



Corporation of the Township of Brock

Staff Report to the Mayor and Members of Council

From: Richard Ferguson

Position: Chief Building Official

Title / Subject: CHC Development Charge Partial Refund Request

Date of Report: February 10, 2023

Date of Meeting: February 27, 2023

Report No: 2023-DS-004

1.0 Issue / Origin

The Brock Community Health Centre (CHC) has sent correspondence to the Township seeking a partial refund of the development charges (DCs) paid in relation to the building permit issued on June 3, 2022 (Attachment 1).

Because the 90-day limitation period in the Development Charges Act has passed, this request could not be processed through the typical Complaint (Appeal) process found in the Act.

The purpose of this report is to get Council direction regarding the request.

2.0 Background

The Brock CHC was issued a building permit on June 3, 2022 for the construction of a new 3 storey building at 39 Cameron Street West in Cannington. As part of this process, DCs in the amount of \$78,256.05 were assessed by the building department for the Township of Brock and paid by the CHC.

The CHC is seeking reconsideration on the DCs paid to the Township, on the basis that a credit would have been provided if the permit for the new building was issued within 10 years of the demolition of the previous structure on the site.

The demolition permit for the previous structure was issued on August 24th, 2011 and the building area of the structure was 418m². Based on that information, had the building permit been issued prior to August 24th, 2021 the Township DCs would have been reduced by 418m² X \$43.97 = \$18,379.46.

3.0 Analysis

Section 17 – “Phasing, Timing of Calculation and Payment” and Section 24 – “Rules with Respect to the Redevelopment of Land” of The Township of Brock DC By-Laws 2880-2019-PL/2881-2019-PL

describe the timing and rules around these types of payments and reductions. The By-Laws specify that the building permit for the new building must be issued within 10 years of the date of the issuance of the demolition permit.

While the CHC's building permit application for the new building was made prior to the August 24th, 2021 deadline, it was deemed incomplete and the permit was not issued until June 3, 2022, more than 9 months beyond the 10-year deadline.

It appears the delay in obtaining the permit was due to circumstances beyond the control of the CHC (as well as the Township).

4.0 Related Policies / Procedures

Township of Brock Development Charges By-Laws 2880-2019-PL and 2881-2019-PL

<https://www.townshipofbrock.ca/en/building-and-business-development/planning-and-development.aspx>

5.0 Financial / Budget Assessment

Should Council decide to reconsider and grant the refund, there would be a reduction of \$18,379.46 in the total DCs collected in 2022. If approved, the Township may be in an unfavourable financial position to build future infrastructure required to support growth – growth related capital projects may need to be descoped or the property tax rate may need to be increased.

6.0 Climate Change Impacts

There are no anticipated impacts as a result of this report.

7.0 Communications

There are no further communications required as a result of this report.

8.0 Conclusion

While staff recognize the significance of the CHC to the community, staff recommend that the request be denied as the Township's DC By-Law is clear as to the 10-year timeline between an issued demolition permit and the issuance of the building permit for the new structure and this could set a precedent for similar requests.

9.0 Recommendation

Be it resolved that staff report 2023-DS-004, regarding the Community Health Centre Request for a Partial Development Charge Refund, be received, and

That the request for reconsideration of the total amount of Development Charges paid to the Township of Brock be denied.