



GEORGIAN TRIANGLE DEVELOPMENT INSTITUTE

June 20, 2011

Mayor Ellen Anderson and Members of Council  
The Blue Mountains  
26 Bridge Street E.  
P.O. Box 310  
Thornbury, ON  
N0H 2P0

Dear Mayor Anderson and Members of Council:

**RE: Proposed Modifications to Development Agreement Templates**

The Georgian Triangle Development Institute (GTDI) provides input on issues that are relevant to its members of the local development industry and consequently to the economic prosperity of the local municipalities.

The GTDI and its members have been made aware of proposals to modify the Development Agreement templates in the Town of The Blue Mountains and we wish to express our concerns as outlined herein. These modifications were presented in staff report EPW.11.030 presented to the Infrastructure and Recreation Committee on May 10, 2011. As per discussions that evening, it is understood that three of the proposal modifications are deemed to be of greater importance in achieving a timely resolution. Accordingly, this letter only addresses these three proposed modifications, being No. 1 (Assumption of Works), No. 2. (Rough Grading Tolerance), and No. 5 (Pre-Servicing Securities).

The modification proposed regarding the assumption of municipal works is to formalize the recently introduced policy of having 75 percent of the permitted buildings substantially completed before the municipality will assume the works. We understand that this proposed modification results from some developments requiring replacement of curb and gutter, damaged during house construction. Typically, any required repairs are undertaken by the developer prior to assumption by the municipality. In the cases where the municipality has been liable for repairs resulting from home construction post-assumption, we request that information regarding the number of cases and the associated costs be provided to the GTDI.

We speculate, in advance of receiving the requested information, that the remedy proposed is out of proportion to the problem. As the rate of market absorption of units in this area is such that works may not be assumed by the municipality for 10, 15 or more years, this inherent uncertainty regarding the assumption of works will depress development in the area, and outright halt some projects.

Upon receipt of the information requested, we can suggest other potential solutions, based on our experiences in other municipalities, to protect the municipality from costs associated with roadway damage, while simultaneously providing timing certainty to developers.

It was also noted at the May 10 committee meeting that pre-servicing agreements were introduced to allow developers to service a site in advance of registration. We note that raising these securities to 25 percent of the cost of works runs counter to the original intent of pre-servicing agreements. It is our opinion that the proposed level of securities is far in excess of the monies required to safely secure a site in case of unanticipated project termination. We further note that financial institutions will not lend for these securities because the institutions require registration of a development, which would allow the sale of individual lots should insolvency occur.

Continuing on the basis that full build out of larger development in the Town may take 10 to 15 years, clearing, grubbing and rough grading an entire development to 300mm of final lot grades leaves the development exposed to sediment and erosion control issues over an extended period of time. Current Low Impact Development (LID) strategies and Erosion and Sediment Control (ESC) strategies strongly recommend that the land stripping occur in phases, only enough to provide servicing and enough for the minimum lots. As each development is unique in the size, phases and densities, different strategies will apply. A commercial or higher density site would require complete stripping, while estate residential or larger lot development should allow trees to remain in place allowing the architect and engineer the ability to work with the natural features (vegetation and landscape). Pre-grading the entire development will result in environmental challenges and is counter to the most recent findings of LID and ESC strategies. We are of the opinion that the minimum grading to the natural features of a development that provides for proper drainage in both the short and long terms should be permissible. We offer the link to the following document regarding strategies for erosion and sediment control adopted by neighbouring Conservation Authorities:

[http://www.sustainabletechnologies.ca/Portals/\\_Rainbow/Documents/ESC%20Guideline%20-%20December%202006.pdf](http://www.sustainabletechnologies.ca/Portals/_Rainbow/Documents/ESC%20Guideline%20-%20December%202006.pdf)

In closing, we are greatly concerned that the modifications proposed will be extremely detrimental to the development industry in the Town of The Blue Mountains. The GTDI seeks to be a partner with the Town in formulating a development agreement template that meets the goals of both the Town and the development industry. As one of the three most important economic segments with agriculture and

tourism, we consider it crucial that an agreement that works for all be realized. To that end, we seek a meeting with Town staff and concerned councilors to discuss these issues.

Respectfully submitted,

**GEORGIAN TRIANGLE DEVELOPMENT INSTITUTE**



Shelley Hensel  
President



Alexander Fleming, MBA, P.Eng., PTOE  
GTDI Director

cc: Board of Directors, Georgian Triangle Development Institute