Status: Final



# Development Charges Deferral for Affordable Rental Buildings - REVISED

Approved By: Council

Approved On:

# **Policy Statement**

A policy governing the deferral of Regional development charges and area-specific development charges for affordable, rental buildings that meet the policy criteria.

# Application

Subject to the terms and conditions as set out in this policy, this policy is available for affordable rental buildings that meet the following criteria:

- A minimum of four storeys
- Affordable to the midrange income cohort (household incomes that fall between the fourth and sixth deciles of income distribution for York Region) with average rents that are less than, or equal to, 175% of Average Market Rent for private apartments, by bedroom type
- Located in the Urban Area, Towns and Villages, on Regional Centres and Corridors, Major Transit Station Areas (MTSA), or on specific Local Centres for those local municipalities without lands on Regional Centres and Corridors

For the purposes of this deferral, the development may be registered as a condominium, but it must be operated as an affordable rental property for a period of not less than 20 years.

# Purpose

The purpose of this policy is to incentivize the development of affordable rental buildings to:

- Increased affordable rental supply in the Region
- More complete communities offering a range of housing options
- Promote live/work within the Region

## Definitions

Act: The *Development Charges Act, 1997,* S.O. 1997, c. 27, as amended, revised, reenacted or consolidated from time to time, and any successor statute

**Affordable:** Rental housing that is less than, or equal to, 175% of Average Market Rent for private apartments, by bedroom type

Average Market Rent (AMR): Average actual rents paid by tenants for private apartments in York Region (Region-wide rents), calculated and published annually through the Canada Mortgage and Housing Corporation (CMHC) Fall Rental Market Report

**Bedroom:** A room that meets the requirements of a bedroom under the *Building Code Act, 1992,* S.O. 1992, c. 23 as amended, revised, re-enacted or consolidated from time to time, and any successor statute and/or the requirements of a bedroom under Ontario Regulation 332/12 as amended, revised, re-enacted or consolidated from time to time, and any successor statute

**Development:** Construction, erection or placing of one or more buildings or structures on land or the making of an addition or alteration to a building or structure that has the effect of increasing the size or changing the use thereof from non-residential to residential or from residential to non-residential and includes redevelopment

**Development Charges:** The Region's development charges, including any areaspecific development charges.

**Dwelling Unit:** Means a room or suite of rooms used, or designed or intended for use by one person or persons living together, in which culinary and sanitary facilities are provided for the exclusive use of such person or persons

Local Centres: Specific Local Centres that qualify under this policy are:

- Georgina: Glenwoods Urban Centre, Maskinonge Urban Centre, Uptown Keswick Urban Centre, as well as Mixed-Use Corridor 1 and 2
- King: Village Core and Mixed-Use areas of King City, Nobleton, and Schomberg
- Whitchurch-Stouffville: Western Approach Mixed-Use Area, Gateway Mixed Use Area, and Highway 48 Mixed-Use Corridor

Major Transit Station Areas (MTSAs): As identified in Appendix A.

**Regional Centres and Corridors:** As depicted on Map 1 – Regional Structure, attached as Appendix B.

- Markham Centre (Highway 7 and Warden Avenue)
- Newmarket Centre (Yonge Street and Davis Drive)
- Richmond Hill/Langstaff Gateway (Highway 7 and Yonge Street)
- Vaughan Metropolitan Centre (Highway 7 and Jane Street)

**Restrictive Covenant:** A covenant registered on the title of the proposed development requiring it be developed and entirely operated as an affordable rental building for a period of not less than 20 years

**Schedule 'I' Bank:** As referenced in subsection 14(1)(a) of the *Bank Act*, S.C. 1991, c. 46. These are domestic banks and are authorized under the *Bank Act* to accept deposits, which may be eligible for deposit insurance provided by the Canadian Deposit Insurance Corporation

**Storey:** A portion of a building that is above grade and is situated:

- (a) Between the top of any floor and the top of the floor next above it, or
- (b) Between the top of the floor and the ceiling above the floor, if there is no floor above it

# Description

### 1. Development Charges Deferral Agreement

Any developer wishing to defer development charges for affordable rental buildings (minimum of four storeys) must enter into a development charges deferral agreement with the Region.

A development charges deferral agreement will only be executed by the Region provided that the developer can immediately upon execution of the agreement attain building permit issuance by the local municipality.

### 2. Covenants Included in the Development Charges Deferral Agreement

Every development charges deferral agreement will include covenants on the part of the developer.

These covenants will include, but not be limited to, a covenant by the developer(s) that:

- a) The affordable rental building will remain affordable for a period of not less than 20 years
- b) Monthly rents will not be increased at a rate that brings them above 175% of Average Market Rent for private apartments, by bedroom type
- c) For those units that achieve 125% Average Market Rent or less for private apartments, by bedroom type, and do not have to satisfy the unit split requirement identified in Term '3' of this policy, that they will be maintained at 125% Average Market Rent or less for private apartments, by bedroom type, for the duration of the development charges deferral
- d) They will notify the Region on an annual basis, at an agreed upon date, in an agreed upon manner, of the rents, by bedroom type, in the affordable rental building
- e) If they are found to be in non-conformity with clauses 'a', 'b', 'c', or 'd' of this Term ('2'), development charges will be made payable (including interest)
- f) They will enter into any additional agreement(s), as determined to be required by the Regional Solicitor, to give full force and effect to the development charges deferral agreement

### 3. Duration of the Deferral

a. Duration

The duration of the development charges deferral will vary based on the location, total number of units and number of units that are two or more bedrooms, in accordance with Table 1 below.

Cr	iteria*	Duration of Development Charges deferral	
1.	Affordable rental housing (located in Urban Area, Towns and Villages)	5 Year	
	Affordable rental housing Located in Regional Centres and Corridors, MTSAs, or specific Local Centres	10 Year	
1. 2.	Affordable rental housing (located in Urban Area, Towns and Villages) Minimum of 100 Dwelling Units		
3.	Minimum of 50% of the total number of dwelling units in the affordable rental building must have two or more bedrooms (unit split requirement)**	10 Year	
1.	Affordable rental housing		
2.	Located in Regional Centres and Corridors, MTSAs, or specific Local Centres		
3.	Minimum of 200 Dwelling Units	20 Year	
4.	Minimum of 50% of the total number of dwelling units in the affordable rental building must have two or more bedrooms (unit split requirement)**		

Table 1Duration of Development Chart Deferral

\*Note:

• All criteria must be met to qualify for each Duration of Development Charges Deferral \*\*Note:

- Units that achieve 125% of Average Market Rent or less for private apartments, by bedroom type, may not have to satisfy the unit split requirement
- In addition, those units that achieve 125% of Average Market Rent or less for private apartments, by bedroom type, will be excluded from the total number of units used to calculate the unit split calculation
- Those units that have been excluded from the unit split requirement, as a result of achieving 125% of Average Market Rent or less for private apartments, by bedroom type:
  - must be maintained at 125% of Average Market Rent or less for private apartments, by bedroom type for the duration of the Development Charges deferral
  - after the Development Charges deferral they must still be less than, or equal to, 175% of Average Market Rent for private apartments, by bedroom type

- These units must remain less than, or equal to, 175% of Average Market Rent for private apartments, by bedroom type, for the duration of the restrictive covenant as identified under Term '7' of this policy.
- b. Start date
  - 1. Development charges are deferred until 15 days immediately following the date that is 5 years, 10 years, or 20 years (as applicable) after the date that the building permit is issued by the local municipality
    - Applications submitted for approval of a development in a site plan control area under subsection 41(4) of the *Planning Act* for an affordable rental building prior to January1, 2020, or
    - Applications submitted for an amendment to a bylaw passed under section 34 of the *Planning Act* prior to January 1, 2020
  - 2. Development charges are deferred until 15 days immediately following the date that is 5 years, 10 years, or 20 years (as applicable) after the earlier of the date of the issuance of a permit under the Building Code Act, 1992, authorizing occupation of the building or the date the building is first occupied
    - Applications submitted for approval of a development in a site plan control area under subsection 41(4) of the *Planning Act* for an affordable rental building including <u>and after</u> January1, 2020, or
    - Applications submitted for an amendment to a by-law passed under section 34 of the *Planning Act* including and after January 1, 2020

If the occupation of the building is not authorized by a permit under the Building Code Act, 1992, the developer must notify the Region within five business days of the building first being occupied, whereupon the deferral period will begin. Failure to notify the Region within five business days of the building first being occupied will constitute a material default of the deferral agreement.

Development charges will be payable prior to the timeframe indicated in Table 1 should any of the following trigger events occur:

- Change of use from an affordable rental building
- Failure to notify the Region on an annual basis, at an agreed upon date and in an agreed upon manner of the rents in the affordable rental building
- Monthly rents exceeding 175% of Average Market Rent for private apartments, by bedroom type

- Monthly rents exceeding 125% of Average Market Rent for private apartments, by bedroom type, for those units that do not have to satisfy the unit split requirement identified in Term '3' of this policy. This trigger only applies for the duration of the Development Charges deferral
- Sale, or transfer of ownership, of the property unless an assumption agreement is entered into
- Any other material default as defined in the agreement(s)

Notification to the owner of the property on the tax roll will occur immediately after the trigger event. The 15 business days will begin with the mailing, by registered mail, of notice.

#### 4. Development Charges Rates

The Regional development charges rate will be the amount determined under the applicable development charges bylaw:

- a. Day of building permit issuance
  - i. Applications submitted for approval of a development in a site plan control area under subsection 41(4) of the *Planning Act* for an affordable rental building <u>prior to</u> January1, 2020, or
  - ii. Applications submitted for an amendment to a bylaw passed under section 34 of the *Planning Act* prior to January 1, 2020

- OR -

- b. Day of application
  - i. Applications submitted for approval of a development in a site plan control area under subsection 41(4) of the *Planning Act* for an affordable rental building <u>including and after</u> January 1, 2020, or
  - ii. Applications submitted for an amendment to a bylaw passed under section 34 of the *Planning Act* including and after January 1, 2020

For greater clarity, if clauses b(i) or b(ii) do not apply to an affordable rental building that is seeking to defer development charges <u>including and after</u> January 1, 2020, the development charges rate is determined on the day the development charges is payable in accordance with section 26 of the Act.

### 5. Development Charges Payable

The amount of the development charges payable to the Region, as required under the Act, will be based on the rates determined under Term '4' of this policy multiplied by the number of dwelling units, of which will be determined on the day that the developer enters into a development charges deferral agreement with the Region.

#### 6. Interest Waiver

All interest will be calculated using the development charges payable in Term '5' to this policy until the date upon which the development charges are fully paid.

All deferred development charges will bear interest at the prime commercial lending rate charged by an agreed upon 'Schedule I' commercial bank on demand loans in Canadian funds to its most creditworthy customers plus 2% per annum. All interest will accrue and be compounded.

The time period will be calculated beginning on the date of issuance of the building permit for the proposed structure by the local municipality.

The Region will forgive all amounts due and owing on account of interest, provided that the development charges are paid in full to the Region at the time required (within 15 business days immediately following notification of a trigger event as defined in Term '3' of this policy).

If unpaid development charges are added to the tax roll (Term '9'), interest will continue to accrue and be compounded until all outstanding charges are fully paid.

For greater clarity, this term has no effect on any interest charged in accordance with Region's Development Charge Interest Policy - Under sections 26.1, 26.2 and 26.3 of the Act, as may be amended by Regional Council from time to time.

### 7. Restrictive Covenant

A 20 year change of use covenant will be registered on the title stipulating that the property will be developed and entirely operated as an affordable rental building for a period expiring 20 years from the date that an occupancy permit is issued for the affordable rental building.

The burden of the restrictive covenant will run with the title of the land.

### 8. Local Participation

The Region will only enter into a development charges deferral agreement if the local municipality has provided a similar, if not better, deferral, exemption, or other incentive, for the proposed development.

It will be up to the Commissioner of Finance and/or the Chief Administrative Officer, in consultation with the Commissioner, Corporate Services, to decide what constitutes "similar, if not better", but this may be determined by looking at:

- Whether or not there is a prescribed timeframe for the deferral
- Whether or not interest is waived
- Other incentives that may be provided, be them financial or otherwise

#### 9. Unpaid Development Charges

If any development charges (including any interest) are unpaid within 15 business days immediately following notification of a trigger event identified in Term '3' of this policy, or at the end of the development charge deferral timeframe when payment has not been made, those development charges (including interest) will be added to the tax roll and collected in the same manner as taxes (in accordance with section 32 of the Act).

If unpaid development charges are added to the tax roll, interest will continue to accrue and be compounded until all outstanding total charges are fully paid (development charges + interest).

### 10. Security

A form of security will be taken and registered against the title to the property, at the execution of the development charges deferral agreement with the Region. The Region's security interest will always be, at minimum, pari passu, or of equal footing, to that of the local municipality offering a similar, if not better, deferral of development charges.

### **11. Other Agreements Required**

In addition to the requirements that the developer enter into a development charges deferral agreement with the Region, the developer will enter into any other agreements as required by the Regional Solicitor. Additional agreements include, but may not be limited to:

- Charge
- Assignment of Rents
- Restrictive Covenant
- Pari Passu Agreement
- General Security Agreement
- Other agreement(s) as deemed necessary

### 12. Legal and Administration Fees

All legal fees of the developer(s) and Region, including any costs incurred by the Region to prepare any other agreements required by the Regional Solicitor, and other associated administration fees, will be borne by the developer.

### 13. Report Back to Council

Staff will report back to Council annually on the uptake of this policy.

### 14. Non-Applicability – 36 month Development Charges Deferral

For greater clarity, any affordable, rental building that avails itself of the deferral under this policy is not eligible for the Region's 36 month development charges deferral for rental buildings that are a minimum of four storeys.

### 15. Mixed-Use Developments

This policy does apply to affordable rental buildings, or uses, in a mixed-use building or development.

For greater clarity, this policy does not apply to the non-residential development charges due for any mixed-use development, the residential portion of which is an affordable rental building.

### 16. Section 26.1 of the Act

For greater clarity, any rental building to which section 26.1 applies and that opts to pay development charges in instalments in accordance with section 26.1 of the Act, will not be entitled to also avail itself of the deferral under this policy.

### **17. Effective Date**

This policy will take effect the day it is passed by Regional Council and may be repealed by the Region at any time.

# Responsibilities

### Chief Administrative Officer, Regional Municipality of York

- Responsibilities as identified under the Terms of this policy
- Signing of security agreements

#### **Commissioner of Finance, Finance Department**

- Responsibilities as identified under the Terms of this policy
- Signing of security agreements

#### **Regional Solicitor, Legal Services**

- Draft and prepare for execution the deferral agreement between Region and the developer
- Draft and prepare for execution any additional agreements required
- Maintain copies of all executed deferral agreements and other agreements as required
- Registration of security on title

#### **Commissioner, Corporate Services**

• Responsibilities as identified under the Terms of this policy

#### **Director, Treasury Office, Finance Department**

- Administer the deferral policy, including assisting stakeholders in determining if they qualify for the policy, the development charges rates to be applied, and the development charges payable
- Enforce the deferral policy
- Collect all development charges when due

- Monitor timing of payment to ensure compliance with Term '6' of the policy
- Notify, through the Commissioner of Finance, to the Treasurer of the local municipality if development charges are not paid/received within the prescribed timeframe and to have said charges added to the tax roll of that municipality
- Undertake any additional administrative obligations as determined through the agreements
- Maintain copies of all executed deferral agreements and other agreements as required

#### **Director, Development Services, Corporate Services Department**

• Assist in identifying structures as within Regional Centres and Corridors or MTSAs

## Compliance

Immediately upon the occurrence of any of the trigger events identified in Term '3' of this policy, the **Director, Treasury Office** will notify the owner of the property on the tax roll that development charges are due within 15 business days, the timing of which will begin with the mailing, by registered mail, of notice.

The **Director, Treasury Office** will also monitor the payment of the development charges due in order to ensure interest is only forgiven (Term '6' of the policy) when the development charges are paid in full to the Region within 15 business days immediately following notification of a trigger event.

## Reference

### Legislative and other authorities

- Building Code Act, 1992, S.O. 1992, c. 23
- Development Charges Act, 1997, S.O. 1997, c. 27
- Ontario Regulation 82/98
- Ontario Regulation 332/12
- Planning Act, R.S.O. 1990, c. P.13
- York Region Development Charges Bylaw No. 2022-31
- Council Report, Affordable Rental Development Charges Deferral Policy Update, December 5, 2024

### Appendices

- Appendix A York Region Major Transit Station Areas (MTSAs)
- Appendix B Map 1 Regional Structure

# Contact

• Director, Treasury Office, Finance Department

# Approval

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Council Date:	Committee Date:
Council Minute Item:	Committee Minute Item:

### #16418465

Accessible formats or communication supports are available upon request.



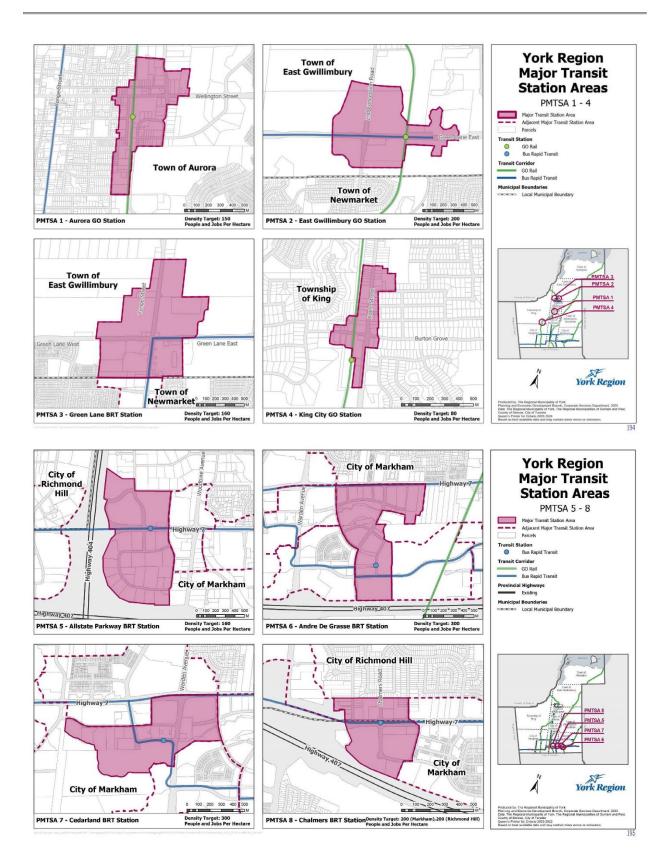
### Appendix A - York Region Major Transit Station Areas

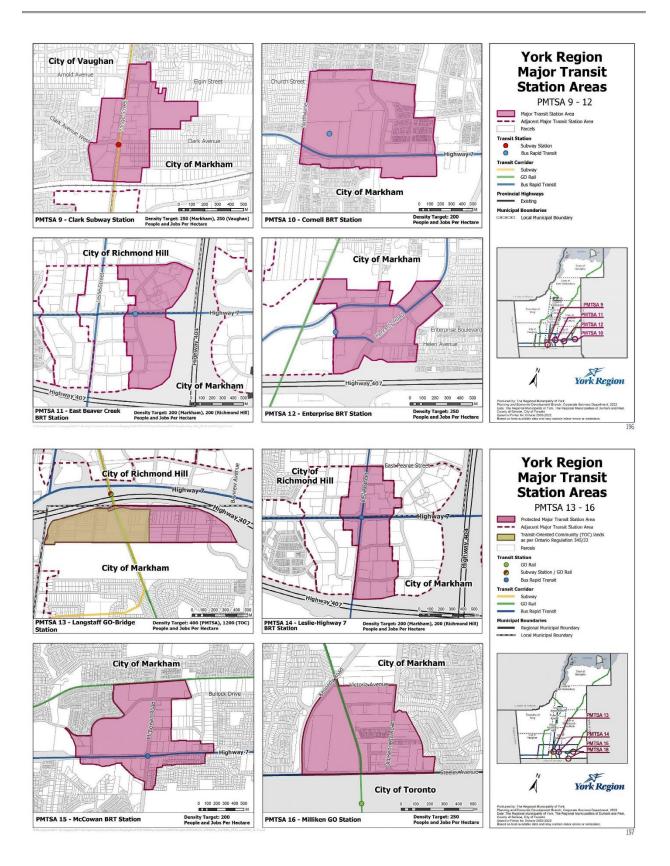
# **YORK REGION MAJOR TRANSIT STATION AREAS (MTSAs)** PMTSA: PROTECTED MAJOR TRANSIT STATION AREAS

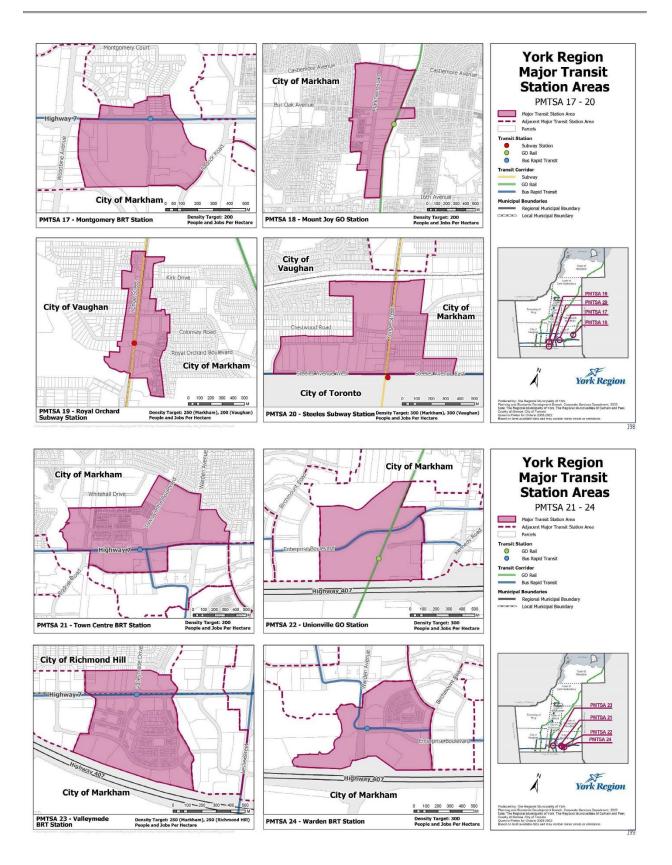
MTSA ID	STATION NAME	MUNICIPALITY	PROPOSED MINIMUM DENSITY TARGET
PMTSA 1	Aurora GO Station	Aurora	150 PEOPLE and JOBS/HA
PMTSA 2	East Gwillimbury GO Station	East Gwillimbury	200 PEOPLE and JOBS/HA
PMTSA 3	Green Lane BRT Station	East Gwillimbury	160 PEOPLE and JOBS/HA
PMTSA 4	King City GO Station	King	80 PEOPLE and JOBS/HA
PMTSA 5	Allstate Parkway BRT Station	Markham	160 PEOPLE and JOBS/HA
PMTSA 6	Andre De Grasse BRT Station	Markham	300 PEOPLE and JOBS/HA
PMTSA 7	Cedarland BRT Station	Markham	300 PEOPLE and JOBS/HA
PMTSA 8	Chalmers BRT Station	Markham	200 PEOPLE and JOBS/HA
PMTSA 9	Clark Subway Station	Markham	250 PEOPLE and JOBS/HA
PMTSA 10	Cornell BRT Station	Markham	200 PEOPLE and JOBS/HA
PMTSA 11	East Beaver Creek BRT Station	Markham	200 PEOPLE and JOBS/HA
PMTSA 12	Enterprise BRT Station	Markham	250 PEOPLE and JOBS/HA
PMTSA 13	Langstaff GO-Bridge Station	Markham	400 (PTMSA), 1,200 (TOC) PEOPLE and JOBS/HA
PMTSA 14	Leslie-Highway 7 BRT Station	Markham	200 PEOPLE and JOBS/HA
PMTSA 15	McCowan BRT Station	Markham	200 PEOPLE and JOBS/HA
PMTSA 16	Milliken GO Station	Markham	250 PEOPLE and JOBS/HA
PMTSA 17	Montgomery BRT Station	Markham	200 PEOPLE and JOBS/HA
PMTSA 18	Mount Joy GO Station	Markham	200 PEOPLE and JOBS/HA
PMTSA 19	Royal Orchard Subway Station	Markham	250 PEOPLE and JOBS/HA
PMTSA 20	Steeles Subway Station	Markham	300 PEOPLE and JOBS/HA
PMTSA 21	Town Centre BRT Station	Markham	200 PEOPLE and JOBS/HA
PMTSA 22	Unionville GO Station	Markham	300 PEOPLE and JOBS/HA
PMTSA 23	Valleymede BRT Station	Markham	250 PEOPLE and JOBS/HA
PMTSA 24	Warden BRT Station	Markham	300 PEOPLE and JOBS/HA
PMTSA 25	West Beaver Creek BRT Station	Markham	250 PEOPLE and JOBS/HA
PMTSA 26	Woodbine BRT Station	Markham	160 PEOPLE and JOBS/HA
PMTSA 27	Bonshaw BRT Station	Newmarket	160 PEOPLE and JOBS/HA
PMTSA 28	Eagle BRT Station	Newmarket	200 PEOPLE and JOBS/HA
PMTSA 29	Highway 404 BRT Station	Newmarket	160 PEOPLE and JOBS/HA
PTMSA 30	Huron Heights BRT Station	Newmarket	160 PEOPLE and JOBS/HA

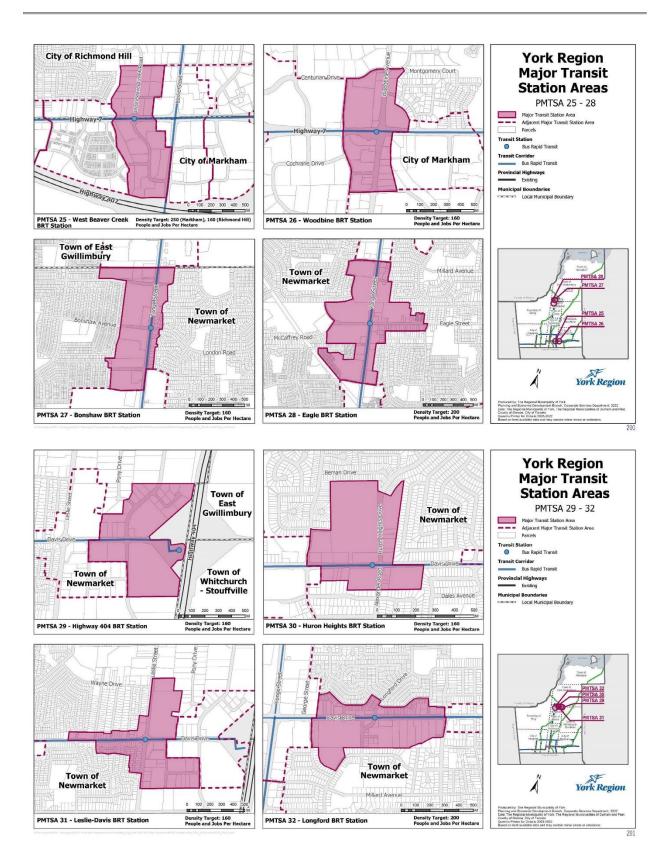


PMTSA 31	Leslie-Davis BRT Station	Newmarket	160 PEOPLE and JOBS/HA
PMTSA 32	Longford BRT Station	Newmarket	200 PEOPLE and JOBS/HA
PMTSA 33	Main BRT Station	Newmarket	160 PEOPLE and JOBS/HA
PMTSA 34	Mulock BRT Station	Newmarket	160 PEOPLE and JOBS/HA
Future MTSA 35	Mulock GO Station	Newmarket	
PMTSA 36	Savage-Sawmill BRT Station	Newmarket	160 PEOPLE and JOBS/HA
PMTSA 37	Southlake BRT Station	Newmarket	200 PEOPLE and JOBS/HA
PMTSA 38	Yonge-Davis BRT Station	Newmarket	250 PEOPLE and JOBS/HA
PMTSA 39	16th-Carrville BRT Station	Richmond Hill	300 PEOPLE and JOBS/HA
PMTSA 40	19th-Gamble BRT Station	Richmond Hill	160 PEOPLE and JOBS/HA
PMTSA 41	Bantry-Scott BRT Station	Richmond Hill	200 PEOPLE and JOBS/HA
PTMSA 42	Bathurst-Highway 7 BRT Station	Richmond Hill	160 PEOPLE and JOBS/HA
PMTSA 43	Bayview BRT Station	Richmond Hill	160 PEOPLE and JOBS/HA
PMTSA 44	Bernard BRT Station	Richmond Hill	200 PEOPLE and JOBS/HA
PMTSA 8	Chalmers BRT Station	Richmond Hill	200 PEOPLE and JOBS/HA
PMTSA 45	Crosby BRT Station	Richmond Hill	160 PEOPLE and JOBS/HA
PMTSA 11	East Beaver Creek BRT Station	Richmond Hill	200 PEOPLE and JOBS/HA
PMTSA 46	Elgin Mills BRT Station	Richmond Hill	160 PEOPLE and JOBS/HA
PMTSA 14	Leslie-Highway 7 BRT Station	Richmond Hill	200 PEOPLE and JOBS/HA
PMTSA 48	Major Mackenzie BRT Station	Richmond Hill	160 PEOPLE and JOBS/HA
PMTSA 49	Richmond Hill Centre Subway Station	Richmond Hill	400 (PTMSA), 1,400 (TOC) PEOPLE and JOBS/HA
PMTSA 50	Richmond Hill GO Station	Richmond Hill	150 PEOPLE and JOBS/HA
PMTSA 23	Valleymede BRT Station	Richmond Hill	250 PEOPLE and JOBS/HA
PMTSA 51	Weldrick BRT Station	Richmond Hill	200 PEOPLE and JOBS/HA
PMTSA 25	West Beaver Creek BRT Station	Richmond Hill	160 PEOPLE and JOBS/HA
PMTSA 52	Ansisey Grove BRT Station	Vaughan	200 PEOPLE and JOBS/HA
PMTSA 53	Atkinson BRT Station	Vaughan	160 PEOPLE and JOBS/HA
PMTSA 9	Clark Subway Station	Vaughan	250 PEOPLE and JOBS/HA
PMTSA 54	Commerce BRT Station	Vaughan	350 PEOPLE and JOBS/HA
PMTSA 55	Concord Station BRT Station	Vaughan	160 PEOPLE and JOBS/HA
PMTSA 56	Creditstone BRT Station	Vaughan	300 PEOPLE and JOBS/HA
PMTSA 57	Disera-Promenade BRT Station	Vaughan	200 PEOPLE and JOBS/HA
PMTSA 58	Dufferin BRT Station	Vaughan	160 PEOPLE and JOBS/HA
PMTSA 59	Highway 407 Subway Station	Vaughan	0 PEOPLE and JOBS/HA
PMTSA 60	Keele BRT Station	Vaughan	160 PEOPLE and JOBS/HA
Future MTSA 61	Kirby GO Station	Vaughan	
DUTC 4 CO	Marth 00 Otalian	Variation	
PMTSA 62	Maple GO Station	Vaughan Vaughan	150 PEOPLE and JOBS/HA
PMTSA 63	Pine Valley BRT Station	Vaughan Vaughan	160 PEOPLE and JOBS/HA
PMTSA 64 PMTSA 19	Pioneer Village Subway Station Roval Orchard Subway Station	Vaughan Vaughan	200 PEOPLE and JOBS/HA
PMISA 19 PMISA 65	Rutherford GO Station	Vaughan Vaughan	200 PEOPLE and JOBS/HA 100 PEOPLE and JOBS/HA
PMTSA 00 PMTSA 20	Steeles Subway Station	Vaughan Vaughan	300 PEOPLE and JOBS/HA
PMTSA 20 PMTSA 66	Taiga BRT Station	Vaughan Vaughan	160 PEOPLE and JOBS/HA
PMTSA 67	Vaughan Metropolitan Centre Subway Station	Vaughan Vaughan	400 PEOPLE and JOBS/HA
PMTSA 68	Weston BRT Station	Vaughan	250 PEOPLE and JOBS/HA
PMTSA 69	Wigwoss-Helen BRT Station	Vaughan Vaughan	160 PEOPLE and JOBS/HA
PMTSA 05 PMTSA 70	Old Elm GO Station	Whitchurch-Stouffville	150 PEOPLE and JOBS/HA
PMTSA 71	Stouffville GO Station	Whitchurch-Stouffville	150 PEOPLE and JOBS/HA
	Langstaff BRT Station	Vaughan	
	Major Mackenzie BRT Station	Vaughan Vaughan	
	Norwood BRT Station	Vaughan Vaughan	
	Pennsylvania BRT Station	Vaughan	
	Springside BRT Station	Vaughan Vaughan	
	Vaughan Mills BRT Station	Vaughan	
	Magnan millo pret områdi	- addition	

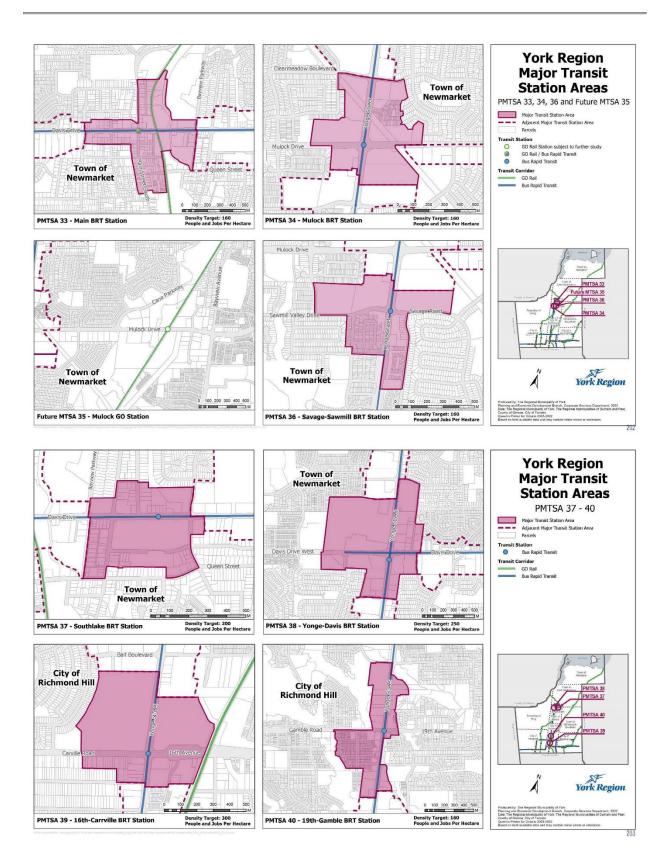


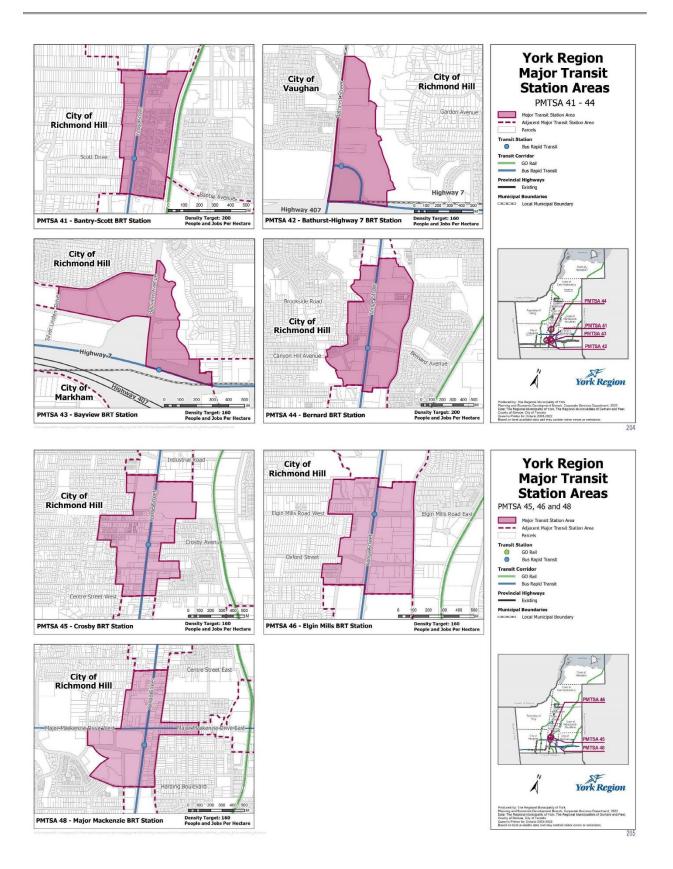




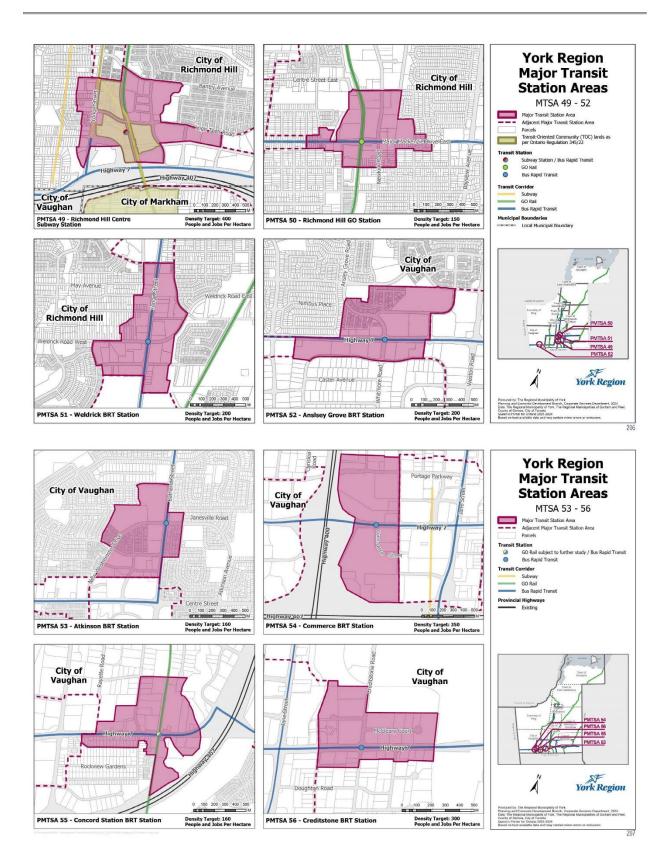


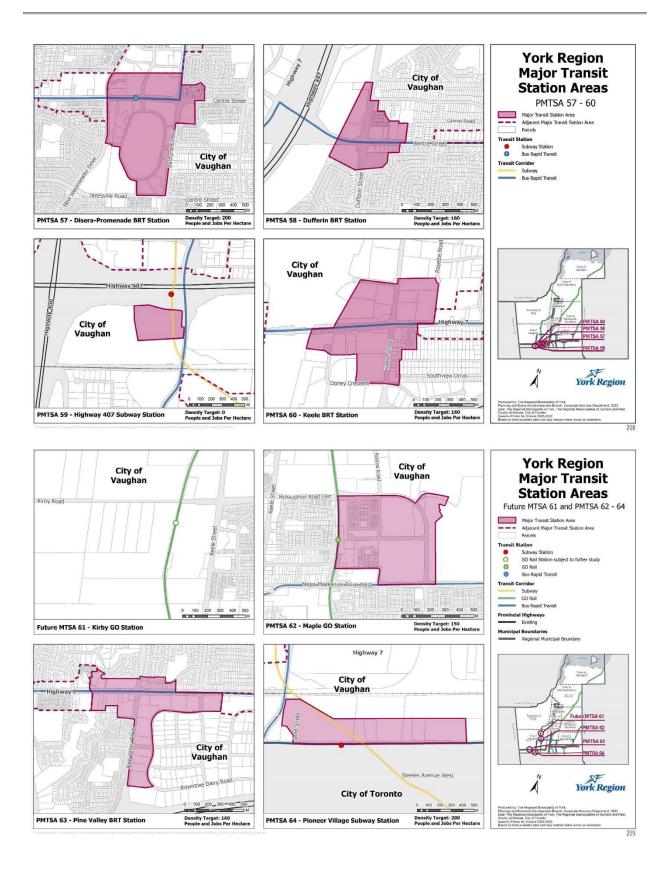
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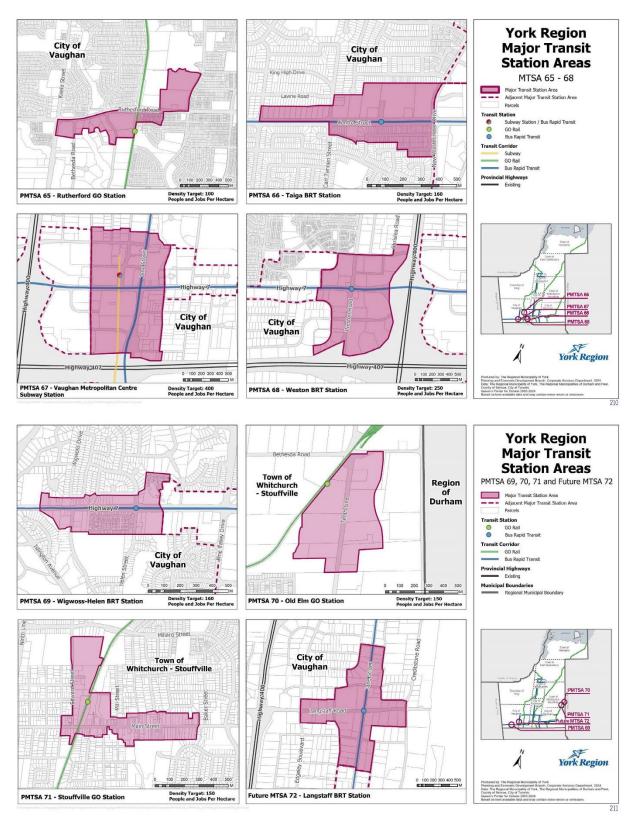


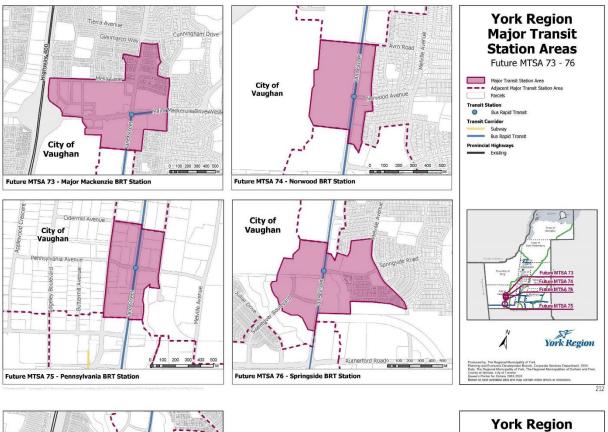


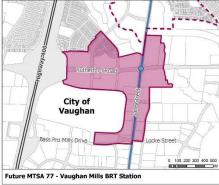
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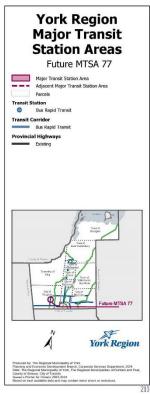


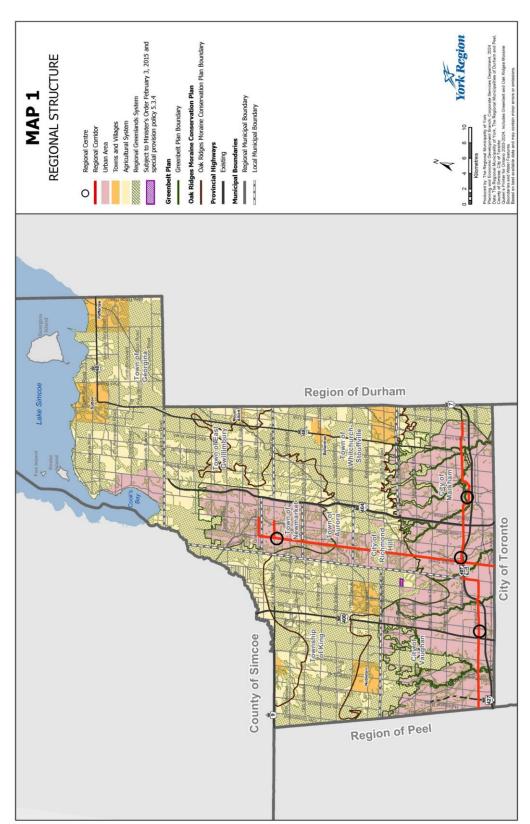












Appendix B - Map 1 – Regional Structure



The Regional Municipality of York Regional Council Finance and Administration December 5, 2024 FOR DECISION

### Report of the Commissioner of Corporate Services Expropriation Settlement Viva Bus Rapid Transit Corridor 20 Davis Drive Town of Newmarket

### 1. Recommendations

- Council authorize the settlement of all claims pursuant to the *Expropriations Act* with the easement owner in respect of the expropriation of land from 20 Davis Drive, related to constructing the vivaNext Bus Rapid Transit corridor on Yonge Street, in the Town of Newmarket.
- 2. Commissioner of Corporate Services be authorized to execute the Minutes of Settlement and all necessary documentation to complete the transaction.

### 2. Purpose

This report seeks Council approval to complete a full and final settlement regarding expropriation claims made by the easement owner for expropriation of lands located at 20 Davis Drive in Newmarket for the vivaNext Bus Rapid Transit project. Property location is shown in Appendix A.

Private Attachment 1 to this report will be considered in private session pursuant to section 239(2)(c) of the *Municipal Act*, 2001, because it relates to the acquisition of land by the Region.

### **Key Points:**

- 20 Davis Drive is located at the southeast corner of Yonge Street and Davis Drive
- A plaza known as "York Town Square" is located at 20 Davis Drive and 50 Davis Drive, which are owned by two separate, unrelated corporations, although the plaza appears as a single property
- The property owners of 20 Davis Drive and 50 Davis Drive have easements over the entirety
  of each other's lands for access and parking

- In 2013, permanent and temporary easements along Yonge Street were expropriated from 20 Davis Drive, and the temporary easement was extended via expropriation in 2016
- The expropriations impacted the access and parking easement over 20 Davis Drive
- The Region settled the expropriation claim made by the owner of 20 Davis Drive, Loblaw Properties Limited
- An easement owner and a fee simple owner have the same rights for compensation under the *Expropriations Act*
- The owner of 50 Davis Drive (Monashee Holdings Ltd. and Timeoso Inc.) made a claim for business loss resulting from the expropriation of its easement at 20 Davis Drive
- Proposed settlement protects the Region from any additional claims by Monashee/Timeoso in respect to this expropriation

### 3. Background

The Region constructed dedicated bus rapid transit lanes for the vivaNext project along Yonge Street in Newmarket to facilitate public transit. York Region Rapid Transit Corporation (YRRTC), on behalf of the Region, constructed dedicated bus lanes for Viva buses with enhanced streetscaping along Yonge Street. Construction of the project on this corridor was completed in December 2018.

# Requirements were identified to complete the project and steps were taken to obtain land

The Region identified land requirements from 36 property owners along Yonge Street from Sawmill Valley Drive/Savage Road to Davis Drive in Newmarket. Land required to facilitate the project was obtained through negotiated agreements, expropriation and dedication through Regional site plan approvals, with most land acquired via expropriation.

# York Town Square is composed of two separately owned properties that share mutual access easements

York Town Square is a commercial and retail plaza located at the southeast corner of the intersection of Yonge Street and Davis Drive in Newmarket. The plaza is at 20 Davis Drive and 50 Davis Drive, and each address is owned by a separate owner. The property at 20 Davis Drive is owned by Loblaw Properties Limited ("Loblaw") and is occupied by four tenants. 50 Davis Drive is owned by Monashee Holdings Ltd. and Timeoso Inc. ("Monashee/Timeoso") and is occupied by 24 tenants, being two larger anchor units, 13 small units, and nine rear units.

Loblaw and Monashee/Timeoso have mutual easements allowing vehicular traffic to access all businesses in the plaza from both Yonge Street and Davis Drive.

### Settlement with the property owner of 20 Davis has been paid in full

In 2013 and 2016, the Region expropriated easements from Loblaw to facilitate construction along Yonge Street. Monashee/Timeoso's access easement is located within the expropriated lands.

In 2018, the Region and Loblaw agreed to a full and final settlement. Monashee/Timeoso made business loss claims related to expropriation of part of its access easement on the Loblaw property.

### 4. Analysis

### Construction impacted business between 2013 and 2018

Monashee/Timeoso claimed that during construction, lane reductions along Yonge Street and reduced access to the area resulted in lost revenue to the numerous shops and services at the site. Its primary retail unit of over 80,000 square feet was vacated before construction and was only fully occupied once construction was complete. Due to this long-term vacancy and other lost rents from the smaller tenants, Monashee/Timeoso made a claim for business loss and other costs associated with stabilizing occupancy in the plaza.

Two mediations were completed with the Ontario Land Tribunal; the first in 2019 which did not result in an agreement between the parties, and a second in September 2024 which resulted in this settlement agreement.

The proposed settlement resolves all matters associated with this expropriation.

### Region will not incur additional expenses once the final settlement is completed

The negotiated full and final settlement is in the Region's best interest and will avoid continued interest accrual in accordance with the *Act*. Upon completion of this agreement, the Region will not incur any further legal and litigation expenses related to the expropriation from Monashee/Timeoso.

### 5. Financial Considerations

This report does not present current or anticipated financial changes to the Region's budget or fiscal position. The vivaNext project is funded by the Province via the Metrolinx Master Agreement between the Region, YRRTC and Metrolinx. The cost and funding for the settlement are included in the Property Services 2024 Capital Budget.

This settlement is subject to approval by Metrolinx, which was obtained on October 30, 2024.

### 6. Local Impact

Construction of dedicated bus lanes and related facilities, as well as road and intersection improvements, is critical to achieving the Region's vision for the project. Additionally, this project has improved public transit services and the streetscape on Davis Drive and Yonge Street, in Newmarket.

### 7. Conclusion

A full and final settlement of expropriation claims has been negotiated with the easement owner, Monashee/Timeoso, which represents good value to the Region.

It is recommended that Council authorize the proposed transaction described in this report to settle all claims with the easement owner at 20 Davis Drive.

For more information on this report, please contact Michael Shatil, Director, Property Services at 1-877-464-9675 ext. 71684. Accessible formats or communication supports are available upon request.

Recommended by:

**Dino Basso** Commissioner of Corporate Services

Approved for Submission:

Erin Mahoney Chief Administrative Officer

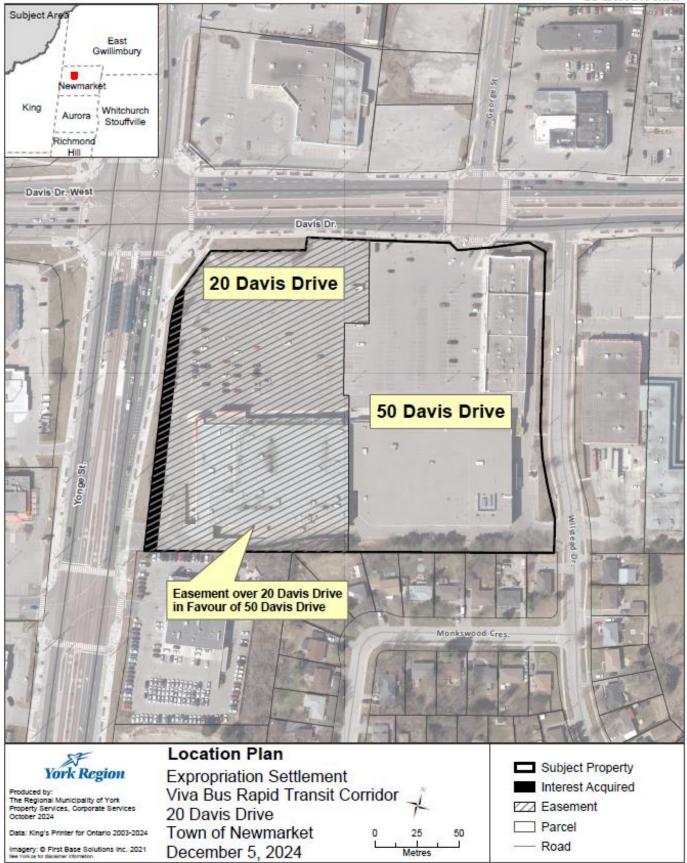
November 15, 2024 #16369815

Appendix A – Property Schedule and Location Map Private Attachment 1 – Proposed Compensation (#16369881)

# Property Schedule Expropriation Settlement Viva Bus Rapid Transit Corridor 20 Davis Drive Town of Newmarket

No.	Easement Owner	Municipal Address	Legal Description	Interest Required
	Monashee Holdings Ltd. and Timeoso Inc.20 Davis Drive NewmarketPart 1, Plan YR2071545Eas (11) Part 1, 2, 3, 4, 5 Plan YR2528787Part 2, 3, 4 Plan YR2071545Ten 		Part 1, Plan YR2071545	Permanent Easement (116.2 sq. m.)
1.				Temporary Easements (625.5 sq. m.)
		Temporary Easements (625.4 sq. m.)		

#### LOCATION MAP



Expropriation Settlement Viva Bus Rapid Transit Corridor 20 Davis Drive Town of Newmarket – Appendix A