



City of Welland
Infrastructure & Development Services Department
Grant Munday
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May 14, 2019

Niagara Region
1815 Sir Isaac Brock Way
P.O. Box 1042
Thorold, ON L2V 4T7

Attention: Ms. Ann Marie Norio
Regional Clerk

Dear Ms. Ann-Marie Norio:

**RE: Development Charge Complaint 574 King Street, Welland
50 Unit Affordable Residential Apartment Building**

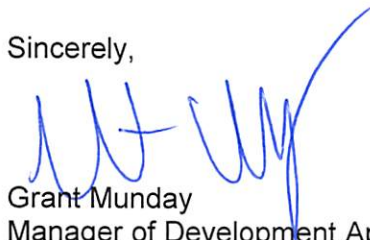
The City of Welland has received a copy of the Niagara Region Development Charges complaint filed by 867962 Ontario Limited concerning the Regional Development Charges applicable to a 50 unit affordable residential apartment building. We support the request for a 100% reduction in the applicable Region of Niagara Development Charge (Region DC). Our reasons for this are as follows:

- The Region's Development Charge By-law 2017-68 and 2017-98 had the effect of "pulling the carpet" from under the Complainant who has been actively participating in good faith in the City of Welland Brownfield CIP (Brownfield CIP), the Downtown and Health Wellness Cluster CIP (Downtown CIP) and an Affordable Housing Program with (Canadian Mortgage and Housing Corporation). This included anticipated participation in the Development Charge incentives under both the City and Region of Niagara Development Charge By-laws.
- The property is a Brownfield which was remediated. This environmental remediation process is lengthy and financially expensive for developers. The Complainant applied for an Environmental Site Assessment (ESA) Phase 2 Grant on March 9, 2010 and an ESA Stage 2 and Remedial Plan Grant on August 12, 2010. The Region did not participate in these grants.
- The Complainant applied for approval for an Urban Design Study Grant under the Downtown CIP on July 18, 2016 and for a number of other incentives on June 16, 2017. Region of Niagara Approval was not provided until February 7, 2018. The Complainant could not start construction until approval was received from the Region, otherwise they could lose the financial incentives.
- The Complainant applied for a Building Permit on June 17, 2017.

- City Staff presented this project as one of the many Brownfield CIP and Downtown CIP projects that would be negatively impacted by By-law 2017-68 and subsequently By-law 2017-98. These By-laws did not provide appropriate transition policies for a number of significant Brownfield and Downtown CIP projects in the approval pipeline.
- The project is a Brownfield redevelopment in the City's Downtown and Health and Wellness Community Improvement Plan Area. It meets and exceeds the City's requirements in these CIP's and also includes an affordable housing component. The City of Welland has provided this project 100% reduction in the applicable City of Welland Development Charges among other financial incentives.
- The project is an affordable housing project and includes an agreement with the Canadian Mortgage and Housing Corporation. Regional Council should be aware that Policy 11.A.12 of the Regional Official Plan "encourages developers of affordable housing to consider using Regional and local incentives related to brownfields and downtown areas in conjunction with senior government funding programs to create new affordable housing. The Region particularly encourages using the Federal program in support of the creation of affordable housing."

Based on the above, the City of Welland is in support of 867962 Ontario Limited's request to receive a 100% reduction in the Region DC for the construction of a 50 unit affordable residential apartment building. The Project meets and exceeds the Requirements of the City's Brownfield and Downtown CIPs. The City views the redevelopment of 574 King Street as a partnership that was brokered when the applicant first applied for incentives under the Brownfield CIP in 2010. Redevelopments like this take time to move through the development approval process. Providing the 100% reduction in the Region of Niagara DC will show that the Region is committed to partnerships that promote affordable housing, brownfield redevelopment, downtown redevelopment, and transit friendly growth.

Sincerely,



Grant Munday
Manager of Development Approvals