

To: Economic and Development Services Committee

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

Report Number: ED-26-09

Date of Report: January 7, 2026

Date of Meeting: January 12, 2026

Subject: Application Under the Urban Growth Centre Community
Improvement Plan, 44 Colborne Street East, Colborne
Apartments LP

Ward: Ward 4

File: 12-04-5139

1.0 Purpose

The purpose of this Report is to obtain direction from City Council with respect to:

1. An application submitted by 1001134181 Ontario Inc. for and on behalf of Colborne Apartments LP (the “Owner”) under the Urban Growth Centre Community Improvement Plan (“C.I.P.”) for an Increased Assessment Grant (“I.A.G.”) and other incentives related to Development Charges, Parkland Dedication, Development Application Fees, and Building Permit Fees to facilitate its proposed development at 44 Colborne Street East (the “Subject Site”).
2. A request from the Owner for the City to work with the Region of Durham to initiate the Regional Revitalization Program (“R.R.P.”) process.

The proposed development on the Subject Site consists of a standalone 6-storey purpose built rental apartment building containing a total of thirty (30) units.

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 application package submitted by the Owner requesting certain incentives under the Urban Growth Centre C.I.P. for the Subject Site.

Attachment 3 is a copy of the renderings of the proposed development submitted by the Owner for the Subject Site.

2.0 Recommendation

It is recommended that the Economic and Development Services Committee provide direction in the form of a recommendation to Council by selecting an appropriate option as set out in Section 4.5 of Report ED-26-09 dated January 7, 2026.

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 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 I.A.G. 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 I.A.G. 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 nine (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 I.A.G. 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 I.A.G. applies to the construction/creation of residential, non-residential and mixed-use buildings that result in an increase in assessed value [as determined by the Municipal Property Assessment Corporation ("M.P.A.C.")]. Any application for an I.A.G. must be approved by Council.

The Urban Growth Centre C.I.P. also specifies that the terms and conditions of any grant program and administrative procedures may be changed, altered, amended or modified by the City on a case-by-case basis.

4.2 Proposed Development

The Subject Site is located within the Downtown Oshawa Urban Growth Centre, on the north side of Colborne Street East, west of Mary Street North (see Attachment 1).

The development of the Subject Site is proposed to consist of a 6-storey, 30-unit purpose-built rental apartment building with 17 parking spaces and a total residential Gross Floor Area of 2,374 square metres (25,555 sq. ft.). The proposed development will not include any commercial or retail space and consists of ten (10) 1-bedroom units, fifteen (15) 2-bedroom units and five (5) 3-bedroom units.

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

An application for a minor variance (File: A-2025-99) was submitted by the Owner to permit increased building height, a reduced interior (east) side yard setback and reduced minimum parking requirements. The application was approved by the Committee of Adjustment on October 29, 2025, and no appeals were filed.

The proposed development subsequently received conditional site plan approval (File: SPA-2025-03) on December 15, 2025.

It should be noted that notwithstanding the above noted proposed development, a building permit to legalize the three dwelling units currently existing on the Subject Site has been submitted by the Owner to the Building Services Branch for review, which is currently in progress.

4.3 The Requested Incentives and Staff Comments

On November 12, 2025, the Owner submitted an application under the Urban Growth Centre C.I.P. requesting the following incentives with respect to their proposed development of the Subject Site:

- Waive the payment of all City development charges;
- Waive City Cash-in-lieu of Parkland Dedication Fees;
- Consider a reduction or rebate on the development application fees and building permit fees for the proposed development;
- Work with the Region of Durham to initiate the Regional Revitalization Program (R.R.P.) process;
- A Conversion to Residential Grant;
- A Façade and Accessibility Improvement Grant; and,
- An I.A.G.

The Owner's request for a Conversion to Residential Grant and Façade and Accessibility Improvement Grant under the City's Urban Growth Centre C.I.P. will be reviewed and processed separately by the Business and Economic and Development Services branch.

4.3.1 City Development Charges

The Owner has requested that the City agree to waive the payment of all City development charges for the subject development.

4.3.1.1 Staff Comments

The City's current Development Charge By-law 91-2024 specifies that no development charge shall be imposed with respect to "an Apartment Dwelling Unit or a Townhouse Dwelling Unit, except back-to-back Townhouses, on lands within that part of Oshawa as shown as the shaded portion of the map in Schedule "F" to this By-law." The Subject Site is located in this area.

Accordingly, this request by the Owner is addressed.

4.3.2 City Cash-in-lieu of Parkland Dedication Fees

The Owner has requested that the City agree to waive the full or partial payment of all cash-in-lieu of parkland dedication fees, for their proposed development.

4.3.2.1 Staff Comments

The City's Parkland Dedication By-law 63-2022, as amended, currently applies to the development of the Subject Site. This By-law is an important tool in ensuring that the City acquires land at no cost for the development of parks or alternatively requires a payment in lieu of parkland dedication which the City could then use to purchase land at market value for new parks. Parkland and outdoor amenity spaces are, now more than ever, an important service to provide to the residents of Oshawa and contribute to healthy neighbourhoods. For this reason, it is not recommended that the City waive the payment of all cash-in-lieu of parkland dedication fees for the proposed development of the Subject Site.

Accordingly, no action by Council is recommended.

4.3.3 Development Application Fees and Building Permit Fees

The Owner has requested a reduction in, or rebate of, the development application fees and building permit fees associated with the proposed development of the Subject Site.

4.3.3.1 Staff Comments

The Fees and Charges By-law 109-2024, as amended, does not allow for the exemption or reduction of Site Plan Application fees. On December 15, 2025, the proposed development received conditional site plan approval. As a condition of approval, the Owner is required to pay the requisite fee to the City for preparation of a Site Plan Agreement. As a result, the fee cannot be reduced.

Building Services has advised that Building By-law 33-2009, as amended, does not permit the exemption or reduction of building permit fees. Consequently, the Owner would be required to pay all building permit fees for the proposed development of the Subject Site.

The exact permit fee amount would be calculated at the time of permit application and would be calculated using the fees schedule found in the City's Building By-law 33-2009, as amended.

Accordingly, no action by Council is recommended.

4.3.4 Regional Revitalization Program

The Region of Durham's R.R.P. is a partnership between the Region of Durham and participating area municipalities and aims to strategically target Regional investment towards key areas of Durham Region's area municipalities in order to advance the goals of the Regional Official Plan and achieve positive economic and community objectives. Successful applicants under the R.R.P. would receive Regional financial assistance in an amount not exceeding that of the area municipality's financial contribution.

The Owner has requested that the City work with the Region of Durham to initiate the R.R.P. process in order to receive financial assistance from the Region of Durham.

4.3.4.1 Staff Comments

Council could authorize the Mayor and the Chair of the Economic and Development Services Committee to prepare a letter of support to the Region of Durham requesting that the proposed development receive funding under the R.R.P.

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

The Urban Growth Centre C.I.P. includes an I.A.G. 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 I.A.G. 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 I.A.G. 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.

4.5 Potential Options

Given that the Owner has requested an I.A.G. over a 20-year period, which is more than twice the standard 9-year term duration for an I.A.G. program and would be precedent setting, it is appropriate to seek direction on this matter through presenting options to the City's Economic and Development Services Committee and Council for consideration.

Staff note that under the Urban Growth Centre C.I.P., the longest term approved by Council for an I.A.G. program to date for a residential development is 16 years, namely:

- 370 apartment units at 80 Bond Street East – approved by Council on June 25, 2018 pursuant to Report DS-18-99 dated June 14, 2018 for \$3,422,640;
- 509 apartment units at 135 Bruce Street – approved by Council on September 26, 2022 pursuant to Report DS-22-187 dated September 7, 2022 for \$3,893,568; and,
- 233 apartment units and 204 square metres (2,196 sq. ft.) of retail floor space at 35 Division Street – approved by Council on June 24, 2024 pursuant to Report CNCL-24-68 dated June 19, 2024 for \$4,895,848.

4.5.1 Option 1: Provide the Owner an Increased Assessment Grant over a 9-year period

Option 1 is to provide the Owner an I.A.G. over a 9-year period, instead of the requested 20-year period, consistent with the current Urban Growth Centre C.I.P. I.A.G. program. Reasons for providing an I.A.G. over a 9-year period include:

- The Urban Growth Centre C.I.P. outlines the structure of the I.A.G. program. Grants are typically paid over a 9-year period with Year 1 of the program defined as the first full calendar year in which taxes are paid after the project has been completed and reassessed.
- Since the program's inception, the majority of the applications including recent applications for an I.A.G. in the Urban Growth Centre C.I.P. have followed the standard 9-year structure. Maintaining this approach ensures consistency across the program.
- Given that the proposed project is smaller in scale, extending the grant beyond 9 years would result in a disproportionate benefit to cost ratio.
- The 9-year structure encompasses two assessment cycles under M.P.A.C. which aligns with the City's general approach to evaluating grants across its various C.I.P.s. Extending the grant period would introduce a misalignment with M.P.A.C.'s reassessment timelines.
- Limiting the I.A.G. to 9 years reduces the uncertainty associated with longer-term grants, particularly given the evolving nature of the development industry and annual fluctuations in property values.

The 2025 assessment of the Subject Site is \$487,000 (CT – Commercial), equating to City taxes of approximately \$4,541.39 per year, based on the 2025 tax rates. The Owner estimates that the post development assessed value of the proposed development will be \$15 million as provided by the developer (this figure is not confirmed by M.P.A.C.).

It is estimated that the City will realize taxes of \$106,114.82 per year upon completion of the proposed development based on the 2025 new multi-residential tax rate and the

assumption that the residential units will be assigned to the new multi-residential tax class by M.P.A.C. This is an increase of approximately \$101,573.43 in taxes per year.

Finance Services estimates that the value of the I.A.G. 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 property owner on a declining basis over a 9 year period – 90% Year 1, 80% Year 2, etc.) is \$457,080.40 over a 9-year period based on an estimated assessed value (post-development) of approximately \$15 million using the 2025 new multi-residential tax rates. This means that over the 9-year period there is a “balance”: the Owner receives a grant of \$457,080.40, and the City retains \$457,080.40 of the property taxes attributable to the increased assessed value resulting from the development.

The Economic and Development Services Committee may wish to pass the following motion in the event that the Economic and Development Services Committee chooses Option 1 to approve an I.A.G. over a 9-year period:

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

1. That, pursuant to Report ED-26-09 dated January 7, 2026, the application submitted by 1001134181 Ontario Inc. for and on behalf of Colborne Apartments LP under the City’s Urban Growth Centre Community Improvement Plan for an Increased Assessment Grant for the development of a 6-storey, 30-unit purpose-built rental apartment building at 44 Colborne Street East be approved generally in accordance with the comments contained in said Report, and that the Increased Assessment Grant be a total amount of \$457,080.40 spread over a 9-year period.
2. That, pursuant to Report ED-26-09 dated January 7, 2026, the Commissioner, Economic and Development Services Department, be authorized to enter into an agreement with 1001134181 Ontario Inc. for and on behalf of Colborne Apartments LP under the City’s Urban Growth Centre Community Improvement Plan to implement Part 1 above, containing such performance criteria as generally outlined in Section 4.6 of said Report, and in a form and content satisfactory to the Commissioner, Economic and Development Services Department, and the City Solicitor.
3. That the Mayor and Chair of the Economic and Development Services Committee be authorized to write a letter to the Region of Durham to request support for the Owner’s proposed redevelopment at 44 Colborne Street East under the Regional Revitalization Program and that the Mayor and Clerk be authorized to execute an agreement with the Region of Durham, as appropriate, in a form and content acceptable to the Commissioner, Economic and Development Services Department, and the City Solicitor.”

4.5.2 Option 2: Provide the Owner an Increased Assessment Grant over a 16-year period

Option 2 is to provide the Owner an I.A.G. over at 16-year period, instead of the requested 20-year period, in the event the Economic and Development Services Committee and Council choose to offer the Owner the same maximum program duration it has offered for three (3) residential projects in previous years since the program’s inception (as discussed

in Section 4.5 of this Report). Reasons for providing an I.A.G. over a 16-year period include:

- While grants are typically paid over a 9-year period, on three (3) previous occasions in the program's history terms of 16 years have been provided to incentivize development.
- A 16-year period is a compromise between the typical 9-year period under the I.A.G. program and the 20-year period requested by the Owner which does not establish a new precedent, although it would still result in a disproportionate benefit to cost ratio (albeit not to the extent a 20-year period would result in).

The 2025 assessment of the Subject Site is \$487,000 (CT – Commercial), equating to City taxes of approximately \$4,541.39 per year, based on the 2025 tax rates. The Owner estimates that the post development assessed value of the proposed development will be \$15 million as provided by the developer (this figure is not confirmed by M.P.A.C.).

It is estimated that the City will realize taxes of \$106,114.82 per year upon completion of the proposed development based on the 2025 new multi-residential tax rate and the assumption that the residential units will be assigned to the new multi-residential tax class by M.P.A.C. This is an increase of approximately \$101,573.43 in taxes per year.

Finance Services estimates that the value of the I.A.G. using a template based on 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 property owner on a consistent basis over a 16 year period – 50% Year 1, 50% Year 2, etc.) is \$812,587.38 over a 16-year period based on an estimated assessed value (post-development) of approximately \$15 million using the 2025 new multi-residential tax rates. This means that over the 16-year period there is a "balance": the Owner receives a grant of \$812,587.38, and the City retains \$812,587.38 of the property taxes attributable to the increased assessed value resulting from the development.

The Economic and Development Services Committee may wish to pass the following motion in the event that the Economic and Development Services Committee chooses Option 2 to approve an I.A.G. over a 16-year period:

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

1. That, pursuant to Report ED-26-09 dated January 7, 2026, the application submitted by 1001134181 Ontario Inc. for and on behalf of Colborne Apartments LP under the City's Urban Growth Centre Community Improvement Plan for an Increased Assessment Grant for the development of a 6-storey, 30-unit purpose-built rental apartment building at 44 Colborne Street East be approved generally in accordance with the comments contained in said Report, and that the Increased Assessment Grant be a total amount of \$812,587.38 spread over a 16-year period.
2. That, pursuant to Report ED-26-09 dated January 7, 2026, the Commissioner, Economic and Development Services Department, be authorized to enter into an agreement with 1001134181 Ontario Inc. for and on behalf of Colborne Apartments LP

under the City's Urban Growth Centre Community Improvement Plan to implement Part 1 above, containing such performance criteria as generally outlined in Section 4.6 of said Report, and in a form and content satisfactory to the Commissioner, Economic and Development Services Department, and the City Solicitor.

3. That the Mayor and Chair of the Economic and Development Services Committee be authorized to write a letter to the Region of Durham to request support for the Owner's proposed redevelopment at 44 Colborne Street East under the Regional Revitalization Program and that the Mayor and Clerk be authorized to execute an agreement with the Region of Durham, as appropriate, in a form and content acceptable to the Commissioner, Economic and Development Services Department, and the City Solicitor."

4.5.3 Option 3: Provide the Owner an Increased Assessment Grant over a 20-year period

Option 3 is to provide an I.A.G. over a 20-year period, as requested by the Owner. Reasons for providing an I.A.G. over a 20-year period include:

- On November 12, 2025, the Owner submitted an application under the Urban Growth Centre C.I.P. requesting an I.A.G. over a 20-year period on a declining basis.

The 2025 assessment of the Subject Site is \$487,000 (CT – Commercial), equating to City taxes of approximately \$4,541.39 per year, based on the 2025 tax rates. The Owner estimates that the post development assessed value of the proposed development will be \$15 million as provided by the developer (this figure is not confirmed by M.P.A.C.).

It is estimated that the City will realize taxes of \$106,114.82 per year upon completion of the proposed development based on the 2025 new multi-residential tax rate and the assumption that the residential units will be assigned to the new multi-residential tax class by M.P.A.C. This is an increase of approximately \$101,573.43 in taxes per year.

Finance Services estimates that the value of the I.A.G. using a template based on 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 property owner on a declining basis over a 20 year period – 95% Year 1, 90% Year 2, etc.) is \$964,947.52 over a 20-year period based on an estimated assessed value (post-development) of approximately \$15 million using the 2025 new multi-residential tax rates. This means that over the 20-year period there is a "balance": the Owner receives a grant of \$964,947.52, and the City retains \$964,947.52 of the property taxes attributable to the increased assessed value resulting from the development.

The Economic and Development Services Committee may wish to pass the following motion in the event that the Economic and Development Services Committee chooses Option 3 to approve the Owner's request for an I.A.G. over a 20-year period:

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

1. That, pursuant to Report ED-26-09 dated January 7, 2026, the application submitted by 1001134181 Ontario Inc. for and on behalf of Colborne Apartments LP under the City's Urban Growth Centre Community Improvement Plan for an Increased Assessment Grant for the development of a 6-storey, 30-unit purpose-built rental apartment building at 44 Colborne Street East be approved generally in accordance with the comments contained in said Report, and that the Increased Assessment Grant be a total amount of \$964,947.52 spread over a 20-year period.
2. That, pursuant to Report ED-26-09 dated January 7, 2026, the Commissioner, Economic and Development Services Department, be authorized to enter into an agreement with 1001134181 Ontario Inc. for and on behalf of Colborne Apartments LP under the City's Urban Growth Centre Community Improvement Plan to implement Part 1 above, containing such performance criteria as generally outlined in Section 4.6 of said Report, and in a form and content satisfactory to the Commissioner, Economic and Development Services Department, and the City Solicitor.
3. That the Mayor and Chair of the Economic and Development Services Committee be authorized to write a letter to the Region of Durham to request support for the Owner's proposed redevelopment at 44 Colborne Street East under the Regional Revitalization Program and that the Mayor and Clerk be authorized to execute an agreement with the Region of Durham, as appropriate, in a form and content acceptable to the Commissioner, Economic and Development Services Department, and the City Solicitor."

4.5.4 Staff Comments

Staff note that the approval of an I.A.G. over a 9-year period, consistent with the Urban Growth Centre C.I.P. I A.G. program, addresses various desired key outcomes as it:

- Conforms with the City's Urban Growth Centre C.I.P.;
- Encourages infill redevelopment of underutilized lands within the City's Downtown Oshawa Urban Growth Centre consistent with the Oshawa Official Plan and Envision Durham;
- Will offer rental housing in the City's Downtown; and,
- Encourages redevelopment that may not otherwise occur.

The approval of an I.A.G. over a 16-year period also addresses the same above noted desired outcomes but to a lesser degree, as the benefits gained begin to become diluted. This is as a result of the significantly smaller scale of the subject project in comparison to the three (3) projects that have been granted 16-year terms under this grant program to

date (see details under Section 4.5 of this Report). Compared to these three (3) precedents, the subject proposal yields a disproportionate benefit to cost ratio and does not constitute a large-scale landmark development that serves as a substantive catalyst for (re)development in the downtown Oshawa Urban Growth Centre.

4.6 Performance Criteria

As a condition of receiving an I.A.G. under Option 1, 2, or 3 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 April 1, 2026 and that construction activity commences within six (6) months of permit issuance;
- The building must have the foundation completed by August 30, 2026 to the satisfaction of the Chief Building Official;
- The project must be completed and available for occupancy by November 30, 2027 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 I.A.G.;
- Colborne Apartments LP shall continuously comply with any City agreement and City by-laws;
- Any I.A.G. will only be provided to Colborne Apartments LP after all applicable City taxes have been paid by the Owner;
- 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 the Commissioner, Economic and Development Services Department.

5.0 Financial Implications

If Option 1 is selected, the Owner would receive a total estimated I.A.G. of \$457,080.40 over a 9-year period, based on the 2025 new multi-residential tax rate.

If Option 2 is selected, the Owner would receive a total estimated I.A.G. of \$812,587.38 over a 16-year period, based on the 2025 new multi-residential tax rate.

If Option 3 is selected, the Owner would receive a total estimated I.A.G. of \$964,947.52 over a 20-year period, based on the 2025 new multi-residential tax rate.

In the event that any one of the Options outlined in Section 4.5 of this Report is selected as the preferred option, and upon completion of the I.A.G. agreement, the City is estimated to realize increased taxation revenue, where approximately \$106,114.82 per year in tax revenue for the City will be realized for the project based on the 2025 new multi-residential tax rate. This is an increase of approximately \$101,573.42 in taxes per year.

6.0 Relationship to the Oshawa Strategic Plan

This Report responds to the Oshawa Strategic Plan Priority Area:

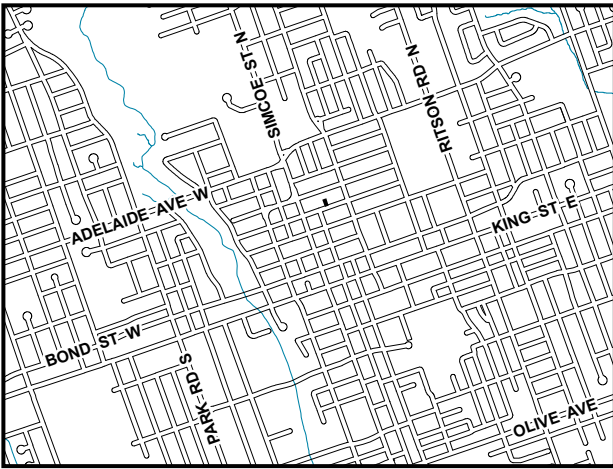
“Belong: Inclusive and Healthy Community” with the goal to support and encourage diverse housing options.



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



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

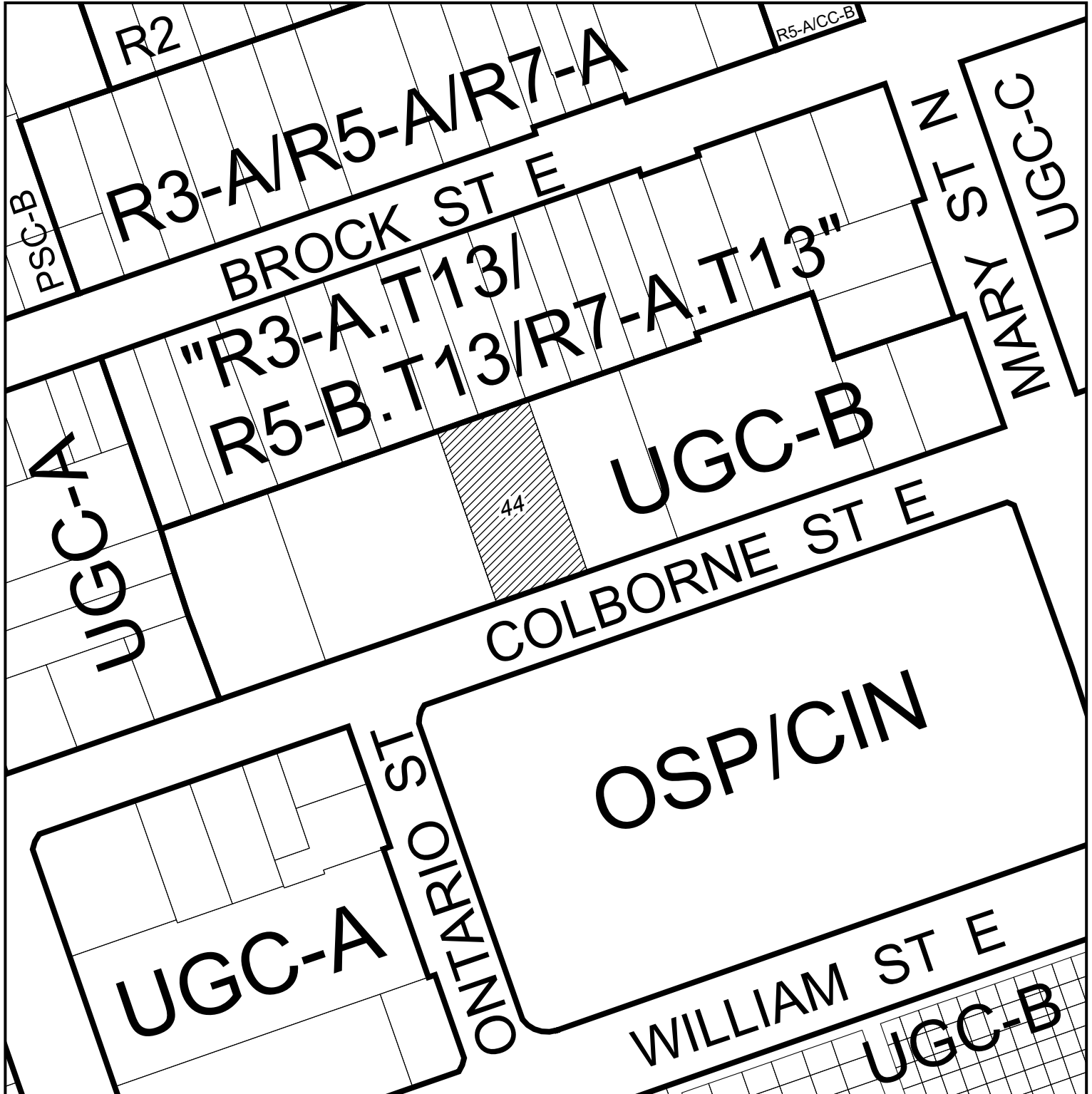


Subject: Application Under the Urban Growth Centre
Community Improvement Plan,
44 Colborne Street East, Colborne Apartments LP

Ward: Ward 4
File: 12-04-5139



Subject Site



Application Under the Urban Growth Centre Community Improvement Plan (C.I.P.) and Request for Incentives

Property Address: 44 Colborne Street East, Oshawa

Prepared for: Colborne Apartments LP

Date: Nov 12, 2025

1.0 Purpose

The purpose of this submission is to request consideration under the City of Oshawa's Urban Growth Centre Community Improvement Plan (The C.I.P.) for an Increased Assessment Grant (I.A.G.) and related financial incentives in support of the proposed six-storey, 30-unit purpose-built rental apartment at 44 Colborne Street East, Oshawa (The "Project"). This Project represents a strategic infill redevelopment of an underutilized downtown property, advancing the City's objectives for urban intensification, housing diversity, and economic growth within the Urban Growth Centre. The proposed development will deliver high-quality, sustainable rental housing and contribute to the continued revitalization and long-term vibrancy of Downtown Oshawa. Through this application, the proponent seeks Council's support to help ensure the timely and financially viable delivery of this important residential project.

2.0 Requested Incentives

The following section outlines the suite of financial incentives the applicant is requesting from the City of Oshawa under the C.I.P. to assist in the successful delivery of the Project. These incentives are designed to enhance Project's viability, encourage timely investment, and align with the City's objectives to stimulate downtown residential growth, expand the property assessment base, and promote sustainable, purpose-built rental housing. Each request is consistent with programs previously approved by Council for comparable developments within the Urban Growth Centre and reflects a balanced approach that benefits both the City and the community over the long term.

Type of Incentive	Request Summary	Purpose / Justification
Increased Assessment Grant (I.A.G.)	Increase in pre- and post-development taxes returned to the property owner on a declining basis over a 20 year period – 95% Year 1, 90% Year 2, 85% Year 3 etc.	Consistent with City precedent (e.g., 135 Bruce Street) to support purpose-built rental housing
City Development Charge Exemption	Exemption per Schedule F of By-law 60-2019	Downtown projects are exempt if building permits are issued prior to by-law expiry
Parkland Dedication Cash-in-Lieu Exemption	Full or partial exemption	Support attainable rental housing and reinvestment downtown

Development Application and Building Permit Fees	Consider reduction or rebate	Improve project feasibility amid escalating construction costs and dropping rents
Regional Revitalization Program (RRP)	Request City support to access Regional RRP funding	Encourage partnership with Region of Durham for downtown revitalization. Request City to work with the Region of Durham for other regional development Incentive grants

3.0 Executive Summary

The following section provides a concise overview of the Project, outlining its key design, financial, and community attributes. The Project embodies the City's vision for sustainable downtown intensification through the creation of new, high-quality rental housing within the Urban Growth Centre. The development will replace an underutilized site with a modern, energy-efficient six-storey apartment building, supporting Oshawa's objectives for increased housing supply, economic investment, and urban renewal. The summary highlights the Project's scale, construction timeline, estimated value, and alignment with broader municipal goals for downtown revitalization and inclusive community growth.

Project Summary:

- **Address:** 44 Colborne Street East, Oshawa
- **Use:** Purpose-built rental apartment
- **Height:** 6 storeys
- **Units:** 30 residential units
- **Parking:** 17 spaces
- **Total Gross Floor Area:** Approx. 2,374 m² / 25,555 sq.ft
- **Commercial or retail space:** None
- **Targeted Tenants:** Rental housing

Expected Construction Schedule:

- **SPA Final Approval:** Expected December 2025
- **Building Permit Submission:** Expected December 2025
- **Foundation Completion:** Expected March 2026
- **Occupancy Target:** Expected Fall 2027

Estimated Project Value:

- Total project cost including Hard and Soft cost: \$13.5 million to \$14.5 million
- Estimated post-development assessed value: \$15 million to \$17 million

4.0 Input from Other Sources

The preparation of this application has involved consultation and coordination among a multidisciplinary project team and key municipal stakeholders to ensure alignment with the City's planning and economic development objectives. The applicant has engaged qualified professionals to provide expertise in architecture, planning, engineering, and financial analysis to support a comprehensive submission. Ongoing collaboration with City staff and the Region of Durham will continue throughout the approval and implementation stages, ensuring that the proposed development at 44 Colborne Street East is advanced in accordance with the policies and intent of the C.I.P.

- **Architect:** Hyphen Studio
- **Planner:** Batory Management
- **Project Management:** Kings Bay Developments Inc
- **Civil:** Siteplantech Inc

Coordination will continue with:

- Commissioner, Economic and Development Services Department
- Commissioner, Corporate and Finance Services Department
- City Solicitor
- Region of Durham (for Regional Revitalization Program participation)

5.0 Analysis

This section provides a detailed review of the proposed development in the context of the C.I.P. and its eligibility for financial incentives. It examines how the Project aligns with the intent, objectives, and criteria of the C.I.P., particularly regarding urban intensification, assessment growth, and downtown revitalization. The analysis also outlines the specific incentives requested, their justification, and the anticipated economic and community benefits arising from the proposed investment. Through this assessment, the application demonstrates that the project meets the City's policy framework and supports the strategic vision for a vibrant, sustainable, and inclusive downtown.

5.1 Urban Growth Centre Community Improvement Plan

The Urban Growth Centre C.I.P., adopted May 2, 2016, encourages downtown investment and intensification through incentive programs such as the Increased Assessment Grant (I.A.G.), which reimburses a portion of new property taxes for developments that expand Oshawa's assessment base and stimulate economic growth.

5.2.1 Increased Assessment Grant (I.A.G.)

Request: Increase in pre- and post-development taxes returned to the property owner on a declining basis over a 20 year period – 95% Year 1, 90% Year 2, 85% Year 3 etc.

Estimated Pre-Development Assessment: \$1.02 million (Land value)

Estimated Post-Development Assessment: \$15 million to \$17 million

Estimated Annual City Tax (Post): ≈ \$90,000 to \$100,000

Estimated Annual Increase: ≈ \$77,000 to \$87,000

Total I.A.G. Value (50% × 16 years): ≈ \$803,500 to \$913,500

The I.A.G. will help offset initial carrying costs and enhance financial feasibility, ensuring the timely delivery of new rental housing in Oshawa's downtown. The request mirrors the structure previously approved for Medallion Developments at 135 Bruce Street and 39 Athol Street West, Oshawa.

6.0 Proposed Financial Impact Summary

This section presents a summary of the projected financial impacts associated with the proposed development at 44 Colborne Street East and the requested incentives under the C.I.P. It outlines estimated assessment values, tax implications, and the potential value of the Increased Assessment Grant (I.A.G.) over the 16-year period. The analysis demonstrates that the requested support will facilitate project viability while delivering substantial long-term fiscal benefits to the City through increased property tax revenue, economic activity, and sustained investment in Oshawa's downtown core.

Item	Estimate
------	----------

Pre-Development Assessment	\$1,020,000
Post-Development Assessment	\$15,000,000–\$17,000,000
Current Property Tax	~\$13,000
Annual City Tax (Post-Development)	~\$90,000–\$100,000
Increase to Annual City Tax	~\$77,000–\$87,000
Requested I.A.G. (50% for 16 years)	~\$808,500–\$913,500 Total
Annual I.A.G. Grant (Average)	~\$40,425–\$45,675
City's Net Retained Taxes During Grant Period	~\$808,500–\$913,500
Long-Term Annual Tax (After Year 20)	~\$90,000–\$100,000 per year

7.0 Performance Criteria

This section outlines the key performance conditions and obligations that will govern the implementation of the financial incentives requested under the C.I.P. These criteria ensure accountability, timely project delivery, and compliance with City standards throughout construction and occupancy. The conditions establish measurable milestones related to building progress, accessibility, maintenance, and community benefits, ensuring that the proposed development at 44 Colborne Street East achieves the objectives of the C.I.P. while contributing meaningfully to the long-term revitalization of Downtown Oshawa.

- **Foundation Completion:** Expected by March 2026
- **Building Completion / Occupancy:** Expected by November 30, 2027
- **Accessibility Plan:** to be reviewed and approved by the Director of Planning Services
- **Maintenance & Compliance:** in accordance with Property Standards and Building By-laws
- **Tax Payment:** all applicable taxes to be paid before any grant disbursement
- **Local Economic Benefit:** preference to use local trades, suppliers, and contractors where feasible
- **Architectural Design:** subject to approval by the Director of Planning Services

8.0 Financial Implications for the City

This section summarizes the anticipated financial outcomes for the City of Oshawa resulting from the approval of the requested incentives under the C.I.P.. It evaluates the balance between the temporary grant support and the long-term fiscal benefits generated through increased property assessment, sustained tax revenue, and economic activity. The Project is expected to deliver measurable financial returns to the City following the grant period, reinforcing the C.I.P.'s purpose of promoting downtown investment and expanding Oshawa's overall economic base.

This project will result in a significant expansion of Oshawa's assessment base, with post-development property taxes estimated between **\$90,000 and \$100,000 per year**.

Over the 16-year grant term, the City will retain approximately half of the increased taxes while supporting construction of a **\$13.5–\$14.5 million** rental development, creating jobs, economic spin-offs, and long-term municipal revenue well beyond the grant period.

9.0 Relationship to the Oshawa Strategic Plan

This proposal advances Economic Prosperity, Inclusive Community, and Downtown Revitalization goals of the Oshawa Strategic Plan.

This proposal directly supports key priorities of **the Oshawa Strategic Plan**, including:

Strategic Theme	Goal Alignment
<i>Economic Prosperity and Financial Stewardship</i>	Stimulates private investment and expands the City's tax base
<i>Belong: Inclusive and Healthy Community</i>	Creates new purpose-built rental housing options downtown
<i>Cultural Vitality and Downtown Vibrancy</i>	Revitalizes an underutilized site within the Urban Growth Centre

10.0 Attachments

- Attachment 1: Location Map
- Attachment 2: Site Plan (SPA submission)
- Attachment 3: Building Elevations / Renderings
- Attachment 4: Project Financial Summary
- Attachment 5: Letter of Support for Regional Revitalization Program (Draft)
- Attachment 6: Consultant Team Directory

Title: Renderings of the Proposed Development Submitted by the Owner
Subject: Application Under the Urban Growth Centre Community Improvement Plan,
44 Colborne Street East, Colborne Apartments LP
Ward: Ward 4
File: 12-04-5139

City of Oshawa
Economic and Development Services



Title: Renderings of the Proposed Development Submitted by the Owner
Subject: Application Under the Urban Growth Centre Community Improvement Plan,
44 Colborne Street East, Colborne Apartments LP
Ward: Ward 4
File: 12-04-5139

City of Oshawa
Economic and Development Services



H:\PLAN\07-IT Mgmt\09-Data Trans\Attachments\202512 Dec44 ColborneSE.pdf\44ColborneSE_A18.pdf



Title: Renderings of the Proposed Development Submitted by the Owner
Subject: Application Under the Urban Growth Centre Community Improvement Plan,
44 Colborne Street East, Colborne Apartments LP
Ward: Ward 4
File: 12-04-5139

City of Oshawa
Economic and Development Services

