

## **Applications for Credit Pursuant to the Development Charges Act**

*(City Council on December 14, 15 and 16, 1999, adopted this Clause, without amendment.)*

The Policy and Finance Committee recommends the adoption of the following joint report (November 23, 1999) from the Chief Financial Officer and Treasurer and the City Solicitor:

### Purpose:

To obtain Council approval of staff recommendations with respect to applications received for Section 14 credits pursuant to the Development Charges Act.

### Financial Implications and Impact Statement:

Not applicable

### Recommendations:

It is recommended that:

- (1) Council endorse the recommended decisions presented in this report with respect to the Section 14 credit applications;
- (2) the applicants for credits be advised in writing of Council's decision prior to December 31, 1999; and
- (3) where a credit is being recognized, the applicant be advised that the amount of the credit will not exceed the amount of the development charge to be otherwise paid.

### Background:

In dealing with the new City-wide development charge by-law, Council at its meeting held on July 27, 28, 29 and 30, 1999, adopted a staff report dealing with applications for Section 14 credits. Regulations pursuant to the Development Charges Act set out a procedure with respect to credits given or required to be given under *Section 14 of the previous Development Charges Act*. The regulations serve to preserve the entitlement of an owner to Section 14 credits pursuant to the old Act for payments made pursuant to agreements entered into by the owner prior to the enactment of the new development charge by-law. The intention is that the owner should not be required to pay twice. For example, an owner may have previously paid for services pursuant to an agreement and those services are now included in the development charge by-law. The owner should not pay a second time for the same service pursuant to the development charge by-law but, should receive a credit for the payment made against any future development charges.

Subsequent to Council's consideration of the Section 14 credits, Ontario Regulation 439/99 provided for a further time period within which time owners could apply for a credit. The

regulations require applicants to apply for the credit by October 31, 1999 and the municipality is required to give written notice by December 31, 1999 whether it agrees to recognize the credit or refuses to recognize the credit. Where the City refuses to recognize the credit application, the applicant may appeal to the Ontario Municipal Board within 30 days of receiving notice of the City's refusal.

The City is in receipt of seven further credit applications submitted by the October 31, 1999 deadline. Staff from the Finance and Legal Departments reviewed the applications and reviewed the agreements on which the application for credit was based. The applications, together with staff's recommended decisions, are set out below.

Staff are recommending that two of the applications not be recognized as the requested credits relate to local services which are not properly a Section 14 credit matter. In another case, staff were unable to confirm the basis for the credit request and inquiries of the owner's solicitors did not result in information to substantiate the claim. The balance of the credit applications are appropriate and should be recognized.

The credit applications are summarized as follows:

Developer/Owner	Location	Type and Date of Agreement	Request from	Recommended Decision
Mundet Industries Limited/The Greens at Tam O'Shanter	Bonis Avenue north-west of Kennedy Rd. and Sheppard Ave. E.	Subdivision Agreement dated April 17, 1989	Letter from Tridel dated Oct. 29, 1999	Credit Application should not be recognized
Kosmor Construction Inc., Linway Developments Ltd., Credit Meadow Investments Ltd. and 870769 Ontario Limited	South of Eglinton Avenue and east of Brentcliffe Road	No record of agreement	Letter from McCarthy Tetrault dated Oct. 29, 1999	Credit Application should not be recognized
Gerrard-Clonmore Developments Ltd	Gerrard and Clonmore Avenues	Development Agreement dated August 22, 1988	Letter from Davies Howe Partners dated July 30, 1999	Credit should be recognized in accordance with terms of the agreement
Rosedale Developments Inc.	4917-4995 Yonge Street 11-27 Hollywood Avenue and 8 and 18 Spring Garden Avenue	Development Agreements dated May 2, 1991 and May 5, 1992	Letter from Davies Howe Partners dated Aug. 12, 1999	Credit should be recognized
CIBC Development Corporation and Ontario Hydro	5000 Yonge Street	Development Agreement dated September 13, 1990	Letter from Goodman Phillips and Vineberg dated Sept. 7, 1999	Credit should be partially recognized
Mondeo Development Corporation	740 Ellesmere Road	Subdivision Agreement dated October 5, 1998	Letter from Tridel dated Oct. 19, 1999	Credit application should not be recognized
554056 Ontario Ltd. M andR Holdings Staines Development Corporation Neilson Development Corporation	Morningside Heights	Agreement dated February 2, 1982	Letter from Davies Howe Partners	Credit should be recognized

Comments:

Not applicable

Conclusions:

Staff are satisfied that the recommended decisions are appropriate and should be approved by Council. The applicant has the opportunity to appeal Council's refusal to recognize a credit to the Ontario Municipal Board.

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*(Mayor Lastman, at the meeting of City Council held on December 14, 15 and 16, 1999, declared an interest in the foregoing Clause, in that the Applicant's solicitor is employed by the same law firm as his son who is not a real estate lawyer and does not personally act on this file.)*