

October 16, 2007

To: Chair and Members
Public Works and Infrastructure Committee

Re: An unjust Council Policy that needs to be fixed

A recent e-mail received by my office reads as follows:

Hi there Mr Moscoe, I am trying (very unsuccessfully) to get through to the planning department to get my deposit back on a renovation that was scheduled to happen 3 yrs ago on my home but never did. Apparently I had to put a deposit with the City of North York when a permit is issued for any potential damages to city property. I am now asking for my deposit (\$500.00) back and they have said the date has passed for me to get my money back and now I have lost the \$500.00 deposit!!!!Please help as I am on a single parent income and I would like my \$500.00 dollars back.I would appreciate all your help in this matter.The permit was issued to my home address of 58 Regina Avenue. Please help!!!!!!!!!!!!

My office also received two other phone calls from the property owners of 41 Wenderly Drive and 662 Glencairn Avenue who are experiencing this same problem.

This situation arises from a policy adopted without amendment by Toronto Council at its meeting of May 23, 24 and 25, 2006, which appeared to be a routine report for the “Harmonization of the Road Damage Deposit Process”. People who for the most part are building small additions to their homes are required to deposit a sum of money with the city to ensure that the city road is not damaged as a result of the construction.

There are typically from 8,000 to 10,000 small projects that do not require site plan where damage deposits are taken by the city. The average damage deposit for a small residential project like the construction of an addition or a garage is \$2,000. Under the new by-law the onus is on the homeowner to re-claim the deposit.

The problem is that most of these are first time projects for most homeowners. Under the new rules, if the damage deposit is not claimed within three years the city simply keeps the money.

Furthermore, most of the permits are filed on behalf of homeowners by agents. The agent is not going to hang around for three years waiting to claim a damage deposit on behalf of his client. Once he is paid...he is gone.

So how did we notify people that we were going to change the policy and keep their money? We took out one ad in one daily newspaper and posted the by-law change on the city web site.

And how do we tell people that their damage deposit is ready to be picked up? We don't.

The end result is that the city keeps some \$19 million dollars of money that is not legitimately ours and once again another block of our citizens feel that they are ripped off by their municipal government.

Surely, you would expect that someone in our administration could figure out a system to automatically refund damage deposits. Surely we have some responsibility to treat our citizens the way that we would want to be treated. Surely, the city believes in ethical business practices.

We need to reconsider the policy and amend it to make it fair to all.

Recommendations:

- 1. That the property owners of 58 Regina Avenue, 41 Wenderly Drive and 662 Glencairn Avenue be refunded their damage deposit.**
- 2. That the city policy regarding road damage deposits be reconsidered and that staff be instructed to bring back an amended policy that is fair and just.**