Committee of the Whole (Planning)
Municipality of West Grey
Minutes of April 9th, 2019, at 1:00 p.m.

The Committee of the Whole (Planning) met at the Council Chambers with the following members in attendance.

Members Present: Mayor Christine Robinson, Deputy-Mayor Hutchinson, Councillor Beth Hamilton, Councillor Rebecca Hergert, Councillor Doug Hutchinson, Councillor Geoffrey Shea (left the meeting at 2:00 p.m.), Councillor Stephen Townsend

Staff: Mark Turner, Clerk; Laura Johnston, CAO

Also Present: Scott Taylor, Senior Planner, Grey County Planning & Development Department; John Welton, Welton Custom Homebuilding Ltd./Sunvale Homes; Don Tremble, Candue Homes; Alex Neuman, Candue Homes

1) Disclosure of Pecuniary Interest

Councillor Geoffrey Shea declared a pecuniary interest relating to the Fabulous Festival of Fringe Film item on the agenda as a family member is working for the Festival. Councillor Shea submitted the written declaration of pecuniary interest form. Councillor Shea left the remainder of the meeting when this item came up at 2:00 p.m., and did not participate in any discussion relating to same.

2) Public Meetings - None

3) Other


Don Tremble, Candue Homes, provided a background history of the proposed subdivision development for the benefit of the Committee and those in the audience.

Alex Neuman, Candue Homes, gave a powerpoint presentation respecting the subdivision development, indicating approximate building permit fees and development charges that would result for each proposed single detached dwelling constructed in the subdivision, including the approximate resulting property taxes. The first phase of the subdivision consists of 89 dwelling units. Current and future subdivision development proposal in other municipalities were noted, as were the development related costs for dwellings in neighbouring municipalities. Residential development projects for both Candue Homes and Sunvale Homes in other municipalities were also noted.
Mr. Neuman indicated the Sunvale Homes plan of subdivision has 4 phases proposed with a total of 118 single detached dwellings, 60 semi-detached dwellings, and 64 townhouse units. Total estimated electrical and municipal servicing costs are $2,853,554.08.

John Welton recounted his career in residential development noting the benefits of developing in a small community. Mr. Welton reiterated his desire to proceed with the development, and requested West Grey to consider some assistance with required securities, as securities tie up a developers credit. Mr. Welton estimated the plan of subdivision will be an 8-10 year project. Mr. Welton requested that the Municipality only require 25% security, as they can only be approved for $850,000.00 security-wise. Mr. Welton hoped building permits would be ready for submission by October 2019, and would like to build a model home.

The Committee questioned if the list of past developments provided during the powerpoint presentation span from 1996 to present. John Welton responded affirmatively. The Committee questioned what were the security arrangements for those developments. Mr. Welton noted in Orangeville, securities exceeded the cost of services, although Mr. Welton was only the homebuilder for some of those developments, so he personally did not have to provide securities. Mr. Welton noted it is necessary and reasonable to have securities, but it is a hardship to provide a security equal to the total cost of the subdivision works.

The Committee asked if the $850,000 security cap in place is due to area market conditions and the appraisers valuation. Mr. Welton responded affirmatively, indicating the appraisers completed a conservative valuation. Mr. Welton stated if he has to provide securities greater than $850,000, they will have to delay the subdivision development while trying to obtain additional securities.

The Committee asked what is the difference between a Letter of Credit and a Letter of Guarantee. Mr. Welton replied that a Letter of Credit is provided by a financial institution, while a Letter of Guarantee is in essence a pledge, that is not guaranteed, and is not as well protected.

Don Tremble noted the developer has to provide Hydro One a significant cheque amount for electrical services with amounts being returned as homes are sold.

The Clerk asked the developer to clarify if the $2,175,000 construction cost estimate for Phase I of the subdivision provided by Cobide Engineering reflects the amount of security the developer would provide to West Grey if 100% security was requested. Don Tremble affirmed this is the case.

Scott Taylor, Senior Planner, Grey County Planning & Development Department, provided an overview of the planning process to date and the planning process ahead. The developer is required to meet the draft plan of subdivision conditions, including the
finalization of a subdivision agreement and registration of same, as well as provision of securities, among other conditions. After the draft conditions are addressed, and the subdivision agreement is passed and registration, the subdivision development can commence.

The Committee asked Scott Taylor when can individuals can move into their homes in the subdivision. Mr. Taylor indicated once the Subdivision Agreement for Phase I is signed by both parties and registered, including the draft conditions of subdivision being met, and the required subdivision works are completed as per the Subdivision Agreement, building permits can be issued upon payment of applicable building permit fees and development charges fees.

John Welton indicated their 25% security request included electrical costs, and noted the proposed 40% requirement for securities for the estimated municipal subdivision works would be greatly appreciated.

The Committee asked Mr. Welton how much has been invested to date regarding the proposed subdivision. Mr. Welton responded that approximately $1.3 million has been spent to date, not including any expenditures by Candue Homes. Mr. Tremble indicated Mr. Welton is committing $5 million in development related costs for Phase I of the subdivision agreement.

Townsend-Councillor Hutchinson, Be it resolved that, the Committee of the Whole (Planning) hereby recommends Council approves the requirement for subdivision securities in the form of a Letter of Credit or cash for the John Welton Custom Homebuilding Ltd./Sunvale Homes Plan of Subdivision in the amount of 40% of estimated on-site subdivision works ($850,000 of $2,175,000) and 100% for off-site works relating to the subdivision; and further that, staff prepare a subdivision security policy for consideration by Council that will reflect similar requirements for subdivision securities for other future subdivision developments. #6-19 Carried.

   ii) Fabulous Festival of Fringe Film – request for West Grey to sponsor The Fabulous Festival of Fringe Film application for a Community Foundation Grey Bruce grant

The Clerk and CAO/Deputy Clerk noted that it has been determined municipal staff can sign the applications as the municipality is solely sponsoring the grant, with no financial commitments. Fabulous Festival of Fringe Film representatives will be completing any required application forms for subsequent signing by West Grey.

4) Next Meeting – May 14, 2019, 1:30 p.m., West Grey Municipal Office
5) **Adjournment**

On motion of Stephen Townsend and Deputy Mayor Hutchinson, the Committee adjourned at 2:13 p.m.

(Signed) ____________________  (Signed) ____________________
Christine Robinson, Mayor        Mark Turner, Clerk