



TOWNSHIP OF NORTH HURON

REPORT

Item No.

REPORT TO: Reeve Vincent and Members of Council
PREPARED BY: Dwayne Evans, CAO
DATE: 06/11/2017
SUBJECT: J.E. Hodgins Lots
ATTACHMENTS: Catherine Street Survey

RECOMMENDATION:

THAT the Council of the Township of North Huron hereby receives the report of the CAO dated November 6, 2017 regarding the transfer and merger of two small parcels of municipally owned land being Lots 30 and 31, Plan 451, respectively;

AND FURTHER, that the Council of the Township of North Huron authorizes staff to give acknowledgement and direction to register By-law 4 of 2014 and By-law 5 of 2014;

AND FURTHER, that the Council of the Township of North Huron adopts By-law 102-2017, being a By-law to enter into a development with J.E. Hodgins Lumber (Wingham) Ltd;

AND FURTHER, that the Council of the Township of North Huron directs staff to issue a letter to J.E. Hodgins Lumber (Wingham) Ltd advising that road construction costs in the amount of \$19,741.82 is due prior to issuance of a building permit.

EXECUTIVE SUMMARY

In 1979, Lots 30 and 31, Plan 451, Wingham ward, Township of North Huron were created by a plan of subdivision. In 1987, the municipality passed and registered a by-law which deemed many of the lots in the plan of subdivision including Lots 30 and 31 to not be lots on a plan of subdivision. In 1995 another by-law was passed and registered which repealed the deeming by-law for most of the lots that were part of the deeming by-law passed in 1987. Lots 30 and 31, which belong to the Hodgins, were not included in the 1995 repealing by-law. There may have been an expectation at the time that one large house would be built in the middle of the two lots and this would require that the two lots be deemed to not be lots on a plan of subdivision.

In 2008 a by-law was passed and registered which closed a portion of Catherine Street (formerly Fred Street) being Part 1, 2, 4, 5, and 6 on reference plan 22R5569 (see attached). On January 20, 2014 a by-law was passed which repealed the deeming by-law for Lots 30 and 31 that were not included in the 1995 repealing by-law. The effect was that those two lots became lots on a plan of subdivision again. This by-law was not registered. On the same day, a by-law was passed which authorized the transfer of the various parts to the abutting property owners. The transfers were conditional that the parts be consolidated with the abutting properties. This by-law has also not been registered. Council authorization is required for staff to sign an acknowledgement and direction for the two named by-laws to be registered.

DISCUSSION

Subject to the registration of By-law 5 of 2014, Lots 30 and 31, Plan 451, Wingham ward, Township of North Huron, become two separate conveyable parcels of land. By-law 2297 (1995) authorizes the transfer of various parts of the former road allowance to abutting property owners. The transfer of Parts 4 and 5 to Lots 31 and 30, respectively, have not taken place pending receipt of a development agreement. The property owner of Lots 30 and 31 refused to sign the development agreement arguing they were owed a refund of what they felt were extra amounts of taxes paid by them over a period of time in the past. The property owner was requesting the refund matter be resolved by waving certain service fees with respect to the development of the lots.

In a letter dated August 31 2017 the Township's solicitor advised that Section 357 of the Municipal Act deals with cancellation, reduction or refund of taxes and under that section, the property owner must file an application with the Municipality's Treasurer by February 28th of the year following in respect of which the application is made. The property owner was clearly beyond the date by which they would have to make an application for what they felt were excess taxes paid a number of years ago.

Second, the Township's solicitor advised that Section 106 of the Municipality Act deals with what is called bonusing. A Municipality cannot assist directly or indirectly any industrial or commercial enterprise by giving a total or partial exemption from any levy, charge or fee. J.E. Hodgins Lumber (Wingham) Ltd is a commercial enterprise and the lots are being developed on a commercial basis. Based on the provisions of the Municipal Act referred above, Council is not in a position to waive the fees being requested by the property owner.

In a letter dated May 10, 2013 the property owner was advised of associated costs to allow for the development of Lots 30 and 31. More specifically, the property owner was advised of road construction costs. The owner of the other lots in the plan of subdivision paid 72% of the road construction costs. The property owner of Lots 30 and 31 is responsible for the remaining 28% of the road construction costs. The total amount owing is \$19,741.82 (including taxes).

Based on a review of the May 10, 2013 correspondence, the Township's solicitor has advised that the amount owing is due prior to issuance of a building permit and not in advance of transferring Parts 4 and 5 to Lots 31 and 30, respectively. The property owner's solicitor has been provided with a copy of the May 10, 2013 correspondence and advised accordingly. For record keeping purposes, it is recommended a reminder letter be provided directly to the property owner advising the amount owing prior to issuance of a building permit.

FINANCIAL IMPACT

Legal costs have been incurred to resolve this matter. The Township is owed \$19,741.82 towards road construction costs.

FUTURE CONSIDERATIONS

Development of these two lots will generate additional property tax revenue.

RELATIONSHIP TO STRATEGIC PLAN

Goal #1-Our community is attractive to new business and residents.

Goal #4 Our administration is fiscally responsible and strives for operational excellence.

A handwritten signature in black ink, appearing to read "Dwayne Evans", written in a cursive style.

Dwayne Evans, CAO