

Clause 2 in Report No. 1 of Committee of the Whole was adopted, without amendment, by the Council of The Regional Municipality of York at its meeting held on January 25, 2018.

2

Development Charge Complaint Hearing
820 Lagoon Drive, Town of Georgina

Committee of the Whole recommends adoption of the following recommendation contained in the report dated December 22, 2017 from the Commissioner of Finance:

1. Council dismiss the Development Charge Complaint lodged by Alan Erwood.
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Report dated December 22, 2017 from the Commissioner of Finance now follows:

1. Recommendations

It is recommended that:

1. Council dismiss the Development Charge Complaint lodged by Alan Erwood.

2. Purpose

This report addresses a Development Charge Complaint initiated by the owner of the lands known as 820 Lagoon Drive located in the Town of Georgina (hereafter the "Complainant").

3. Background

The Complainant proposes to construct a single family dwelling

The Complainant demolished a cottage/seasonal dwelling to permit the construction of a single family dwelling on the lot. The existing dwelling was serviced by a septic system and received non-potable water from a nearby water

body. The existing structure could not accommodate a connection to the town water supply when it was made available in 2000. The Complainant is redeveloping the site to construct a single family dwelling that will be fully serviced.

The Complainant has already paid \$28,023 in Regional development charges

To proceed with construction, the Complainant was required to pay a total of \$28,023 in Regional development charges. Development charges were calculated based on the difference between prevailing single family dwelling rate and prevailing unserviced (no water or wastewater services) single family dwelling rate. A redevelopment credit was provided for the roads and general services components of the single family dwelling rate (see Table 1).

Table 1
Development Charges paid for 820 Lagoon Drive, Town of Georgina

	Rate applied
Single family Dwelling	\$48,320
Redevelopment credit*	(\$20,297)
Total Development Charges Paid	\$28,023

*Redevelopment credit equals roads and general services (\$14,206+\$6,091).

The Complainant disagrees with the application of development charges and has filed a Development Charge Complaint

The Complainant disputes the Region's application of redevelopment credit for the existing unserviced dwelling. The Complainant submits that, although the existing dwelling was not connected to services, it is similar to adjacent dwellings connected to Town services, and he should be entitled to a full redevelopment credit. He argues that since each lot has already been assigned capacity, the Region does not need to provide any additional infrastructure. The Complainant is seeking a refund of the water and wastewater development charges paid for this dwelling unit.

The Development Charge Complaint was filed on September 20, 2017, which was within 90 days of the development charges becoming payable (see Attachment 1).

Link to Key Council-approved plans

The collection of development charges in accordance with the policies of the Development Charges Bylaw is an indicator of success for York Region's *2015 to 2019 Strategic Plan* objective to practice sound fiscal management.

4. Financial Considerations

The value of the Development Charge Complaint is \$28,023. If the Complainant is successful, the Region would refund this amount.

5. Local Municipal Impact

This complaint does not have financial implications for the Town of Georgina.

6. Conclusion

The Complainant's dwelling did not have water and wastewater services prior to demolition. The new structure will be connected to full municipal services and the complainant was required to pay the water and wastewater components of development charges. The Region applied the full single family dwelling rate to this dwelling and provided a redevelopment credit for the roads and general services component.

For more information on this report, please contact Edward Hankins, Director, Treasury Office, at 1-877-464-9675 ext. 71644.

The Senior Management Group has reviewed this report.

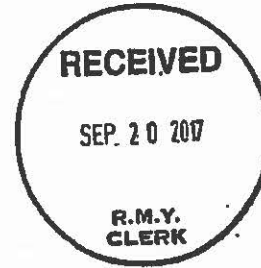
December 22, 2017

Attachment (1)

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Accessible formats or communication supports are available upon request

Regional Clerk
 Regional Municipality of York
 17250 Yonge Street, 1st
 Newmarket, Ontario
 L3Y 6Z1



Re: Development Charge request for reconsideration - 820 Lagoon Drive, Permit ~~16-469~~ 160674

The payment of the York Region Development Charge related to the issuance of a building permit for the building of a residential dwelling at 820 Lagoon Drive Paradise Beach in the Town of Georgina is being made under protest pending a review by the council of the Region of York.

The payment of \$28,023.00 will allow the issuance of the permit, so that construction may begin on the site, which followed the demolition of the pre-existing dwelling in December 2016 in preparation for the building of the replacement structure.

This complaint By Alan Erwood, Toronto, Ontario, to the municipality is made under the Provincial Government's Development Charges Act as it appears the decision to apply charges has not properly taken into account the available credit and the existing services allocated to the site by the Region under section 20 of the Act.

This request stems from decision the by the region to not issue a development charge credit as stated in the email of August 30th 2017 from Jeremy Liscumb, Zoning Examiner, Development Services, Town of Georgina

"Regional Development Charge – Response by Fabrizio Filippazzo, Manager of Development Financing, Region of York that the evidence provided is satisfactory to apply a Regional Development Charge credit for an un-serviced single family dwelling. The credit applies for four years from the date the demolition permit was issued (August 30, 2016). Mr. Filippazzo confirmed that the Regional DC amount payable will be the difference between the new municipally serviced single family dwelling and the credit for the previous un-serviced single family dwelling. This amount will be payable by certified cheque at the prevailing rate at the time of building permit issuance. The current difference in rates. Which is subject to increase without notice is as follows.

New municipally serviced dwelling = \$48,320.00

Credit for un-serviced dwelling = \$20,297.00

Amount currently payable = \$28,023.00 (Note that the credit applies only if the permit for the replacement single family dwelling is issued prior to August 30, 2020"

As noted in the Region's By-Law "Reduction of Development Charges Where Redevelopment" section 3.15 a credit is applied to the development charges where a redevelopment takes place and an existing dwelling is demolished within 48 months. As the Region has seen fit to grant the credit related to soft

services and some infrastructure , but not grant credit for water and sewer infrastructure this is at odds with the stated objective of the By-Law and in contravention of the Provincial Act.

" WHEREAS Section 2 of the *Development Charges Act*, S.O. 1997, ch. 27 (the "Act") authorizes the Council of the Regional Corporation to enact a by-law to impose development charges against land to pay for increased capital costs required because of increased needs for services arising from development" as stated in By-Law No. 2017-35

As state in my correspondence with Mr. Filippazzo

How is the 820 Lagoon Drive lot (dwelling) any different then adjacent dwellings currently connected to town services? Each lot was assigned the capacity on the regional infrastructure when the lots were serviced. Therefore the Region does not need to provide any additional infrastructure. Given that each front foot of the lots was assessed a local improvement charge for sewer and water servicing, how can the region deem that the lot is not serviced? Has the capacity assigned to the lot on the system been miss allocated by the region?

More than 95% of the subdivision in Willow and Paradise Breach (late 1930's) in the area north of the metro road where developed into seasonal dwellings on rudimentary septic systems with water drawn from the lake by the late 1950's. In the late 1970's the transition to year round use in the area was well under way. The need for more effective management of sewage and access to potable water (Georgina still has public taps) led to sewage holding tanks or if the lot could accommodate a raised tile bed and drilled wells. In the mid 2000's the town and the region under took the project to service the area. The project provided servicing, expanded or made use of capacity in the Keswick treatment plant and built the Willow Beach water treatment facility.

Please note that the report to the Georgina Council pb-2002-0118 stated that existing capacity at the Keswick Water Treatment Plant was assigned to the Willow Beach service area and therefore no new capacity is required as the current existing service was given capacity and the Region is not required to provide additional capacity based on the issuance of the building permit. The Town also has charged a mandatory service fee under its bl-2005-0090. The treated water is supplied to the lot by the Willow Beach treatment facility and this capacity was also allocated to the lot like adjacent serviced lot therefore no additional capacity is required for the provision of water to this lot. Costs other than the waterwork rate related to the Willow Beach Servicing project are not imposed on other occupied lots Georgina BY-LAW NO. 2002-0107. Therefore the failure to provide credits for the development charges cannot be

justified by the region as no additional infrastructure not already allocated to 820 Lagoon Drive is required on issuance of the building permit.

As noted in the Town of Georgina report REPORT NO. PB-2007-0019, the existing capacity was used for the serving of the lot.

In April 1996, York Region re-rated the Keswick Sewage Treatment Plant from 27,000 persons capacity to 33,000 persons. Shortly thereafter, staff brought a report to Council recommending that 7,000 persons of sewage servicing capacity be set aside for the Willow Beach Area to allow for the future installation of municipal services. Council adopted this recommendation and, in 2002, an additional 500 persons was set aside for the Willow Beach Area. With commensurate water supply from the Willow Beach Water Treatment Plant, a total of 7,500 persons of water and sewer servicing allocation has been assigned to the Willow Beach Project Area.

The lot was serviced under the WILLOW BEACH AND SURROUNDING COMMUNITIES SERVICING PROJECT which had an estimated cost of \$52,800,000.00 in 2002. A waterwork rate was assigned to each serviced lot to recover the cost not covered by provincial or federal funding. See Georgina BY-LAW NO. 2002-0107

Yours Truly



Alan Erwood

Peter Erwood as attorney