

Date: 2023-10-20

Subject: **Securities Reduction, Gauri Shankar Temple Religious & Cultural Organization Inc.**

Contact: **Michael Herallall**
Director, Environment & Development Engineering

Report Number: Planning, Bld & Growth Mgt-2023-918

Recommendations:

1. That the report from Michael Herallall, Director, Environment & Development Engineering to the Council Meeting of November 1st, 2023, re: **Securities Reduction, Gauri Shankar Mandir Religious & Cultural Organization Inc.**, be received; and
2. That Council approve a reduction in the amount of security to be held by the City in the amount of \$62,250.

Overview:

- The City imposes securities for development applications to incentivize completion of approved works by the proponents, and to provide recourse to the City in the event of failure to do so.
- At the September 13, 2023 meeting, Council received a report “Securities Administration for Development Proposals (PB&GM Report #2023-772) wherein approaches to reduce the amount of securities for places of worship were outlined.
- Applicants seeking a reduction would be required to make a formal request to Council in writing or via delegation.

- **Staff examine the development application and review elements that need to be secured for, and the risks of reducing the associated security and make a recommendation to Council.**
- **Gauri Shankar Mandir has submitted a written request for reduction in the amount of security required for site development works to construct a place of worship, with associated servicing and landscaping works at 1061-1071 Queen Street West.**
- **Based on the risk-management approach outlined to Council previously, staff are recommending a 75% reduction in the amount of landscaping securities to be taken which equates to \$62,250.**
- **All engineering and servicing components would remain 100% secured.**
- **The risk to the City would be minimized through amendments to the Site Plan Agreement that allow the City to retain all securities and only release any portion back to the applicant at such time as the remainder held is greater than or equal to the value of site works still to be completed.**

Background:

Development applications received by the City go through a planning and engineering review and approval process. For certain elements of an approved application, the City requires proponents to set aside securities in amounts sufficient to enable the City to complete construction of these components, or remedy deficiencies in their construction.

Development proposals associated with places of worship are usually smaller in scale and typically proceed as a site plan application. For site plans, the City's practice is to require the proponent provide securities for engineering and landscape works within both the private lands and the public right of way, with securities required for 100% of the approved works within the public right-of-way, 100% for landscaping and fencing, and a set amount for internal grading.

In the case of places of worship, where funding is community-based and charitable in nature with smaller pools of available capital, this additional capital outlay to satisfy the requirements for security could be a significant factor in the commencement or ultimate viability of the development.

Securities Reduction for Places of Worship

At the September 13, 2023 meeting, Council received a report "Securities Administration for Development Proposals, PB&GM Report #2023-772 (the Securities

Reduction Report) wherein approaches to reduce the amount of securities for places of worship were outlined. Applicants seeking a reduction would make a formal request to Council, staff would then examine the elements of the development proposal and the risks of reducing security amounts and provide advice back to Council in this regard.

Current Situation:

Gauri Shankar Mandir Religious & Cultural Organization Inc. (Gauri Shankar Mandir, the Applicant) received approval in January 2023 for a development proposal submitted as SPA-2021-0035 for construction of a place of worship at 1061 & 1071 Queen Street West.

As per the Site Plan Agreement dated January 9, 2023 the Applicant is required to provide an amount of security to the City consisting of:

- \$54,000 for grading, roadworks, servicing
- \$83,000 for landscaping

For completeness, it is noted the Region of Peel within this agreement also prescribed an amount to secure for works under Regional purview.

Gauri Shankar Mandir submitted a written request on 20th September 2023 for a reduction of securities being imposed by the City (provided as Attachment 1). As per the approach presented to Council in the Securities Reduction Report, staff have examined the elements of the site works and risk of non-completion and wish to advise that Council may provide a reduction of up to 75% of the landscaping security without creating undue risk for the City.

Should Council approve this reduction, the Site Plan Agreement will be amended to reflect this reduced amount, but also to modify how the security will be released back to the Applicant. Typically, an applicant can apply for a release of securities following completion of portions of the work for which security is being held e.g., after lot grading is complete an application can be made to release the lot grading component of the security.

This will be modified such that the entirety of the approved security amount shall be retained notwithstanding portions of the site plan works may be completed at various times, and the first release of any portion of the security back to the applicant shall only occur when the value of the uncompleted site works would be less than or equal to the value of the security remaining following a release back to the applicant.

This approach minimizes the risk arising from non-completion as most grading and servicing are completed earlier than landscape works, whereupon the security for grading and servicing would be retained for securing landscape works that are to follow.

Corporate Implications:

Financial Implications:

There are no direct financial impacts of this report. However, should circumstances arise resulting in incomplete or deficient landscaping works, the timing of this occurrence would dictate whether the security held by the City is sufficient to cover completion of these works. The maximum risk to the city would be \$62,250, and is reduced as each additional percentage of site work is completed by the proponent.

Strategic Focus Area:

The information provided in this report aligns with the City's strategic focus on Culture & Diversity by outlining how financial barriers to development of places of worship can be mitigated without compromising the City's ability to protect against financial, legal and reputational harm.

Conclusion:

As per the Securities Reduction Report, Council may choose to consider requests for a reduction in the amount of security required by the City for development proposals from places of worship. Council's decision to approve any such request would be informed by advice from staff following an assessment of the risk of reducing securities.

The request for a reduction in security amount from Gauri Shankar Mandir for works in approved site plan SPA-2021-0035 has been assessed by staff, and Council may consider approving a reduction of up to 75% of the security amount to be taken for landscaping works. The maximum amount of this reduction is \$62,250.

Amendments to the Site Plan Agreement will minimize the risk to the City of non-completion of landscaping works.

At this time, the Applicant has paid the full amount of security as required by the City and would be reimbursed for the amount of any reduction Council may approve.

Authored by:

Reviewed by:

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Approved by:

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Attachments:

1. Email to City Clerk's Office - Request for reduction in security deposits