

To: Economic and Development Services Committee

From: Anthony Ambra, P.Eng., Commissioner,
Economic and Development Services Department

Report Number: ED-25-26

Date of Report: February 26, 2025

Date of Meeting: March 3, 2025

Subject: Application Under the Urban Growth Centre Community
Improvement Plan, 39 Athol Street West, Central Clear View
Developments Inc.

Ward: Ward 4

File: 12-04-4844

1.0 Purpose

The purpose of this Report is to recommend that Council approve an application submitted by Independent Project Managers (“I.P.M.”) on behalf of the property owner, Central Clear View Developments Inc. (the “Owner”), under the Urban Growth Centre Community Improvement Plan (“C.I.P.”) for an Increased Assessment Grant to facilitate its proposed development at 39 Athol Street West (the “Subject Site”).

The proposed development consists of a 16-storey, 172-unit residential condominium apartment building. The Subject Site will include various amenity spaces and 139.26 square metres (1,500 sq. ft.) of retail floor space at ground level.

Attachment 1 is a map showing the location of the Subject Site and the existing zoning for the area.

Attachment 2 is a copy of the site plan submitted by I.P.M. for the Subject Site that has been conditionally approved by the City.

Attachment 3 is a copy of the cover letter submitted by I.P.M. applying for an Increased Assessment Grant under the Urban Growth Centre C.I.P. for the Subject Site.

2.0 Recommendation

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

1. That, pursuant to Report ED-25-26 dated February 26, 2025, the application submitted by Independent Project Managers on behalf of Central Clear View Developments Inc.

under the City's Urban Growth Centre Community Improvement Plan for an Increased Assessment Grant for the development of a 16-storey, 172-unit residential condominium apartment building at 39 Athol Street West be approved in general accordance with the comments contained in said Report, and that the Increased Assessment Grant be a total amount of \$3,418,613.50 to spread over a 9-year period.

2. That, pursuant to Report ED-25-26 dated February 26, 2025, the Commissioner, Economic and Development Services Department, be authorized to enter into an agreement with Central Clear View Developments Inc. under the City's Urban Growth Centre Community Improvement Plan to implement Part 1 above, in a form and content satisfactory to the Commissioner, Economic and Development Services Department, and the City Solicitor.

3.0 Input From Other Sources

The following have been consulted in the preparation of this Report:

- Commissioner, Corporate and Finance Services Department
- City Solicitor

4.0 Analysis

4.1 Proposed Development

The Subject Site is located within the Downtown Oshawa Urban Growth Centre, at the southeast corner of Athol Street West and Centre Street South, and is known municipally as 39 Athol Street West (see Attachment 1). The Subject Site is currently vacant.

The development of the Subject Site is proposed to consist of a 16-storey, 172-unit residential condominium apartment building comprised of 101 one-bedroom units, 56 two-bedroom units and 15 three-bedroom units. The development includes both outdoor amenity space and indoor amenities within the building, associated on-site parking and 139.26 square metres (1,500 sq. ft.) of retail floor space at grade (see Attachment 2).

An application to amend the Zoning By-law 60-94, as amended ("Zoning By-law 60-94") was submitted by I.P.M. on behalf of the Owner to permit the proposed development. The application was approved by Council in 2023 and the associated by-law was passed and is now in full force and effect. Subsequent to receiving approval for the Zoning By-law Amendment, I.P.M. on behalf of the Owner submitted an application to the Committee of Adjustment to permit a number of minor variances relating to minimum exterior side yard depth, maximum front yard depth, minimum setbacks, minimum rear yard depth, minimum interior side yard depth, minimum height of ground floor, maximum gross floor area of retail floor space and tandem parking (File: A-2024-116). The Committee of Adjustment application was approved in 2024 and no appeals were filed.

The Subject Site is designated as Downtown Oshawa Urban Growth Centre in the Oshawa Official Plan, and is zoned UGC-B(3) (Urban Growth Centre) under Zoning By-law 60-94.

The proposed development is currently advancing through the site plan approval process.

A partial building permit to allow the foundation of the building to be poured has been submitted by the Owner to the Building Services Branch for review which is currently in progress.

4.2 Urban Growth Centre Community Improvement Plan

On May 2, 2016, the Urban Growth Centre C.I.P. was adopted by City Council.

The Urban Growth Centre C.I.P. is intended to encourage economic development in the Downtown Oshawa Urban Growth Centre through a variety of grant programs.

The Urban Growth Centre C.I.P. specifies that an Increased Assessment Grant may be provided on a sliding scale for part or all of the increase in City taxes attributable to the improvement of a property located within the Urban Growth Centre Community Improvement Project Area. Specifically, an Increased Assessment Grant can be used to reimburse the owner a portion of the increased property taxes resulting from the successful development of a site, on a declining basis over a 9-year period (e.g. 90% in Year 1, 80% in Year 2, 70% in Year 3, etc.). A grant is only paid following the completion of work, a final successful building inspection and the payment in full of property taxes for each year.

An Increased Assessment Grant is provided to the registered owner of the property or the declarant of a condominium on an annual basis. The declarant is the original developer that constructed the development.

The Increased Assessment Grant applies to the construction/creation of residential, non-residential and mixed-use buildings that result in an increase in assessed value. Any application for an Increased Assessment Grant must be approved by Council.

4.3 Application for an Increased Assessment Grant under the Urban Growth Centre Community Improvement Plan

On December 18, 2024, I.P.M. on behalf of the Owner submitted an application under the Urban Growth Centre C.I.P. requesting an Increased Assessment Grant for the proposed development of a 16-storey, 172-unit residential condominium apartment building on the Subject Site (see Attachment 3).

The Urban Growth Centre C.I.P. includes an Increased Assessment Grant program which:

- Reimburses the property owner a portion of the City taxes attributable to the improvement and/or redevelopment of a property.
- Financially assists the property owner and serves to phase-in the impact of tax increases which would be experienced after a project opens.
- Recognizes that the project might not occur save and except for the Increased Assessment Grant and that the City and community ultimately benefit from the project and its increased assessment/tax base in later years, on-going spin-offs, etc.

- Specifies that following completion of the work, a final building inspection and the payment of all property taxes for each year, the Increased Assessment Grant would be provided on a declining basis over a nine-year period: 90% in Year 1, 80% in Year 2, 70% in Year 3, etc.

The 2024 assessment of the Subject Site is \$689,000, equating to City taxes of approximately \$6,021.14 per year, based on the 2024 commercial vacant tax rate.

The Owner estimates that the post development assessed value of the proposed development will be \$115.5 million (this figure is not confirmed by the Municipal Property Assessment Corporation, "M.P.A.C.").

It is estimated that the City will realize taxes of \$765,713.03 per year upon completion of the proposed development based on the 2024 new multi-residential and commercial tax rates and the assumption that the residential units will be assigned to the new multi-residential tax class by M.P.A.C.

Finance Services estimates that the value of the Increased Assessment Grant using the standard Table 1 contained in Appendix 1 of the Urban Growth Centre C.I.P. (i.e. increase in pre- and post-development taxes returned to the property owner on a declining basis over a 9 year period – 90% Year 1, 80% Year 2, etc.) is \$3,418,613.50 over a 9-year period based on an estimated assessed value (post development) of approximately \$115.5 million using the 2024 new multi-residential and commercial tax rates. This means that over the 9-year period there is a "balance": the Owner receives a grant of \$3,418,613.50, and the City retains \$3,418,613.50 of the property taxes attributable to the increased assessed value resulting from the development.

Staff have no objection to the approval of the Owner's Increased Assessment Grant application, as it:

- Conforms with the City's Urban Growth Centre C.I.P.;
- Implements intensification on underutilized lands within the City's Downtown Urban Growth Centre consistent with the Oshawa Official Plan and Envision Durham;
- Advances the Action Items of the Residential Growth pillar contained within Oshawa's Plan 20Thirty;
- Will help facilitate the creation of new commercial sector jobs;
- Encourages development that may not otherwise occur; and,
- Facilitates construction jobs and material purchases.

As a condition of receiving the Increased Assessment Grant, it is recommended that the Owner be required to enter into an agreement with the City to ensure certain performance criteria are met. These generally include, but are not necessarily limited to, the following:

- A building permit for the foundation must be issued by October 1, 2025 and that construction activity commence within six (6) months of permit issuance;

- The building must have the foundation completed by April 30, 2026 to the satisfaction of the Chief Building Official;
- The building must be completed and available for first occupancy by July 31, 2028 to the satisfaction of the Chief Building Official;
- The Director, Planning Services must approve an Accessibility Plan, with input from the Oshawa Accessibility Advisory Committee, and this Plan must be implemented and maintained;
- The property, including any building, must be maintained in accordance with the Property Standards By-law 1-2002, as amended, and the Ontario Building Code during the period of the Increased Assessment Grant;
- Central Clear View Developments Inc. shall continuously comply with any City agreement and City By-laws;
- That any Increased Assessment Grant will only be provided to Central Clear View Developments Inc. after all applicable City taxes have been paid by the Owner;
- The building architecture is to be designed to the satisfaction of the Director, Planning Services;
- Where possible, the Owner shall use local trades and suppliers. The Owner agrees to establish an appropriate notification program to the satisfaction of the Director, Planning Services, to make local trades and suppliers aware of the proposed development and allow them an opportunity to bid on the proposal; and,
- Any other appropriate criteria considered advisable by the City Solicitor and Commissioner, Economic and Development Services Department.

5.0 Financial Implications

If approved by Council, and once the Increased Assessment Grant is complete, the City will realize increased taxation revenue, where approximately \$765,713.03 per year in tax revenue for the City will be realized for the project based on the 2024 new multi-residential and commercial tax rates. This is an increase of approximately \$759,691.89 in taxes per year.

6.0 Relationship to the Oshawa Strategic Plan

This Report responds to the Oshawa Strategic Plan Priority Area:

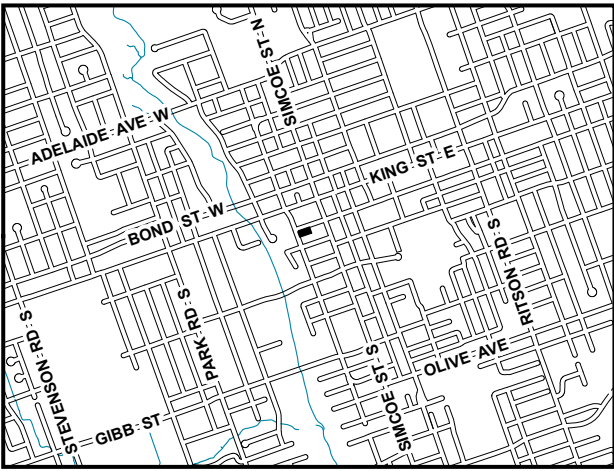
“Belong: Inclusive and Healthy Community” with the goal to support and encourage diverse housing options.



Tom Goodeve, M.Sc.Pl., MCIP, RPP, Director,
Planning Services



Anthony Ambra, P.Eng., Commissioner,
Economic and Development Services Department



Item: ED-25-26
Attachment 1

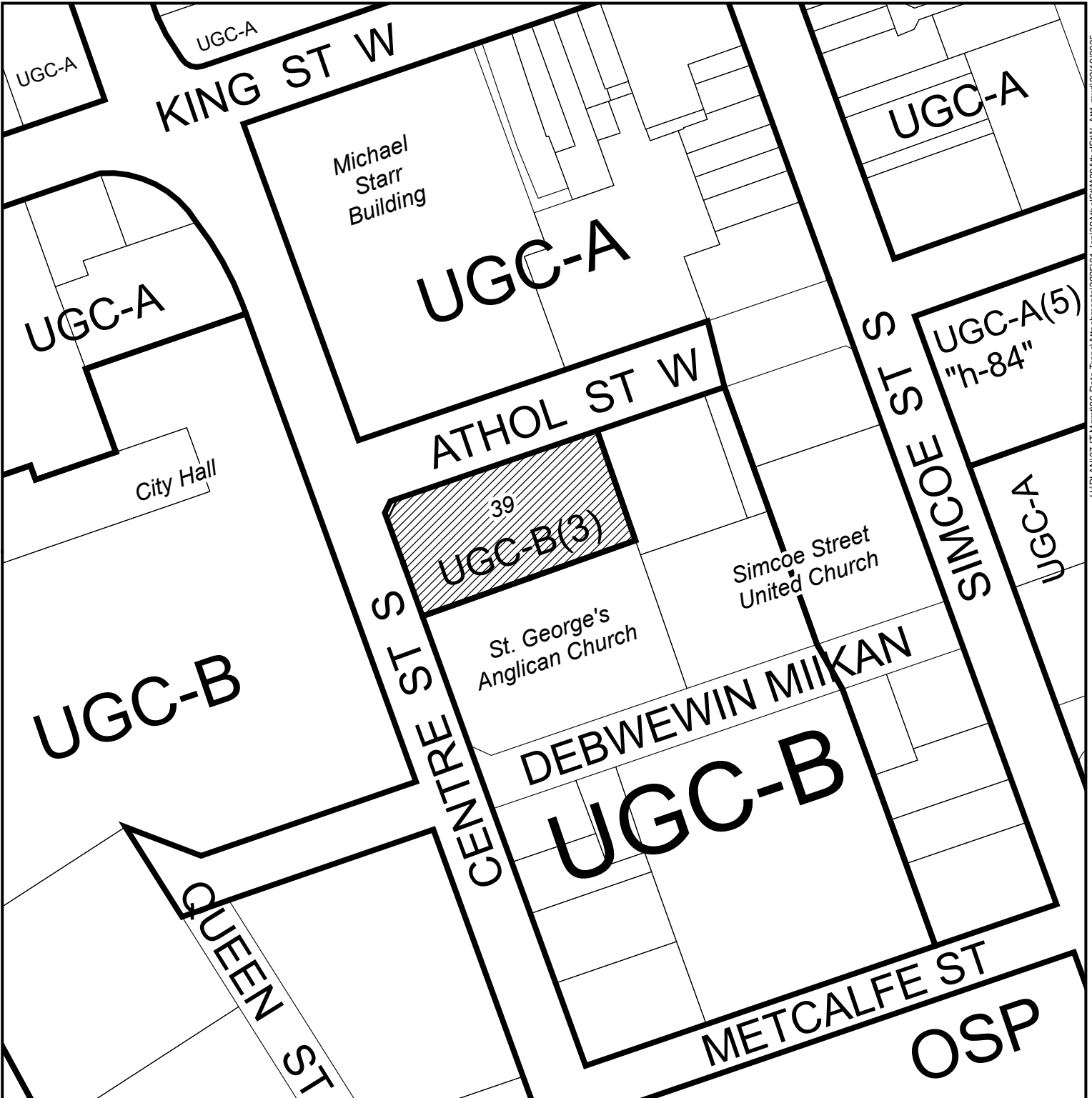
Economic and Development Services

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39 Athol Street West,
Central Clear View Developments Inc.

Ward: Ward 4
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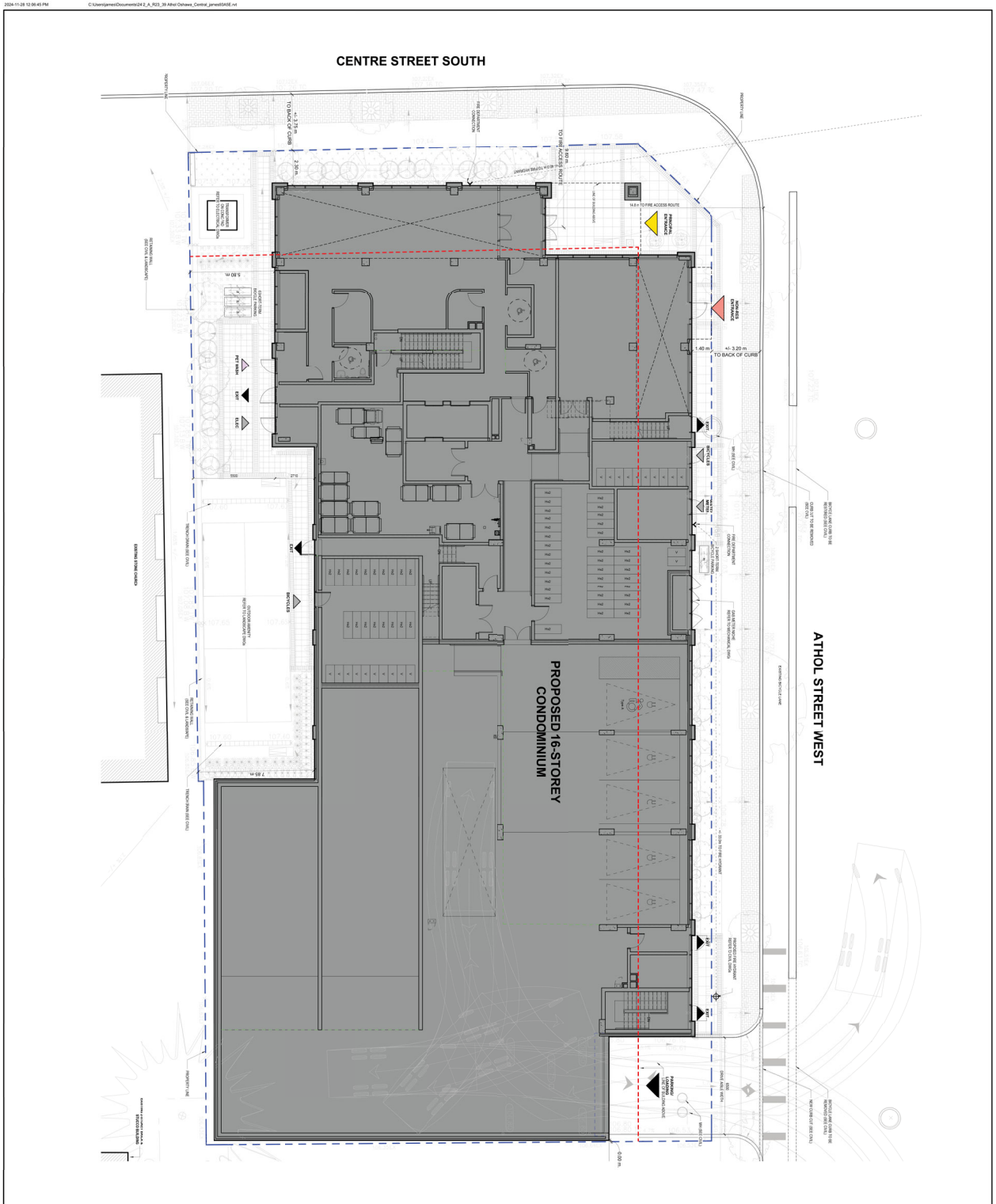


Subject Site



Title: Site Plan Submitted by I.P.M. for the Subject Site Conditionally Approved by the City
 Subject: Application Under the Urban Growth Centre Community Improvement Plan,
 39 Athol Street West, Central Clear View Developments Inc.
 Ward: Ward 4
 File: 12-04-4844

City of Oshawa
 Economic and Development Services



REVISIONS

NO.	DATE	DESCRIPTION
1	2024.11.28	ISSUED FOR PERMIT
2	2024.11.28	ISSUED FOR PERMIT
3	2024.11.28	ISSUED FOR PERMIT
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PREPARED BY: Sweeny & Co Architects
DESIGNED BY: Sweeny & Co Architects
DATE: 2024.11.28
SCALE: AS SHOWN
PROJECT NO.: A101



December 18, 2024

City of Oshawa
50 Centre Street South
Oshawa, Ontario L1H 3Z7

Attention: Laura Moebis, Principal Planner

Re: **APPLICATION FOR INCREASED ASSESSMENT GRANT**
New Residential Development, 39 Athol Street West, Oshawa
Project No. 21003

Laura,

IPM has been retained by the current owner to represent their interests with respect to the proposed development of a sixteen (16) storey condominium apartment building at 39 Athol Street West. The subject property has a total site area of 0.232 hectares and is proposed to accommodate 172 residential units as well as associated parking, amenity spaces and 139.26 m² of retail. A site plan has been attached for your reference.

Currently, the value of the vacant land is assessed at \$689,000 as per the 2024 final tax bill. Upon the completion of construction and occupancy, it is estimated the project will be valued at \$115,500,000.

Construction is anticipated to commence November 2025 with foundations complete by April 30, 2026. Construction completion and occupancy is scheduled for July 2028.

In July 2024, conditional site plan approval was granted and the Return of Comments were received in response the first site plan submission. Our 3rd SPA submission is expected in the next week.

Should you have any questions or require anything further, please do not hesitate to contact the undersigned.

Regards,

Chris Baylis
Project Manager

CB/lp

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