



April 4, 2025

From:
CLV Group Developments Inc.
501-209 Oak Park Blvd.
Oakville, ON L6H 0M2

To:
Members of the Committee of the Whole
City of Burlington
426 Brant St. Burlington, ON L7R 3Z6

RE: Comments Regarding Burlington's Affordable Rental Housing CIP

CLV Group Developments Inc. (CLV) is a rental housing developer in Ontario. Along with our parent company, CLV Group Inc., we own and operate over 6,100 units, with 3,800+ units currently in various stages of the development process. Of those units, approximately 1500 units are slated for the City of Burlington.

The development of rental housing has many challenges during the best of economic times. A large amount of capital must be upfronted by the owner, which takes years, if not decades, to recoup. Rental housing does not have the benefit of collecting the full cost of the construction of a rental unit immediately upon completion as is the case with other forms of development.

Today, with global economic uncertainty, driven mainly by the US administration's ever-changing actions, the unsettled political climate within Canada itself, and the overwhelming municipal and construction costs, development of all forms of housing have largely been halted.

We appreciate the City of Burlington for recognizing that the development climate has changed. The days of easy profit from development have come to an end at a time where housing is needed more than ever. Developers and all levels of government need to work together to get much needed housing built.

Having said that, we have reviewed the proposed Affordable Rental Housing CIP. It is a step in the right direction of working as partners with the development community. However, we have some concerns that as drafted, the offsets will not help move the needle to get projects underway.

We offer the following comments for your consideration:

1. Rental housing in general should be the focus however, the CIP should be beneficial for all housing tenures. CIP should not be tied to providing affordable housing units. Providing market rent units in this economic climate is not feasible. Having to provide affordable units will absorb any offsets of the CIP and will not be enough to spur development.
2. If it must be tied to providing affordable housing, the definition of affordable should be in line with CMHC's ACLP financing definition and median income. This is the financing program used by many developers, so the developments would be hitting the affordable housing threshold set out in the program.
3. The affordability period should be no longer than 10 years. As mentioned above, rental housing developers do not have the benefit of realizing a profit immediately following completion of the



project. It takes many years to reach the break-even point. Burdening this with below market rent units for too long of a period jeopardizes the financing opportunities and viability of a project.

4. The CIP only references the HAF for 2025-2026 and thereafter will have to seek funding from Council. Developers need certainty that money will be available for a longer period time given that a lot of money goes into preparing an application and it takes so long to navigate the planning process. Most CIP's provide commitment for 3-5 years.
5. The Region of Halton needs to participate as well. All levels of government need to provide support. They must commit to deferring or eliminating regional DC's.
6. We appreciate that The City of Burlington made the bold move to decrease DC's, however, the City should consider waiving DC's entirely, or in part, for an extended duration in the 2-5-year range. Mississauga recently created a housing task force after a severe decline in applications, due to high municipal fees. One of the positive offsets they implemented to encourage new applications was to reduce their DC's by 50% across the board for ALL housing types. At the very least, the City should consider waiving interest on DC deferrals. This would help to move the needle closer to getting rental housing built. This is something that could spur all forms of development during this economic crisis.
7. The process for administration should be easy to navigate, and applications processed quickly to add to certainty for Developers. What is staff's capacity to administrate and who would be responsible for the review of applications?

We appreciate The City of Burlington and their staff's work on this initiative and look forward to working as partners to bring much needed rental housing to the city. If staff or Council have any questions regarding the comments outlined in this letter, please feel free to contact CLV Group Developments. We welcome the opportunity to share the realities of development today.

Sincerely,

Jenn Morrison, RPP, MCIP
Director of Development
CLV Group Developments Inc.
jenn.morrison@clvgroup.com

Josie Tavares, M.Pl
Senior Planner/Project Manager
CLV Group Developments Inc.
josie.tavares@clvgroup.com
