

**Report to
Rapport au:**

**Agriculture and Rural Affairs Committee
Comité de l'agriculture et des affaires rurales
1 October 2015 / 1 octobre 2015**

**and Council
et au Conseil
14 October 2015 / 14 octobre 2015**

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Ward: RIDEAU-GOULBOURN (21)

File Number: ACS2015-PAI-PGM-0164

SUBJECT: Development Charges - 1229 Dwyer Hill Road

OBJET: Redevances d'aménagement – 1229, chemin Dwyer Hill

REPORT RECOMMENDATION

That the Agriculture and Rural Affairs Committee recommend that Council approve the development charges to be imposed at 1229 Dwyer Hill Road as set out in this report.

RECOMMANDATION DU RAPPORT

Que le Comité de l'agriculture et des affaires rurales recommande au Conseil d'approuver que les redevances d'aménagement soient imposées pour le 1229, chemin Dwyer Hill, comme il est établi dans le présent rapport.

BACKGROUND

The property at 1229 Dwyer Hill Road, known as the Dwyer Hill Recreational Vehicle (RV) Park, has been operated as a mobile home park and for commercial trailer sales since prior to amalgamation. The property has private communal drinking water and sewage system facilities accommodating over 100 year-round residents.

On August 23, 2006, in order to rectify the fact that the property did not have the appropriate zoning designation, City Council approved a Zoning By-law amendment as set out in the staff report titled, "Zoning – 1229 Dwyer Hill Road" ([ACS2006-PGM-APR-0141](#)). At the time of the report, it was acknowledged that several structures had been constructed on the property without the proper planning and building approvals. The report notes: "Notwithstanding the zoning approval, the applicants are still required to comply with other relevant policies and legislation including obtaining site plan approval and building permits, before the development has full legitimacy."

In the years following the Zoning By-law amendment, staff has attempted to resolve several compliance issues, but the property owner has not complied and these matters, which are outlined below, remain outstanding.

The property has received draft site plan approval. The site plan agreement is outstanding because the current owner has not posted required securities, or signed the required Municipal Responsibility Agreement for the private communal drinking water and sewage systems. Council approved the execution of the Municipal Responsibility Agreement on November 23, 2011. Details of the Agreement are outlined in the staff report titled, "1229 Dwyer Hill Road, Municipal Responsibility Agreement" ([ACS2011-ICS-PGM-0191](#)).

Until the site plan agreement is finalized, building permits cannot be issued to legalize construction that has been completed by the current owner of 1229 Dwyer Hill Road. Despite repeated attempts by staff to facilitate resolution of these matters, development continues to be non-compliant.

The subject property is now for sale and the proposed purchaser has indicated a serious interest in buying the property and business. The purchaser will be required to become compliant by finalizing the site plan agreement (including signing the Municipal Responsibility Agreement) and obtaining the necessary building permits for the construction on the property. When the permits are obtained, development charges will be applicable.

Provided all pre-conditions required for the issuance of building permits were in place at the time of construction, the total amount of development charges would have been approximately \$225,687. However, development charge rates have increased in the years following construction; the current rates would be approximately \$576,888.

DISCUSSION

If the sale of 1229 Dwyer Hill Road proceeds with a purchaser agreeing to bring the property into compliance, and provided that all outstanding building permit applications are made before March 31, 2016, staff is recommending that development charges be applied at the year of construction rate instead of the current rate. This would facilitate the orderly sale of the property and achieve compliance with both the *Planning Act* and *Ontario Building Code*. The sale would further result in the finalizing of the site plan agreement, and the signing of the Municipal Responsibility Agreement which would ensure the new owner takes responsibility and posts securities for the operation of the communal drinking water and sewage systems.

If the sale is not completed, there is the possibility of the City of Ottawa having to assume operations of the communal drinking water and sewage systems servicing the residents of the mobile home park. This possibility arises as a result of the relevant provisions of the *Safe Drinking Water Act* and the *Environmental Protection Act*, which provide that the Ministry of the Environment can order the City to operate and maintain these systems, or transfer ownership responsibility for the systems to the City. Past experience shows the City would likely have the responsibility to operate and maintain these systems should the current owner default on their responsibilities. The City's past experience would also support the expectation that the cost of operating and maintaining such services would exceed the revenues obtained from the residents

at Dwyer Hill RV Park, unless the rate charged by the City was significantly greater than that is paid by other consumers of these utilities in the City of Ottawa.

Should Council approve the approach recommended by staff, and if all building permit applications to rectify outstanding issues at 1229 Dwyer Hill Road are made before March 31, 2016, development charges for this property would be assessed at approximately \$225,687.

RURAL IMPLICATIONS

A mobile home park is a means of providing appropriate and affordable housing to some rural residents. The park provides a choice to many individuals who desire the rural lifestyle while providing them with a liveable community.

The assessment of previous years' development charge rates will facilitate the sale to a new owner, and bring the site into *Planning Act* and Ontario Building Code compliance. It will also ensure that this type of housing stock (i.e. mobile homes) remains available, and that the water and sewage services remain feasible.

CONSULTATION

City staff has been in consultation with the current owner and the prospective purchaser of 1229 Dwyer Hill Road.

Public consultation was conducted in 2006 for the Zoning By-law amendment to permit the mobile home park and commercial sales at this location.

COMMENTS BY THE WARD COUNCILLOR

Councillor Moffatt is supportive of this approach to facilitate the orderly transfer of the property to a new owner.

LEGAL IMPLICATIONS

The legal implications are described in detail in the body of this report. The recommended approach set out in this report represents a balancing of risks for the City. That said, there is no legal impediment to Council approving the recommendations in this report.

ASSET MANAGEMENT IMPLICATIONS

Based on the report recommendations to approve the development charges for 1229 Dwyer Hill Road, there are no asset management implications.

FINANCIAL IMPLICATIONS

Development charges, assessed at the current rates, would be approximately \$576,888. The recommended development charge assessment is approximately \$225,687, resulting in a \$351,201 reduction.

As approved by Council through the 2014 Development Charges Policy and Framework (ACS2014-CMR-ARA-0004) report, the loss of DC funds collectable under an exemption must be reimbursed. A budgetary provision has been established to address the requirement of the Policy.

ACCESSIBILITY IMPACTS

There are no accessibility impacts associated with this report.

ENVIRONMENTAL IMPLICATIONS

The Municipal Responsibility Agreement provides a framework to ensure that the private water and wastewater systems operate safely, in accordance with provincial standards.

TERM OF COUNCIL PRIORITIES

This report supports Term of Council priority:

FS1 – “Demonstrate sound financial management” by taking steps to avoid the City’s assumption of the communal drinking water and sewage system at 1229 Dwyer Hill Road.

DISPOSITION

Based on approval of this report by Council, if building permits are obtained before March 31, 2016 to rectify outstanding issues at 1229 Dwyer Hill Road, Building Code Services will assess development charges to the purchaser of the property based on the rates in effect at the time of construction, as summarized in the report.