



Report to: Development Services Committee

Report Date: November 19, 2018

SUBJECT: Shining Hill Homes Inc.
Request to deem the former Canac Kitchens Building at 360 John Street Derelict (Ward 1)

RECOMMENDATION:

That the report titled Request to deem the former Canac Kitchens building at 360 John Street Derelict (Ward 1), be received;

And further that Council deems the former Canac building at 360 John Street to be derelict.

PURPOSE:

This report provides information regarding a request by the developer of the townhouses located at 360 John Street (the subject lands) to obtain a redevelopment credit by having the City deem that the former Canac Kitchens industrial building was “derelict” prior to its demolition.

BACKGROUND:

The 3.13 ha. (7.73 ac.) subject lands are located on the north side of John Street between the CN Rail Line and Aileen Road (see Figure 1 – Location Map). The north lot line of the property also has frontage on Green Lane. Residential detached dwellings are located to the east of the site and to the north across Green Lane. Employment uses are located to the west of the site, and south across John Street. The property was municipally known as 360 John Street prior to its redevelopment.

A brief summary of events in chronological order is provided below regarding the redevelopment of the former Canac Kitchens building:

- In September of 2009, Kohler Co. was issued a demolition permit (09 121462 ND) for a partial demolition of the industrial building that existed on the property – the foundations (and associated rubble) remained on the property until 2014
- In early 2013, Condor Acquisitions (Countrywide Homes) and Bazil Developments reached an agreement with Kohler to purchase this property
- In May of 2013, under the project name Shining Hill Homes Inc., Official Plan and Zoning By-law Amendments (OP ZA 13 108797) were submitted to permit the development of 101 townhouses including a public park on the subject lands
- In June of 2014, the City approved Official Plan and Zoning By-law Amendments to permit townhouses and at grade retail uses for units fronting on to John Street

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- In October of 2014, the City issued demolition permit (14 132626 ND) for the demolition of the existing slab on grade, foundation walls and footings
 - In January of 2017, final Site Plan (SC 15 108797) approval was granted
 - Between February and October of 2017 Building permits for the proposed townhouse units were issued

A 101 unit common element condominium townhouse development is currently under construction on the subject lands.

OPTIONS/ DISCUSSION:

The City and Regional Development Charge By-laws allow for a demolition credit or a reduction of Development Charges (DC) where redevelopment occurs, provided that the time between the issuance of demolition permit and the issuance of a building permit is not greater than 48 months (4 years). The 2009 demolition permit is the operative one for the purpose of calculating the 48 month period. As noted above, the time that elapsed between the issuance of the demolition permit and the building permit exceeds 48 months (a period of 88 months had passed between the issuance of the demolition permit and building permit), therefore the developer is not entitled to any redevelopment credits on this basis.

The Regional Development Charge by-law provides for an additional demolition credit for derelict buildings. The by-law states that where a building is deemed derelict, the developer is entitled to a redevelopment credit provided that the demolished building and the permit for the new development is issued within 120 months (10 years) from the demolition date. The building would have to be deemed derelict to qualify for a Regional DC credit.

However, there are challenges deeming a building derelict 8 years after the issuance of a demolition permit. There are no records indicating the state of the building at the time of demolition, or documentation that the building had been deemed unsafe or had received a prohibit occupancy order by the Chief Building Official or head of By-law Enforcement. However, from a community perspective there has been long standing resistance to the building and manufacturing use as it has been in conflict with the surrounding residential communities. Even after the building was vacated, the community still had concerns about the safety and esthetics of the existing property. As a result, the lands were converted to residential and supported by local and regional planners.

FINANCIAL CONSIDERATIONS:

There is no financial impact to the City as there is no provision for redevelopment credits beyond the 48-month time period or for derelict buildings.

Should the City deem the structure previously located at 360 John Street derelict, the developer may qualify for a redevelopment credit from York Region.

The Region's Development Charge By-law provides a credit for derelict buildings on a sliding scale as shown in Chart 1.

Chart 1

Number of Months from Date of Demolition Permit to Date of Building Permit Issuance	Credit Provided (%) ¹
Up to and including 48 months	100
Greater than 48 months up to and including 72 months	75
Greater than 72 months up to and including 96 months	50
Greater than 96 months up to and including 120 months	25
Greater than 120 months	0

¹ Credits are calculated as a % of the prevailing DC rates for the class of non-residential development or type of dwelling demolished

The building permit for the demolition of the structure located at 360 John Street was issued in September 2009, and the building permits for the replacement buildings (townhouses) were issued in January 2017. The duration between the issuance of both permits is 88 months, which may qualify for a 50% redevelopment credit as per the Region's derelict building sliding scale.

Redevelopment credit

are calculated as a percentage of the prevailing DC rates for the class of non-residential development or type of dwelling demolished. It is the responsibility of the developer to approach York Region to seek a redevelopment credit based on the City deeming the site to be derelict on or before September 2009.

CONCLUSION:

The developer is not eligible for a redevelopment credit from the City or School Boards as the 48-month time period has elapsed.

In order to qualify for a redevelopment credit from York Region, Development Services Committee and Council would have to deem the former Canac Kitchens building to have been derelict on or before the time of its demolition. In the event Development Services Committee chooses to do so, a recommendation to that effect has been included.

HUMAN RESOURCES CONSIDERATIONS

Not applicable.


ALIGNMENT WITH STRATEGIC PRIORITIES:


Not applicable.

BUSINESS UNITS CONSULTED AND AFFECTED:

- Planning and Urban Design Department
- Building Department
- Finance Department

RECOMMENDED BY:


Biju Karumanchery, M.C.I.P., R.P.P.
Director, Planning and Urban Design


Arvin Prasad, M.C.I.P., R.P.P.
Commissioner of Development Services

ATTACHMENTS:

Figure 1 – Location Map

