



REPORT FOR ACTION WITH CONFIDENTIAL ATTACHMENT

2490-2515 Yonge Street, 10-20 Castlefield Avenue, 565-567 Duplex Avenue – Development Charges Complaint – Request for Directions

Date: September 18, 2025

To: City Council

From: City Solicitor

Wards: Ward 8 - Eglinton - Lawrence

REASON FOR CONFIDENTIAL INFORMATION

This report contains advice or communications that are subject to solicitor-client privilege. This report contains information regarding potential litigation.

SUMMARY

On February 28, 2025, the City received a complaint from 2500 Yonge Street Ltd. (the "Complainant"), pursuant to Section 20 of the *Development Charges Act, 1997*, S.O. 1997, c. 27 (the "Section 20 Complaint"), for 2490-2515 Yonge Street, 10-20 Castlefield Avenue, 565-567 Duplex Avenue (the "Site") regarding the payment of development charges.

The City Solicitor requires further directions. For reasons set out in Confidential Attachment 1, this matter is urgent and cannot be deferred.

RECOMMENDATIONS

The City Solicitor recommends that:

1. City Council adopt the recommendations contained in Confidential Attachment 1 to this report from the City Solicitor.
2. City Council direct that the confidential recommendations and all other information contained in Confidential Attachment 1 and Confidential Appendix "A" to this report from the City Solicitor is to remain confidential as it contains advice and information which is subject to solicitor-client privilege and litigation privilege.

FINANCIAL IMPACT

The financial impact of the proposed settlement is detailed in Confidential Attachment 1 to this report.

DECISION HISTORY

On December 14 and 15, 2022, City Council adopted Item EX1.6, which directed that the general terms and conditions of the below grade conditional permit development charges agreement be amended so that the development charges due and payable to the City, pursuant to the agreement, would be determined based on the higher of the development charge rate in effect at the time of permit issuance or the development charge rate in effect based on Section 26.2 of the *Development Charges Act, 1997* (the "Higher of Provision"). City Council also directed that interest would be payable where development charges are determined based on Section 26.2 of the *Development Charges Act, 1997* in the agreement. City Council's resolution for Item EX1.6 can be found at:

[Agenda Item History - 2023.EX1.6](#)

On June 25 and 26, 2025, City Council adopted Item EX24.2, which rescinded the current practice of using the agreement discussed above, inclusive of the Higher of Provision, for applicants seeking conditional below grade permits for all new developments and any development, subject to the agreement discussed above, provided no development charge has been paid. City Council's resolution for Item EX24.2 can be found at:

[Agenda Item History - 2025.EX24.2](#)

On February 28, 2025, the City was served with the Section 20 Complaint, regarding a dispute arising from the amount of development charge the Complainant paid in relation to the development on the Site. The Complainant disputed the \$498,142 of development charges it paid to the City and sought a refund in the amount of \$219,943 from the development charges it paid.

COMMENTS

The City Solicitor requires further instructions on this matter. This report is about an ongoing complaint and contains advice or communications that are subject to solicitor-client privilege.

CONTACT

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SIGNATURE

Wendy Walberg
City Solicitor

ATTACHMENTS

1. Confidential Attachment 1 - Confidential Information
2. Confidential Appendix "A" - Confidential Information