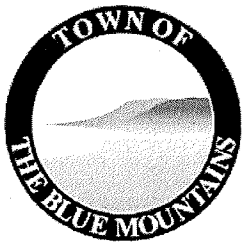


E.1

**STAFF REPORT: Financial Services – Waiver of Fees and Charges**



**REPORT TO:** Town of The Blue Mountains Affordable Housing Committee  
**MEETING DATE:** November 23<sup>rd</sup>, 2007  
**REPORT NO.:** FS.07.41  
**SUBJECT:** Affordable Housing Project - Change in Scope  
**PREPARED BY:** Elizabeth Thompson, Deputy Treasurer,

**A. Recommendation**

THAT Council does hereby receive Staff Report No. FS.07.41 amending report FS.07.30 received for information by the Finance and Administration Committee and further received for information by the Council of the Town of the Blue Mountains on July 24<sup>th</sup>, 2007 relating to the "Town of The Blue Mountains Affordable Housing Project".

**B. Background**

The Town has identified a need for affordable housing. The community target is the people who work in the service industry and other low and moderate income jobs. Grey County has one of the largest needs for affordable housing in Ontario.

Subsequent to the July 24<sup>th</sup>, 2007 report to the Finance and Administration Committee, the Town of The Blue Mountains Affordable Housing Committee has recommended a change in scope affecting the Financial and Budget Impact identified in the previous request.

**C. Financial and Budget Impact**

The July 24<sup>th</sup>, 2007 report identified 16 units within the affordable housing unit, the new proposal recognizes phasing the construction, with the first phase erecting 6 units. Based on 4,200 sq feet:

County Development Charges	\$ 1,018.60 x 6 Units = \$6,111.60
Town Development Charges	\$23,750.00 x 6 Units = \$142,500.00
Building Permit Fees	\$ 4,116.00

Grading Security	\$ 6,500.00
Water /Sewer Connections	\$ 2,520.00
Planning Fees – Zoning Amendment – Official Plan Amendment	\$ 750.00 not required

All above noted Development Charges do not include indexing. As of January 1<sup>st</sup>, 2008 the Building Permit and Planning fees are scheduled for amendment.

The above Municipal fees and charges reflect estimates for a 6 unit multi-residential complex:

**D. Next Step/Recommendation**

The Town’s building permit fees and charges have been calculated and are charged on the basis of services provided and the Town’s Chief Building Official would not support the waiving of building permit fees as this would effectively constitute an indirect subsidy and /or bonus provided by other users of the service.

The Town Development Charges cover the capacity and infrastructure of the Water Plant and the Wastewater Plant and distributions and collection mains. In the absences of collecting these fees the shortfall in funds will be financed from the existing users, taxation or through debt. Based on the new scope the total of lost revenue to the Town is estimated to be \$156,386.00. CMHC funding has been approved to provide “Seed” funding for the affordable housing project, to conduct a full evaluation of the potential for an affordable housing project in Thornbury.

The County will need to be approached to approve the waiving of County Development Charges or a grant from the County to cover the costs of the County Development Charge.

The Town of The Blue Mountains Affordable Housing Committee has requested the Finance Committee consider the deferral of Town Development Charges and County Development Charges for the above project. The Finance Committee may wish to consider a onetime grant attributed to the Affordable Housing Program as an alternative to waiving the municipal fees and charges.

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Elizabeth Thompson, Deputy Treasurer

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Robert Cummings,  
Treasurer and Director of Finance