

## **Public Comments**

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1) Skyline Group of Companies – May 25, 2023



Via: Email  
(bbloomfield@owensound.ca)

May 25, 2023

City of Owen Sound  
Planning and Heritage Division  
808 2<sup>nd</sup> Avenue East  
Owen Sound, ON  
N4K 2H4

**Re: City of Owen Sound 2023 Development Charges Update:  
Proposed Amendments to Exemptions & Impacts for Rental Housing Developments -  
3195 East Bayshore Road, City of Owen Sound**

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Dear Members of Council,

On behalf of the Skyline Group of Companies, please accept our commentary in response to City of Owen Sound's Development Charges Update and corresponding Development Charges By-Law 2023-XXX, proposed to amend current Development Charges By-law No. 2020-112, for your consideration.

As part of the 2023 Development Charges Background Study and proposed By-Law, prepared by Hemson Consulting, there are significant changes proposed to development charge rates across all development types as well as how exemptions are considered and applied within the municipality. These changes as proposed will have significant impacts on the viability of current and future rental developments within the City of Owen Sound.

The increase in development charges as proposed results in the intended benefits from recent legislative changes, such as those brought forward in Bill 23, to be rendered redundant. Where policies have been brought forward to mitigate financial constraints and facilitate viable rental developments across Ontario, the proposed By-Law proposes to increase development charges, negating the principal intent of discounts to provide financial relief and stimulate development for much needed rental housing. The City of Owen Sound is in need of all housing types, particularly accessible rental options, with a noted vacancy rate of 1.8%.

Further to this, under the proposed by-law rates for apartments are proposed to increase in the excess of four times their current value, from **\$4,919** to **\$20,947**. The financial impact of this increase, even with consideration for legislative discounts, will result in an increase of **\$10,791-\$12,886/unit**, depending on unit type. This will result in corresponding increases in the rents required or impose such significant financial constraint on projects that they will become unviable to provide rental housing options.

The City's current Development Charges By-Law provides for impactful and development stimulating incentives for rental developments through development charge exemptions and corresponding agreements. Under the newly proposed by-law these exemptions will be eliminated entirely, removing



any financial incentive for future, and in some cases, currently proposed rental developments. Projects will become unviable considering the imposition of millions of dollars of development charges that were not planned for through initial approvals and the design process. The by-law proposes to maintain no development charges shall be imposed for rental housing developments, provided that a building permit is issued for the development within two years of the development receiving approval of either a zoning by-law amendment or site plan approval prior to the date to the passing of a new development charge by-law. Consideration needs to be given where the scale of these developments is increased, and construction phasing is required over the course of multiple years, as this will have significant impact on the viability of developments.

The above proposed amendments to the City's development charges will have a direct and significant impact on the future development at 3195 East Bayshore Road as currently proposed. The City of Owen Sound has acknowledged the need for rental housing, with original intent of current incentives being to stimulate development. SkyDev was notified of this demand and desire to deliver more accessible housing options by the municipality in early 2022. Since this time, we have been working closely with the City, maintaining the importance incentives of this nature have on ensuring viable delivery of an accessible rental housing, and promptly acquired lands considering this. We continue to progress the proposed development at 3195 East Bayshore Road through the approval process with staff, with anticipation to finalize approvals for 712 high quality purpose built rental units across 8 apartment buildings that were planned with these variables in mind. The development has been designed to ensure substantial open space and amenities for the proposed community that will integrate with the City's future waterfront park. The central amenity spaces will provide service commercial type programming for residents, inclusive of diverse fitness centres with pilates and yoga classes, community cooking workshops, and various educational seminars along with volunteer opportunities for the community. 1-bedroom and 2-bedroom suites will be provided for residents with spacious open concept floorplans and luxury high-quality finishes, inclusive of 9' ceilings, spacious open concept suites, in-suite full size side by side laundry, high efficiency stainless steel appliances, vinyl plank flooring, quartz countertops and balconies. The proposed development is intended to feature a variety of suite sizes, appealing to a range of users, including families, retirees, students, and the local workforce.

A rental development of this scope is required to be planned over an extended timeline, with delivery across multiple years and construction phases. The current consideration of 2 years to preserve development charge exemptions, of which the holistic community and development plan advanced with consideration for, is not sufficient to preserve the exemptions and maintain viability of the project. Permits for later phases will be pulled beyond the 2-year exemption provision, imposing significant cost implications upon the development. As previously noted, changes such as increased rents or redesign and a change in the sites intended use will result from a loss of these incentives. As part of the development charge exemption agreements process, we would request that consideration be given to building in flexibility to ensure that developments subject to exemption under the current by-law, receiving approval in advance of the new by-law coming into effect, be provided the opportunity to agree to maintain exemptions and current development charge rates for the entirety of the lands.



We appreciate the opportunity to provide comment and discuss further with staff in advance of future Council meetings to finalize an updated by-law for the City of Owen Sound. We look forward to continuing to work with staff to finalize approvals and initiate development of the lands at 3195 East Bayshore Road for the delivery of much needed rental housing in the City.

Should you require any additional information in support of this request, please do not hesitate to contact the undersigned.

Kind Regards,

A handwritten signature in black ink, appearing to read "Carrie Lamarche".

**Carrie Lamarche**

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