

## **Brief to OCPM re rezoning of tower 6 in former Children's Hospital site**

**From Robert Hajaly**

**May 29, 2022**

I'm a resident of the Peter McGill city electoral district in the western downtown of Montreal. My chief priority regarding the rezoning of the tower 6 site is the great necessity for building more social housing in Peter McGill district. According to a professional study done for the Peter McGill Community Council, based on the 2016 census, 41.3% of Peter McGill residents, 14,781 persons, are below the federally defined low income line, while rents, of \$1,171 monthly on average, are among the highest in the city. 61.9% of renters spend more than 30% of their income on rent. And finally, there is very little social housing in this district, and virtually none for families. Hence the great need for much more social housing in Peter McGill district.

Given these facts, I'm against the proposed rezoning of the tower 6 site from 20 to 4 stories, first because it is presented by the city, not as a means to pressure the developer to build a 20 storey tower of social housing on this site, but rather for environmental reasons that clearly presuppose that there will not be any 20 storey tower of social housing on this site. My second reason for opposing this rezoning is that it amounts to expropriating most of the real estate value of the tower 6 site, without giving the developer who owns this site any compensation for this loss of value. As a result, the developer is suing the city for \$20,000,000 (according to an article in *Le Devoir*, dated April 13, 2022, by Jeanne Corriveau), a suit he has a good basis for winning, which loss of money the city could otherwise use to build or support social housing.

A CBC news report dated May 6, 2021 by Kate McKenna ("Neighbourhood groups call for inquiry into 'scandalous' development at old Montreal Children's Hospital") indicates that the chief reason that the developer, High Rise Montreal, could not agree with the city on the terms of building a 20 storey tower of social housing is that the developer believed that such a tower satisfying the standards of social housing would cost at least \$40,000,000 to build, whereas the city was able to offer the developer only \$34,500,000. Therefore one way of resolving this difference, assuming the developer still wants to build social housing on this site, which he claims to in this news report, is for the city and the developer to request the appointment of an impartial and expert arbitrator to determine a fair price for building this social housing, which price both the city and developer undertake to accept. For the city this is better than having to pay the developer \$20,000,000 and having no social housing on this site, and for the developer it's better than being left with a site on which he can build only a 4 storey building. I'm asking the OCPM Commissioners to recommend such a means of creating a solution.

Finally, one lesson I would draw from the tower 6 story is the necessity in the future for the city to make only definite and legally binding agreements with developers to build social housing—definite as to the terms of the building, including the price, and legally binding on the developer to build this housing on these agreed terms.

In closing, I wish to thank the OCPM and its commissioners for this chance to present my views on this issue, and to express the hope that the commissioners will seriously consider what I have to say about it.

Best regards, Robert Hajaly