To: Chair and Members
Planning & Economic Development Committee
Outstanding Business Item No. DD and Issue: 06-007
PED06156/FCS06050

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Re: Good Shepherd, 143 Wentworth Street South – Relief From Cash-in-Lieu of Parkland Dedication and Building Permit Fees (PED06156/FCS06050) (Ward 3)

Council Direction:

Staff to review and report to Planning and Economic Development Committee addressing the request to refund the Parkland/Cash-in-Lieu fee paid, in the amount of $66,000, and the Building Permit Fee, in the amount of $20,000, on those lands municipally known as 143 Wentworth St. South.

Information:

Correspondence was received from Brother Richard MacPhee of the Good Shepherd Centre on March 30, 2006, concerning the payment of building permit fees including Cash-in-Lieu of parkland dedication as a condition of redevelopment of their property at 143 Wentworth Street South, formerly the Children’s Aid Society (CAS). In 2005, Good Shepherd applied for a building permit to redevelop the existing building to create 20 new residential apartment units. The existing use of the building was institutional. The conversion to residential units triggered the requirement for parkland dedication. As there was no requirement for the dedication of land,
the City required the payment of Cash-in-Lieu of the land based on the market value of the land as if vacant under the provisions of the current Parkland Dedication By-law.

The Good Shepherd Centre, in its letter, made the following two statements:

“Good Shepherd Centres also paid park dedication fees of $66,000 due to the fact that the previous use of the property by the Hamilton Children’s Aid Society was deemed commercial. The property is now residential and we should not have been assessed the Park Dedication fee as the property was residential prior to CAS use. If our present use was considered institutional we would also not be subject to the imposed fee.”

The previous use of the property occupied by CAS was not classified residential but deemed institutional. Early last year Good Shepherd Centre applied to create 20 residential apartment units (each unit with separate access, kitchen and sanitary facilities), which is subject to parkland dedication. Prior to Good Shepherd Centre purchasing the property in 2004, CAS had owned the property since 1956. Prior to that, the property was improved with one single family dwelling.

The current Parkland Dedication By-law is By-Law 03-199, which was enacted on July 9, 2003. The By-law does not differentiate between private residential uses and non-profit / charitable residential uses. Therefore, all residential uses are subject to parkland dedication.

The second statement being:

“As part of the building permit process, Good Shepherd Centre paid $20,000 in permit fees. These fees were not recoverable under the funding provided under the Safe Communities Incentive Program (SCPI) and, therefore, had to be paid out of our operating budget”.

The Building and Licensing Division issued a building permit to convert the former CAS building to create residential apartment units in January, 2005 under Permit No. BP#05-248743. The amount paid at that time was $20,000. Pursuant to the provisions of Schedule “B” to By-law No. 05-206, Refund of Permit Fees; permit fees may be refunded under Section 6 of this By-law which is based on a fluctuating percentage rate. These rates are based on the level of administrative works performed towards the processing of the application, (i.e. administrative, zoning, plan examination, no field and/or field inspections) and the determination of the amount to be refunded is at the discretion of the Chief Building Official. As a result, and in accordance with By-law No. 05-206, it has been determined that no refund of the Building Permit Fee would be available from this Division.

In conclusion, based on Council’s approved By-laws, staff can not support the requested refund of Parkland/Cash-in-Lieu payment, nor the building permit application fee.