

Meeting Date: May 6, 2019
Department: Building/Planning & Waste Management
Prepared By: Matthew Stephenson, Director
Reviewed By: Greg McClinchey, Chief Administrative Officer
SUBJECT: **Jaslo Properties Request for Development Charge Payment Option**

RECOMMENDATION: That Administration be directed to negotiate an agreement with JASLO Properties for Development Charges to be paid in five (5) equal payments totaling the sum of the Development Charge owed at the time typically payable with instalments on the 31st day of December each year starting in 2020 and completed in 2024; for the development of 370 Ellor St. Strathroy. Such Agreement shall be to the satisfaction of the Director of Finance and the Director of Legal and Legislative Services.

BACKGROUND

Jaslo Properties purchased the subject lands in 2017 with the intention of constructing a three storey thirty-eight unit (38) apartment building, in addition to a seventeen (17) unit townhouse complex.

COMMENTS

Jaslo Properties has requested a seven year agreement for the payment of the required development charges levied for their proposed development. Final drawings have been submitted to the Municipality, subject to the review by staff the estimated total of the Development charge is \$408,963.00, which will result in a yearly payback of \$81,792.60.

In addition to Council's June 2017 approval to Reman Corporation for a five-year development charge payment option, staff has researched other Municipalities, who have entered into such agreements, although not always commonly done, this has occurred in the City of Woodstock. Their Council resolution read:

c) Robert Leduc, Elite Dance Centre – Development Charges

Moved by Councillor S. Talbot

Seconded by Councillor S. Shapton

That Mr. Leduc be permitted to appear as a delegation.

Carried

Robert Leduc, Director of Operations of Elite Dance Centre, requested permission from Council to enter into an Agreement under Section 27 of the Development Charges Act for 27 Bysham Park Drive.

Moved by Councillor S. Talbot

Seconded by Councillor S. Shapton

That Woodstock City Council authorize staff to enter into an agreement under Section 27 of the Development Charges Act for the City portion of the development charges for 27 Bysham Park.

Carried

Action – Engineering, Administrative Services

The *Development Charge Act* states:

Agreement, early or late payment

27 (1) A municipality may enter into an agreement with a person who is required to pay a development charge providing for all or any part of a development charge to be paid before or after it would otherwise be payable. 1997, c. 27, s. 27 (1).

Amount of charge payable

(2) The total amount of a development charge payable under an agreement under this section is the amount of the development charge that would be determined under the by-law on the day specified in the agreement or, if no such day is specified, at the earlier of,

(a) the time the development charge or any part of it is payable under the agreement;

(b) the time the development charge would have been payable in the absence of the agreement. 1997, c. 27, s. 27 (2).

Interest on late payments

(3) An agreement under this section may allow the municipality to charge interest, at a rate stipulated in the agreement, on that part of the development charge paid after it would otherwise be payable. 1997, c. 27, s. 27 (3).

Strathroy-Caradoc Development Charge Bylaw # 14-15 states:

“Time of Payment of Development Charge

8. A development charge that is applicable under Section 5 of the Development Charges Act shall be calculated and payable;

(1) where a permit is required under the Building Code Act in relation to a building or structure, the owner shall pay the development charge prior to the timing of the issuance of a permit or prior to the commencement of development or redevelopment as the case may be; and

(2) Despite subsection 8(1), Council, from time to time, and at any time, may enter into agreements providing for all or any part of a development charge to be paid before or after it would otherwise be payable.”

Staff supports this request given the permission set out in section 8 (2) of the Strathroy-Caradoc Development Charges Bylaw, and further exemplifies the desire for Strathroy-Caradoc as a place to live, work and play and our willingness to partner with developers who share this same vision.

FINANCIAL IMPLICATIONS

Should Council consider this request, the financial implications would be that the monies owed would be fully paid over five years rather than a lump sum payment of \$408, 963.00.

ATTACHMENTS

None