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STAFF REPORT: Finance & IT Services



REPORT TO: Council
MEETING DATE: June 17, 2013
REPORT NO.: FIT.13.39
SUBJECT: Grey Condominium Corporation No. 28- Private Sewer Works Financing Agreement
PREPARED BY: Renee Ouellette, Financial Accountant

A. Recommendations

THAT Council receive Staff Report FIT.13.39 “Grey Condominium Corporation No. 28 – Private Sewer Works – Financing Agreement”; and,

THAT Council authorize the execution of the financing agreement with Grey Condominium Corporation No. 28 in the form satisfactory to the Town’s Solicitor and Treasurer; and,

THAT Council authorize staff to proceed with providing public notice of the Town’s intention to undertake the Local Improvement project in accordance with section 36.6 of Ontario Regulation 586/06; and,

THAT Council authorize staff to prepare the by-law to undertake the Local Improvement project for enactment at the July 15, 2013 Council meeting.

B. Background

History

At the February 13, 2012 Council meeting, Council approved a separate Wastewater Servicing project for the 38 units located within Grey Condominium Corporation No. 28 (GCC 28). At this meeting it was determined that GCC 28 would be responsible for arranging their servicing needs throughout the condominium and connection to the sewer on Highway 26; including private financing of internal works. Subsequent to Council’s decision, GCC 28 requested the Town to provide financing for the internal works project.

At the February 11, 2013, Council authorized staff to prepare an Agreement with GCC 28 and all the Unit Owners, in accordance with Ontario Regulation 586/06, to permit the Town to raise the cost of undertaking the sewer works as a local improvement on private property by imposing special charges upon all of the Units based on the approved financing option.

The approved financing option included the choice of:

(a) payment in full without interest to be paid within 120 days of a date specified in the By-law;

or

(b) payment over time based on a 15 year term at the lesser of 5% interest per annum or the prevailing Town borrowing rate in effect 1 week prior to the By-law passing plus 1%.

or

(c) payment over time based on a 20 year term at the lesser of 5.5% interest per annum or the prevailing Town borrowing rate in effect 1 week prior to the By-law passing plus 1%.

Payments under options (b) or (c) will be added to the tax bill with terms offering repayment of the balance owing on the loan at any time, including interest to that date, with no penalty applied. The balance of the loan becomes due and payable at the time a property is sold, conveyed or transferred.

Current Status

GCC 28 has indicated that construction on their internal servicing project will be ready to begin upon execution of the financing agreement with the Town. GCC 28 has tendered the project, with an estimate of \$783,330 in construction costs.

GCC 28 has indicated that all 38 unit owners will sign the financing agreement for the internal works project. Staff will report back at the July 15th Council meeting with the signed agreement, including the number of unit owners that have signed the financing agreement.

As the project is being undertaken by the Town as a local improvement project, to be administered by GCC 28, the Town must follow the public process in accordance with section 36.6 of Ontario Regulation 586/06. In addition, as an internal servicing project, GCC 28 must comply with the Town and Ministry of Environment's regulation's regarding permits, easements and approvals.

Based on correspondence with GCC 28, should the Financing Agreement and Local Improvement notice requirements be in place on July 15, 2013, GCC 28 has indicated that construction can also begin on this date as all other permits and approvals will have been met.

To meet GCC 28's construction schedule and the requirements under Ontario Regulation 568/06 the following process is recommended:

Local Improvement Process	Timeline
Public notice of intention to pass a by-law for the Local Improvement servicing project	Notice will be provided to the public 21 days in advance of the July 15 th Council meeting
Signed Financing Agreement	To be executed by Town as per satisfaction of the Town Solicitor and Treasurer. Signed agreement to be presented to Council on July 15 th .
Evidence of approvals for all required permits and easements	Responsibility of GCC 28 to obtain all permits, easements and approvals required by July 15 th .
Passage of the by-law to undertake the Local Improvement servicing project	At the July 15 th Council meeting
Notice and certification of the proposed local improvement roll	Upon completion of the local servicing project with final costs known. (Nov 2013)
Passage of a special charges by-law to establish amounts due on each roll and annual payments	Upon certification of the proposed local improvement roll
Collection of special charges as per approved Financing agreement	Collected on tax installment due dates

C. The Blue Mountains' Strategic Plan

Providing a strong, well managed municipal government.

D. Environmental Impacts

NA

E. Financial Impact

The proposed financing agreement extends financing for costs related to GCC 28's internal servicing works. Construction costs for the internal servicing project have been tendered by GCC 28 at \$783,330. The financing agreement has extended an upset limit of \$850,000 to include construction costs, the costs of obtaining easements, advertising and administration. GCC 28 will be responsible for administering the construction contract, with the Town advancing payments based on payment certificates. Any costs exceeding \$850,000 will be the responsibility of GCC 28.

In addition, each unit will be responsible for the Trunk Sewer and Plant charges. These charges are typically financed by the Town based on the affordability guidelines. Private owner costs for the septic decommission are typically not financed by the Town, and will be the responsibility of each owner at GCC 28.

As illustrated in the Table below, each unit owner within GCC 28 will be responsible for total costs of \$40,224 (\$22,368 + \$11,856 + \$6,000). Financing will be extended for the internal servicing costs of \$22,368 and wastewater infrastructure costs of \$11,856.

Cost Description	Internal Servicing Project Costs	Wastewater Infrastructure Related	Private Owner Costs
Construction Costs – Internal Servicing	\$ 20,614		
Other Project Related Costs as approved to the upset limit of financing agreement (if required)	\$ 1,754		
Highway 26 Trunk Sewer Main*		\$ 6,546	
Thornbury Wastewater Treatment Plant*		\$ 5,310	
Septic decommissioning			\$ 6,000
Total Unit Costs	\$ 22,368	\$ 11,856	\$ 6,000
Number of Units	38	38	38
Total Costs	\$ 850,000	\$ 450,528	\$ 228,000
Financing Request – Internal Servicing	\$ 850,000		

*** Costs are traditionally financed by the Town Capital Charge By-Law**

In order to provide financing to GCC 28, the Town will have to apply for financing from Infrastructure Ontario in order to raise the funds. The Town would draw up an agreement and a Special Charges By-law, as required by the Regulation that would apply an equal special charge to each Unit in GCC 28 subject to the financing option selected by the unit owner. The Town would then complete the administrative and legal work required for a loan application to Infrastructure Ontario.

Total financing requested is an amount up to \$850,000 for the estimate of construction and other related costs of internal works on GCC 28 lands. This will increase the Town's 2013 debt to about \$7.1 million. There is adequate debt capacity today for this financing.

Estimated annual repayments for the internal servicing costs are provided in the table below, based on an upset cost of \$850,000 and the approved financing options to be extended to unit owners. The prevailing Town borrowing rates as provided by Infrastructure Ontario (see website <http://www.infrastructureontario.ca>) are 3.28% over 15 years or 3.56% over 20 years.

Internal Servicing – Estimated Annual Repayments	
15 years @ 3.28% + 1%	= \$ 2,028
20 years @ 3.56% + 1%	= \$ 1,710

F. In Consultation With

Robert Cummings, Director of Finance & IT Services
Ruth Prince, Manager of Revenue
John Metras, Town Solicitor

G. Attached

Attachment 1 – Draft Financing Agreement

Respectfully submitted,

Renee Ouellette, CMA
Financial Accountant

Robert Cummings, CMA
Director of Finance & IT Services

For more information, please contact:

Renee Ouellette
rouellette@thebluemountains.ca
519-599-3131 x250

**GREY CONDOMINIUM CORPORATION NO. 28 – LOCAL IMPROVEMENT
AGREEMENT**

Draft – June 11, 2013

For Discussion Purposes Only

THIS Agreement made this day of 2013.

BETWEEN:

GREY CONDOMINIUM CORPORATION NO. 28

(hereinafter called the “Corporation”)

and

**THE CORPORATION OF THE
TOWN OF THE BLUE MOUNTAINS**

(hereinafter called “Town”)

and

THE UNIT OWNERS DESCRIBED IN SCHEDULE “A”

(herein called the “Unit Owners”)

and

CORRINA GILES

(hereinafter called the “Town Clerk”)

WHEREAS the Corporation is a registered condominium corporation governed by the Condominium Act consisting of thirty eight (38) units and the common elements all as described in the condominium declaration for the Corporation registered in the Grey Registry Office No. 16 as Instrument No. 287715;

AND WHEREAS the Town has installed a trunk sanitary sewer and related works on Highway 26 and the Unit Owners wish to connect the buildings situate on the Units to the Sewage System;

AND WHEREAS in order to connect the buildings situate on the Private Property to the Sewage System it is necessary to install the Private Sewage Works;

AND WHEREAS the Private Sewage Works are private works within the meaning of the Regulation and the Regulation enables the Town to undertake the Private Sewage Works as a local improvement on private property as if the Town were undertaking its own work;

AND WHEREAS the Corporation and all of the Unit Owners have made an application to the Town for the Town to undertake the Private Sewage works as a local improvement on private property:

AND WHEREAS the Town has agreed to undertake the Private Sewage Works as a local improvement on private property and to provide financing for the Installation Costs in accordance with the provisions of this Agreement which is made pursuant to Part III of the Regulation;

AND WHEREAS the Regulation provides that the Town may raise the cost of undertaking the Private Sewage Works as a local improvement on private property by imposing special charges on all of the Units and that the special charges imposed in accordance with the Regulation have priority lien status as described in Section 1 of the Municipal Act;

AND WHEREAS the Sewage System will provide a benefit to the Unit Owners and Sections 9, 11 and Part XII of the Municipal Act and the regulations thereto enable the Town to impose by by-law a charge on the Unit Owners for the use of the Sewage System to collect a portion of the capital costs of the Sewage System.

NOW THEREFORE THIS AGREEMENT WITNESSETH that in consideration of other good and valuable consideration and the sum of TEN DOLLARS (\$10.00) of lawful money of Canada now paid by each of the Parties hereto to each of the other Party hereto, the receipt whereof is hereby acknowledged, the Parties hereto hereby covenant and agree with each other as follows:

Part I

Definitions and Basis of Agreement

1. Definitions

1.1 Definitions

In this Agreement, including the recitals, the following terms shall have the meanings set out below, unless otherwise internally redefined or the subject matter or context requires another meaning to be ascribed thereto:

“**Agreement**” means this Agreement:

“**Building Code Act**” means the Building Code Act, 1992, S.O.1992 c.23 and all regulations thereto;

“**Building Permit**” means Building Permit No. PRSS20120000434 issued by the Town on August, 21, 2012 for the installation of the Private Sewage Works and includes the plans, specifications and drawings and any other information on the basis of which the permit was issued; (**Note permit needs to be renewed**)

“**Business Day**” means any day other than Saturday, Sunday or a statutory or civic holiday in Ontario;

“**CBO**” means the person holding the title of Chief Building Official for the Town or his designate:

“**Common Elements**” means all of the Private Property except the Units:

“**Condominium Act**” means the Condominium Act, S.O., 1998

“**Construction Contract**” means the construction contract between the Corporation and a contractor for the installation of the Private Sewage Works;

“**Council**” means the council of the Town;

“**Engineer**” means Crozier & Associates, Consulting Engineers who have been retained by the Corporation to provide the Engineering Services;

“**Engineering Services**” means the engineering services provided by the Engineer to the Corporation in accordance with an engineering agreement with the Corporation and the Town for the detailed design of and obtaining the required approvals for the Private Sewage Works, tendering services and contract administration, construction

management, supervision, inspection and testing services for the installation of the Private Sewage Works;

“**install**” shall also mean reinstall, construct, reconstruct or provide;

“**Installation Costs**” has the meaning ascribed to it in Section 3.1;

“**Municipal Act**” means the Municipal Act, 2001, S.O. 2001, c. 25;

“**Parties**” means the Corporation, the Town and the Unit Owners;

“**person**” includes a corporation and the successors, assigns, heirs, executors, administrators and other legal representatives of a person;

“**Private Property**” means all of the Units and the common elements of the Corporation;

“**Private Sewage Works**” means the sewage works described in the Building Permit;

“**Regulation**” means Ontario Regulation 586/06 – Local Improvement Charges- Priority Lien Status made pursuant to the Municipal Act and in force at the date of this Agreement;

“**Sewage System**” means the Thornbury Wasterwater Treatment Plant owned by the Town and the Town’s trunk sewage collection works on Highway 26 for the collection and transmission of sewage;

“**Special Charge**” has the meaning ascribed to it in Section 5;

“**Special Charges By-law**” has the meaning ascribed to it in Section 5;

“**Town Financing**” has the meaning ascribed to it in Section 3.2;

“**Unit**” means a unit described in the condominium declaration for the Corporation;

“**Unit Owner**” means the registered owner of an estate in fee simple of a Unit;

“**Treasurer**” means the treasurer of the Town or his designate;

All other capitalized terms used herein and not otherwise defined shall have the meanings ascribed to them in this Agreement.

1.2 Interpretation of Agreement

- (a) The part numbers and headings, subheadings and section, subsection, clause and paragraph numbers are inserted for convenience of reference only and shall not affect the construction or interpretation of this Agreement.
- (b) Unless the context otherwise requires, in this Agreement words importing the singular include the plural and vice versa and words importing a gender include all genders.
- (c) Every provision of this Agreement by which the Corporation is obligated in any way shall be deemed to include the words "at the expense of the Corporation unless the context otherwise requires.
- (d) References herein to any statute or any provision thereof include such statute or provision thereof as amended, revised, re-enacted and/or consolidated from time to time and any successor statute thereto.
- (e) All obligations herein contained, although not expressed to be covenants, shall be deemed to be covenants.

- (f) Whenever a statement or provision in this Agreement is followed by words denoting inclusion or example and then a list of or reference to specific items, such list or reference shall not be read so as to limit the generality of that statement or provision, even if words such as "without limiting the generality of the foregoing" do not precede such list or reference.
- (g) All references to parts, sections, clauses, paragraphs and schedules unless otherwise specified are references to parts, sections, clauses, paragraphs and schedules of this Agreement.
- (h) The Building Permit is incorporated into and forms part this Agreement and shall have the same force and effect as if the information shown on it was contained in the body of this Agreement.
- (i) This Agreement shall be interpreted under and is governed by the laws of the Province of Ontario.

1.3 Administration of Agreement

This Agreement shall be administered on behalf of the Town by the Treasurer unless another Town official is specifically referred to in this Agreement.

1.3 Lands Affected

This Agreement applies to Units 1 to 38, both inclusive, and the Common Elements of the Corporation.

1.4 Joint Authors

Each Party acknowledges and agrees that it has participated in the drafting of this Agreement and that no portion of this Agreement shall be interpreted less favorably to either Party because that Party or its legal counsel was primarily responsible for the drafting of that portion.

1.5 Recitals

The Parties agree that the recitals herein are true and accurate and form part of this Agreement.

1.6 Scope of Agreement

This Agreement deals with the design, installation and financing of the Private Sewage Works as a local improvement on Private Property in accordance with Part III of the Regulation on the understanding that each of the Unit Owners will be responsible for paying 1/38th of the Installation Costs in accordance with the provisions of this Agreement and the Special Charges By-law.

1.7 Local Improvement Charges By-law

The Town shall give notice of and pass a Local Improvement Charges By-law in accordance with the requirements of sections 36.5 and 36.6 of the Regulation prior to undertaking the Private Sewage Works as a local improvement.

.Part II

The Private Sewage Works

2.1 The Corporation's Authority

The Corporation hereby represents and warrants to the Town that it has, in accordance with the requirements of the Condominium Act and the Corporation's condominium declaration;

- (a) the authority to enter into this Agreement and the authority to grant the permission to enter the Private Property as set out in Section 2.4.
- (b) approved the inclusion of the Private Sewage Works in the common elements or assets of the Corporation in accordance with the requirements of section 97 of the Condominium Act.

Prior to the execution of this Agreement by the Town, the Corporation shall deliver to the Town copies of all by-laws, minutes of meetings and other documents of the Corporation forming the basis for such warranty together with a legal opinion from the Corporation's legal counsel, in a form satisfactory to the Town, that the Corporation and the Unit Owners have the authority to enter into this Agreement and that the Corporation has the authority to grant the permission to enter the Private Property as set out in Section 2.4.

2.2 Delegation of the Town's Power and Authority

The Town hereby delegates to the Corporation its power and authority to design and install the Private Sewage Works. The Corporation hereby accepts this delegation. and subject to the Town providing the financing in accordance with Part III of this Agreement, the Corporation agrees that it will be solely responsible for the design and installation of the Private Sewage Works in accordance with the requirements of this Agreement.

2.3 Installation of Private Sewage Works

The Parties acknowledge and agree that:

- (a) The Corporation shall design and install the Private Sewage Works as a local improvement on the Private Property in strict accordance with the provisions of Part III of the Regulation, the requirements of this Agreement, the Building Code Act, the Building Permit and the Construction Contract. The work shall be commenced by no earlier than ****, 2013 and be completed by no later than *****, 2013.
- (b) The Engineer has been retained by the Corporation to provide the Engineering Services for the Private Sewage Works, including the preparation of payment certificates for the Construction Contract.
- (c) The issuing of the Building Permit by the Town shall not absolve the Corporation and the Engineer of the responsibility for errors in and or omissions from the plans, specifications and any other information on the basis of which the Building Permit was issued.
- (d) The Corporation, prior to commencing installation of the Private Sewage Works, shall obtain all the permits and approvals required by law for the installation of the Private Sewage Works.
- (e) The Corporation, prior to commencing installation of the Private Sewage Works, shall obtain a permanent easement from The Georgian Peaks Club (the "Club") for the installation of that part of the Private Sewage System to be installed on that part of the Club lands known as West Lodge Parking Lot and provide a copy of this easement to the Town.
- (f) The Private Sewage Works will form part of the common elements or assets of the Corporation and that the Corporation shall be solely responsible for the operation, maintenance, repair, reconstruction and replacement of the Private Sewage Works at its own expense in perpetuity.

2.4 Permission to Enter

The Corporation, for itself and on behalf of all 38 Unit Owners, hereby grants permission to the Town in accordance with Section 2.(4) of the Regulation to enter the Private Property to install the Private Sewage Works as a local improvement on Private Property on the terms and conditions set out in this Agreement.

2.5 Construction Contract

The Construction Contract and the form of the payment certificates to be issued by the Engineer for the Construction Contract shall be approved by the Town prior to its execution by the Corporation and the Corporation shall provide to the Town a fully executed copy of the Construction Contract prior to commencing installation of the Private Sewage Works. The approval of the Construction Contract by the Town shall not absolve the Corporation and the Engineer of the responsibility for errors in and or omissions from the plans, specifications and any other provisions in the Construction Contract.

2.6 General Liability Insurance Policy

The Construction Contract shall require the contractor to, prior to commencing work on the Private Sewage Works, take out and keep in full force and effect until completion of the Construction Contract, at its sole cost and expense, Commercial General Liability insurance applying to all operations of the contractor which shall include coverage for bodily injury liability, property damage liability, products and completed operations liability, contractor's protective liability, contractual liability, non-owned automobile liability, contingent employers liability and employees as additional insureds.

This policy shall contain no exclusions for damage or loss from blasting, vibration, pile driving, the removal or weakening of support, shoring, and underpinning or from any other activity or work that may be done in connection with the installation of the Private Sewage Works and shall be written with limits of not less than FIVE MILLION DOLLARS (\$5,000,000) exclusive of interest or costs, per occurrence and shall include the Town as an additional insured.

2.7 Indemnity and Release

The Corporation and the Unit Owners shall forever indemnify and save completely harmless and hereby release and forever discharge the Town and its elected officials, officers, agents, contractors and employees from and against all actions, causes of actions, suits, claims and demands whatsoever which may arise directly or indirectly or in any way connected with the design, installation or operation of the Private Sewage Works, the maintenance and repair or lack of maintenance and repair of such Works by the Corporation and the use of such Works by any person or any defect in workmanship or materials.

Part III

Installation Costs

3.1 The Installation Costs

- (a) The Installation Costs shall include all the costs of the design and installation of the Private Sewage Works, including payment of all of the fees for the Engineering Services, the Town's reasonable administration costs, including the cost of advertising and giving notices, interest on short and long term borrowing and the costs of the Corporation obtaining the permanent easement referred to in Section 2.2(e) together with all applicable taxes on these costs. .
- (b) The Installation Costs are estimated to be \$***** and the estimated lifetime of the Private Sewage Works is estimated to be ** Years.
- (c) The final amount of the Installation Costs shall be shown on the Local Improvement Roll referred to in Section 4.

- (d) The Installation Costs shall not include the costs of connecting the Private Sewage Works to any building locate on the Units, decommissioning any existing septic systems installed on the Units and payment of any legal costs incurred by the Corporation and the Unit Owners related to the preparation and implementation of this Agreement. These costs shall be borne solely by the Unit Owners.

3.2 Town Financing of the Installation Costs

The Parties agree that the Town will raise the cost of undertaking the Private Sewage Works as a local improvement on the Private Property in an amount not to exceed \$850,000. (the "Town Financing") by imposing Special Charges on the Unit Owners in accordance with Part III of the Regulation for the amount of the Installation Costs together with interest thereon at the rate set out in the Special Charges By-law.

3.3 Excess Costs

In the event the total Installation Costs exceed \$850,000., the Corporation shall be responsible for paying the excess costs and the excess costs shall not be included in the calculation of the Town's Financing.

3.4 Unit Owners Not Executing Agreement

In the event a Unit Owner elects not to execute this Agreement, then:

- (a) the Towns Financing shall be reduced by 1/38 of the Installation Costs for each Unit Owner not executing this Agreement;
- (b) the Corporation shall be responsible for paying that Unit Owner's 1/38 share of the Installation Costs in accordance with the Construction Contract;
- (c) that Unit Owner's Unit and name shall not be shown on the Local Improvement Roll referred to in Section 4; and
- (d) that Unit Owner's Unit shall not be specially charged in accordance with the Special Charges By-law referred to in Section 5.

3.5 Advances on the Town Financing

The Town shall make advances on the Town Financing to the Corporation in the following manner based on payment certificates for the Construction Contract which shall include the fees for Engineering Services incurred to the date of such payment certificate;

- (a) The payment certificates for the Construction Contract shall be issued by the Engineer, approved by the Corporation and the Town.
- (b) The amounts shown on the approved payment certificates, less any amounts the Corporation is responsible for paying in accordance with Sections 3 and 3.4(b), shall be advanced to the Corporation within ten (10) Business Days from the date the Town approves the payment certificate and forthwith paid by the Corporation to the Contractor.
- (c) Prior to the final advance on the Town Financing, the Corporation shall provide to the Town a copy of the published Certificate of Substantial Performance of the Construction Contract, a certificate from the Engineer stating that the Private Sewage Works have been installed and are functioning in strict accordance the requirements of the Building Code Act and the Building Permit and a statement from the Corporation, verified by the Engineer, setting out the final amount of the Installation Costs, the balance of the Installation Costs, including holdbacks, owing to the contractor and the balance of the Town Financing which has not been advanced to the Corporation.

- (d) The balance of the Town Financing which has not been advanced to the Corporation, less any amounts the Corporation is responsible for paying in accordance with Sections 3 and 3.4(b), shall be advanced to the Corporation within ten (10) Business Days from the date the Town receives the material referred to in section 3.4(c) in a form satisfactory to the Town and shall only be used by the Corporation for the purpose of paying the balance of the of the Installation Costs owing to the Contractor at the time of such advance.

Part IV

Special Charges

4. Local Improvement Roll

- 4.1 The Treasurer shall, within thirty (30) Business Days after it has made the final advance on the Town Financing and prior to the Town passing the special charges by-law referred to in Section 5 prepare, give notice of and certify the local improvement roll in accordance with the requirements of sections 36.10 and 36.11 of the Regulation.
- 4.2 All of the information shown on the local improvement roll is incorporated into and form part this Agreement, shall have the same force and effect as if the information shown on the local improvement roll were contained in the body of this Agreement and shall govern the administration of this Agreement.

5. Special Charges By-law

The Unit Owners hereby consent to their Units being specially charged by the Town enacting a Special Charges By-law in accordance with Section 36.14 of the Regulation which imposes Special Charges on their Units on the following basis

- 5.1 The Special Charge on each Unit shall be 1/38th of the Installation Costs shown on the Local Improvement Roll.
- 5.2 The Special Charges By-law shall provided that each Unit Owner shall have the option to elect to pay the Special Charge in the following manner:
- (a) payment in full of the Special Charge without interest to be paid within 120 days of a date specified in the By-law; or
 - (b) payment of the Special Charge over a 15 year term together with interest thereon at the lesser of 5% interest per annum or the prevailing Town borrowing rate in effect 1 week prior to the By-law passing plus 1%; or
 - (c) payment of the Special Charge over a 20 year term together with interest thereon at the lesser of 5.5% interest per annum or the prevailing Town borrowing rate in effect 1 week prior to the By-law passing plus 1%.
- 5.3 The Special Charges together with interest thereon shall be added to the tax roles for the Units shall have priority lien status as described in section 1 of the Municipal Act.
- 5.4 Where a Unit Owner elects to pay the Special Charge over a term of 15 or 20 year, the Special Charge together with interest thereon shall repaid over the term in four instalments per year. Instalments will be due on the dates the municipal taxes are due in each and every year during the term of repayment. (such instalments to be applied first in payment of the interest due from time to time, and the balance to be applied in reduction of the Special Charge owing) and the balance of the Special Charge owing with interest thereon as aforesaid shall be due and payable on the date of the last municipal tax instalment in the last year of the term.

- 5.5 Subject to Section 5(6), a Unit Owner may at any time or times pay the whole of the unpaid balance of the Special Charge together with interest thereon to the date of payment.
- 5.6 In the event of a Unit Owner selling, conveying or transferring title to the Unit to any person the unpaid balance of the Special Charge together with interest thereon shall immediately become due and payable.

6. Registration of This Agreement

The Parties agree that this Agreement and the Special Charges By-law may be registered, at the expense of the Corporation, in the proper Land Registry Office against the title to the Unit Owners Units and the Unit Owners hereby authorizes the Town Solicitor or his designate to execute on behalf of the Unit Owners all documents necessary to register this Agreement and the Special Charges By-law in the Land Registry Office.. This Agreement shall run with the title to these Units and shall bind subsequent owners of these Units.

Part V

Capital Sewer Charge

7. Sewer Charges By-law

In addition to payment of the Special Charges and despite Section 3.4, all of the 38 Unit Owners will be required to pay for a portion of the capital costs of the Sewage System in accordance with a by-law to be enacted forthwith after the Private Sewage Works are connected to the Sewage System pursuant to Sections 9, 11 and Part XII of the Municipal Act and the regulations thereto which will impose a capital sewer charge for the use of the Sewage System on each of the Unit Owners to pay a portion of the capital cost of the Sewage System. The final amount of the capital sewer charge and the repayment terms and conditions shall be provided to the Unit Owners in accordance with Town policy prior to the enactment of this by-law.

Part VI

General Terms and Conditions.

8. General Provisions

8.1 Successors and Assigns

This Agreement shall binding on the Parties their respective successors and assigns.

8.2 Notice

- (a) Any notice, demand, acceptance or request ("Notice") required to be given hereunder in writing, shall be deemed to be given if either personally delivered or mailed by registered mail, postage prepaid, or by facsimile transmission (at any time other than during a general discontinuance of postal Private Sewage Works due to a strike, lockout or otherwise) and,

- (i) addressed to the Corporation as follows:

to be provided

[names, addresses, contact persons and fax numbers of Corporation]

or such changes of address or fax number as the Developer have by written notification forwarded to the Town; and

- (ii) addressed to the Town as follows:

The Town of The Blue Mountains
32 Mill Street
Box 310, Thornbury
Ontario, N0H2P0

Attention: The Treasurer

Facsimile: (519) 599-7723

or such change of address as the Town has by written notification forwarded to the Developer.

- (b) Any notice shall be deemed to have been given to and received by the party to which it is addressed:
- (i) if delivered, on the date of delivery;
 - (ii) if mailed, on the fifth day after the mailing thereof; or
 - (iii) if faxed, on the date of faxing, as confirmed by an original receipt confirmation.

8.3 Amendments, Modification by Written Agreement

No amendment, supplement, waiver or consent provided for by the provisions of this Agreement shall be effective unless in writing and signed by the party against whom enforcement of the amendment, supplement, waiver or consent is sought.

8.4 Time of the Essence

Time shall be of the essence of this Agreement.

8.5 Governing Law

This Agreement shall be interpreted under and is governed by the laws of the Province of Ontario

8.6 Entire Agreement

This Agreement constitutes the entire Agreement between the Parties hereto with respect to the subject matter hereof.

8.7 Schedules

The following Schedules are attached hereto and form part of this Agreement:

Schedule "A" List of Unit Owners

8.8 Execution of this Agreement by the Unit Owners

The Parties agree that the signatures on Schedule "A" of the Unit Owners constitute execution of this Agreement by the Unit Owners.

8.9 Counterpart Execution

This Agreement may be executed and delivered by the Unit Owners in counterparts and all of the counterparts taken together shall constitute one agreement binding on all of the Parties to this Agreement.

8.10 Delivery of Agreement

The Corporation shall deliver an executed copy of this Agreement to each of the Unit Owners forthwith after the execution of this Agreement by the Parties.

8.11 Sufficient Agreement

The Town Clerk, by the execution of this Agreement after all of the other Parties to this Agreement have executed this Agreement , hereby certifies that this Agreement is a sufficient agreement within the meaning of Section 36.4 of the Regulation.

IN WITNESS WHEREOF the Parties hereto have hereunto affixed their corporate seals duly attested to by their proper signing officers in that behalf.

GREY CONDOMINIUM CORPORATION NO. 28

Per: _____

Per: _____

I/we have the authority to bind the corporation.

THE CORPORATION OF THE TOWN OF THE BLUE MOUNTAINS

Per: _____
Mayor

Per: _____
Town Clerk

CORRINA GILES

Town Clerk

THE UNIT OWNERS

Schedule "A"

SCHEDULE "A"

**This schedule forms part of an agreement between Grey Condominium
Corporation No. 28 and
The Corporation of the Town of The Blue Mountains**

**GREY CONDOMINIUM CORPORATION NO. 28
REGISTERED OWNERS LIST**

Unit Number	Name
Unit No. 1	_____ Nancy Ruth Ward
Unit No. 2	_____ James Edward Jackson _____ Arlene Elizabeth Jackson
Unit No. 3	_____ David Robert Reid _____ Barbara Jean Reid
Unit No. 4	_____ Christopher Sadler _____ Suzanne Sadler
Unit No. 5	_____ David Doritty _____ Anne Doritty
Unit No. 6	_____ Lorna Allen _____ Geoffrey Michael Allen
Unit No. 7	_____ Karen Gagnon _____ Brian Gagnon

Unit No. 8

Lynda Anne Montgomery

Dennis Joseph Yurkiw

Unit No. 9

John Terence Housley

Unit No. 10

Dr. Margaret Kerr

Unit No. 11

Warren Dyas Wilkins

Anne Elizabeth Wilkins

Unit No. 12

Cecil Embury Carsley

Jacquelyn Marion Carsley

Unit No. 13

The Zemla Family Trust 2011

Paul Zemla

Unit No. 14

Elizabeth Brooks

Unit No. 15

Bernard Paul Pearson

Heather Anne Molnar

Sandra Elizabeth Sloan

Glenn Paul Pearson

Unit No. 16

Thomas Oliver Scheuring

Unit No. 17

Michelle Christine Burri-Sziklai

Unit No. 18

John Edward Bosworth

Shirley Bosworth

Unit No. 19

Annabelle Heintzman

Unit No. 20

Clifford Douglas Caldwell

Unit No. 21

Reid Lindsay Campbell

Unit No. 22

John David Seagram

Unit No. 23

Ann Purdy Hughson

David Russell Hughson

Unit No. 24

Anne Lovat Fraser McClelland

Unit No. 25

Jacintha Jeanne Doner

Unit No. 26

Pantheon Properties Corporation

Unit No. 27

William James Bell

Unit No. 28

Denny Hamilton

Unit No. 29

Robert Duncan Brown

Unit No. 30

Michael Kenneth Bunston

Shea Nicole Bunston

Unit No. 31

Gert Walter

Deborah Ann Walter

Unit No. 32

Richard Shawn Quinlan

Christine Quinlan

Unit No. 33

Alan Rowan Emprinham

Janet Elizabeth Emprinham

Unit No. 34

Ann Boyd Mabel Skinner

Unit No. 35

Robert Murray Sutherland

Unit No. 36

Meredith Maria Owen

Unit No. 37

David Wessinger

Kerry Wessinger

Unit No 38

Jeffrey Charles Stanley Wilkins

Jennifer Wilkins

DRAFT