

APPENDIX B

TREE PLANTING AND PROTECTION DEPOSITS - PERFORMANCE DEPOSIT		
General Description	Existing Process	Go Forward Process
<p>Tree Planting Guarantees are required with all applications and requests where tree planting is proposed on City's Street and in certain circumstances where tree planting is proposed on private property.</p> <p>Nature: Commercial and Residential</p> <p>Deposit Fee range: \$100-60,000</p> <p>Authority: Municipal Code, Chapter 813, article II and III</p>	<ol style="list-style-type: none"> <li>1. When applied for building permit, the applicant completes the Tree Declaration form so that the Parks, Forestry and Recreation (PFR) division collects information in respect with the extent the construction will impact the Private and City-Owned Trees.</li> <li>2. When tree planting is part of the Site Planning application, City Planning staff send the request to Urban Forestry of PFR for review and approval.</li> <li>3. Upon the application approval, Urban Forestry sends a letter to the applicants requesting the deposit. The details on the refund procedure are not clearly outlined to the applicants.</li> <li>4. The financial security deposit is a requirement on all applications, including the Tree Declaration form. However, they don't describe the refund process requirement.</li> <li>5. At the end of the guarantee period, upon receiving the notice from the applicant, a City inspection is performed to determine the status of trees on question.</li> <li>5. Depending on how the tree planting/protection conditions have been met, the deposit is refunded in full, partially or retained by the City, on the Deferred Tree Revenue Account</li> </ol> <p style="text-align: center;"><b><u>Backlog Clearing Process</u></b></p> <p>Making all attempts to clean the outstanding balance for deposits prior 2006, Urban Forestry is planning on an advertisement in a local newspaper within the month of June to notify the applicants of their potential refund, if requirements are met.</p>	<ol style="list-style-type: none"> <li>1. A new process has started to be implemented since March 2009, which will be more effective and efficient in the future refund process. It contains all steps of existing process and additional ones to ensure the refund process is transparent and proactive.</li> <li>2. Applicant is provided with a new Tree Guarantee Deposit form and a letter requesting deposit. Both forms clearly indicate the deposit and refund process and requirements.</li> <li>3. Urban Forestry accepts the form and deposit and returns the green copy of the form and receipt to applicant.</li> <li>4. Urban Forestry will update its database system, Toronto Maintenance Management System ( TMMS), and create a reminder follow up date for each application.</li> <li>5. Applicant advises that trees have been planted or tree protection has been constructed in accordance with approved plan. Two year guarantee period commences and the TMMS is updated.</li> <li>5. Applicant is required to advise in writing that trees have been planted for two (2) years or construction activity is complete and request a refund of the Tree Guarantee Deposit.</li> <li>6. Urban Forestry sets an inspection and reviews the site and file. Based on the inspection results, a deposit refund is processed or arrangements for noncompliance are made.</li> <li>7. When applicant has not requested a refund within 2 years, the reminder update generated by TMMS will initiate the inspection by PFR staff.</li> </ol>

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**MUNICIPAL ROAD DAMAGE DEPOSITS (MRDD) - PERFORMANCE DEPOSIT**

General Description	Existing Process	Go Forward Process
<p>Applications to build a residential and commercial property must submit financial securities where there is a possibility of damage to a portion of the City's right-of-way. Securing the funds enables the prompt and proper restitution of any damages to the municipal road and laneway infrastructure (such as pavements, curbs and sidewalks). MRDD's are typically collected by the Building Division, but are not a requirement to issuing a building permit.</p> <p>Nature: Commercial and Residential</p> <p>Fee: Residential - \$2,072.69 - 2009 Commercial - \$5,261.47 - 2009 The deposit fee is subject to annual increase by CPI</p> <p>Authority: Municipal Code 743-4, City of Toronto By-law No. 462-2006</p>	<ol style="list-style-type: none"> <li>1. The applicant completes the MRDD form at the time of Building permit application and pays the refundable deposit fee.</li> <li>2. The application form outlines all refund requirements and deadlines.</li> <li>3. After the completion of the work , the applicant must make an application in writing requesting the refund.</li> <li>4. Upon receiving the application, the City conducts an inspection of the property. If there is no damage, the deposit is refunded, otherwise it will be forfeited to the City to cover the cost of the work needed to restore the City's property.</li> <li>5. Under the existing and legacy system, inspections and closure of files is only conducted as the builder, owner or depositor request a refund of their deposit. This has resulted in the accumulation of these deposit monies, as these calls for refunds or final inspections are often not made.</li> <li>6. The deposit will be forfeited to the City, where an application for</li> </ol> <p style="text-align: center;"><b><u>Backlog Clearing Process</u></b></p> <ol style="list-style-type: none"> <li>1. Transportation Services have reviewed and followed up with all applicant's files</li> <li>2. As a result, 96% of the balance represents work in progress and the deposits need to be held.</li> </ol>	<p>In addition to the existing process, commencing on July 2, 2009, the Road Allowance Control System (RACS) computer system will generate a letter, 2 months before the deadline, advising the applicants of the refund process timeline expiration.</p>

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SITE PLAN SECURITY DEPOSITS - PERFORMANCE DEPOSIT		
General Description	Existing Process	Go Forward Process
<p>Financial securities are required to ensure applicants/ owners fulfill the project's on-site landscaping requirements (e.g. trees, shrubs, lighting, walkways, etc.) in accordance with the approved site plan.</p> <p>Nature: Commercial and Residential</p> <p>Deposit Fee range: \$1,000.00 - \$400,000.00 and over</p> <p>Authority: Section 41(7)(c) of the <i>Planning Act</i> and Section 114(11)(c) of the <i>City of Toronto Act</i>.</p>	<p>1. The amount to be collected is determined by the landscaping cost estimate, that is typically submitted by a Landscape Architect and is part of the Site Plan Agreement . Prior to March 1, 2009, Community Planning collected 120% of the estimated cost as a security. However, due to the current economic climate, after March 1, 2009, the financial security collected will represent 75% of the value of the cost estimate until further notice.</p> <p>2. The amount to be collected is part of the Subdivision and/or Condominium Agreement. In some instances, financial securities are collected for these types of agreements prior to provincial registration ( eg. Condominium Registration) to secure the landscaping requirements.</p> <p>3. Certified cheques are collected from applicant/owner and once deemed accurate, the financial security is deposited and held in the Site Plan Condition Guarantee account until such time as it is deemed "refundable". The applicant/owner has 2 years from the date of final Site Plan approval to complete all the on-site landscaping requirements in accordance with the approved plans. Failing this, the applicant/owner must request a project extension from the Director of Community Planning. Given that the financial securities collected do not expire, the security can be held until the work is completed.</p> <p>4. Requests for refunds are driven by the applicant/owner as they know of the progress of the construction project. These requests can occur several years after the financial securities have been collected. A Site Plan Technician will conduct an inspection based on the approved site and on-site landscaping plans and then prepares a site inspection (deficiency) report and determines the amount of the refund to be issued to the applicant based on the level of compliance with the approved plans. This site inspection report is sent to the applicant/owner for site remediation and/or completion.</p> <p><b>Partial Refund:</b> If a partial customer refund is issued, then the Site Plan Technician awaits further contact from the applicant/owner for a second inspection. On average, it is common for 3 or 4 inspections to be undertaken prior to refunding the full amount.</p> <p><b>Full Refund:</b> Upon issuance of a final refund, the process is complete and file closed.</p> <p style="text-align: center;"><b><u>Backlog Clearing Process</u></b></p> <p>1. City Planning staff, together with Revenue Services (PPF&amp;A) staff have been working on confirming status of deposits contained within an old holding account and identifying appropriate actions to be taken (eg. current - continue to hold, inspection required - continue to hold, project complete - refund, etc.). As deposits are confirmed current, they are being cleared from this old deposit account and transferred into newly established District-based Community Planning deposit accounts.</p> <p>2. The Division has reviewed the four district-based deposit accounts. Old ravine deposits collected by the former City of Etobicoke were addressed by the March 31's newspaper advertisement. The remaining balance status is current as represent work in progress.</p>	<p>The current process is working well - there is no need for any changes on a go forward basis.</p>

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MAJOR ROAD CONSTRUCTION & MODIFICATION SECURITY DEPOSITS - PERFORMANCE DEPOSIT		
General Description	Existing Process	Go Forward Process
<p>The security is collected for the major construction of or modification to municipal road infrastructure from developers. Includes road and intersection modifications, new sidewalk, construction of new water mains, sewers and stormwater management facilities.</p> <p>Nature: Commercial / Developers</p> <p>Deposit Fee: varies (equal to the value of the infrastructure being constructed)</p> <p>Authority: Municipal Code 415 and various agreements entered into under the Planning Act (Section 37 Agreements, Site Plan Agreements, Subdivision Agreements)</p>	<ol style="list-style-type: none"> <li>1. A security deposit is taken by Development Engineering (DE) to secure the construction of municipal infrastructure needed by the new development.</li> <li>2. DE staff conduct periodic inspections during construction of the infrastructure.</li> <li>3. A performance inspection is conducted by DE staff upon construction completion. <ul style="list-style-type: none"> <li>- if there are no deficiencies, 80% of the security is released</li> <li>- if there are deficiencies, the developer is required to correct these</li> </ul> </li> <li>4. The remaining 20% of the security is held for a 2 year warranty period. At the end of the 2 years and upon request by the developer, an inspection is carried out. <ul style="list-style-type: none"> <li>- If there are no deficiencies the remaining security is released.</li> <li>- if there are deficiencies, the developer is required to correct these deficiencies to the City's satisfaction before release of the remaining portion of the security.</li> </ul> </li> </ol> <p style="text-align: center;"><b><u>Backlog Clearing Process</u></b></p> <ol style="list-style-type: none"> <li>1. Each District within DE is conducting a detailed review of all prior to 2006 deposits, currently being held, and confirming the following: <ul style="list-style-type: none"> <li>- the purpose of the deposit</li> <li>- the status of the development project</li> <li>- feasibility of contacting a vendor in case of refund</li> </ul> <p>The intent is to complete the full review by the end of 2009.</p> </li> <li>2. Once these steps are completed for each deposit, the refund process is initiated.</li> <li>3. Deposits with very limited information were dealt with the newspaper advertisement in March 31, 2009.</li> </ol>	<ol style="list-style-type: none"> <li>1. Information regarding the purpose and amount of the security is entered into Technical Services' 'Project Tracking Portal' (PTP). PTP is a new web based database used by Development Engineering to assist with the tracking of development applications. It includes a Financial Tracking Module.</li> <li>2. PTP will be updated to reflect the partial and full release of securities.</li> <li>3. Development Engineering is working to establish a harmonized practice for the deposit and refund/releases procedures. <ul style="list-style-type: none"> <li>- has developed standardized documents dealing with deposit collection and refund release to be used by all districts</li> <li>- has established clear responsibilities between them and ROW management, as both deal with Developers application</li> </ul> </li> <li>4. SAP is now updated with more current and descriptive information so that the deposit will be more easily tracked in the future.</li> </ol>

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MINOR ROAD CONSTRUCTION & MODIFICATION SECURITY DEPOSITS - PERFORMANCE DEPOSIT		
General Description	Existing Process	Go Forward Process
<p>For minor roadway infrastructure work associated with construction proposals from development applications. Deposits are taken: (1) to guarantee for work in the public right of way (2) to guarantee for work in association with relocation/removals of street furniture (i.e. benches, OMG boxes)</p> <p>Nature: Commercial/Developers</p> <p>Deposit Fee: 100% of the value of the new infrastructure (i.e. sidewalk) being constructed. This estimate is prepared by either Dev Eng, Road Operations or a private consultant.</p> <p>Authority: Business Practice</p>	<ol style="list-style-type: none"> <li>1. The applicant completes the Application Form at the time of Application to Work within the Public Right of Way and pays the refundable Deposit fee.</li> <li>2. There is documentation within each individual client/location file relating to security to the extent it existed at the time of the original application.</li> <li>3. Applicant advises Right of Way( ROW) staff, when work is completed and requests a refund of the deposit.</li> <li>4. Development Engineering or Road Operations do the inspection before initiating any release.</li> <li>5. The release is 75% upon completion of the project following receipt of written request in case of no damage.</li> <li>6. The 25% is held for 2 years upon which another inspection is carried out. If there are no deficiencies the security is then released.</li> </ol> <p>As some of the developments could take 3-5 years to complete the deposits can be active for a long period of time .</p> <p style="text-align: center;"><b><u>Backlog Clearing Process</u></b></p> <p>ROW management has reviewed the list of deposits prior to 2006 and as a result:</p> <ul style="list-style-type: none"> <li>- 50% is confirmed to hold as it is work in progress</li> <li>- 50% were included in newspaper advertisement</li> </ul>	<ol style="list-style-type: none"> <li>1. ROW is implementing the RACS system's update so that a reminder follow up date is generated.It is scheduled to start on August 4, 2009</li> <li>2. Applicant advises ROW work is completed and requests a refund of the deposit.</li> <li>3. Two years after the application, if applicant has not requested a refund, ROW will send a letter requesting the status of work performed.</li> </ol>

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OTHER MISCELLANEOUS ROAD WORK - PERFORMANCE DEPOSIT		
General Description	Existing Process	Go Forward Process
<p>Collected for work pertaining to boreholes, monitoring wells and any other cut damages on the roads to be repaired by the applicant.</p> <p>Nature: Commercial and Residential</p> <p>Deposit Fee range: \$225 - 300,000</p> <p>Authority: Municipal Code 743-4, Business Practice</p>	<ol style="list-style-type: none"> <li>1. Road Work Permit is required to undertake work on the City's Right of Way.</li> <li>2. Road Work Permit is issued when all conditions are met and the security deposit is provided.</li> <li>3. A notice is also sent to the applicant that outlines the conditions and requirements of the deposit.</li> <li>4. Generally the deposit is held for 1-2 years to allow the applicants work to go through a freeze/thaw cycle. When monitoring wells are installed, the deposit is held until the wells are decommissioned which can be long term.</li> <li>5. Upon completion of the work/inspection, usually the refund is initiated by applicant, in writing.</li> <li>6. ROW management implemented deposit management system in 2006. The system keeps record/track of the status of each deposit.</li> <li>7. The new system enables the City to initiate refunds when work/inspection is done and the deposit can be released to applicants.</li> <li>8. The ROW section has created written detailed procedural guidelines to be followed by staff in processing the deposit and their refunds.</li> </ol> <p style="text-align: center;"><b><u>Backlog Clearing Process</u></b></p> <ol style="list-style-type: none"> <li>1. ROW management has reviewed the list of deposits prior to 2006 and as a result: <ul style="list-style-type: none"> <li>- 25% are addressed by the newspaper advertisement. - these are deposits collected before implementing deposit management system.</li> <li>- The rest is confirmed to be held as it is work in progress</li> </ul> </li> </ol>	<p>The current process is reviewed and streamlined, and it is working well.</p>

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PAWNBROKER LICENSE SECURITY DEPOSITS - PERFORMANCE DEPOSIT		
General Description	Existing Process	Go Forward Process
<p>For issuance of Pawnbroker license as per the provisions of the Pawnbrokers' Act which protect customers and the public from any potential unprincipled actions.</p> <p>Nature: Commercial</p> <p>Deposit Fee: \$2,000.00</p> <p>Authority: Municipal Code 545-294</p>	<ol style="list-style-type: none"> <li>1. The applicant completes the Business Licence Application form and pays the refundable security deposit before receiving a license.</li> <li>2. The application form outlines that business has to be carried on in compliance with the requirements of Toronto Municipal Code 545.</li> <li>3. The applicant must make an application in writing requesting the refund after cancellation of the license (i.e. closure of a business).</li> <li>4. Upon receiving the application, Licensing office staff review the applicant business file and prepare refund requisition accordingly.</li> <li>5. Finance releases the deposit upon receipt of approved cheque requisition from Licensing office.</li> <li>6. The deposit account is reviewed and reconciled monthly by Revenue Services staff at East York Civic Centre.</li> <li>7. Periodically, License status is reviewed, and a notice is sent to applicants in respect with the deposits, if the business is no longer active.</li> <li>8. Every person who, without reasonable excuse, contravenes or fails to comply with Pawn Brokers Act is guilty of an offence and on conviction is liable to a fine of not more than \$2,000.</li> </ol> <p style="text-align: center;"><b><u>Backlog Clearing Process</u></b></p> <p>All the deposits collected prior to 2006 are for active license holders and are to be held.</p>	<p>In addition to existing process, ML&amp;S staff will review and reconcile annually the Sundry Account, to determine the cancelled Pawnbroker licenses.</p>

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CONSUMPTION WATER SECURITY - CONDITIONAL DEPOSIT		
General Description	Existing Process	Go Forward Process
<p>Individuals or developers drawing water from the City's Hydrants for temporary use are to pay for the consumption of water used in excess of 50 m3.</p> <p>Nature: Commercial and Residential</p> <p>Deposit Fee: Conditional</p> <p>Authority: Municipal Code 849 Municipal Code 441</p>	<ol style="list-style-type: none"> <li>1. Toronto Water implemented work management system - Hansen System in 2006. The system assigns a unique Customer Service Request # to each applicant who has submitted security deposit and keeps record/track of the status of each work order.</li> <li>2. Water consumption fees in excess of 50m3 are estimated based on anticipated usage and taken as a conditional deposit.</li> <li>3. A permit is issued to the applicant indicating the expiration date.</li> <li>4. Toronto Water will inspect the hydrant; install backflow preventers; a meter and a control valve for use by the applicant.</li> <li>5. Upon notification from the individuals/developers, Toronto Water Staff will reinspect and shut off the hydrant and recover the meter, backflow and control valve assembly.</li> <li>6. Toronto Water staff will read the meter and determine the consumption and issue a refund where deposit fees are exceeded or request an invoice be sent in the case where the cost of water consumed exceeds the deposit.</li> <li>7. Bulk Water Filling Station Process has been discontinued.</li> </ol> <p style="text-align: center;"><b><u>Backlog Clearing Process</u></b></p> <p>Deposits prior to 2006 are mostly related to the Bulk water and will be dealt with by the newspaper advertisement of March 31,2009.</p> <p>Unclaimed deposits will be transferred to City's revenue account.</p>	<p>In addition to the existing process, at the expiry of the permit, Division will follow up with the applicant to ensure that the permit is no longer required and to make the final assessment of the water consumption.</p>