

PARKBRIDGE CRAIGLEITH COMMUNITY

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BACKGROUND NOTE on the Proposal for Long Term Land Leases and Part-Lot Control Exemption By-law

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For: Parkbridge Lifestyle Communities Inc.

And for consideration by: the Town of the Blue Mountains and the County of Grey

Introduction:

Parkbridge has an established record of successfully developing, marketing and operating residential land lease communities across Canada. In these communities the homeowners own the home or housing unit while leasing the individual building sites from Parkbridge.

At its Craigleith community Parkbridge is proposing the development of a community with 208 residential housing units in two phases. Development of this community will comply with the Town Official Plan and will meet or exceed the requirements for open space.

As in its other communities Parkbridge will retain ownership and management responsibility for the entire development site including roads, water and sewer services. The 208 residential single detached, semi-detached and attached townhouse units will each be located on an individual land lease. The land lease provides the homeowners with up-front savings on the cost of a fully-serviced building site. At the same time, Parkbridge's shareholder bcIMC will have the benefit of stable, long term income from the monthly payments on those land leases.

Under the subdivision control provisions of the Ontario Planning Act, those land leases are generally limited to terms of less than 21 years. However, both the homeowners and Parkbridge would benefit from the certainty of longer term leases. In addition, the 21 year lease term restricts the availability of financing to homeowners and limits the ability to market these home for first time homebuyers and to others requiring purchase financing.

Parkbridge is seeking the cooperation of the Town of the Blue Mountains and the County of Grey so that it can offer longer term leases to homeowners in the Parkbridge Craigleith community. The purpose of this explanatory note is to briefly set out a proposal for the Planning Act approvals and the process to allow for the longer term leases.

It is anticipated that the proposed land leases would be for terms of at least 49 years and less than 99 years.

PLANNING APPROVALS

The substantive planning issues related to Official Plan conformity, zoning and site plan approval will be addressed in detail in the **Planning Justification Report** to be provided by D.C.Slade on behalf of Parkbridge. The overview and legal framework on the long term leases and the relevant planning approvals is set out below.

OFFICIAL PLAN

The development of 208 residential units is already permitted under the Residential Recreational designation in the new 2016 Official Plan, subject to other OP requirements including the provision of open space. The open space requirements will be met and exceeded in this development including a possible connection for the Nipissing Ridge trail across the Parkbridge lands.

ZONING AND SITE PLAN CONTROL

Parkbridge will be submitting applications for a zoning by-law amendment and site plan approval giving the municipality detailed control over the built form of development. As suggested by the project planning consultants, the Town can use this part of the approval review process to satisfy itself on the detailed form of development before it is asked to finalize the approval or pass the Part-lot control exemption by-law.

it is anticipated that the Town will require a detailed Development Agreement to address matters including landscaping, access roads, open space, storm drainage, garbage collection and snow removal.

SUBDIVISION AND PART-LOT CONTROL EXEMPTION BY-LAW

To address the issue of the long term leases Parkbridge is asking the Town of the Blue Mountains to exercise its powers under Sub-section 50 (7) of the Planning Act to pass a “part-lot control exemption by-law”. We understand that the Town has used such by-laws in the past, for example to enable the reciprocal easements for access and servicing between condominium buildings in the Village at Blue. Once a subdivision plan is in place, the Part-lot control exemption by-law is a tool to permit interests in land such as easements or land leases to exceed the 21 year limit that would otherwise apply.

Accordingly, and in addition to the Zoning and Site Plan approval applications, Parkbridge will submit an application for Subdivision approval. From the perspective of Parkbridge the registration of a subdivision plan is a necessary step toward the part-lot control exemption and the longer term leases. As the internal access roads, storm drainage, water and sewer service will remain the private responsibility of Parkbridge it is anticipated that there can be a simplified plan of subdivision and related conditions of approval.

The Plan of Subdivision may simply create the large blocks for each phase of development and provide for those easements or land dedications as may be required by the Town or County. This simplified plan of subdivision will not create new public roads and will not be used to create individual building lots. Those individual land lease building sites will be subject to municipal approval under a part-lot control exemption by-law as outlined below.

From the municipal perspective the subdivision agreements will allow the Town to specify that the use of the part-lot control exemption is for the creation of long term land leases. The subdivision agreement and site plan agreements will also secure the long term commitment of the land owner, Parkbridge, to the maintenance of all of the internal access roads, water and sewer services and private community amenities.

The subdivision approval conditions and subdivision agreement will provide the Town and County with the authority to require and control:

- The phased installation and permanent maintenance of private road access, storm drainage, water and sewer services by Parkbridge where maintenance might normally be the responsibility of the municipality;
- The anticipated use of the part-lot control exemption by-law for the exclusive purpose of allowing the land owner and the individual homeowners to enter into land leases in excess of 21 years and to allow mortgage financing on individual homes;
- The expected implementation of the part-lot control exemption by-law on a phase by phase basis;
- Other controls on the use of the part-lot control as appropriate.

With a simplified subdivision plan in place the Town will have the authority to enact the part-lot control exemption by-law required to allow for the longer term leases of individual home sites.

PART-LOT CONTROL EXEMPTION BY-LAW

Subsection 50 (5) of the *Planning Act* prevents the transfer of part of any lot or block on a plan of subdivision.

Subsection 50 (7) allows the Council of a local municipality to enact a by-law providing that subsection 50 (5) does not apply to land within all or part of a plan of subdivision. (For reference Subsection 50 (7) is re-produced at the end of this explanatory note.)

In the case of the proposed Parkbridge Craigeith community there will be approximately 100 individual land lease units within each of the two phases. If necessary, each unit could be defined by survey reference plan. Parkbridge is requesting that a part lot control exemption by-law be enacted to allow the homeowners to enter into long term leases for individual home sites and to allow for mortgage financing on the individual homes.

It is requested that the part lot control exemption by-law remain in effect for each phase of development so that homeowners will be entitled to sell their units and to assign the related land lease to purchasers without the requirement to seek new approvals or part lot control exemptions from the municipality.

PLANNING ACT SUBSECTION 50 (7)

Designation of lands not subject to part-lot control

(7) Despite subsection (5), the council of a local municipality may by by-law provide that subsection (5) does not apply to land that is within such registered plan or plans of subdivision or parts of them as are designated in the by-law. 1996, c. 4, s. 27 (3).

Requirement for approval of by-law

(7.1) A by-law passed under subsection (7) does not take effect until it has been approved by the appropriate approval authority for the purpose of sections 51 and 51.1 in respect of the land covered by the by-law. 1996, c. 4, s. 27 (3).

Exemption from approval

(7.2) An approval under subsection (7.1) is not required if the council that passes a by-law under subsection (7) is authorized to approve plans of subdivision under section 51. 1996, c. 4, s. 27 (3).

Expiration of by-law

(7.3) A by-law passed under subsection (7) may provide that the by-law expires at the expiration of the time period specified in the by-law and the by-law expires at that time. 1996, c. 4, s. 27 (3).

Extension of time period

(7.4) The council of a local municipality may, at any time before the expiration of a by-law under subsection (7), amend the by-law to extend the time period specified for the expiration of the by-law and an approval under subsection (7.1) is not required. 1996, c. 4, s. 27 (3).

Amendment or repeal

(7.5) The council of a local municipality may, without an approval under subsection (7.1), repeal or amend a by-law passed under subsection (7) to delete part of the land described in it and, when the requirements of subsection (28) have been complied with, subsection (5) applies to the land affected by the repeal or amendment. 1996, c. 4, s. 27 (3).

Exception

(8) Nothing in subsections (3) and (5) prohibits, and subsections (3) and (5) shall be deemed never to have prohibited, the giving back of a mortgage or charge by a purchaser of land to the vendor of the land as part or all of the consideration for the conveyance of the land, provided that the mortgage or charge applies to all of the land described in the conveyance. R.S.O. 1990, c. P.13, s. 50 (8).

Part of building or structure

(9) Nothing in subsections (3) and (5) prohibits the entering into of an agreement that has the effect of granting the use of or right in a part of a building or structure for any period of years. R.S.O. 1990, c. P.13, s. 50 (9).

Exception

(10) This section does not apply to an agreement entered into under section 2 of the *Drainage Act*. R.S.O. 1990, c. P.13, s. 50 (10).