

Economic and Development Services Committee – June 3, 2024

An Amendment to Council Conditions for an Application under the Urban Growth Centre Community Improvement Plan, 135 Bruce Street (File: 12-04-0234) (Ward 4)

That the Economic and Development Services Committee recommend to City Council:

Whereas, on September 26, 2022, City Council considered Report DS-22-187 dated September 7, 2022 and approved, subject to conditions, an application submitted by Medallion Developments Inc. operating as Bruce Street Developments Ltd. (“Medallion”) under the Urban Growth Centre Community Improvement Plan for an Increased Assessment Grant, to facilitate the development of a purpose-built rental apartment building including a 22 storey tower and a 10 storey tower connected by a 3 storey podium at 135 Bruce Street (Attachment 1); and,

Whereas, as a condition of receiving an Increased Assessment Grant, Medallion is required to enter into an Increased Assessment Grant agreement (the “Agreement”) with the City to ensure that certain performance criteria/conditions are met; and,

Whereas, included among the original conditions of approval and identified in the draft Agreement is a condition requiring the foundation of the building to be completed by October 31, 2024 and another condition requiring the project to be completed and available for first occupancy by December 31, 2026; and,

Whereas, a further condition of approval listed in the draft Agreement identifies that if ownership of the property changes, in whole or in part, before the Increased Assessment Grant period lapses, then the subsequent owner is not entitled to future grant payments; and,

Whereas, the Urban Growth Centre Community Improvement Plan specifies under Section 1.4, “General Terms of Grant Program”, in Appendix 1: Increased Assessment Grant Program Procedures, that an Increased Assessment Grant cannot be assigned to another person/company; and,

Whereas, City staff have been working with Medallion over the past 18 months to finalize and sign the Agreement; and,

Whereas, through ongoing discussions between City staff and Medallion, Medallion has advised that they have concerns with two of the performance criteria/conditions listed in the draft Agreement, specifically related to the building foundation and project completion and occupancy deadlines, as well as the restriction on assigning the grant to another person/company; and,

Whereas, Medallion has advised that owing to market conditions and uncertainty, labour shortages and general construction delays, they will be unable to meet both the building foundation deadline and the project completion and occupancy deadline; and,

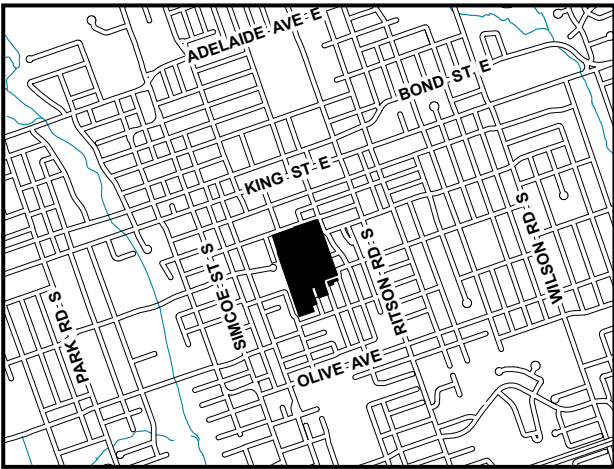
Whereas, Medallion has also advised that as is the case with many complex development projects and particularly purpose-built rental projects which often require more sophisticated financing models, Medallion may wish to undertake a corporate restructuring in the future, which would require an assignment of the Increased Assessment Grant; and,

Whereas, as a result of further discussions between City staff, including Legal Services, and Medallion, staff would be agreeable to amending the draft Agreement to permit an assignment of the Increased Assessment Grant provided the project is completed and available for first occupancy; and,

Whereas, staff would also be agreeable to amending the building foundation and project completion and occupancy deadlines, understanding that this is a result of market uncertainty, construction delays and/or labour shortages;

Therefore be it resolved that:

1. The condition of approval related to building foundation completion for the application under the Urban Growth Centre Community Improvement Plan for 135 Bruce Street be amended, such that now the building foundation shall be completed by September 30, 2026 to the satisfaction of the Chief Building Official.
2. The condition of approval related to building completion and occupancy for the application under the Urban Growth Centre Community Improvement Plan for 135 Bruce Street be amended, such that now the project shall be completed and available for first occupancy by December 31, 2028 to the satisfaction of the Chief Building Official.
3. The Increased Assessment Grant agreement between the City and Medallion include a condition that permits the assignment of the Increased Assessment Grant to another person/company only after the project is completed and available for first occupancy, and that said agreement be in a form and content satisfactory to the Commissioner, Economic and Development Services Department, and the City Solicitor.



**Item: ED-24-77
Attachment 1**

Economic and Development Services

Subject: An Amendment to Council Conditions for an Application under the Urban Growth Centre Community Improvement Plan

Address: 135 Bruce Street

Ward: Ward 4

File: 12-04-0234

Subject Site 

Other Lands Owned by the Applicant 