



City of
Peterborough

To: **Members of the General Committee**

From: **Cynthia Fletcher, Commissioner of Infrastructure and Planning Services**

Meeting Date: **April 1, 2019**

Subject: **Report IPSPL19-011
Residential Conversion and Intensification Grant Approval for
365 Armour Road**

Purpose

A report to recommend the approval of a Residential Conversion and Intensification Grant for 365 Armour Road and the entering into of an agreement between the City of Peterborough and TVM 365 Armour Road Inc.

Recommendation

That Council approve the recommendation outlined in report IPSPL19-011 dated April 1, 2019, of the Commissioner, Infrastructure and Planning Services, as follows:

That a Residential Conversion and Intensification Grant be approved for 365 Armour Road in the amount of \$220,030 and that the City enters into an agreement with TVM 365 Armour Road Inc.

Budget and Financial Implications

Approval of the Residential Conversion and Intensification Grant (“RCG”) will commit \$220,030 to the project through the Community Improvement Plan Program. Funding for the RCG is approved by Council through the capital budget process in an amount of \$100,000.00 annually since 2015. The amount was increased to \$800,000.00 for the 2019 fiscal year. Where funding was not spent in previous years it has been carried over to the available budget for the following year. The RCG allows for funding up to an amount of \$10.00 per square foot of new residential floor area. At \$220,030, funding is provided at a rate of \$10 per square foot based on 22,030 square feet of residential floor area.

Background

In 2012, the former St. Joseph’s Hospital at 384 Rogers Street was subject to a severance application which created several parcels from the original site, including 365 Armour Road. Recently, the Committee of Adjustment approved another consent application that involves several lot line adjustments. 365 Armour Road is an irregularly shaped parcel with frontage on Armour Road. The parcel is currently occupied by a building that was known as the “A Wing” of the former hospital.

Existing buildings can also be found on 185 Hunter Street East (North Wing), 384 Rogers Street (D Wing), 345 Armour Road (Boiler Room), and 175 Hunter Street (B Wing). The existing buildings on 185 Hunter Street East, 384 Rogers Street and 175 Hunter Street East have already been converted to residential-commercial mixed use and residential buildings. 365 Armour Road represents the fourth phase of redevelopment of the former St. Joseph’s Hospital/PRHC Rogers Site.

The applicant, TVM 365 Armour Road Inc., is proposing to redevelop the existing building on the subject lands into 27 apartment dwellings. As part of this conversion, the applicant is demolishing and rehabilitating the interior of the existing building to remove asbestos containing materials. Similar redevelopment has occurred at 185 Hunter Street, 384 Rogers Street and 175 Hunter Street East.

To assist in the redevelopment, the applicant has applied to a number of programs offered by the City of Peterborough through the Central Area Community Improvement Plan.

- Residential Conversion and Intensification Grant (“RCG”): A grant to incentivize the redevelopment of existing buildings or vacant properties into new residential units.

- Central Area Revitalization (Tax Increment Based) Grant Program: provides tax incentives of any redevelopment which increases the assessed value of a property.
- Municipal Brownfield Rehabilitation Grant Program: provides tax incentives to refund the costs of cleaning up a contaminated property where a Record of Site Condition is **not** required under the **Environmental Protection Act, R.S.O. 1990 c. E.19**.
- Municipal Incentive Grant Program: provides assistance to reduce or eliminate development fees by refunding the costs of planning applications and providing a grant of up to \$50,000.00 to assist with building permit fees.

Report PLPD12-044, approved by Council on July 30, 2012, outlines the approval and signing authority for the Central Area Community Improvement Plan Programs, which is in keeping with the City's Purchasing Policy. In this instance approval of the RCG is Council's decision as the grant exceeds \$100,000. Furthermore, in accordance with Report PLPD12-044, the Municipal Incentive Grant application is being reviewed by the Administrative Staff Committee while the Municipal Brownfield Rehabilitation Grant Program and Central Area Revitalization Program applications will be reviewed and by the Commissioner of Infrastructure and Planning Services.

Summary of Municipal Incentives for 365 Armour Road:

Incentive Program	Amount of Incentive
Municipal Incentive Program	\$51,160
Residential Conversion Program	\$220,030 \$10/Square Foot of New Habitable Space 22,030 ft ²
Municipal Brownfields Rehabilitation Grant Program (MBRGP)	As per MPAC Reassessment and cannot exceed eligible costs
Central Area Revitalization Rehabilitation Program (CARP)	As per MPAC Reassessment and 10 year phase in

Analysis

The RCG has been implemented as part of the Central Area Community Improvement Plan to encourage residential development in Peterborough's Central Area. The conversion of the existing building on the subject lands is in accordance with Provincial and City policies and would benefit from municipal support by way of the Central Area Community Improvement Plan.

Provincial Policy Statement, 2014 ("PPS") and Growth Plan for the Greater Golden Horseshoe, 2017 ("Growth Plan"):

The PPS and the Growth Plan encourage land use patterns based on densities which efficiently use land and resources, including infrastructure, and provide a range of housing types and forms. Furthermore, opportunities for intensification and redevelopment should be promoted where they can be accommodated on brownfields or in existing building stock. The Growth Plan also requires that the intensification target of 40% of new development occurring within the City's Delineated Built-up Area, as outlined within the City's Official Plan, be met.

Redevelopment of 175 Hunter Street East will result in the reuse of an existing building and also provide for the rehabilitation of said building so that it is no-longer contaminated by asbestos. The redevelopment also helps the City to achieve the target of 40% of development occurring within the Delineated Built-up Area. The redevelopment of the subject lands is therefore consistent with the policies of the PPS and conforms to the policies of the Growth Plan.

City of Peterborough Official Plan

As noted in the previous section, the Official Plan requires that 40% of new housing units are created within the Built Boundary. Furthermore, the Official Plan notes that land and infrastructure will be optimized by intensification and that intensification is appropriate where it can be compatible with existing built form. Within the Business District sub area policies of the Central Area designation, the redevelopment of the subject lands is already contemplated. These policies support the development and note that the predominant use shall be residential. Additional policies for the Central Area are provided within the Central Area Master Plan. One of the objectives of the Central Area Master Plan is the encouragement of higher density and mixed-use residential development. Development of 365 Armour Road is in keeping with Official Plan policies of supporting appropriate intensification.

City of Peterborough Comprehensive Zoning By-law 97-123 ("Zoning By-law")

The Zoning By-law zones the subject lands Special District 356 - Holding ("SP.356-H District"). The proposed use of 27 dwelling units is permitted under the SP.356-H District. The Holding Provision will be removed upon Site Plan Approval, including provisions for

cash-in-lieu of parkland. At this time, TVM 365 Armour Road Inc. has submitted a Site Plan application.

Central Area Community Improvement Plan Policy Document

The Central Area Community Improvement Plan Policy Document provides some additional criteria for the evaluation of applications to the RCG. In addition to conformity with City policies and compliance with the Zoning By-law, properties that are the subject of an application must have their taxes up to date. Furthermore, there can be no outstanding work orders or requests to comply from the Building Division or the City's Fire Department. As of the preparation of this report, property taxes are up to date and there are no work orders or requests to comply.

Summary

The applicant, TVM 365 Armour Road Inc., is proposing to rehabilitate and convert the existing building on 365 Armour Road to 27 dwelling units. The proposed development is consistent with the PPS and conforms to the policies of the Growth Plan and the OP. Approval of the RCG for 365 Armour Road would promote the conversion of a vacant property within Peterborough's Central Area and the creation of additional residential units that allow for intensification and use of existing City services.

Submitted by,

Cynthia Fletcher
Commissioner, Infrastructure and Planning Services

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