



Honorable Mayor and Members of Council,  
Town of The Blue Mountains  
32 Mill Street  
Thornbury, ON, L9Y 1T3

Dear Mayor Matrosovs and Council Members,

**Re: Deputation to the Town of the Blue Mountains Council Regarding the Proposed Allocation By-law:**

We request Council consider the following change to the proposed Allocation By-Law:

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**Add: in red**

## 6. Development Exclusions

This Policy does not apply to the following:

- a) The addition of up to two (2) additional residential units on a lot which is in compliance with applicable zoning regulations.
- b) Changes from one permitted use to another permitted use provided the applicable zoning requirements are met;
- c) The construction of a patio, deck, porch, boathouse, dock, shoreline structure, accessory building or structure with no water or sewage connection to the Town system, temporary building, or structure, or interior or exterior renovation to an existing building or structure;
- d) The repair, re-build or restoration of a legally existing building or structure, or part thereof, provided that the building or structure continues to be used for the same purpose;
- e) Minor adjustments to site plan agreements and subdivision/condominium/site plan amendments that do not meet the criteria of Section 8; and
- f) The development of existing vacant lots where no approval under the Planning Act is required.
- g) Developments subject to a Development Agreement**

**Remove: in red**

## 8. Existing Approvals

All lands subject to existing Draft Approved Plans of Subdivision, Consents, Site Plans or Vacant Land Condominium, but have not been subject to a Development Agreement **confirming Allocation** prior to the implementation of this policy, will be subject to the requirements in this policy.

## **Discussion:**

Recalling our last meeting on November 19th at the Committee of the Whole, we felt we were nearing consensus on an allocation policy that may be acceptable. Notably, on September 30th, the council directed to receive a legal opinion on our submission, which addressed the legality of the policy. In addition to the legality our submission also included discussion on the importance of developments front-ending infrastructure works.

Specifically, our legal team stated:

“A very practical issue for the Town is that developers will also not be prepared to make commitments to front-end any infrastructure before the execution of a final subdivision agreement if there is uncertainty regarding their ability to obtain allocations of capacity. Under the Allocation Policy as proposed, a developer could not agree to front-end any infrastructure because the Town could not give assurances that allocations of capacity will be available to that developer when they are needed.

We would note that in other municipalities, such as Halton Region, York Region and East Gwillimbury, allocation policies, together with front-ending agreements, are actually used to secure commitments from developers to front-end critical infrastructure. The Town’s Allocation Policy ensures the opposite. “

This submission by or legal team was recognized in the staff report from November 19th, where the only significant recommended change was to expand the definition of 'development agreement' to include development charge front ending agreements. This acknowledges the financial risks associated with such commitments.

Quite simply, Developments that fund significant upgrades to town infrastructure should not have to compete for the capacity created by their investments. Furthermore, this approach aligns with the provincial intent behind the changes to the Municipal Act, which is the statutory

authority this By-Law is being enacted. The Province's changes are designed to foster development rather than restrict it, encouraging municipalities to reallocate Allocation away from projects that are not actively constructing homes. Logically, developments that invest millions to front end town infrastructure will aim to recoup these costs by promptly building homes.

Staff concurred with this assessment in the November 19th report, recognizing that front-ending crucial infrastructure is essential and acknowledging the substantial risks involved. Consequently, the inclusion of DC front-ending agreements was a welcomed amendment.

Specifically, staff stated:

“The only substantial change recommended since the correspondence (Goodman's Opinion) has been received is to expand the definition of development agreement to include Development Charge (DC) Front-Ending Agreements. This amendment is reflective of the expense associated with constructing external works and the risk that comes with committing to these improvements in the absence of water and sewage allocation.”

During the last Committee of the Whole, I thanked staff and council for their addition of an exemption be granted for those development party to these Front Ending Agreements. I reaffirmed the importance of these tools and proposed a technical addition of development charge credit agreements alongside front-end agreements, which essentially serve the same purpose.

We note that in the staff report in front of council today that Staff agree and recognize DC Front End Agreements and DC Credit Agreements are in fact the same.

Upon receiving the staff report, we anticipated that we had arrived at an acceptable allocation policy.

However, that is not the case.

In discussions with Staff, it became evident that Staff do not believe that Development Agreements including Front Ending Works provides an exemption to the Allocation Policy.

Specifically, in an email to the Director of Planning, we inquired whether, in his opinion:

“Front Ending Agreements and DC Credit Agreements do not provide the subject development an exemption to this by-law.”

Director Smith answer was:

“Essentially, those agreements would not be exempt.”

As you can imagine, we are quite frustrated. This is approximately my fifth or sixth presentation regarding this Allocation By-Law. Each time I have presented, it has led to amendments to the by-law proposed to council. Despite appearances that we have had ample time to review and collaborate with staff, we only become aware of these changes after they are included in a revised staff report at the last minute, leaving us scrambling to review and collaborate effectively.

Nevertheless, we find ourselves with a by-law proposal that, contrary to our understanding and staff representations, that in practice fails to preserve crucial tools for front-ending infrastructure—tools that are essential for accelerating home construction in the town.

To be clear, by exempting Front Ending Works from the Allocation Policy the town is not fettering with its authority under the Planning Act such as Draft Plan Approval or Zoning By-Laws or creating a loophole to assign Allocation.

However, by not including Front Ending Works as an exemption to this by-law the Town is removing these tools from their arsenal to get much needed community infrastructure built. Infrastructure that is needed to build all homes – including affordable housing.

Finally, by removing these tools and stalling development in this manner may force legal challenges to this by-law as previously outlined in the submission by Goodmans LLP, further adding costs, drawing out the development process and delaying the construction of homes.

Therefore, we urge the Council to explicitly state that Front Ending Works through DC Front-Ending Agreements and/or DC Credit Agreements should provide an exemption to this By-Law and support our request that the Council consider our proposed amendment to the Allocation By-Law.

Thank you for considering these vital adjustments.

Kenneth Hale

Vice President, Land Development