## The downhill side of expansion

Non-profit ski club is not exempt from development charges.

BY JENNIFER ENRIGHT

THE TOWN HAS OFFERED

TO SPREAD DEVELOPMENT

CHARGES... OVER 10

YEARS BUT THAT APPEARS.

TO BE UNACCEPTABLE

he Milton Heights Racing Club is wrestling with what club members see as an unfair bylaw that prohibits nonprofit organizations from waiving development charges.

Under requirements as set out in the Town of Milton's existing bylaw, members will end up paying approximately \$9,000 as part of a one-time development charge (DC) required when the club builds a new facility at the Glen Eden Ski

and Snowboard Centre

in Milton.

Don MacCallum, the club's President, says he's received support from the Town in discussing his concerns, but he's frustrated that nothing can be done to address the current bylaw. There are exemp-

tions, including those for places of worship as well as cemeteries under Milton's bylaw, but nothing applies to non-profit organizations. "We are a community group servicing the community free of charge and our program is run on a deficit. In other words, we subsidize our racers."

Mr. MacCallum says the charge is too hefty for a non-profit club that relies entirely on volunteers. He believes the existing bylaw and the province's Development Charges Act should be changed to waive development charges for non-profit organizations. "We have to do what we are required to do (to pay DCs), but it would be nice in the future if volunteer organizations were exempt from paying development charges."

The club plans to construct a new prefabricated modular building that will include one room as well as two washrooms. The building project and fees associated with the project are expected to cost approximately \$150,000. As of this week, members had raised approximately \$130,000 to pay

for the facility, says Mr. McCallum. Mr. MacCallum says the club's existing facility is simply too small to support a growing membership that has more than doubled in the last two years. Currently the club, which is among the largest ski racing clubs in Ontario, has about 348 racers.

Willi Schleichkorn, the club's Executive Vice-president, says the development charges on top of construction costs will be hard on members. Mr. Schleichkorn emphasized that the executive is trying to keep fees down, especially for the club's many younger members.

Jim McQueen, Milton's Director of Corporate Services, says he has met with members of the ski club, but he is unable to work around the existing legislation. "They certainly cannot be exempt from existing

development charges under the existing development charge bylaw. The Town bylaw has exemptions, but there are no exemptions for them as a non-profit group."

The Town is on the horns of a dilemma. There are social reasons that make it distasteful to apply taxes and levies to nonprofit organisations. However the Town can only forgive individual development charges if it is then prepared to pass that direct cost burden onto someone else, in

this case the rest of the community. The Town has offered to spread the development charges for the ski club over 10 years but that appears to be unacceptable.

The group plans to meet with Conservation Halton (CH), which owns Glen Eden, to pro-

vide the conservation authority with updates on its building plans. Mr. McCallum says the club hopes to start the project in December and have the building erected by January of 2005. "We are running against time to get the foundation in."

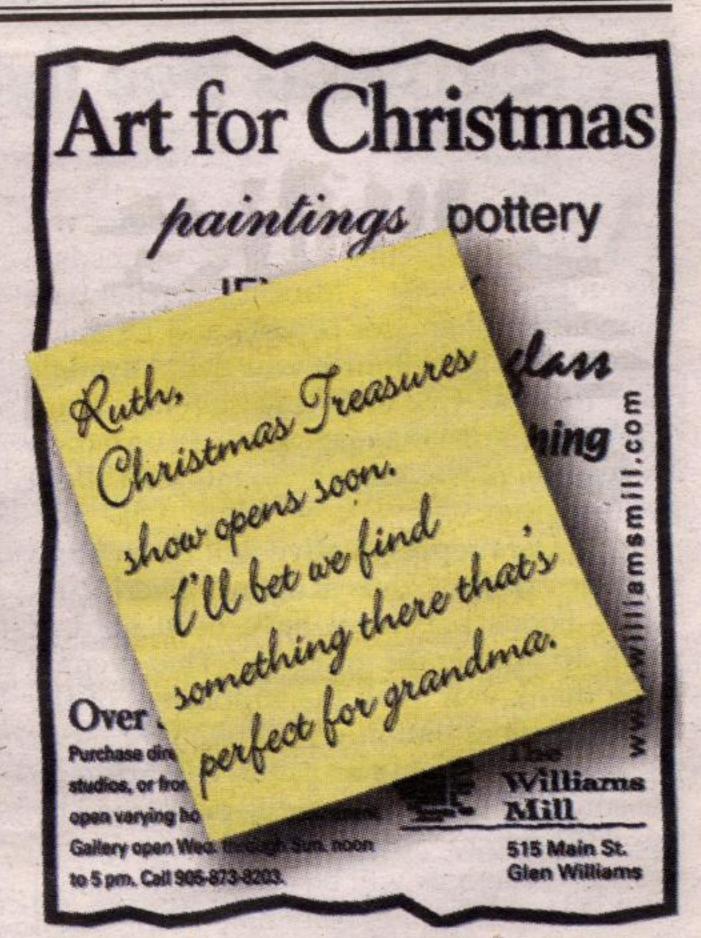
At this point, the club has approval for the project from Conservation Halton and members are waiting for a building permit from the Town of Milton.

Under the current bylaw, buildings owned and used by a conservation authority such as Conservation Halton are exempt from development charges. But the exemption does not apply to buildings used primarily for recreational purposes. The bylaw states that these recreational purposes include those "for which the conservation authority charges admission and/or fees."





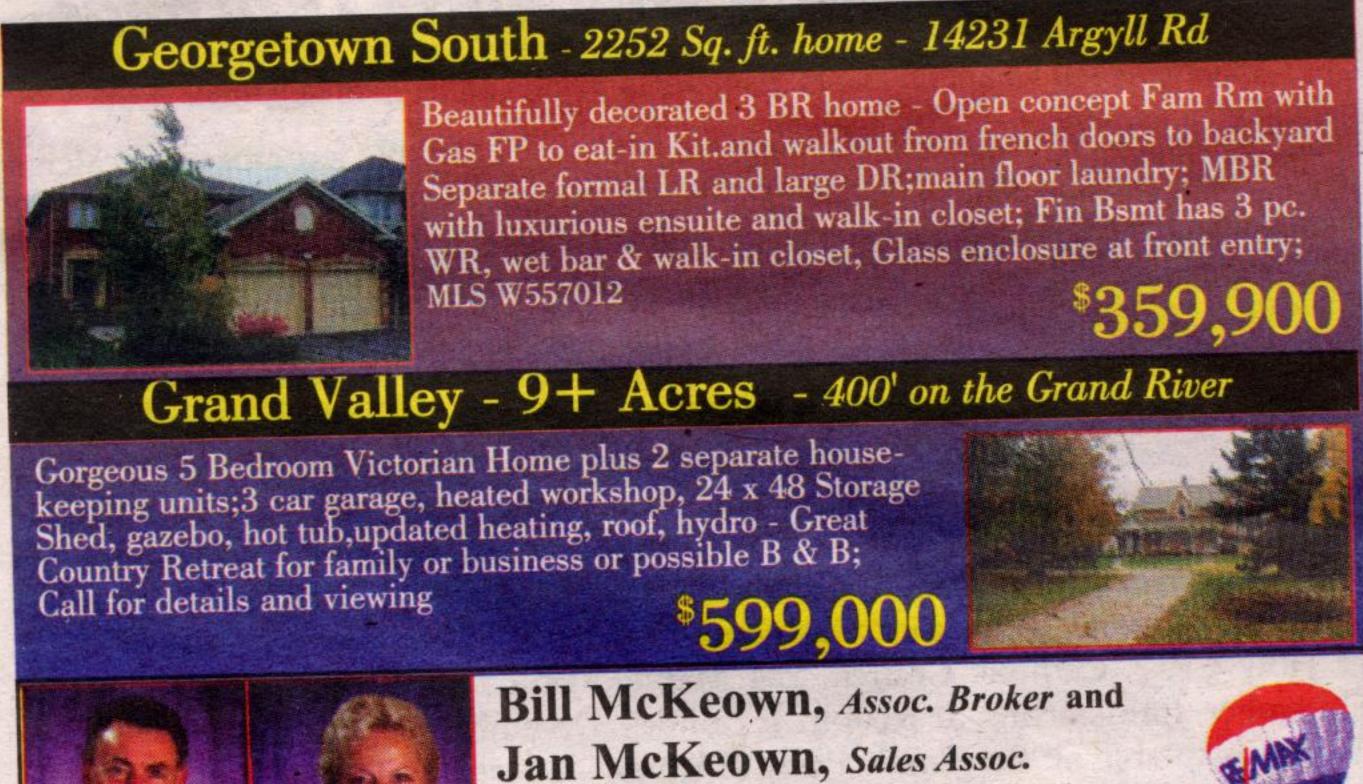
Louise Rayner, Treasurer of the Milton Heights Ski Club, stands in front of the site where the non-profit group plans to build its new clubhouse.



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