

MEMORANDUM

May 13, 2013

TO: Mayor and Council

CC: Penny Ballem, City Manager
Sadhu Johnston, Deputy City Manager
Brian Jackson, General Manager, Planning and Development Services
Brenda Proskan, General Manager, Community Services
Michael Flanigan, Director, Real Estate Services
Lynda Graves, Administrative Manager, City Manager's Office
Janice MacKenzie, City Clerk
Mairi Welman, Director of Communications
Kevin Quinlan, Director of Policy and Communications, Mayor's Office
Michael Magee, Chief of Staff, Mayor's Office

FROM: Kevin McNaney, Assistant Director, Central Area Planning

SUBJECT: 1300-1320 Richards Street - CD-1 Rezoning

This memorandum recommends an amendment to a condition of approval for the above application, to provide a correction regarding the funding for the social housing and social service centre at 1107 Seymour Street, which is the subject of the Community Amenity Contribution recommendation.

RECOMMENDATION

THAT Appendix B of the Policy Report dated April 23, 2013, titled "CD-1 Rezoning - 1300-1320 Richards Street" be amended to replace condition (c)7(a) with the following:

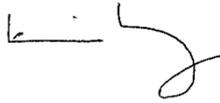
"(a) payment by the City of \$4,900,660 on the completion of the purchase of the Seymour Street Site;"

Discussion

The Policy Report for 1300-1320 Richards Street notes that the cost of the land and the building at 1107 Seymour Street, including 81 units of turn-key social housing and 2,230 m² (24,000 sq. ft.) of social service space, is estimated at \$28,284,000. The report identifies two sources of funding 1) a \$23,643,750 Community Amenity Contribution (CAC) from the rezoning at 1300-1320 Richards Street, and 2) \$4,640,250 from the City's Downtown South housing

Development Cost Levies (DCLs). A condition of approval requires the City to provide payment, of the portion derived from DCLs, to the applicant upon completion of the building and transfer of ownership of the Seymour Street Site to the City.

The financial proforma submitted as part of the rezoning application for 1107 Seymour Street contained two incorrect assumptions. First, it assumed a public art budget would be required, whereas the floor space is below the minimum threshold at which public art is required. Second, it did not take into account that DCLs would be payable for the social service centre floor space proposed in the building. Subtracting the public art budget from the proforma and adding the required DCL payment results in a shortfall of \$260,410. Taking this shortfall into consideration, the estimated cost of the land and the building at 1107 Seymour Street rises from \$28,284,000 to \$28,544,410. To cover the shortfall, staff propose that the portion of the building's funding from Downtown South housing DCLs be increased from \$4,640,250 to \$4,900,660 and therefore recommend approval of the above recommendation.



Kevin McNaney
Assistant Director,
Central Area Planning

KM/kh