

POLICY

TITLE: Deferral of Payment of Non-Residential Development Charges

NUMBER: CL-2012-0002

CATEGORY: Financial

DATE: June 12, 2012

REFERENCES AND RELATED DOCUMENTS: Report No. CS-2012-0037

PURPOSE:

To provide for the deferral of payment of Development Charges for Non-Residential Development Applications as allowed under the Town's Development Charges By-law.

POLICY DETAILS:

Agreements to defer the payment of non-residential development charges shall be based on the following terms:

1. The Director of Corporate Services and Treasurer can approve up to a ten (10) year deferral for an eligible non-residential development.

Eligible criteria:

- The development meets the definition of "non-residential" under the DC By-law; and
- The industrial development not exceed 50,000 sq.ft. in total floor area as defined in the by-law
- The non-industrial development not exceed 25,000 sq.ft. in total floor area as defined in the by-law

Any application request that does not meet the eligibility criteria must be submitted to Council for consideration.

2. Payments are to be amortized over a period not to exceed ten years at the prime lending rate of the Town's bank plus 1%
3. Payments will be made on an annual basis with the first payment due one year after issuance of a building permit. The owner must provide post-dated cheques for each annual payment as outlined in the agreement at the time of signing the agreement
4. The owner agrees to pay an administration fee in the amount of \$600 (plus HST) upon execution of the agreement. This fee will be reviewed annually with all other Town fees and is subject to change as outlined in the Town's User Fee By-law
5. The owner must provide securities in the amount of the applicable development charges plus interest amounts. The owner may:

- a. Post an irrevocable letter of credit or
 - b. The agreement may be registered on title as 1st priority lien
6. If the owner requires a building permit issued prior to the completion of the Deferral Agreement process the owner must provide a certified cheque or irrevocable letter of credit with a financial institution acceptable to the Director of Corporate Services and Treasurer. The certified cheque or letter of credit will be returned to the owner once the Agreement has been fully executed and finalized
7. Payment not made in any one year would be deemed in default and the amount unpaid would be recovered by adding the amount to the property tax roll and collected in the like manner as taxes

Procedures: The applicant will fill out a Development Charges Deferral Agreement Information Form. Attached Schedule 1

Reporting: The Director of Corporate Services and Treasurer will report annually to Council all the approved applications within 90 days of the Town's fiscal year end.

POLICY REVIEW: Each New Term of Council

**Town of Halton Hills
Development Charges Deferral Agreement
Information Form**

Please answer the following questions:

Legal name of the company applying for a Development Charges Deferral Agreement

Is the applicant:

- Owner**
- Lessee of Property**
- Officer of the company**

If Officer please state your official title

Date of Building Permit Application

Total Floor Area of the Development subject to the Development Charges Deferral Agreement

Total Town Development Charges Due

Legal Land Description

Period of the Deferral being requested (up to 10 years)

Security Requirements and Preference for Registration

- Letter of Credit
- Registration on Title (if owner of the property only)

By signing this form, you are binding your corporation to entering into a Deferral Agreement with the Town of Halton Hills with regards to the above-noted building.

Name and Title of signing Officer (please print)_____

Signature:_____

This form is to be returned to the Town of Halton Hills Corporate Services Department when completed. You may fax the completed form to (905) 873-2347 or by mail to 1 Halton Hills Drive, Halton Hills Ontario L7G 5G2.

If you have any question, please contact Elizabeth Van Ravans at 905-873-2601 ext. 2221