

STAFF REPORT:

Town of The Blue Mountains Planning Department



REPORT TO: Mayor and Town Council
MEETING DATE: March 05, 2007
REPORT NO.: PL.07.24
SUBJECT: Cash-in-lieu of Parkland
Orchards at Craigleith
16M-7
Town of The Blue Mountains
PREPARED BY: Robert Armstrong, Manager of
Development Planning and IS

A. Recommendations

THAT Council does receive Staff Report #PL.07.24, “Cash-in-lieu of Parkland, Orchards at Craigleith, Plan 16M-7”; and

THAT Council does hereby accept an additional cash-in-lieu of Parkland contribution of \$34,000 which satisfies the conditions within Section 54(k) of the Subdivision Agreement for the lands.

B. Background

A Condition of Draft Approval for the Orchards at Craigleith was that the Developer was required to provide cash-in-lieu of parkland in accordance with the provisions of the Planning Act. In accordance with the Town’s standard procedures, the proponent commissioned an appraisal to determine the value of the land the day before Draft Plan Approval which in turn would determine the cash-in-lieu contribution. The proponent hired Hutcheson Gignac out of Collingwood to conduct their appraisal and they determined that the contribution was to be \$77,500. Staff met on this matter and we were concerned with the amount of the appraisal.

On this basis, the proponent front ended the County Road 19 sewer and needed to proceed with their Subdivision Agreement, it was agreed that the proponent could make an interim payment of \$77,500. The Town accepted this arrangement with the following provision:

- (k) The Developer acknowledge that although they have paid the cash-in-lieu specified under this Agreement, the Town is still reviewing the appraisal that forms the basis of the cash-in-lieu contribution to be satisfied in accordance with the requirements of the Planning Act. In the event that the Town’s review determines that additional monies are required, then an additional contribution shall be made prior to the lifting of the holding –h symbol on the Lands.*

The Town then commissioned an appraisal which took a lot longer to receive than originally anticipated. The Developer required that the holding –h symbol be lifted so that they could proceed with building permits. The Town acquiesced to the removal of the holding symbol in advance of working out the parkland dedication on the basis that we had adequate security to ensure additional contribution requirements and it was not the Developer's fault that it was taking so long to get our appraisal. A letter was received confirming that there would be no further release of securities provided until this issue was resolved.

The Town then received our appraisal that would require an additional contribution of \$68,000. This appraisal was provided to the Developer, who in turn provided it to their appraiser. Obviously, the Developer's appraiser could not support the findings of our appraiser. It should be noted that the Town's appraiser is the same appraiser that we have been having recent difficulties with on other projects (ie. timing to get appraisal and concerns with regard to valuation).

The Developer has proposed that we agree to split the difference as opposed to going through the necessary hearing process to determine the right amount.

In considering some comparables, the average between the two results is a value of \$45,979 per acre. This exceeds the \$31,500 per acre accepted for parkland at Georgian Bay Estates. Another comparable could be the Eden Oak property (former Trailhead) which sold for \$59,241.70 per acre. It should be noted that this sale was two years after the applicable date for calculating the cash-in-lieu for the subject lands and the property had Draft Plan Approval when the property sold, which adds value to the lands.

Planning Staff have reviewed the issue with Paul Graham, CAO and Chris Fawcett, Treasurer and based on other recent projects, we can support splitting the difference on the two appraisals.

It should also be noted that planning staff is considering a policy for Council's consideration wherein the Town would prepare the appraisal at the expense of the Developer.

C. The Blue Mountains' Strategic Plan

These funds assist in the implementation of the Leisure Activities Plan and the assembly of Parkland.

D. Budget Impact

This payment of \$34,000 will be added to a Parkland Reserve designated for the acquisition of Parkland.

E. Attached

NIL

Respectfully submitted,

Robert Armstrong MCIP RPP