



**STAFF REPORT
ACTION REQUIRED
Confidential Attachment**

Disclosure of Development Charges

Date:	May 15, 2009
To:	Executive Committee
From:	City Solicitor
Wards:	All Wards
Reference Number:	

SUMMARY

The purpose of this report is to respond to a request for legal advice about the City's ability to require builders to:

- (a) disclose any development charges where an agreement of purchase and sale is entered into for a new home; and
- (b) include municipal charges in the advertised price for a new home.

These matters are addressed in the confidential attachment as the advice contained therein is subject to solicitor and client privilege.

RECOMMENDATIONS

The City Solicitor recommends that:

- 1. the City Solicitor recommends City Council receive this report for information; and
- 2. the Confidential Attachment "A" remains confidential in its entirety.

FINANCIAL IMPACT

This report will have no financial impact beyond what has already been approved in the current year's budget.

DECISION HISTORY

At its meeting of February 23, 24 and 25, 2009 City council adopted recommendations related to "Development Charges-Discussion of Comments Received and Revisions to Proposed by-law". The following recommendation was adopted:

The City Solicitor be requested to report to the Executive Committee no later than June 2009, on the enactment of a by-law under the City of Toronto Act to establish consumer protection measures requiring full disclosure to all purchasers of all Development Charges payable at the time of entering into an Agreement of Purchase and Sale, and whether the City can require that development and other municipal charges be included in the advertised sale price of a dwelling unit and not charged separately at time of closing.

ISSUE BACKGROUND

I have previously advised Council that the *Development Charges Act, 1997* does not empower the City to impose these requirements and in this report will examine the power granted by the *City of Toronto Act, 2006* to pass by-laws for consumer protection purposes.

COMMENTS

The report request raises two issues:

1. Can the City require vendors to disclose development charges to purchasers before the Agreement of Purchase and Sale between them is signed?
2. Can the City require that development and other municipal charges be included in the advertised sale price of a dwelling unit and not charged separately at time of closing?

The confidential attachment addresses the two issues.

CONTACT

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SIGNATURE

Anna Kinastowski
City Solicitor

ATTACHMENTS

Attachment 1 – Confidential Advice on Disclosure of Development Charges
Subject to Solicitor and Client Privilege