



Office of the Commissioner
Finance Department

MEMORANDUM

To: Regional Chair Emmerson and Members of Regional Council

From: Kelly Strueby
Acting Commissioner of Finance and Regional Treasurer

Date: June 16, 2022

Re: Development Charge Deferral – Parya Trillium Foundation

This memo provides background information and summarizes the decision by Council at its meeting of May 26, 2022, to authorize a five-year, interest free, development charges deferral for the Parya Trillium Foundation.

Parya Trillium Foundation has proposed an expansion of their facility at 344 John St. in the City of Markham

Parya Trillium Foundation (the Applicant) is a registered charity located at 344 John Street in the City of Markham. They are constructing a 2-story classroom and gymnasium addition to their current community centre. The City of Markham assessed the development charges in accordance with the City, Region and Education development charge bylaws totalling approximately \$291,000.

On May 17, 2022, the City of Markham agreed to provide a deferral of their development charges and has requested the Region to provide the same

The Applicant approached the City of Markham with a concern about the amount to be levied due to their financial constraints as a charity. Discussions were held with the Applicant and City staff confirmed that an exemption or deferral could not be applied under both the City of Markham and York Region Bylaws. The Applicant subsequently requested a development charges deferral for their project.

On May 17, 2022, Markham staff provided a report to their Council on the matter for its consideration. As a result, Markham Council authorized a development charge deferral agreement for five years from the date of building permit issuance and waived the interest component if the development charge payment is made within the five-year period.

The City of Markham has forwarded the [report](#) to the Region for its consideration.

The Region's Development Charge Bylaw imposes development charges for institutional uses

The Region's Development Charge Bylaw imposes development charges for institutional uses at building permit issuance. In some cases where the institutional use is not-for-profit, the Bylaw allows for an exemption or deferral of the development charges payable. However, Section 3.5.1 (b) of the Bylaw states in order for it to qualify, the building or structure must be a "community use owned by a non-profit corporation". This provision is also dependent upon the area municipality in which the project is located, deferring or exempting its development charges.

Although the Applicant is not-for-profit, the proposed uses on the site do not meet the definition of "community use" as defined by either the City's or the Region's Bylaw. As a result, the structure does not qualify for a permitted exemption or deferral under the Region's development charges Bylaw.

Section 27 of the Municipal Act permits municipalities to enter into agreements to defer development charges

Section 27 of the Development Charges Act, 1997 permits a municipality to enter into an agreement allowing development charges to be made either before or after it would otherwise be payable. The municipality may charge interest on the amount of the development charge paid after it would otherwise be payable.

Council approval is required to enter into a Section 27 agreement, except as outlined in the Development Charge Bylaw and the Region's deferral policies. Since neither the Bylaw nor the Region's current deferral policies apply to the proposed use, Council approval was required to enter into a deferral agreement for this development.

At its meeting of May 26, 2022, Council authorized a 5-year, interest free, deferral of the development charges associated with Parya Trillium Foundation addition

Regional development charges for the addition to this development would be approximately \$149,000. If the deferral is not interest free, the Applicant would also be required to pay about \$41,000 in interest charges, for a total of \$190,000.

At its meeting of May 26, 2022, Council authorized a 5-year, interest free, deferral of the Region's development charges for the addition at 344 John St, on terms similar to those offered by the City of Markham.

A handwritten signature in black ink, appearing to read 'K. Strueby', with a large, stylized flourish at the end.

Kelly Strueby
Acting Commissioner of Finance and Regional Treasurer

A handwritten signature in black ink, appearing to read 'B. Macgregor', with a long, sweeping horizontal stroke extending to the right.

Bruce Macgregor
Chief Administrative Officer

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