
DATE: December 20, 2010

REPORT TITLE: **TOWN OF CALEDON REQUEST TO OFFSET REGIONAL DEVELOPMENT CHARGE PORTION OF ITS GRANT TO TERRA COTTA COMMUNITY CENTRE**

FROM: Norma Trim, Chief Financial Officer and Commissioner of Corporate Services

RECOMMENDATION

That the request to provide a grant to the Town of Caledon for its reimbursement of the Regional development charges in the amount of \$11,711.70 which the Town of Caledon approved on November 2, 2010 for the Terra Cotta Community Centre, not be approved.

REPORT HIGHLIGHTS

- Town of Caledon approved a grant of \$13,674.97 for the Terra Cotta Community Centre and is seeking reimbursement from the Region of Peel for the Regional portion (\$11,711.70) of the grant which is for development charges.
- Terra Cotta Community Centre is a non-profit organization and not owned by the Town of Caledon and therefore is fully subject to Regional development charges.
- Reimbursing the Town of Caledon for its grant of Regional development charges could be precedent setting and is not supported by staff.

DISCUSSION

1. Background

The Town of Caledon passed the below resolution on November 2, 2010 to provide a grant of \$13,674.97 to the Terra Cotta Community Centre for the building permit fee and development charges owing to the Region of Peel and the Peel School Boards. It also requests that the Region of Peel reimburse the Town of Caledon via a grant amounting to \$11,711.70 equivalent to the Regional development charges.

Whereas the Terra Cotta Community Centre provides a community service to the residents of the Town of Caledon that the Town would otherwise provide; and

Whereas the Terra Cotta Community Centre does not recover the cost of these services from the Town of Caledon; and

Whereas the Terra Cotta Community Centre has received approval for Trillium grant funding to repair and renovate the community centre and has applied for a building permit;

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Therefore be it resolved that, without precedent, Council direct staff to provide a grant to the Terra Cotta Community Centre, in the total amount of \$13,674.97 funded from the 2010 Operating Budget account 115.56.535.001.2319, for the following:

\$998.28 Building permit fee

\$11,711.70 Region of Peel Development Charges

\$964.99 Education Development Charges

Further be it resolved that Council request the Region of Peel for a grant equivalent to the Regions development charges, in the amount of \$11,711.70, to reimburse the Town.

Regional Council referred the request at its meeting on December 16, 2010 to staff to report back.

The Terra Cotta Community Centre (the Centre) is a non-profit Ontario Corporation in the Town of Caledon and seeks to preserve the Centre since it has a historic component. A portion of the Centre is to be demolished and replaced. The heritage component of the building is to be moved off of the foundation and a basement will be put in. The heritage building will be put back on the new foundation. An addition of 169 square metres will be made to the building.

2. Findings

The Town of Caledon advised that it does not own the Centre. The Regional Development Charges By-law 115-2007 stipulates that, unless it is owned by and used for the purposes of the Town of Caledon or local boards, the Centre is not exempt from Regional development charges.

Therefore staff does not support the request of making a grant to the Town of Caledon to offset the Regional portion of the grant in respect of Regional development charges as this could be precedent setting, whereby similar organizations could also request similar treatment. The Region was not consulted prior to the Town of Caledon's decision to approve the grant.

Any grant, if so considered by Council, would need to be funded from property taxes as the *Development Charges Act, 1997* prohibits grants funded from the Development Charge Reserve Funds.

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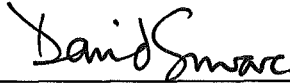
CONCLUSION

The requested reimbursement for the Regional development charge portion of the grant approved by the Town of Caledon for the Terra Cotta Community Centre should not be granted.



Norma Trim
Chief Financial Officer
and Commissioner of Corporate Services

Approved for Submission:



D. Szwarc, Chief Administrative Officer

For further information regarding this report, please contact Dave Bingham at extension 4292 or via email at dbingham@peelregion.ca

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c. Legislative Services