

# The Corporation of the Town of Lakeshore

## Report to Council

### Community & Development Services

### Building Services



**To:** Mayor & Members of Council

**From:** Morris Harding, Manager of Building Services

**Date:** February 21, 2020

**Subject:** Maidstone Museum – Development Charges, Time of Payment

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### Recommendation

The Corporation of the Town of Lakeshore enter into an agreement with the Maidstone Museum for deferral of the payment of development charges over 2 years, as further described in the report of the Manager of Building Services presented at the March 10, 2020 Council meeting.

### Background

The Maidstone Museum is constructing a 600 sq. ft. addition to the existing building located at 1093 Puce Rd.

The following resolution was passed at the February 11 Regular Council Meeting as follows:

Waive the Planning Act-related and building permit fees for the Maidstone Museum 2020 expansion, direct Administration to prepare a development charges deferral agreement and the necessary by-laws to return to the next Council meeting and issue Town's 2020 annual grant as soon as possible.

Development charges are imposed, calculated, payable and collected upon **issuance of a building permit** for a development. Under the Town's Development Charges By-law, in accordance with Section 27 of the Development Charges Act, Council 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. Excerpts from the Development Charges By-law are set out below.

Development Charges shall be payable in the amounts set out in By-Law 46-2015 Imposition of Development Charges. The By-law is applicable to;

Any lands located in the area described in section 3.2; and

The development of the lands requires any of the approvals set out in subsection 3.4(a)

3.2 Subject to section 3.3, this By-law applies, to all land within the jurisdiction of the Town of Lakeshore whether or not the land or use thereof is exempt from Development Charges under section 3 of this by-law or from taxation under the Assessment Act, R.S.O. 1990, c.A.31, as amended.

3.3 Notwithstanding clause 3.2 above, this by-law shall not apply to lands that are owned by and used for the purposes of;

- a) the Town or local board thereof;
- b) a board of education; or
- c) the Corporation of the County of Essex or a local board thereof.

3.4 Development charges shall be imposed on all lands, buildings or structures that are developed for residential or non-residential uses if the development requires:

- (vi) the issuing of a permit under the Building Code Act in relation to a building or structure

#### Time of Payment of Development Charges

3.15 Development charges imposed under this By-Law are calculated, payable, and collected upon issuance of a building permit for the development.

**3.16 Despite section 3.14 and in accordance with section 27 of the Act, Council from time to time, and at anytime, may enter into agreements providing for all or any part of a development charge to be paid before or after it would otherwise payable.**

#### **Comments**

The Maidstone Museum project must pay the development charges as it does not qualify under the Council approved exemption provisions in Section 3.3 of the Town's Development Charges By-law.

The current Development Charge fees for the proposed structure are \$3.84 square foot, the addition is six hundred (600' 0" sq. ft.) for a total of Twenty Three hundred and four dollars (\$2,304.00).

In keeping with Council's motion passed February 11, and as permitted in Section 3.16 of the Development Charges By-law, staff recommend that the Town enter into an agreement to defer payment. A partial payment of \$1000 in the first year (2020) and a second payment of \$1304 in the second year (2021) is suggested.

Should Council not support the recommendation, Administration recommends payment on issuance of the building permit, as permitted in Section 3.15 of the Development Charges By-law.

Council may wish to consider whether to waive or reduce development charges for institutional uses or non-profit organizations during the Development Charges review exercise, which is currently underway.

### **Financial Impacts**

For the deferral of the payment of development charges, the Town will have to fund any development charges revenue shortfalls from the general levy.

**Attachment(s):** None.

### **Report Approval Details**

Document Title:	Maidstone Museum Development Charges - Time of Payment.docx
Attachments:	
Final Approval Date:	Mar 5, 2020

This report and all of its attachments were approved and signed as outlined below:

Tammie Ryall

Rosanna Pellerito

Kristen Newman

Truper McBride