



D.C. Slade Consultants INC.
Planning & Development

B.2

July 8th, 2010

Town of The Blue Mountains
P.O. Box 310
Thornbury, Ontario
N0H 2P0

Attn: Mayor Anderson & Members of Council:

**RE: Georgian Woodlands III (George Fleming) – Phase I
OMB File No. PL030216
Timing of Payment of Development Charges and
Assumption of Public Streets**

G.H. Fleming and Associates and Condo Developments Limited have been attempting to develop the subject lands since the early 1990's. Development was not allowed to proceed until the Town had completed their new Official Plan process and now the subdivision and the implementing zoning will be proceeding. After extensive review by the Municipality, the County and other government agencies, Minutes of Settlement have been signed and the subdivision and zoning will be approved at a Settlement Hearing scheduled for July 27th, 2010 with the Ontario Municipal Board.

We have been working on the basis that approval would be occurring and have been planning on proceeding this fall with Phase I of this subdivision. This includes lots 1 – 64 on the attached Draft Plan of Subdivision. The creation of 64 new single family lots will be beneficial to the Town as development charges will be collected as well as the surrounding community as development will allow for the interconnection of the existing subdivision to the Alpine and Craigeith Ski Clubs. Further, development will allow for the completion of many of the trails established within the original Georgian Woodlands Subdivision.

We have been following the new process that is being proposed in regards to the collection of development charges. Part of our development review has also been the review of the new standardized Subdivision Agreement.

We are supportive of both documents and are prepared to proceed with our Subdivision Agreement for Phase I, except for two timing issues. The first issue deals with the timing of development charges. We appreciate Council and staff's revisions to the

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timing of payment of the development charges. Staff's proposal is to allow hard service development charges to be paid at the earlier of lot transfer, building permit or three years from the execution of the agreement, as long as development charges are secured by way of Letter of Credit. Our request for revision, is in regards to the requirement that a Letter of Credit be provided. Presently, the conventional banks will not provide Letters of Credit for securities for development charge purposes.

The following is our proposal to the Town in lieu of a Letter of Credit:

Phase I – Lots 1 to 64

Development Charges payment for 63 units as house on Lot 1 is existing and hooked up to sewer and water

Securities required for Development Charges at signing of Agreement:

63 x \$14,640.00 = \$922,320.00 (Hard costs only - B unit)

Lots 39 to 48 (or an equivalent 10 lots) upon registration be deeded to the Municipality as security. Value of lots \$200,000.00. 50% value – represents \$1,000,000.00 in securities. There will be no mortgage on lots and the developer will guarantee that all lots are free of any encumbrances.

Development Charges paid by Developer within 3 years of signing of the agreement otherwise Town may sell the lots equal to the amount of development charges owed.

Remaining lots transferred back to developer.

Developer can pay Development Charges earlier than the 3 years and the lot(s) will be transferred back to the developer on the basis of the amount of Development Charges paid at a lot value of \$100,000.00.

The second issue deals with the timing in regards to assumption of a public street. Section 3.10.a) of the new standardized Subdivision Agreement requires 75% of all lots to have dwelling units built upon them before the Municipality will assume the public street. This would mean the assumptions of Streets A, B, C & D on the attached draft plan, cannot occur until 75% of these lots have dwellings substantially completed on them. This is extremely difficult, if not impossible for the developer to implement this condition, as historically Georgian Woodlands in Phase I and II have taken many years for the lots to be fully developed (10+ years). Lots within Georgian Woodlands Phase I and Phase II as well as our new Phase III are intended to be sold to private individuals. These individuals hire their own house contractor to build their dwelling. This has been the key to the success to Georgian Woodlands Phase I and Phase II and has resulted in the creation of this high quality subdivision.

We would request that the Municipality revise this standard to the standard that is presently in existing Subdivision Agreements, which is that the Municipality takes over assumption of the public street after the two year maintenance period. We believe there

are ample municipal taxes collected from vacant lots to ensure maintenance of the streets can occur. Based upon the assumptions that no lots have building permits on them, the Municipality still would collect the following taxes:

63 lots @ \$2,500.00 per lot = \$157,500.00
Municipal portion approximately 30% = \$47,250.00

This amount will adequately cover yearly snowplowing within this Plan of Subdivision, which is the only obligation to the Town.

There was concern expressed by staff that streets may be damaged due to house construction. We believe that there will be minimal damage to the streets as there is no curbing or sidewalks within this Plan of Subdivision. If there is damage, the damage should be responsibility of the contractor and/or lot owner who created the damage. The original land developer should not be penalized and required to retain ownership of the streets for as long as 10 to 15 years based upon the new standard of Section 3.10.a) of the new proposed standardized Subdivision Agreement.

We understand that Council will be considering the method to administer the development charges at their July 12th, 2010 meeting. We would appreciate if Council would take the above into consideration in regards to Issue 1 and also review the standards set by Section 3.10a) of the new standardized Subdivision Agreement. Mr. George Fleming and I will be in attendance as a delegation at your July 12th, 2010 meeting and if there should be any questions regarding our position, we will be available to provide answers.

Yours truly,

D.C. SLADE CONSULTANTS INC.


Per: David Slade, MCIP, RPP

DCS/bls

c.c. Mr. David Finbow, Mgr. Building & Planning Dept., Town of The Blue Mountains
Mr. Darcy Chapman, Finance Dept., Town of The Blue Mountains
Mr. George Fleming