

Date: September 4, 2020

From: Susan Min

Subject: 20 Alice Street East

Councilors,

After reviewing staff reports (FAF.20.106 and PDS.20.79) and considering Council's and Town's commentary during the deputation, I wanted to address some of the concerns that were brought up against waiving Development Fees and Cash-In-Lieu of Parkland for the redevelopment of 20 Alice Street East. We understand the decision to engage WSP Canada in the creation of a Community Improvement Plan, and feel it is a positive approach to understanding and developing a framework to address the Town's need for rental housing. However, we are quickly approaching the closing date on this property, and will need to determine whether the financials, based on Council's decision around our request, will allow us to move forward on this project as originally planned.

Please consider the following points, along with letters of support from local business owners, in making your decision on how to handle Development Charges and Cash-in-lieu of Parkland for infill projects like ours. We also hope that you will share this information with WSP Canada in order to provide them with some local perspective on this matter:

1. The Staff Report suggests that if Council chose to waive DCs for this project that “the Town would need to fund the forgone Development Charges” potentially affecting the taxpayer or rate payers.

Our Position: The DC value of \$106k is not a budget line item that existed prior to our application to rezone 20 Alice Street to an 11-unit rental building. Therefore, it is not necessarily “forgone” value but a bonus to the Town's budget. Alternate uses for this site would likely be at a DC value less than \$106k, which means the Town would have had to source funding from alternate sources irrespective of our project.

2. Development charges are levied for the purpose of funding increased use and maintenance of soft services, parklands, and hard infrastructure resulting from the approximately 11 additional people residing at the site.

Our Position: The past property taxes, as well as the new tax value levied against our site resulting from its change in use and increased property valuation would be allocated towards the cost of maintaining and upgrading services and parklands for residents.

3. There are concerns around setting precedents for other developers asking for a break on DCs.

Our Position: While I understand that the by-law cannot take into consideration individual site applications, I believe that a general argument can be made for infill versus greenfield sites. Since this is an infill project, the additional infrastructure costs to upgrade water/sanitation for the increased usage would be carried by our ownership group rather than the town. Our project does not create any other adverse effects on the Town's budget since no new additional hard infrastructure needs to be created; and the required parking allocation has been accounted for so that no additional strain is put on the neighbouring residents. Instead, there should be consideration for the fact that our project is efficiently improving usage of a site (that in its current state, is drastically underused) to create a product that the Town, Councilors, local businesses, and residents acknowledge is needed. While I understand the concerns around setting precedents for other developers to ask for relief, I would suggest that there is positive value in setting a precedent that encourages the private sector to fill the need of long-term rental product, easing pressure on The Town to use its own resources to fill this void.

4. There are questions around our intent to create attainable rents.

Our Position: We have been in discussions with The Blue Mountain Attainable Housing Corporation since March 2020 to see how we can work together to create a product that would meet their goals, meet the community's need for rental product, and be financially sustainable for our ownership group. Our target rental rates are based on two components:

- i) Canada Mortgage and Housing Corporation's standard of no more than 30% of income being allocated towards housing expenses; and*
- ii) BMAHC's program geared towards household incomes of \$40,000 to \$100,000.*

Our current project budget (factoring for 11 units) results in our target rental rates being well within the range of what is considered to be "attainable" – even at the bottom end of the household income range.

Finally, our position is that the DCs and related hard and soft charges are a severe impediment to creating long-term rental options in our Town. As you can see from the attached chart, we have provided a breakdown of the price differential between executing a single-family "flip" of 20 Alice Street versus converting it into an 11-unit rental building. These numbers do not take into account the hard construction costs associated with building out 11 self-contained units versus renovating the property into a single-family home.

Soft Costs (Town Charges)		Option 1 - Single Family Flip	Option 2 - 11 Unit Rental
Development Charges		\$0.00	\$106,935.40
Grey County Development Charge*		\$0.00	\$34,776.00
5% Park Land		\$0.00	\$45,750.00
ZBA		\$0.00	\$3,750.00
Engineering Fee		\$0.00	\$845.00
Planning Security		\$0.00	\$5,000.00
SPA		\$0.00	\$7,008.75
Engineering Fee		\$0.00	\$8,200.00
Agreement Prep		\$0.00	\$9,685.00
Building Permits \$0.35 @ 5,051sf		\$1,767.85	\$5,881.08
Consultant Fees (Engineer, Architect etc.)**		\$10,000.00	\$30,000.00
	Infrastructure Hard Costs		
	Parking - Expansion and Grading	NA	\$50,000.00
	Parking Markers	NA	\$2,500.00
	Driveway - Potential Expansion	NA	TBD
	Water - increased to 50mm svc line	NA	\$10,000.00
	Sanitary	NA	\$5,000.00
	Garbage - storage site	NA	\$2,800.00
	Sidewalk	NA	TBD
	Privacy Landscaping	NA	\$7,500.00
	Tenant Outdoor Space	NA	\$10,500.00
	Hydro/Gas Increase	NA	TBD
TOTAL		✓ \$11,767.85	✓ \$346,131.23
* Grey County is considering change in by-law to waive DCs for all rental projects.			
** Requisite Consulting Fees for planning approval - approximate projected value.			

We appreciate your time and consideration, and look forward to Council making a decision on this matter as expeditiously as possible.

Regards,

Susan Min

GOOD GRIEF

August 6, 2020

To Whom It May Concern:

Good Grief Coffee is lucky enough to call Thornbury home, but for many others, that luxury doesn't exist.

Approving the Alice Street Project may ruffle some feathers with the history buffs and "locals", but in doing so, it's promoting Thornbury as a welcoming, progressive, and supportive town. The times they are a changin', and we, as a flourishing community, need to get on board before we miss the boat completely and end up in a boarded-up, has been town.

Despite the amazing growth in the area in the last few years, Thornbury is still very much a seasonal town, whether people like to admit it or not. In our first year in business, we saw the ebbs and flows of the season changes and faced the challenges associated with them head on. Seasonal hiring is easy enough, especially with kids home from school who have the bonus of living with their parents. What do we do however, in the off season when we still need people to work but no one can be found?

Having affordable housing is a major factor in the continued success and growth of Thornbury. Businesses in the area need reliable year-round workers who don't have to worry about commuting from surrounding towns. They need people who don't need to worry about how they're going to pay rent because it's some astronomical, unattainable price. They don't need to stress about looking for a place to live that doesn't exist in the surrounding towns because rentals are for the rich and wealthy skiers and weekenders.

Thornbury's business sector is dynamic. The number of businesses on Bruce Street alone owned by "young" people has skyrocketed in the last two years alone. The funny thing about owning a business as a young person, however, is money and the severe lack of it. We are not established in our lives with partners who have been working for 40 years to provide a safety net or nest egg, we are not retired and doing this to keep busy; we are starting our lives from the bottom and trying to make something from nothing. Alleviating the stresses of looking for reliable staff (from the owner side of things) and trying to find a place to live that is both affordable and convenient (from the employee side of things) would definitely foster the growth businesses in Thornbury need to stay afloat, especially considering the state of the world right now.

Thank you for your time and consideration for the Alice Street Project. We trust that you keep the best interest of the town and its businesses in mind when making the decision and look forward, not back, to see what is possible for our small, but mighty, town.

Best,

Alix Haddy
Co-Owner, Good Grief Coffee



Fresh food. Friendly neighbours.

**Brian & Susan Leduc, Owners/Operators Thornbury Foodland,
Box 427, 105 Arthur St. West Thornbury Ont. N0H2P0
Phone # 519-599-3000, Fax # 519-599-6817 email Brian.Leduc@sobeys.com**

August 18, 2020

To Whom It May Concern:

This letter is in support of the 20 Alice Street housing project. I think that any initiative bringing affordable housing to Thornbury should be supported not only by the town but the residents of Thornbury. Especially when the project is being built by local interests.

As one of the major employers of Thornbury, I cannot stress enough how difficult it is to not only to attract employees but retain employees in Thornbury. The 2 main reasons are simple, 1) if you work retail or service industry, you can't afford to live here as there is no affordable housing and 2) no busing in the area and only one cab in Meaford which is 20.00 one way. Employee's will not pay 40.00 a day to get back and forth to Thornbury when they are making 14.00 + per hour.

That said, I am very happy to see the old Foodland location come down but that project won't be close for another 2 years? I think the Alice Street project could be in place very quickly which would supply some affordable housing options much quicker. The 300,000. ask for development fee's would jeopardize this project and from the reports I have read and information I have been given, The structure of this building will not be changed and the principles except any fee's to upgrade infrastructure to accommodate the extra units. This group is not a huge development group, is trying to get some affordable housing in a town that is desperate for employee's and is willing to pay for additional services. I simply do not see any president for future

development as this structure already exists and seems to me to be like turning a private residents basement into a rental apartment?

Please give this important project every consideration for approval at a lesser rate than a new build or development. It is just one more piece of the over all solution to our main issue in the towns of the Blue Mountains.

**Thank you for your consideration
With Respect**

**Brian Leduc
Owner/Operator
Thornbury Foodland**



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September 3rd, 2020

Attention to Lauren Mintz and Susan Min

Regarding: 20 Alice Street, Thornbury.

It was a pleasure to meet with you in the fall of 2019 to discuss your upcoming building plans. It is our understanding that there have been some challenges causing delays.

Please accept this letter as recognition from Errinrung Long Term Care and Retirement Community that there is a great need for use of this space as general housing in this community.

Our greatest operational challenge is staffing. Recruitment and retention have been a priority focus outlined on Errinrung's strategic plan for several years in row. Challenges are faced when recruiting within Thornbury as there is little housing available. The housing that is available is not sustainable for a single income family. Recruitment measures are then taken outside of the area and while some success has been made from surrounding communities, we're faced with the challenge of not being able to hire qualified employees that do not drive or can't make it to work due to winter weather conditions.

Successful recruitment has been made with international nurses, making up greater than 50% of our nursing department including Personal Support Workers. Upon hire, this population often does not have an Ontario driver's license and must be within walking distance to our facility.

Errinrung sees this opportunity for growth a vital part of development for this community. Please don't hesitate to reach out to me should you require any further information on Errinrung's position. After raised at a general leadership team meeting, all were in agreeance that not only Errinrung, but Thornbury would benefit from the additional housing. We would like to welcome you to the neighborhood!

Sincerely,

Leanne Haynes,
Executive Director
Errinrung Long Term Care Home and Retirement Community