# mcmillan

## commercial real estate bulletin

July 2009

#### Toronto builders beware!

### Toronto building permits are still stalled

As the garbage piles up in community parks; local pools remain dry; and children are without daycare and summer camps, there is one other aspect of the Toronto Municipal Workers Strike that is hitting the real estate development industry particularly hard – there are no building permits being issued by the City of Toronto.

Since the commencement of the strike on June 22, 2009, the City re-assigned its non-unionized management workers to maintain essential services – this did not include the issuing of building permits or the associated building inspections.

Starting July 20, 2009, as more and more workers have crossed the picket lines, the City has been able to redeploy certain workers back to the business of issuing building permits.

However, only permits filed before June 22, 2009 that deal with "small residential and commercial projects and standalone plumbing and mechanical installations" will be processed. It seems that this will only include small additions and renovations to existing structures and that no permit applications will be considered for the construction of new buildings and no new permit applications will be accepted by the City until the strike is over.

Furthermore, no construction progress inspections are being completed by municipal employees; however, the City advises that qualified professionals may be hired by a builder to complete certain inspections and provide documentation of building code and permit compliance that the City will rely on when the strike concludes. But a word of caution, when the strike concludes, if the City is not satisfied that compliance has been demonstrated, municipal inspectors will make orders or take any action necessary to achieve such compliance. This action could include an order to tear down any building progress that went beyond the inspection stage of the last issued permit!!

Needless to say, despite the limited movement in the Municipal Building Department described above, it is not just garbage that is piling up in Toronto – it is also building permits!

Written By Mary Flynn-Guglietti and Andrew Warman

For more information, contact any of the lawyers listed below:

Calgary	Michael A. Thackray, Q.C.	403.531.4710	michael.thackray@mcmillan.ca
Toronto	George Payne	416.865.7053	george.payne@mcmillan.ca
Montréal	Michael Garonce	514.987.5033	michael.garonce@mcmillan.ca

#### a cautionary note

The foregoing provides only an overview. Readers are cautioned against making any decisions based on this material alone. Rather, a qualified lawyer should be consulted. © McMillan ⊥P 2009, McMillan Law of the Land ... and lay of the Land<sup>™</sup>