



Councillor Chin Lee

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Moved By: Councillor Chin Lee

5789-5951 Steeles Avenue East - Deferral of Section 37 Funds

On November 10, 2006, the Ontario Municipal Board approved amendments to the Scarborough Official Plan and the Scarborough Zoning By-law to permit the development of 5789-5951 for commercial and industrial uses. The zoning by-law requires that the owner of the property fund or provide "community space."

As per the Section 37 provisions for this development, the owner agreed to make a cash contribution of \$1,800,000 to fund the capital cost of expanding the existing Milliken Park CRC in order to satisfy the requirement for "community space."

To date, the owner has contributed **\$180,000** to facilitate architectural and designs services for expansion of the Milliken Park CRC. As per the provisions of the Section 37 agreement, the remaining balance of **\$1,620,000** plus interest, was to be made payable on or before **December 31, 2011**. The property changed ownership in late 2011.

This has been deferred a number of times, as a result of a downturn in the economy and tighter credit market. The owner has requested a further extension, until **March 31, 2014**, to pay the total amount outstanding, which includes the interest charges of 8% per annum.

Recommendation

1. That the City Solicitor be authorized to amend the provision of the Section 37 agreement for 5789 to 5951 Steeles Avenue East pertaining to the deadline for the final cash contribution in order to allow the owner to defer the final cash contribution to **March 31, 2014**

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