



April 16, 2026

PROJECT MEMO

TO: Town of The Blue Mountains
From: Travis and Associates
Subject: P3325, 496857 Grey Road 2.

This memo is in response to the Town's request for a summary of how some of the key questions related to the form of development have been addressed. It appears that several themes around questions raised by the Town have emerged. This memo addresses each of these.

Summary of Applications and Rationale for Applications

The following is an outline of the applications that have been filed concurrently with the Town and County and an explanation for each:

1. Application for Amendment to the Town of The Blue Mountains Official Plan
 - a. Redesignation from Rural to Community Living Area within the approved Settlement Area that is outlined in the County and TBM Official Plan. This included a site-specific designation applicable to the subject lands that somewhat mirror a secondary plan as requested by the Town.
2. Application for a Zoning By-law Amendment to the Town of The Blue Mountains
 - a. Rezoning from Rural to Residential R2. Draft By-law to propose exceptions and rationale explained in the Planning Justification Report and Community Design Report. A column has been established specifically for this development that identifies standards for Back-to-Back units. Further, the use of the holding symbol will be proposed to address phasing, servicing allocation, and the applicability of Site Plan Control.
3. Application for a Draft Plan of Subdivision to the County of Grey
 - a. The Plan of Subdivision would be for the entire property and include the following lots or blocks:
 - i. Roads/Services, Stormwater Management, Parkette and Natural Heritage areas identified as blocks to form part of a Common Elements Plan of Condominium (CEC).

- ii. 245 lots which will become the Pieces of Tied Land (POTL's) to the Common Elements Plan of Condominium.
- iii. Conditions of Draft Plan Approval would address CEC and a Master Development /Subdivision Agreement with the Town, amongst other matters. It has also been suggested that a condition of Draft Approval be receiving Site Plan Approval to ensure this is completed prior to the registration of the individual lots.

Homefield has continuously noted that they are in the business of developing Land Lease Communities and that continues to be their intent for this development. That being said, they have applied to create individual lots through a Plan of Subdivision, with each lot comprising a POTL in a Common Elements Plan of Condominium. As a result, the development needs to be reviewed and approvals given based on Subdivision/CEC. Homefield will then lease the lots, which do not require Planning Act approval.

The following is a list of reasons that they are proceeding in the manner, even though they intend to lease the lots:

1. The M-Plan will generate a clear description of the lands that are to be leased.
2. The Common Elements Condominium would provide assurance to the Lessees as to the amenities that are to be provided in the development.
3. It will enable Leases longer than the 49 years currently permitted under the Planning Act for a Land Lease development.
4. CEC will provide flexibility for them should they be able to execute an agreement with another party to deliver housing. In particular, this could be beneficial to Homefield, Habitat for Humanity, and other not-for-profit groups in delivering additional affordable housing.
5. If Homefield is unable to market the Land Lease units at some point in the future, CEC will enable them to market the units as lease-to-own or freehold attainable/affordable housing. Which will be part of the CEC. It is important to acknowledge the following regarding this unlikely scenario:
 - a. As detailed by Aird & Berlis, the tenure of any or all units will not impact the functioning of the CEC, including adherence of its obligations to the Town and residents of the community (controlled under the Residential Tenancy Act, the Condo Act, applicable development agreements, etc.)
 - b. Tenure would be established prior to the sale of each home and conversion thereafter would not be possible without the voluntary sale of the home back to Homefield.

Note: Also see Travis and Associates Memo to Town, November 10, 2023, point 5 of Aird and Berlis Memo dated April 11, 2025 and Question 1 of Aird and Berlis memo to Barriston on November 24, 2025 for additional information on the above.

Draft Plan of Subdivision for each Piece of Tied Land (POTL) or Blocks with removal of PLC.

We have applied for a Plan of Subdivision with the POTLs shown as individual lots, rather than as blocks, with lots created later under Part Lot Control Exemption. This approach was applied due to concerns

that once Part Lot Control Exemption expired, lots would merge back together under the Planning Act if owned by a single entity, as would be the case under the proposed land lease tenure.

Mr. Farr had suggested that the Town could remove PLC indefinitely which would prevent this from happening. This would permit the lots to be created through removal of Part Lot Control under the Planning Act without the risk of merging back together. Prior to making this change in our Draft Plan we require confirmation that the Town and County would remove PLC indefinitely. Email from Town dated April 1, 2026 says this needs to be reviewed by Legal in conjunction with the Aird and Berlis Memos. In a subsequent conversation with Shawn Postma it was made clear that indefinite removal is not a process the Town has taken in the past and likely wont in the future. Although it was noted that when PLC by-laws lapses, it can be applied for again, we do not believe that this will work in this situation as the expiry of PLC will result in the merger of lots based on common ownership. On this basis, we wish to proceed as proposed.

In the event that the Town will consider indefinite removal along with the approval authority (Grey County), we can amend the Draft Plan to a Block Plan upon written acceptance by the Town and County.

Applicability of Site Plan Control

Town and County staff raised concerns regarding the new Planning Act provision that removes the applicability of site plan control from developments of less than 10 units. In response to these concerns, Aird and Berlis provided a memo dated March 18, 2026, which clarified that Site Plan Control would apply to the entire 245-unit development. Implementing Site Plan Approval prior to registration of the subdivision would ensure this. It was further clarified that there are several mechanisms to ensure this occurs, including implementation of a draft plan condition, a holding provision, requiring SPA prior to execution of the development agreement, etc.

A follow-up email was sent on March 25, 2026, by Travis and Associates, noting the possibility of proceeding by removing PLC, subject to the conditions noted above. If this approach is desired by the Town with the caveat noted, then Site Plan Approval would apply in the normal manner. In conclusion, based on the current requirements of the Planning Act to apply Site Plan Approval, the proposed development would meet the requirements in either case.

Attainability as it relates to Land Lease versus Freehold ownership

It is acknowledged that, initially, it was indicated that the Land Lease form of development was being utilized to assist in the delivery of attainable housing as the land lease tenure is generally associated with lower cost housing. Subsequent economic analysis advanced for the housing reports that formed part of the application served to demonstrate that the driving force for the delivery of attainable housing is controlling unit size, which will be ensured via the proposed ZBA regardless of tenure.

The Parcel Economics Inc Report noted the following on page 24 related to this matter:

Based on prices recommended for new units on the subject site, it's anticipated that 51% of units (or 125 units) will meet the Town's attainable price threshold. This includes both the land-lease and common elements condominium tenure. Therefore, this analysis demonstrates how controlling the maximum size of units can result in unit prices that are below the Town's attainable price threshold.

In particular they note that *“Encouraging maximum unit size is a more efficient mechanism to achieve attainability than requiring minimum attainability periods, which can be costly to monitor and enforce. Encouraging smaller unit sizes also results in increasing the attainability of housing stock long-term, rather than for a defined period.”*

Under Section 4.4 Attainability Analysis they note that *“in both the common elements condominium tenure and the land lease tenure, the smallest unit sizes are anticipated to have a market price that is less than the attainable house price threshold in the Town, without the need for price controls.”*

In summary, the report confirmed that tenure did not have a material impact on housing attainability in the context of this development, with both a land lease and common elements condo tenures anticipated to deliver equivalent levels of attainability.

Tenure of Leases and how Lessees are protected if part of a Common Elements Condominium

The main purpose of the memo from Aird and Berlis dated November 24, 2025 was to address how Lessees are protected if they are also part of a CEC. The following are some of the key points:

- *The Tenants' lease agreements are regulated by the Residential Tenancies Act, 2006, like all residential lease agreements in Ontario. Therefore, there is no additional risk to the tenants. The Tenants would have the same rights on changes to common areas or level of service as they would in all residential leases in Ontario, so it would be no different than in a land lease community or a multi-family residential building.*
- *There are no financial or practical differences when applying land lease to a common elements condominium format as far as the individual tenants are concerned. They are tenants at law, and enjoy all protections and obligations under the Residential Tenancies Act, 2006. Homefield does not foresee any unique risks to the tenants. As indicated above, in the event of a failure of the developer/majority owner, the provisions of the Condominium Act regarding maintenance of a reserve fund would give the tenants protections which would not exist in a traditional land lease community.*
- *From the owner/landlord perspective, there is little practical difference as it relates to the relationship between landlord and tenant as governed by the Residential Tenancies Act, 2006.*
- *All tenancies will be subject to the Residential Tenancies Act, 2006. Homefield intends to implement long-term leases. In accordance with section 50(3)(a) of the Planning Act there is no limit to the lease term that would be permitted as part of this development.*
- *Rules related to rent increases are established by law, and Homefield will abide by the statutory requirements. This would be the same as in a standard land lease community. However, as far as charges over and above rent are concerned, the Act is highly restrictive in this regard. Section 134 of the Act states:*
 - *134(1) Unless otherwise prescribed, no landlord shall, directly or indirectly, with respect to any rental unit, collect or require or attempt to collect or require from a tenant, prospective tenant or former tenant of the rental unit a fee, premium, commission, bonus, penalty, key deposit or other like amount of money whether or not the money is*

refundable; require or attempt to require a tenant or prospective tenant to pay any consideration for goods or services as a condition for granting the tenancy or continuing to permit occupancy of a rental unit if that consideration is in addition to the rent the tenant is lawfully required to pay to the landlord.

The Town and County expressed concern about what would happen to an individual whose Lease expires. Leases are automatically renewed under the Residential Tenancies Act, so the lease would only expire if the Lessee no longer wished to remain.

The Town (Mr. Postma) has also noted that the majority of voting and contributions to the CECC will be controlled by the Owner-Developer. As such, there is the question of Lessees being exposed to changes to common facilities (size, nature) and CECC costs or assessments being passed along to lessees. This concern is addressed by the fact that lease provisions will bind the Owner-Developer to provide and maintain facilities and such costs are included in the rental fee. Increases in rent are controlled.

We hope that the above noted responses address any questions that staff may have and look forward to our meeting to discuss these items.