submitted a letter requesting deferral of the cash-in-lieu payment. Today, the payment stands at approximately \$725,000.00 and it is subject to an annual financial adjustment based on the Consumer Price Index.

Staff note that the applicant has indicated in their letter that they may pursue a further amendment to the MDA, prior to making the cash-in-lieu payment, to provide the community space on-site; however, in July 2014, when Council previously considered this matter, staff provided an analysis of options for Council's consideration and Council chose the cash-in-lieu option. Staff recommend to Council that the cash-in-lieu payment is still the preferred option.

Analysis

The applicant provides their rationale for deferral of the payment in their letter dated April 12, 2018 (attached). The applicant originally requested deferral of the payment to the Occupancy Permit stage (i.e. after it is built but before people can move in) of the third residential tower; however, it was communicated to the applicant that this would not be supported by staff and the applicant subsequently revised their request. Based on the financial rationale provided, staff recommend that Council consider accepting the request to defer the payment of the cash-in-lieu from prior to submission of the Development Permit, to at the time of submission of the first Building Permit Application for the Roundhouse development.

It should be noted that deferral of the payment to the Building Permit stage does present a minor risk, in that there is no guarantee that the applicant would move forward with a Building Permit Application upon receiving Development Permit approval.

Finally, staff note that the applicant has suggested that the MDA was "accidentally" amended to require the payment at the time of a Development Permit Application. Staff wish to clarify that the MDA amendment was in fact entirely consistent with the Council motion dated July 24, 2014.

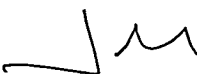
CONCLUSIONS

Staff recommend that Council consider approving the request to amend the Roundhouse MDA in order to defer receipt of the payment to the time of the Building Permit Application submission.

ALTERNATE MOTION

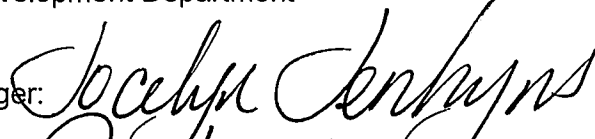
That Council decline the request to defer receipt of the payment to a later stage in the process.

Respectfully submitted,


Jim Handy
Senior Planner - Development Agreements
Development Services Division


Jonathan Tinney
Director
Sustainable Planning and Community
Development Department

Report accepted and recommended by the City Manager:


Date: April 26, 2018

List of Attachments:

- Attachment A: Letter from Bayview Place and Focus Equities dated April 12, 2018
- Attachment B: Staff report to Planning and Land Use Committee dated July 16, 2014