
TO: FINANCE AND CORPORATE SERVICES COMMITTEE

PREPARED BY AND KEY CONTACT: M. MASLIWEC, SENIOR MANAGER, ACCOUNTING AND REVENUE (ACTING) X5128

SUBMITTED BY: C. MILLAR, DIRECTOR OF FINANCE AND TREASURER

GENERAL MANAGER APPROVAL: D. MCALPINE, GENERAL MANAGER OF COMMUNITY AND CORPORATE SERVICES

CHIEF ADMINISTRATIVE OFFICER APPROVAL: M. PROWSE, CHIEF ADMINISTRATIVE OFFICER

DATE: FEBRUARY 5, 2019

SUBJECT: CITY OF BARRIE ACT CHARGES FOR 685 YONGE STREET

RECOMMENDED MOTION

1. That the Report to Finance and Corporate Services Committee dated February 5, 2019 concerning City of Barrie Act Charges for 685 Yonge Street, be received.

PURPOSE & BACKGROUND

Report Overview

2. The purpose of this Staff Report is to provide the Committee with some general background about the City of Barrie Act and the charges related to it that were included in a tax certificate for 685 Yonge Street.
3. An Act respecting the City of Barrie (Bill PR38, R.S.O. 1960), otherwise referred to as the City of Barrie Act (1960), has been in place since 1960. The intent of the Act was to allow developers to recover costs plus interest for the extension of works and services, such as sanitary sewers and watermains, external to their development from adjacent land at the time those owners connect or use those services. City staff are required to undertake “best efforts” to collect these charges.
4. In 1995 the Simcoe County Roman Catholic Separate School Board (School Board) received approval from the City for the construction of St. Peter’s High School, which is located on the southeast corner of Yonge Street and Ashford Drive (201 Ashford Drive). Included as part of this project was the extension of the sanitary sewer by the School Board’s contractors to the site of the high school.
5. The School Board’s project engineers, Reinders and Associates (Barrie) Limited (Reinders), followed normal practices and procedures at the time and consulted with City staff to determine whether the City of Barrie Act could be used to recover costs from property owners that had frontage along the project area. Reinders was advised by both the Municipal Works Department and the Treasury Department that the Act did cover this project. As previously mentioned, the City of Barrie Act charges are payable only at the time of connection to the service.
6. On December 14, 2018, the City received an Open Delegation Request from James Boseovski, Michael Boseovski and Steven Ferri, asking to bring forward an open delegation regarding the matter of the City providing details for the City of Barrie Act charge attached to their Tax Certificate as well as the by-law or direction from Council.

ANALYSIS

7. Ashford Kingston Development Limited (“Ashford”), the current owner of 685 Yonge St., requested and was provided with a Tax Certificate for its property. The tax certificate indicated that there were City of Barrie Act charges applicable and referenced attached documents.
8. In response to inquiries made by Ashford about the City of Barrie Act charges that are listed as owing, a series of letters from Reinders that provide a description of the sanitary sewer works that were undertaken at Yonge Street and Ashford Drive, as well as the associated cost estimates, were provided to Ashford, and their lawyer, Mr. Steven Ferri.
9. In an e-mail sent by Mr. Ferri to the Finance Department on September 11, 2018 he stated that “The legal basis for the charges still has not been provided and my client disputes that these charges are properly owing and payable. Unless information is provided to my client demonstrating that the City has the authority to impose such charges within 10 days of receipt of this letter my client will begin legal proceedings against the City to protect its interests.”
10. Finance and Legal Department staff met with the deputants on December 12, 2018, to discuss their request and the perceived lack of a satisfactory response from the City.
11. Due to the length of time that has elapsed since the City of Barrie Act was passed by the province and the completion of the St. Peter’s High School project, it has been a difficult and time consuming process for City staff in several areas to search and try to locate the requested documentation. Subsequent efforts by City staff to locate the requested information have to this point been unsuccessful.
12. Staff will continue to search the City’s records for the documentation that provided staff with the delegated authority to impose and collect City of Barrie Act charges.

ENVIRONMENTAL MATTERS

13. There are no environmental matters related to the recommendation.

ALTERNATIVES

14. As this Staff Report is being presented for information purposes only, no alternatives are presented.

FINANCIAL

15. There are no financial implications for the Corporation.

LINKAGE TO 2018-2022 STRATEGIC PLAN

16. The recommendation(s) included in this Staff Report are not specifically related to the goals identified in the 2018-2022 Strategic Plan.