

1524 Countryside – Brampton Council Deputation

EXECUTIVE LEADS: JOSHUA BENARD
OLC LEAD: EMILY ROSSINI / JAMIE PAYNE

OBJECTIVES / DECISIONS REQUIRED FROM TODAY'S DISCUSSION

- Provide background on the Cost Sharing Agreement requirement for 1524 Countryside and key messaging for Brampton Council Deputation.

BACKGROUND

Habitat GTA entered an agreement with the City of Brampton in 2017 for the purpose of purchasing a site located at 1524 Countryside Drive. The agreement included a exclusivity period to allow Habitat to conduct due diligence and obtain the required zoning approvals. The initial period was extended several times due to delays in the approval process but Habitat is set to close on the purchase in July 2023.

At the time of the agreement Habitat GTA agreed to pay the City of Brampton market value for the land and would be delivering affordable homeownership units as part of the Habitat GTA program. At no point during the discussions or subsequent due diligence was a cost sharing agreement (CSA) disclosed by the City. Habitat only became aware of a cost sharing agreement in March 2022 **after** Habitat had invested significant time and resources to achieve zoning approval in January 2022.

The CSA is estimated to be around \$410k in addition to thousands of dollars Habitat has already spent on legal and planning costs to review the CSA and other obligations. Additional background provided in the appendix. **We are asking Council to refuse the CSA request and allow Habitat to proceed with Site Plan.**

SPEAKING NOTES:

- **Goal is to demonstrate to Council the potential impact of the CSA on Habitat GTA and our ability to provide affordable housing.** David Bronskill will speak to the legal aspects.
- Key message is that if Habitat is required to enter the CSA it will significantly impact our ability to deliver affordable housing. It will greatly increase the cost of the project which will increase incomes or further delay the project while we source new funding.
- Everyone including the City of Brampton recognizes that we are in an affordable housing crisis – this decision will directly further the affordable housing crisis but increasing the cost of an affordable housing project or further delaying the delivery of affordable units.
- \$410k would increase the cost of each unit \$27k. Would increase the minimum income by \$7k.

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| <ul style="list-style-type: none">• Regardless of the decision to enforce a CSA – the delays of over a year have already increased the cost of the project significantly. |
| MATERIALS |

MATERIALS

Appendix A

- In June of 2017, Brampton City Council adopted a motion allowing the City’s Real Estate division to enter into exclusive negotiations with Habitat GTA for the disposition of the 0.62 acre surplus City site located at 1524 Countryside Drive.
 - The exclusivity period was included for Habitat to conduct due diligence and obtain required zoning approvals. This was extended multiple times to accommodate this approval timeline and is currently set to close in July 2023.
 - Amendments to the Official Plan (Countryside Villages Secondary Plan) and Zoning By-law were required to permit the development. The OPA/ZBA applications were submitted in May 2021 and approved in January 2022.
- In response to the notice of our development approvals, on March 6, 2022, we received a letter from the Countryside Village Landowners group (LOG) requesting Habitat to enter into a Cost Sharing Agreement (CSA). This was a zoning requirement as per the Countryside Villages Official Plan and was not disclosed during the sale of the land or reflected in the Agreement of Purchase and Sale.
- Since zoning had already been obtained, the LOG requested in their letter that the require to enter into the CSA be inserted into either the Site Plan Agreement or prior to the issuance of building permits.
- The municipality has indicated that they are not involved with the CSA process, but are required to ensure all lands that are required to enter into the CSA provide proof that they have. The CSA process is administered by the landowners group.
- The CSA amount is estimated to be around \$410k. The landowners group required us to pay a fee of approximately \$3000 before releasing a copy of the CSA to us.
- We engaged David Bronskill, from Goodmans LLP, to provide us a legal opinion on the matter and he subsequently authored a letter, outlining his legal opinion which Habitat GTA agreed with, to the City of Brampton. He then spoke to the City multiple times, and at every occasion, the City has refuted our opinion that we are not obligated to enter into the CSA.

- As we were gearing up to close in July with the assumption that all zoning and due diligence were complete and proforma was feasible, we could be forced to not close. We may also have to reduce the number of units to lower costs.