

Municipality Of Chatham-Kent
Community Development
Information Report

To: Mayor and Members of Council
From: John Norton, General Manager
Date: January 29, 2020
Subject: Agreement – Robert Piroli and 1544951 Ontario Inc. re: apartment building

This report is for the information of Council.

Background

The Municipality has determined that there is a shortage of housing in Chatham-Kent. Currently, rental vacancies are at an all-time low. This has a direct impact on our residents.

Feedback from employers is that attracting and retaining employees is hindered because potential employees wishing to move to Chatham-Kent cannot find suitable housing.

Council, through the Chatham-Kent Growth Strategy, has identified the need to focus on increasing the population, number of jobs and the tax assessment.

Focusing on creating supportive policies/programs that encourage private investment in housing is one way to be attractive for new people to move to CK, provide a response to employers who have expressed concerns, and increase tax assessment through new assessment growth.

Practices from other communities to encourage housing growth have included offering tax relief and reducing the cost of municipal fees, permits and charges.

In the fall of 2019 administration began discussions with Robert Piroli, a private developer, regarding his desire to build a new multi-residential development (through his numbered company, 1544951 Ontario Inc.). During the meetings Mr. Piroli advised of incentives he received from other communities and requested similar incentives for Chatham-Kent. Prior to these discussions with Mr. Piroli, administration was aware of the development incentives being offered by other municipalities to support public sector investment and were investigating options for Chatham-Kent.

A Closed Session meeting with Council was held on January 28, 2020 where Council received legal advice and gave direction to Administration in regard to a legal

agreement between the Developer and Municipality. This agreement sets out the commitments of the Developer and the Municipality, while respecting all planning regulations and processes to confirm any policy/program changes to provide incentives.

Comments

The terms of the agreement commit both the Developer and the Municipality to work together to bring the project to fruition.

The commitments of both the Developer and the Municipality are contingent on various objectives, approvals and milestones being completed, including public consultation and approval on Planning Act matters.

The Developer will:

- Complete construction of the first building of the new multi-residential development within 24 months and the second building within 48 months, from the signed contract date of January 28, 2020, and the combined buildings will include not less than 240 new rental units; and
- Obtain all required permits, approvals, site plan agreements, rezoning, official plan amendments, variances, approval authority consents and severances.

The Municipality will consider providing several incentives to the Developer. These proposed incentives will be brought forward to Council for consideration at a future Council meeting through a new Community Improvement Plan. If the Community Improvement Plan is approved by Council then these incentives will be provided to all developers constructing similar projects, subject to certain eligibility requirements.

Consultation

The Community Development Leadership team has been actively involved in negotiations with the Developer. This includes Economic Development Services, Planning Services, Building Development Services, Legal Services and Fire & Emergency Services.

Financial Implications

The financial implications of this report will be dealt with in other reports brought to Council related to Community Improvement Plan incentives and planning approvals specific to this development.

Prepared by:

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