

Joel Watts

From: Deborah Keay <dkeay@dmwills.com>
Sent: Wednesday, October 18, 2017 10:29 AM
To: Deborah Keay
Subject: FW: 1732 - Arizona Heights

From: Bill Ulicki [<mailto:BillUlicki@romspen.com>]
Sent: Wednesday, April 12, 2017 2:06 PM
To: Deborah Keay
Cc: Tom deBoer (tomdeboer@rogers.com); Pranav Bhajiwala
Subject: RE: 1732 - Arizona Heights

Ok then we will defer until occupancy.

From: Deborah Keay [<mailto:dkeay@dmwills.com>]
Sent: Tuesday, April 11, 2017 10:00 AM
To: Bill Ulicki
Cc: Tom deBoer (tomdeboer@rogers.com); Pranav Bhajiwala
Subject: FW: 1732 - Arizona Heights

I followed up with Juan regarding the deferral of DCs.
You can see Juan's comments below, but to summarize:

1. If you defer DCs, they are payable at the rate that is in effect at the time of payment. There likely wouldn't be an increase if you defer from building permit to occupancy (assuming occupancy is in the same year as you start construction), but could definitely be higher than the rates in effect at the time of signing the subdivision agreement – depending how quickly you build out.
2. There was an implication with respect to securities as well – the City can withhold securities if DCs aren't paid yet, but the good news is that they don't ask you to post additional upfront LCs.

Thanks,
Deb

From: Juan Rojas [<mailto:projas@city.kawarthalakes.on.ca>]
Sent: Tuesday, April 11, 2017 9:45 AM
To: Deborah Keay
Cc: Christina Sisson; Roberta Perdue
Subject: RE: 1732 - Arizona Heights

Hi Debbie,

Please find attached the new signed MOE form.

From: Deborah Keay [<mailto:dkeay@dmwills.com>]
Sent: Monday, April 10, 2017 4:16 PM
To: Juan Rojas
Cc: Christina Sisson
Subject: 1732 - Arizona Heights

Juan:

As discussed, I have attached the revised signing page for you to resign please. We have asked the client to confirm whether they want the deferral of DC payments and when I dug into the background information in the staff report I wanted to get some clarification.

In Item 6, I understand that the DCs payable are payable at the DC rates in effect at the time of payment (i.e. subject to the year over year increase, or an updated by-law), regardless of the rates at the time of execution of the subdivision agreement. Is that correct?

Yes, this is correct.

In Item 7, it notes that securities shall include the value of the deferred DCs. Does this mean that if Development Charges are not paid at the time of execution of the Subdivision Agreement that the developer will have to secure an amount equal to the development charges? If this is the case, I am not clear how this helps the cash flow, since Letters of Credit tie up cash until they are released. If they require security, at what rate are they secured, the current rate?

We do not hold additional securities for the DCs.

Instead, we utilize the Capital infrastructure securities to cover the outstanding DCs (if applicable).

If the developer chooses to defer the DCs then there may be an impact on how quickly he can have the securities reduced, depending on how much DCs are outstanding.

Any light you can shed would be much appreciated as deferral seems like the obvious choice, but in fact may not be.

Thanks,
Deb



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