

DATE: November 6, 2017

FILE: 3350-20 / CP 1C 06
3360-20 / RZ 4C 06

TO: Chair and Directors
Electoral Areas Services Committee

FROM: Russell Dyson
Chief Administrative Officer

Supported by Russell Dyson
Chief Administrative Officer

R. Dyson

RE: Proposed Revisions to Saratoga Beach Estates Master Development Agreement

Purpose

To approve revisions to the Saratoga Beach Estates (SBE) Master Development Agreement (MDA).

Recommendation from the Chief Administrative Officer:

THAT the revised Saratoga Beach Estates Master Development Agreement, attached as Appendix A to staff report dated November 6, 2017, be approved;

AND FURTHER THAT the letter, attached as Appendix B to staff report dated November 6, 2017, be sent.

Executive Summary

- The Comox Valley Regional District (CVRD) and SBE entered into an MDA on November 10, 2011. The agreement was registered as a covenant under Section 219 of the *Land Title Act*. Shortly after its registration, the developer expressed concern that the terms of the agreement imposed an undue level of obligation that effectively limited interest from the investment community.
- In May 2017 the CVRD board (the board) directed staff to proceed with discussions with the owner of SBE towards a revised MDA as outlined in Appendix A of staff report dated May 10, 2017 (Appendix C)
- The attached revised MDA (Appendix A) includes the revisions as directed at the May 2017 electoral area services committee meeting including:
 - Reduction in the size and expansion capacity of the sewage treatment plant (STP) to be designed, built and operated by SBE;
 - Capacity of STP reduced by nearly 50 per cent from 652 connections to 363 connections including 143 SBE lots plus 220 connections of existing households in future, pending voter assent;
 - Expanded capacity reduced from 1956 to 700 connections;
 - Reduction in park dedication from 30 per cent to 16.5 per cent of the area, as shown in attached Schedule A due to changes in the Official Community Plan requirements;
 - Provisions for a temporary STP, should the board approve this, with requirement for the developer to provide detailed cost estimate and letter of credit (LOC) at 125 per cent of this estimate to CVRD, should the board approve the temporary STP;
 - The revisions allow for four show homes to be constructed on site, upon issuance of building permits and servicing;

- Commitment to revised LOC draw down terms to monthly, as provided for in proposed Bylaw No. 252, Saratoga Community Sewer Service Establishment Bylaw;
- “Whereas” clause added to MDA to show commitment to publicly owned waste water service and to transfer by way of final adoption of Bylaw No. 252 once terms of MDA are met by SBE; and
- Language clarity throughout to make clear obligations of each party.

Staff and the SBE found agreement on all matters with the exception of two issues:

1. Staff do not support a temporary sewage treatment plant as a fully operational permanent plant is the key amenity of the development to support growth in the area for both these 143 lots as well as 220 other existing residents, should community assent be obtained to service them. At the same time, staff have included provisions for a temporary STP should the board approve this and if not, this section would be removed from the MDA.
2. Waiving of Parkland Development Cost Charges of \$203,000. Staff believe there is no legal provision to waive these cost, given that the project does not meet the criteria included in the Local Government Act for waiving, as outlined in attached Schedule A, and there are no provisions for exemption in the CVRD Parkland Development Cost Charges Bylaw No. 238, 2012. Instead, staff recommend that the additional park dedication required at time of subdivision, (5% or cash based on market values of new lots) be waived.

Prepared by:

A. MacDonald

Ann MacDonald, MCIP, RPP
 General Manager of Planning and
 Development Services Branch

Concurrence:

M. Rutten

Marc Rutten, P.Eng
 General Manager of Engineering
 Services Branch

Stakeholder Distribution (Upon Agenda Publication)

George Cowling, Owner SBE	✓
Saratoga Miracle Beach Residents Association (SAMBRA)	✓

Background/Current Situation

The SBE developer has requested that the MDA be revised, and has cited an unbalanced set of obligations on the developer which have served to prohibit investor interest in the project. For its part, the CVRD sees the amenity contribution that was negotiated in the MDA, (specifically a waste water treatment plant for the 143 lots in SBE plus some additional capacity to serve the existing community), as important to the future growth of the Saratoga Beach settlement node. The area was identified as a core growth area in the 2011 CVRD Regional Growth Strategy (RGS), intended to accommodate moderate growth with publically owned water and sewer infrastructure.

Staff have worked with SBE to negotiate what staff believe to be fair revisions that can lead to a successful land development project. Along with the proposed waste water treatment plant, the revised MDA provides for an attractive park and trail system that connects up to the community at large and will provide for a quality amenity for this growing community. A number of other amendments have been negotiated which are itemized in Schedule A.

2011 CVRD SBE MDA Requirements	Proposed 2017 Revised CVRD SBE Requirements
<p>Size and expansion capacity of the STP to be designed, built and operated by SBE was for 652 connections with expansion capacity to 700 connections;</p> <p>Park dedication of 30 per cent of the area, as shown in Schedule A per requirements in now rescinded Area C Parks and Greenway Local Area Plan requirements;</p> <p>No provisions for temporary STP.</p> <p>No provision for show homes to be constructed as no construction permitted until terms of MDA met;</p> <p>LOC draw down terms related to construction of STP require fixed dates for draw down from LOC by the developer per proposed Bylaw No. 252, Saratoga Community Sewer Service Establishment Bylaw;</p>	<p>50 per cent reduction in the size and expansion capacity of the STP to be designed, built and operated by SBE from 652 to 363 (including 143 SBE lots) plus 220 existing households to be serviced with expansion to 700 connections.</p> <p>50 per cent reduction in park dedication from 30 per cent to 16.5 per cent of the area, as shown in attached Schedule A due to 2014 rescinding of Area C Local Area Plan and adoption of 2014 Rural Comox Valley Official Community Plan.</p> <p>Provisions for a temporary STP, should the board approve this, with requirement for the developer to provide detailed cost estimate and LOC at 125 per cent of this estimate to CVRD, should the board approve the temporary STP;</p> <p>Revision allows for four show homes to be constructed on site, upon issuance of building permit and servicing;</p> <p>LOC draw down terms included as monthly draw down with required revisions to proposed Bylaw No. 252, Saratoga Community Sewer Service Establishment Bylaw that now includes fixed dates for draw down from LOC by the developer.</p> <p>“Whereas” clauses added to MDA to show commitment to publicly owned waste water service and to transfer by way of final adoption of Bylaw No. 252 once terms of MDA are met by SBE; and to reference regional growth strategy settlement node vision for moderate growth supported by publicly owner infrastructure.</p> <p>Letter attached to staff report with resolution to forward to provide some clarity and commitment by CVRD to final adoption of Bylaw 252 once terms of MDA are met.</p> <p>Language clarity throughout to make clear obligations of each party.</p>

Policy Analysis

Further to that, in May 2017 staff brought forward a plan for the principles to be renegotiated and obtained the following direction by way of board approved resolution:

“THAT staff be directed to proceed with discussions with the owner of Saratoga Beach Estates towards a revised Master Development Agreement as outlined in Appendix A of staff report dated May 10, 2017;”

“AND FURTHER THAT staff bring forward a draft Master Development Agreement with revisions to be reviewed by the Electoral Areas Services Committee for approval by the board.”

Options

1. To approve the revised MDA. (Recommended)

CVRD staff and SBE representatives have worked for several months to develop a framework that addresses both parties' interests, and the changes have been reviewed by each parties' solicitor. Approval of the revised MDA will allow for the CVRD to meet its strategic goals of addressing the servicing needs in the settlement node of Saratoga Miracle Beach and encourage and support more growth in this area, per the RGS.

2. To not approve the revised MDA.

Not recommended given that failure to amend the MDA will continue to delay growth and servicing in the Saratoga Beach settlement node.

3. To approve the revised MDA and direct further revisions.

Financial Factors

Pending development of SBE, the CVRD will obtain financial benefits by way of new growth, a sewage treatment plant to service 363 connections with expansion potential to 700 connections. CVRD will also accrue as additional revenue by way of park development cost charges (DCCs) and DCCs to provide additional support to the Black Creek Oyster Bay water service.

Legal Factors

The revised MDA has been developed with legal support.

Regional Growth Strategy Implications

The RGS, Bylaw No. 120, being the “Comox Valley Regional District Regional Growth Strategy Bylaw No. 120, 2010”, identifies Saratoga Beach as one of three settlement nodes in the core area of the RGS, and supporting a number of goals and objectives in the RGS, including key among them growth management and publicly owned servicing. The RGS contains eight policy areas, all of which are positively addressed by the proposal as follows:

1. Goal 1: Housing: the SBE project includes 143 lots, including ranchers and duplexes and assists the CVRD in reaching its housing targets per Goal 1: Housing; to ensure a diversity of affordable housing options to meet evolving regional demographics and needs.
2. Goal 2: Ecosystems, Natural Areas and Parks: the MDA provides for a network of parks and greenways to provide for community connectivity, per Goal 2 to protect, steward and enhance the natural environment and ecological connections and systems.

3. Goal 3: Local Economic Development: a revised MDA will enable construction of 143 dwelling units and a STP, construction of housing units and infrastructure to assist the CVRD in achieving a sustainable, resilient and dynamic local economy that supports businesses and the region's entrepreneurial spirit.

4. Goal 4: Transportation: this goal seeks to encourage growth that can lead to an accessible, efficient and affordable multi-modal transportation network that connects Core Settlement Areas and designated Town Centres, and links the Comox Valley to neighbouring communities and regions. Development of 143 residential lots within a designated settlement node is the kind of development that the RGS was intended to encourage.

5. Goal 5: Infrastructure: This goal seeks to provide affordable, effective and efficient services and infrastructure that conserves land, water and energy resources. The RGS also promotes publicly owned and operated sewage systems and the MDA provides for the STP to be transferred to the CVRD in the future, following public assent to broaden the service to cover initially as many as 220 households with expansion potential to 700 connections.

6. Goal 6: Food Systems: to support and enhance the agricultural and aquaculture sector and increase local food security. As the project is located within a settlement node this initiative ensures protection of farmland, with limited to no negative effects on farmland in the area.

7. Goal 7: Public Health and Safety: to support a high quality of life through the protection and enhancement of community health, safety and well-being. The SBE proposal provides for a contribution to the parks and greenway network in Saratoga Beach and this will enhance the walkability, active transportation network and quality of life for residents by encouraging travel that is not auto dependent within the community.

8. Goal 8: Climate Change: minimize regional greenhouse gas (GHG) emissions and plan for adaptation. The pedestrian and cycling trails in Saratoga Beach will assist in the reduction of GHG emissions by way of an effective active transportation network that encourages walking, cycling and transit use. This development will contribute to the greenway network, and by being located in a settlement node, residents will be able to support use of local transit.

Intergovernmental Factors

In order to move forward, the Ministry of Environment and Ministry of Transportation and Infrastructure have been contacted. Staff plan to follow up with the Saratoga and Miracle Beach Residents Association (SAMBRA) to advise of this initiative.

Interdepartmental Involvement

Development of the proposed revisions to the SBE MDA has been a collaborative effort involving engineering services, community services, and planning and development services branches.

Citizen/Public Relations

No revisions to the zoning bylaw are required as a result of this revised MDA and therefore the CVRD will not be required to host a public hearing to advise of any proposed changes. The agreement is between the CVRD and the owners of SBE and can be changed without public consultation, a statutory hearing or any public assent.

At the same time, as staff are engaged in development of a local area plan, any approved revisions to the MDA will be presented to the public at the last in a series of four public open houses planned for January 2018. That local area plan will be coming forward for the board to consider for adoption

in 2018, as this matter was a key issue in the community to resolve prior to adopting the local area plan.

Attachments: Appendix A – “Proposed revised SBE MDA”
Appendix B – “Letter to George Cowling, Saratoga Beach Estates Inc.”
Appendix C – “Staff report dated May 10, 2017”

Schedule A - “Table of changes to SBE MDA”

Saratoga Beach Estates Master Development Agreement

Proposed amendments to the MDA

October 23, 2017

	SBE proposal	CVRD Response	Current requirement	Revision Details
1.	Sewage Treatment plant (STP) capacity 143 connections	STP of 143+220 existing connections for total of 363 and expansion to 700 connections	Build to serve 652 connections (1500 people) and expansion to 1956 (4500 people)	Capacity reduced by nearly 50% from 652 to 363 with expansion from 1956 to 700
2.	LOC for 100% security deposit	LOC for 125% required as security deposit	LOC for 125%	125% LOC retained
3.	Waive of MOE assurance fund Revise Bylaw No. 252 to improve drawdown terms for LOC Request for CVRD to adopt Bylaw No. 252 immediately	Agreed to in past by creation of Saratoga Community Sewer Service Area Bylaw 252, (now at 3 rd reading) so no change, Agreed. Bylaw 252 has had third reading and adoption is pending SBE complying with terms of revised MDA, first subdivision and	Had already been waived by creation of Bylaw No. 252, three readings done in 2013 Bylaw No. 52 allows for 25%, 50%, 75% and 100% completion of plant SBE obligations of MDA to be met i.e. first subdivision; to enter operations & maintenance and operation agreement with the CVRD for the	Agreed to and provided for as service created for SBE to enable MOE to waive the requirement for SBE to place security bond estimated to be in excess of \$1.2 M. When supported by a local government by way of a service, MOE will waive the deposit of this bond Agreed to. Draft MDA includes revised draw down terms to monthly versus quarterly per SBE request. This requires that CVRD amend Bylaw 252, Saratoga Community Sewer Service Establishment Bylaw to implement CVRD can not fully adopt bylaw 252 until terms of MDA met so instead letter included as Appendix B to this staff report that articulates CVRD commitment to adopt Bylaw 252 at such time as SBE complies with terms of MDA; commitment to public ownership of STP per RGS policies

	SBE proposal	CVRD Response	Current requirement	Revision Details
		construction and successful operation of STP	maintenance and operation of STP until STP transferred to CVRD	Two <i>Whereas</i> clauses added to MDA to reflect policy intent to support public ownership of sewer system and to transfer ownership upon adoption of service area bylaw to create service (g and h)
4.	8.5 acres of land for plant	Land must be set aside to locate STP and to enable plant transfer	Donation of land for treatment plant is a requirement in the MDA	Land reduced to 1.08 hectares due to reduced capacity of plant
5.	Provision to construct show homes	Revisions to the MDA to enable 4 show homes. None currently permitted	Not currently allowed in MDA	Four show homes permitted in revised MDA with requirement they meet BC Building Code and be issued a Building Permit which requires servicing provisions
6.	Temporary treatment plant	A key amenity for CVRD and the Saratoga community is the sewage treatment plant in exchange for density through rezoning. In revising the MDA by significant reduction in STP capacity the objective is to provide for full servicing options for 363 connections with expansion to 700 and that includes 220 households shown in the 2014 ground water study to have failing septic systems.	Current MDA does not allow for this. Requirement is for one plant to meet one of four options in Opus, Dayton and Knight standards report	Staff do not support temporary plant as the contribution amenity but have included provisions in draft MDA for temporary plant, pending board approval and Developer posting 125% security deposit for full treatment plant This section will be removed from the MDA should the board not approve the temporary STP and provisions for STP already included will apply

	SBE proposal	CVRD Response	Current requirement	Revision Details
7.	Waive Parkland DCCs of \$203,000 given there is a park trails dedication	<p>Not recommended as there is no legal authority to waive. Park DCCs cover costs of existing park infrastructure as contribution by new development and are generally applied at time of building permit or subdivision</p> <p>Instead, staff recommend that the CVRD waive the LGA requirement for additional parkland at time of subdivision, (up to 5% or cash based on market value. Staff recommend this portion be waived (\$2.4 M) and that Parklands DCC be collected.</p> <p>Parkland DCCs did not apply in current MDA as Parkland DCC Bylaw came into effect in 2012, after MDA was signed.</p>	MDA predates Park DCCs so they are not referenced in current MDA.	<p>This represents a new cost of nearly \$203,000 to SBE</p> <p>Parks and Trails are part of the amenity along with the STP.</p> <p>Section 563 (1) of the LGA provides criteria for which charges may be waived or reduced:</p> <ul style="list-style-type: none"> (a) not-for-profit rental housing, including supportive living housing; (b) for-profit affordable rental housing; (c) a subdivision of small lots that is designed to result in low greenhouse gas emissions; (d) a development that is designed to result in a low environmental impact. <p>The LGA also provides for an exemption if a local government has a bylaw that provides for exemptions, but there are no exemptions in the CVRD Parkland DCC Bylaw No. 238, 2012.</p>
8.	Construction of park trails as defined in current MDA	CVRD to make minor changes to what is proposed to improve connectivity throughout community and to show	Requirement for 30% park dedication with construction of trails as shown in map attached to current MDA	<p>Park dedication reduced to 16.5 % from 30% due to new OCP requirements</p> <p>Language clarified to state that trails to be constructed by SBE</p>

	SBE proposal	CVRD Response	Current requirement	Revision Details
		new map with revised MDA		<p>Perimeter fencing and trail fencing reduced to only those lots backing on to parklands CVRD to obtain in fee simple linear connected public park and trail network that is separate from the strata including the retention pond that serves as Stormwater drainage</p> <p>SBE to negotiate O&M agreement with CVRD prior to subdivision to keep retention pond in proper functioning condition as storm water feature.</p>
9.	Secondary Access (issue raised by CVRD) SBE continues to explore new access north or south	Request that SBE seek alternative access by ROW through adjacent property per draft Local Area Plan that identifies Oyster River Way as future arterial in the Saratoga settlement node	Only one access provided for in MDA; MoTI required traffic study for proposed access west to Highway 19A that MoTI has now indicated is not supportable	<p>MoTI advised traffic study not required if SBE complies with requested upgrades;</p> <p>Construction access may be granted from Hwy 19A. Mclarey Avenue can be used to access Phase 1 if SBE adds a north bound right turn lane from Regent to 19A including some road widening at the intersection.</p> <p>Pedestrian access along Mclarey Avenue to be provided for i.e. road widening, graveled shoulder or separated walk way</p> <p>Access directly to Hwy 19A not permitted by MoTI so revised MDA removes earlier ghosted reference to access to Highway 19A west of SBE area</p> <p>Phase 2: no study needed if SBE</p> <ul style="list-style-type: none"> • Provides secondary access, either to Regent, or to Schultz via Oyster way. • adds deceleration lane on 19A at Schultz

	SBE proposal	CVRD Response	Current requirement	Revision Details
				<ul style="list-style-type: none"> • Construction of Oyster way (new portions) to current standards and MoTI to address upgrades to balance of the road later

TERMS OF INSTRUMENT – PART 2

THIS AGREEMENT dated for reference the ____ day of _____, 2017.

BETWEEN:

SARATOGA BEACH ESTATES INC.
(Inc. #A0075106)

98 Lancaster Crescent
St. Albert, Alberta
T8N 2N8

(the "Transferor")

OF THE FIRST PART

AND:

COMOX VALLEY REGIONAL DISTRICT

600 Comox Road
Courtenay, B.C.
V9N 3P6

(the "Transferee")

OF THE SECOND PART

WHEREAS:

- A. The Transferor is the owner of the Lands described as PID 003-887-651 - Lot A, Block 29, Comox District, Plan 3865 except parts in Plans 11527, 16307, 28304, 31481 and 39339 (the "**Lands**") and has made an application to the Transferee to rezone the Lands, to alter the permitted density and uses of development permitted upon the Comprehensive Development Zone One Lands (as defined herein), under the terms of Comox Valley Zoning Bylaw, 2005, Amendment No. 38 (the "**Rezoning Bylaw**"), and the Rural Comox Valley Official Community Plan Bylaw 1998, Amendment No. 33 (the "**OCF Amendment Bylaw**");
- B. The Transferor has also offered certain Public Amenities (as defined herein) for the better integration of the Development into the community;
- C. The parties wish to set out in this Agreement the obligations of the Transferor with respect to the Development, including the provision of the Public Amenities;
- D. The Transferor intends to subdivide the Lands into the two (2) parcels referred to herein as the Comprehensive Development Zone One Lands and the Remainder Lands, as shown on the First Subdivision Plan attached as Schedule "B", and then intends to subdivide the Comprehensive Development Zone One Lands in phases by way of a phased bare land strata plan (the phases of which are as shown on the Comprehensive

Development Zone One – Phasing Plan, attached as Schedule “C” hereto) to create a total of 143 bare land strata lots;

- E. The Transferor acknowledges that it is in the public interest that the development and subdivision of the Lands be limited and wishes to grant this covenant to the Transferee;
- F. Section 219 of the *Land Title Act* provides that a covenant, whether of a negative or positive nature respecting the use of land, and
- that land is not to be built on or subdivided except in accordance with the covenant;
 - that land or specified amenities be protected, preserved, conserved, maintained, enhanced, restored or kept in its nature or existing state;

may be granted in favour of the Transferee and may be registered as a charge against the title to that land;

- G. The Transferor's Regional Growth Strategy, Bylaw No. 120, 2011 includes a policy framework that supports moderate growth in the Saratoga Miracle Beach Settlement Node, as serviced through publicly owned water and sewer services, (RGS Policy 1-D-1) and encourages sewer management technologies that respond to public health and maximize existing infrastructure (RGS Objective 5-D; and
- H. The Transferor, in the development the Saratoga Community Sewer Service Establishment Bylaw No. 252, 2013, currently sitting at third reading, has expressed its goal to establish a community sewer service for the Lands, and further that should elector approval be obtained by way of the petition process under the *Local Government Act*; for that community sewer service, and upon the SBE developer meeting its obligations as specified in this Agreement, proposes to advance Bylaw to 4th reading for consideration.

IN CONSIDERATION of the mutual promises exchanged herein, and for other good and valuable consideration, the sufficiency of which is hereby acknowledged, the Transferee and the Transferor agree as follows:

1.0 INTERPRETATION

1.1 In this Agreement:

“**Agreement**” means this Agreement including all Schedules that are attached to it;

“**Approving Officer**” means the approving officer with authority to approve the subdivision of the Lands under Part 7 of the *Land Title Act*, or under the *Bare Land Strata Regulation*;

“**Board**” means the Board of the Comox Valley Regional District;

“**Comprehensive Development Zone One Lands**” or “**CD-1 Lands**” means that part of the Lands outlined in bold dashed lines on Schedule A;

“**Contaminants**” means any pollutants, contaminants, deleterious substances, underground or above-ground tanks, lead, asbestos, asbestos-containing materials,

hazardous, corrosive, or toxic substances, hazardous waste, waste, polychlorinated biphenyls ("PCBs"), PCB-containing equipment or materials, pesticides, defoliants, fungi, including mould and spores arising from fungi, or any other solid, liquid, gas, vapour, odour, heat, sound, vibration, radiation, or combination of any of them, which is now or hereafter prohibited, controlled, or regulated under Environmental Laws;

"Crosswalk" means those areas of the CD-1 Lands identified as "Crosswalk" on the Schedule A;

"Development" means the 143 lot bare land strata subdivision that the Transferor proposes to develop on the CD-1 Lands as contemplated under the Rezoning Bylaw and this Agreement;

"Development Plan" means the plan for the Development of the CD-1 Lands, attached to this Agreement as Schedule "A";

"Environmental Laws" means any statutes, laws, regulations, orders, bylaws, standards, guidelines, protocols, criteria, permits, code of practice, and other lawful requirements of any government authority having jurisdiction over the Lands now or hereafter in force relating in any way to the environment, environmental assessment, health, occupational health and safety, protection of any form of plant or animal life or transportation of dangerous goods, including the principles of common law and equity;

"First Subdivision" means:

- (a) the subdivision of the Lands into the CD-1 Lands and the Remainder Lands, as shown on Schedule "A" ;and
- (b) the concurrent subdivision of the Remainder Lands to create a parcel for the Sewage Treatment Plant Lands;

all as shown on Schedule "A";

"OCP" means the Rural Comox Valley Official Community Plan Bylaw No. 337, 2014 as amended from time to time;

"Open Space/Park Area (CD-1 Lands)" means those areas of the CD-1 Lands identified as "Public Open Space/Park" shown in green and blue on Schedule A, including without limitation:

- (a) the Open Space (Sewage Disposal Field);
- (b) Fairway Pond shown in blue in Schedule A in the south- east corner;
- (c) the Public Open Space/Park that is at the north-east corner of the CD-1 Lands and fronts onto McLarey Avenue; and
- (d) Park Area (Storm Water);

"Open Space (Sewage Disposal Field)" means that portion of the Open Space/Park (CD-1 Lands) as shown in green in the south east corner of Schedule "A" having an area

of approximately 1.34 hectares;

"Park Area (Storm Water)" that portion of the Open Space/Park Area (CD-1 Lands) highlighted in green (including the retention pond highlighted in blue) on Schedule A, measuring approximately 1.29 hectares;

"Phase" means a phase of the proposed phased bare land strata plan subdivision of the CD-1 Zone Lands, as shown on the Phasing Plan attached hereto as Schedule "C";

"Phasing Plan" means the proposed phased bare land strata subdivision of the CD-1 Zone Lands as shown on the plan attached hereto as Schedule "C";

"Public Amenities" includes the construction of the Trail Improvements, the construction of the Sewage Treatment Plant, the transfer of the Park Area (Storm Detention Lands) Trails, and Sewage Treatment Plant Lands, the grant of the Statutory Rights of Way contemplated in this Agreement and the other works, services and benefits which the Transferor has agreed to provide as referred to in this Agreement;

"Remainder Lands" means that part of the Lands outlined on the First Subdivision Plan and labeled "as Proposed Phase 2" but does not included the Sewage Treatment Plant Lands.;

"Sewage Disposal Field" means that area of the CD-1 Lands near the south-east corner of the CD-1 Lands that is designated as such on Schedule "A" hereto, and that is the location of the underground pipes and other infrastructure previously installed within the Lands and intended for use as a sewage disposal field;

"Sewage Treatment Plant or STP" means the sewage treatment plant to be constructed by the Transferor in accordance with section 9 of this Agreement and, for certainty, includes the buildings and structures necessary to accommodate the Sewage Treatment Plant works, and all pipes, valves, pumps, fittings, electrical systems, chattels, equipment, including but not limited to computer, monitoring and alarm systems, and all other appurtenances necessary for the operation of the Sewage Treatment Plant;

"Sewage Treatment Plant (Disposal Field)" means the area of the CD-1 Lands shown in the CD-1 lands that is designated as such in the south west corner of Schedule "A";

"Sewage Treatment Plant Lands" means that part of the Remainder Lands necessary for the construction and operation of the Sewage Treatment Plant, including all lands necessary to accommodate the Sewage Treatment Plant to be constructed by the Transferor in accordance with section 9.0 of this Agreement and all lands required for expansion of the Sewage Treatment Plant by the Transferee to provide for sewage treatment for a total of 700 connections;

"Sewage Treatment Plant Amenity" means the Transferor's construction of the Sewage Treatment Plant under this Agreement for the benefit of the Saratoga Beach community;

"Show Homes" means four dwellings on the CD-1 Lands that may be constructed on the CD-1 Lands for the purposes of display and a sales office and more particularly described in Section 2.3;

“Sidewalk” means those areas of the CD-1 Lands identified as “Sidewalk” on the Schedule A;

“Storm Water Detention Lands” means that portion of the CD-1 Lands shown in green and identified as the “storm water management feature” on Schedule A;

“Subdivision” means a subdivision as defined in the *Land Title Act* and a subdivision under the *Strata Property Act*;

“Temporary Sewage Treatment Plant” means the temporary sewage treatment plant that may be constructed by the Transferor on the Sewer Treatment Plant Lands in accordance with section 12 of this Agreement and, for certainty, includes the buildings and structures necessary to accommodate the Temporary Sewage Treatment Plant works, and all pipes, valves, pumps, fittings, electrical systems, chattels, equipment, including but not limited to computer, monitoring and alarm systems, and all other appurtenances necessary for the operation of the Temporary Sewage Treatment Plant.

“Trails” means the areas identified as “Public Constructed Trails” and shown in red on Schedule “A” to be subdivided, improved and dedicated by the Transferor under this Agreement, as referred to in section 4.0 of this Agreement;

“Trail Improvements” means the improvements to the Trails that are described in section 4.0 of this Agreement;

“Transfer Date” means the date on which the Sewage Treatment Plant and Sewage Treatment Plant Lands are transferred to the Transferee, as referred to in section 11.0 of this Agreement.

1.2 The following schedules are attached to and form part of this Agreement:

- Schedule "A" - Development Plan (the **“Development Plan”**)
- Schedule "B" - First Subdivision Plan
- Schedule "C" - Comprehensive Development Zone One – Phasing Plan
- Schedule "D" - Statutory Right of Way (sewage disposal field)
- Schedule "E" - Option to Purchase (Sewage Treatment Plant Lands)
- Schedule "F" - Saratoga Beach Estates Sewer Treatment Plant Utility – Transfer Agreement

1.3 Unless otherwise provided herein, words used in this Agreement shall be interpreted in accordance with the Comox Valley Zoning Bylaw 2005 (the "Zoning Bylaw") and the OCP.

2.0 RESTRICTIONS ON USE AND DEVELOPMENT

2.1 The Transferor covenants and agrees with the Transferee that it shall not use or permit the use of the Lands or any building on the Lands for any purpose, construct any building on the Lands or subdivide the Lands except in strict accordance with this Agreement.

2.2 The Transferor shall be solely responsible for all costs and expenditures required to fulfill its obligations under this Agreement, whether or not those costs and expenses are specifically referred to herein.

2.3 In accordance with the Official Community Plan Guidelines applicable to the CD-1 Lands, the Transferor agrees that the CD-1 Lands shall at no time be a gated community.

2.4 The Transferor may construct four Show Homes on the CD-1 Lands provided:

- (a) the Show Homes are fully serviced; and
- (b) a building permit has been issued for their construction.

3.0 PHASING OF DEVELOPMENT

3.1 The parties agree that the Transferor may, with the prior written agreement of the Transferor, alter the order of development from that shown in Schedule C,

4.0 PARK AND TRAIL DEDICATION AND TRAIL IMPROVEMENTS

4.1 The Transferor covenants and agrees that it shall not subdivide the Lands or any part thereof unless concurrently with that subdivision it:

- (a) enters into an Operation and Maintenance Agreement with the Transferee, to the satisfaction of the Transferee, for the retention pond portion of the Park Area (Storm Water) which Operation and Maintenance Agreement shall provide that:
 - I. despite the transfer of the Park Area (Storm Water), as set out in Section 4.1(b), the retention pond shall be maintained by the Transferor or strata corporation; and
 - ii the Transferee or strata corporation shall have access to the retention pond for the purposes set out in the Operation and Maintenance Agreement.
- (b) subdivides and transfers or provides (as set out below) to the Transferee for nominal consideration and at the written direction of the Transferee (and the Transferor agrees that it shall seek such direction from the Transferee prior to any subdivision of the Lands and that it shall not apply to register a subdivision plan without having sought that direction from the Transferee):
 - I. the fee simple interest in the Trails;
 - II. the fee simple interest in the Open Space/Park Area (CD-1 Lands), other than the Open Space (Sewage Disposal Field) for the purpose of public park; and
 - III. a statutory right of way for public access over the Open Space (Sewage Disposal Field).

- 4.2 The Transferor shall transfer the Open Space/Park Area (CD-1 Lands) required to be transferred pursuant to section 4.1(b), and the Trails to the Transferee free and clear of all rights of way, covenants, easements, financial charges or encumbrances, or other liens, charges or encumbrances of any kind, including, without limitation, real property taxes, other than charges that are approved in advance and in writing by the Transferee in its sole discretion.
- 4.3 The Transferor shall be solely responsible for the cost of subdividing the Lands as required to create the Open Space/Park Area (CD-1 Lands) required to be transferred pursuant to section 4.1(b), and the Trails as separate parcels that are capable of being transferred to the Transferee, and for certainty the cost of subdivision includes the cost of surveying the Lands, plan preparation, and the cost of preparing and registering all documents and plans at the Land Title Office.
- 4.4 The layout and configuration of the Open Space/Park Area (CD-1 Lands) required to be transferred pursuant to section 4.1(b), and the Trails on the plan that is deposited to effect the First Subdivision shall be subject to the prior written approval of the Transferee, acting reasonably.
- 4.5 The Transferor covenants and agrees that prior to the registration of the plan that is deposited to effect the First Subdivision, the Transferor shall develop and submit to the Transferee's satisfaction a planting plan for the removal from the Park Area (Storm Water) of all of the plant species listed in Schedule "A" to the Transferee's Regional District Weed Control Regulation Bylaw 2001, as amended from time to time, and the re-planting of any areas from which such species are removed with native, drought resistant plants. The planting plan shall be prepared by a landscape architect or other professional that is to the Transferee's reasonable satisfaction and must be accompanied by a cost estimate certified by that professional. Upon the Transferee's acceptance of that cost estimate, the Transferor shall provide the Transferee with security for the Transferor's obligation to re-plant the Park Area (Storm Water) in an amount equal to 125% of the cost estimate accepted by the Transferee, such security to be by way of cash or a letter of credit issued by a Canadian financial institution that is on terms acceptable to the Transferee.
- 4.6 The Transferor covenants and agrees that prior to the transfer of the Open Space/Park Area (CD-1 Lands) and the Trails to the Transferee and the statutory right of way set out in Section 4.1(c), the Transferee shall at its own cost and to the Transferee's satisfaction:
- (a) clean up from the surface of those lands all debris, garbage or other abandoned materials or wastes;
 - (b) remove all Contaminants and otherwise remediate those lands so that they comply with the applicable standards established under Environmental Laws for park and trail use, such remediation to be confirmed through the provision of a certificate of compliance under the *Environmental Management Act*, or through the submission to the Transferee of a report of a professional engineer with experience in soil remediation confirming to the Transferee's satisfaction that independent remediation has been carried out in accordance with the requirements of the *Environmental Management Act*;
 - (c) remove all species of plants that are listed in Schedule "A" to the Transferee's Regional District Weed Control Regulation Bylaw 2001, as amended from time to

time (“**Noxious Weeds**”) and including plants listed on the Coastal Invasive Species Committee list of plants.;

- (d) remove all improvements, fixtures, paving, services or works of any type within, on or under the land to be transferred as park or trail except for any improvements, fixtures, paving, services or works that the Transferee identifies in writing to be left;
- (e) re-plant the Open Space/Park Area (CD-1 Lands) from which Noxious Weeds have been removed in accordance with the planting plan approved by the Transferee under section 4.5 of this Agreement;
- (f) not place, install or construct within, on or under the land to be transferred as Park or Trail any new improvements, fixtures, paving, works or services.

4.7 The Transferor covenants and agrees to develop and improve the Trails with a path of a minimum width of 2.0 metres in accordance with the following standards and to the satisfaction of the Transferee acting reasonably, (or in accordance with such other standards as the Transferee and Transferor may agree to in writing), and the Transferor shall improve the Trails as follows (unless the Transferor and Transferee have agreed in writing to alternative trail improvement standards in which case the Transferor shall improve the Trails to those standards as agreed):

- (a) strip organic or softened soil under the Trails;
- (b) provide for a minimum 2% cross slope with a shallow swale on the high side;
- (c) install culverts to allow for cross drainage;
- (d) place pit run subgrade fill 100 mm in depth and a minimum of 2.2 metres in width compacted to 95% proctor density; and
- (e) top the Trails with walkway/road crush at least 100 mm deep and 2 metres wide compacted to 95% proctor density; and
- (f) fence with 1.2 metres of split rail fencing along the rear of the parcels where such abuts any Open Space/Park Area (CD-1 Lands).

4.8 The Transferor shall construct the Trail Improvements in accordance with the requirements of this Agreement prior to the issuance of a building permit for any residential buildings or structures within the Development (the “**First Building Permit**”).

The Transferor shall:

- (a) submit to the Transferee for its approval, acting reasonably, a detailed cost estimate for the construction of the Trail Improvements, such cost estimate to be certified by a landscape architect or other qualified professional that is acceptable to the Transferee; and
- (b) upon the Transferee’s acceptance of the cost estimate, submit to the Transferee cash or letter of credit issued by a Canadian financial institution that is acceptable to

the Transferee and equal to 125% of the cost estimate approved under section 4.8(a), to be held by the Transferee and, should the Transferor neglect or otherwise fail to construct the Trail Improvements as contemplated in this Agreement, applied towards the cost of construction of the Trail Improvements by the Transferee, with any remaining balance returned to the Transferor.

4.9 The Transferor covenants and agrees that:

- (a) it shall not construct any buildings, structures or other improvements on or above the surface of the Open Space/Park Area (CD-1 Lands) not including the Open Space (Sewage Disposal Field); and
- (b) it shall not use or permit the use of the Open Space (Sewage Disposal Field) for any purpose other than as infrastructure to support sewage disposal.

4.10 For certainty, nothing in this Agreement shall be interpreted as prohibiting the use of the sub-surface soils of the Open Space (Sewage Disposal Field) as a sewage disposal field by the Transferor or the Transferee.

5.0 SIDEWALKS/CROSSWALKS

5.1 The Transferor covenants and agrees that prior to the registration of the subdivision plan for any Phase, and if directed by the Transferee in writing (and the Transferor agrees that it shall seek such direction from the Transferee prior to the registration of the subdivision plan for each Phase and that it shall not apply to register such subdivision plan without having sought that direction from the Transferee), the Transferor shall grant to the Transferee a statutory right of way over the Sidewalks and Crosswalks within that Phase and access to these sidewalks and crosswalks from outside the boundaries of the CD-1 Lands, on terms acceptable to the Transferee, permitting public pedestrian access over those sidewalks and crosswalks for the purpose of access to or egress from the Trails.

5.2 Each statutory right of way that is granted pursuant to section 5.1 shall include a covenant on the part of the Transferor that obliges the Transferor, and not the Transferee, to maintain and repair the Sidewalks and Crosswalks to which that statutory right of way relates to a standard that is acceptable to the Transferee, and that permits the safe and convenient use of those Sidewalks and Crosswalks by members of the public.

6.0 SITE SERVICING REQUIREMENTS

6.1 The Transferor covenants and agrees that all lots within each Phase shall be serviced along their full frontage with a common access road that is paved and serviced with sidewalks (the sidewalks to be constructed within the areas identified as sidewalk on the Schedule A) and street lighting, with sidewalks and street lighting to be constructed to the same standard as the sidewalks and street lighting that have already been constructed within the CD-1 Zone Lands, and with all roads to be constructed to the following standards:

- (a) paved surface – 50 mm asphalt (compact thickness);
- (b) base – 100mm gravel (20 mm minus);
- (c) sub-base – 200 mm gravel (75 mm minus); and

(d) concrete curb and gutter.

- 6.2 The Transferor covenants and agrees that each common access road that is intended to provide access to a Phase from McLarey Avenue shall be constructed to the standards required under section 6.1 of this Agreement prior to the subdivision of that Phase, including for certainty any part of a common access road that crosses through a part of the CD-1 Lands that has not yet been subdivided into a Phase.
- 6.3 The Transferor shall construct the services required under sections 6.1 and 6.2 of this Agreement for each Phase prior to the registration of the subdivision plan for that Phase. Provided that with the advance written approval of the Transferee, which may be withheld in the Transferee's sole discretion, the Transferor may register the subdivision plan for a Phase before completion of those services if the Transferor first provides security to the Transferee by way of cash or irrevocable and automatically renewing letter of credit issued by a Canadian financial institution that is acceptable to the Transferee, and in an amount equal to 125 % of the estimated cost of the services as certified by a professional engineer. If the Transferor has been required to provide security to the Approving Officer to secure the Transferor's obligation to construct those same services, the Transferee may waive the requirement for security under this provision provided that the security held by the Approving Officer is in an amount and on terms that are acceptable to the Transferee.

7.0 PLANTING

7.1 intentionally deleted.

7.2 Prior to the registration of the subdivision plan for any Phase, the Transferor shall replant all Private Open Space Areas that adjoin that Phase in accordance with the re-planting plan approved by the Transferee.

8.0 DEVELOPMENT COST CHARGES

8.1 The intention of the parties is that to the extent permitted under the *Local Government Act*, the Transferor shall be entitled to credit or off-set the Transferor's costs incurred in the construction of the Sewage Treatment Plant against any development cost charges levied in the future by the Transferee in respect of the Transferee's future expansion of the Sewage Treatment Plant for the Saratoga Beach area, to the extent only that those development cost charges are otherwise payable in relation to the subdivision or development of the Comprehensive Development Zone One Lands. For certainty, the Transferor shall not be entitled to a credit or off-set against development cost charges that are levied for the purpose of constructing a sewage outfall facility or other works that provide a benefit to the Comprehensive Development Zone One Lands.

9.0 SEWAGE TREATMENT PLANT / SEWER SERVICING

9.1 The Transferor covenants and agrees that concurrently with the registration of the First Subdivision it shall subdivide from the Remainder Lands the Sewage Treatment Plant Lands as a separate fee simple lot, and shall register an Option to Purchase against the title to the Sewage Treatment Plant Lands in favour of the Transferee (the "**Option to Purchase**") in the form attached as Schedule "E" to this Agreement, in priority to any charges of a financial nature, such Option to Purchase to be exercisable by the Transferee, at its discretion, upon the adoption of a service establishment bylaw for a

sewage treatment service that includes the Comprehensive Development Zone One Lands within the service area.

- 9.2 The Transferor shall be solely responsible for the cost of subdividing the Lands as required to create the Sewage Treatment Plant Lands as a separate parcel, and for certainty the cost of subdivision includes the cost of surveying the Lands, plan preparation, and the cost of preparing and registering all documents and plans at the Land Title Office.
- 9.3 The layout and configuration of the Sewage Treatment Plant Lands on the plan that is deposited to effect the First Subdivision shall be subject to the prior written approval of the Transferee, acting reasonably, and in seeking that approval the Transferor must include the certification of a professional engineer that the Sewage Treatment Plant Lands are sufficient to accommodate the construction and operation of the Sewage Treatment Plant, and the expansion of the Sewage Treatment Plant by the Transferee to provide for sewage treatment for a total of 700 connections following the Transfer Date.
- 9.4 The Transferor covenants that it shall not subdivide the Comprehensive Development Zone One Lands, or any part of them, following the First Subdivision until it has constructed the Sewage Treatment Plant to the Transferee's satisfaction in accordance with the requirements of this Agreement, all at the sole cost and expense of the Transferor.
- 9.5 The Sewage Treatment Plant must be constructed upon the Sewage Treatment Plant Lands, and must meet the following requirements:
 - (a) the Sewage Treatment Plant must be constructed using one of the four technologies identified in the Opus Dayton and Knight Report dated March, 2011, a copy of which is on file with the Transferee, and as selected by the Transferee acting reasonably;
 - (b) the Sewage Treatment Plant must be capable of treating sewage produced by 700 connections), including but not limited to the residents within the Comprehensive Development Zone One Lands once those lands are developed;
 - (c) the Sewage Treatment Plant must be expandable in the location on which it is constructed so that it is capable of treating sewage produced by a total of 700 connections including the 143 connections within the Comprehensive Development Zone One lands once those lands are developed and an additional 220 connections for a total of 363 connections;
 - (d) The Transferee shall be responsible for any costs relating to additional expansion beyond the 363 connections. The Transferor shall, at its cost, provide land for the disposal field to support for 700 connections;
 - (e) the Sewage Treatment Plant must be approved by all authorities and regulatory bodies having jurisdiction, and the Transferor shall be solely responsible at its own cost for obtaining all permits and approvals necessary for the development of the Sewage Treatment Plant to service the 363 connections, and for its operation until the Transfer Date.
- 9.6 Prior to commencing construction of the Sewage Treatment Plant, but following the Transferee's selection of the technology to be used pursuant to section 9.5(a) of this

Agreement, the Transferor must provide to the Transferee, for the Transferee's approval, copies of all studies, reports, cost estimates (including future operational and maintenance cost estimates), designs and specifications obtained or commissioned by the Transferor from accredited third party professionals for the development of the Sewage Treatment Plant, including such studies, reports, cost estimates, designs and specifications as may be required by the Transferee acting reasonably.

9.7 The Transferor further covenants that concurrently with the First Subdivision, it shall grant to the Transferee:

- (a) a statutory right of way over an area of the Remainder Lands that is capable of functioning as a sewage disposal field for 700 connections, in a location that is acceptable to the Transferee, in the form attached as Schedule "D". and
- (b) a statutory right of way over the Sewage Treatment Plant (Disposal Field) for sewage disposal purposes, also in the form attached as Schedule "D".

9.8 The terms of the statutory right of way registered pursuant to section 9.7(a) of this Agreement shall require the Transferee to execute a discharge of the right of way in the event that within ten years following registration of that right of way, the Transferee has not constructed a sewage disposal field within the right of way area.

9.9 Should the Transferor, in its opinion, locate a more suitable site for the Sewage Treatment Plant on the Remainder Lands other than the Sewage Treatment Plant Lands and provided the Transferor otherwise complied with all obligations under this Agreement, the Transferee agrees to consider the alternate site and, if deemed acceptable to the Transferee, shall amend this Agreement to reflect the new location for the Sewage Treatment Plant Lands.

10.0 SECURITY FOR CONSTRUCTION OF SEWAGE TREATMENT PLANT

10.1 The Transferor covenants and agrees that in the event that the Sewage Treatment Plant has not been constructed within the terms of this Agreement prior to the registration of the First Subdivision, the Transferor shall provide to the Transferee security by way of cash or a irrevocable and automatically renewing letter of credit issued by a Canadian financial institution that is on terms acceptable to the Transferee, equaling 125% of the estimated cost to complete the construction of the Sewage Treatment Plant, as certified by a professional engineer retained at the sole cost of the Transferor, with such cost estimate subject to the acceptance and written approval of the Transferee, acting reasonably, and:

- (a) the cost estimate upon which the security is determined must be based upon the technology selected by the Transferee pursuant to section 9.5(b) of this Agreement;
- (b) the Transferee will authorize the release of the Letter of Creditor cash for the construction of the Sewer Treatment Plant in monthly amounts based on the stage of completion. Such drawdowns are to be released only after the Transferor has provided certification from a professional engineer that the incremental works, as identified in a construction schedule and approved by the Transferee, have been completed and has provided a statutory declaration that no liens, financial charges or encumbrances have been registered against the Lands;

- (c) if the Letter of Credit is not renewed at least thirty (30) days prior to any expiry date, the Transferee may draw upon the Letter of Credit and hold the funds as security under this Agreement for the completion of the Improvements, which may be performed by the Transferee at its discretion.
- 10.2 For certainty, the security required under section 10.1 of this Agreement must be provided prior to the registration of the First Subdivision.
- 10.3 If the Transferor provides the security required under section 10.1 of this Agreement, and does not construct the Sewage Treatment Plant within four years of the date such security is provided, the Transferee may at its option, at any time following the expiry of that ~~two~~ four year period, utilize the security to construct a sewage treatment plant on the Sewage Treatment Plant Lands or at another location outside of the Lands that the Transferee determines to be more suitable, provided that the lands to be serviced by the sewage treatment plant which the Transferee constructs include the CD-1 lands.

11.0 TRANSFER OF SEWAGE TREATMENT PLANT

- 11.1 The parties have both entered into this Agreement with the expectation that the Sewage Treatment Plant may eventually be transferred to the Transferee pursuant to the Option to Purchase set out in section 9.1, for the Transferee's operation as part of a regional district sewage treatment and disposal service. Accordingly, the parties both agree that:
- (a) until the Sewage Treatment Plant and the Sewage Treatment Plant Lands are transferred to the Transferee, the Transferor shall be solely responsible for the operation, maintenance and repair of the Sewage Treatment Plant, all at the Transferee's sole cost, and shall maintain and operate the Sewage Treatment Plant to a standard that is consistent with the Transferee's standards of maintenance and operation of similar works;
 - (b) unless and until the Sewage Treatment Plant is transferred to the Transferee, the Transferor shall use the Sewage Treatment Plant and the Sewage Treatment Plant Lands only as a sewage treatment facility for the CD-1 Lands, and for certainty the Transferor shall not use the Sewage Treatment Plant to provide sewage treatment services for any other lands unless the Transferee consents in writing, which consent may not be withheld arbitrarily;
 - (c) following the completion of the construction of the Sewage Treatment Plant, and at the sole option of the Transferee, the Transferor shall execute the Sewage Treatment Plant Utility – Transfer Agreement, and shall transfer the Sewage Treatment Plant and the Sewage Treatment Plant Lands, and any statutory rights of way necessary for the operation of the Sewage Treatment Plant, to the Transferee free and clear of all liens, financial charges and encumbrances of any kind;
 - (d) the Transferee shall have the sole option, in its sole discretion, to require the Transferor to transfer the Sewage Treatment Plant and the Sewage Treatment Plant Lands to the Transferee, under the terms of the Agreement attached hereto as Schedule "F", at any time following the Board's adoption of a bylaw establishing a sewage treatment service for lands that include the CD-1 Lands. Prior to the Transferee adding the 220 connections to be identified by the CVRD

to the STP the Transferee must undertake to transfer ownership of the STP from the Transferor to the Transferee; and

- (e) While the Transferor is still “owner” of the STP and is operating and maintaining the STP it shall be allowed to charge customers/users within the strata development reasonable sewer rates similar to those charged by the Transferee on a monthly basis. Clarify as this should only relate to the 143 lots.

12.0 TEMPORARY SEWAGE TREATMENT PLANT

12.1 Notwithstanding the requirements of all other sections of this Agreement, the Transferor may construct a Temporary Sewage Treatment Plant for a period of no greater than four years, and subject to the following:

- (a) The Temporary Sewage Treatment Plant must be constructed upon the Sewage Treatment Plant Lands and must include the certification of a professional engineer that the Sewage Treatment Plant Lands are sufficient to accommodate the construction and operation of the Temporary Sewage Treatment Plant and the Sewage Treatment Plant.
- (b) The Temporary Sewage Treatment Plant must be no larger in capacity than provided for under the Health Act RSBC 1996, c.179 and provide the same final quality of effluent treatment as the Sewage Treatment Plant.
- (c) The Temporary Sewage Treatment Plant must meet all of the same requirements in terms of (but not limited to) noise reduction, vibration reduction and odour control as the Sewage Treatment Plant.
- (d) The Temporary Sewage Treatment Plant must be approved by all authorities and regulatory bodies having jurisdiction, and the Transferor shall be solely responsible at its own cost for obtaining all permits and approvals necessary for the development of the Temporary Sewage Treatment Plant, and for its operation until the Transfer Date.

12.2 Prior to commencing construction of the Temporary Sewage Treatment Plant the Transferor must provide to the Transferee, for the Transferee's approval, copies of all studies, reports, cost estimates (including future operational and maintenance cost estimates), designs and specifications obtained or commissioned by the Transferor from accredited third party professionals for the development of the Temporary Sewage Treatment Plant, including such studies, reports, cost estimates, designs and specifications as may be required by the Transferee acting reasonably.

13.0 PUBLIC BODY

13.1 Nothing contained or implied within this Agreement shall prejudice or affect the duties, rights and powers of the Transferee in the exercise of its functions under any public or private statutes, bylaws, orders or regulations, all of which may be fully and effectively exercised in relation to the Lands as if this Agreement had not been executed and delivered. Without limiting the generality of the foregoing, nothing in this Agreement shall be construed as affecting or influencing in any way the decision of the Board of the

Transferee with respect to the adoption of the Rezoning Bylaw or the OCP Amendment Bylaw.

- 13.2 The parties acknowledge that the Approving Officer is an independent statutory officer, and that nothing in this Agreement shall be interpreted as prejudicing or affecting the duties and powers of the Approving Officer in respect of any application to subdivide the Lands.
- 13.3 Nothing in this Agreement shall relieve the Transferor from any obligation or requirement arising under any applicable statute, bylaw or regulation in respect of the development of the Lands and of which the Transferor the owner at the relevant time. Without limiting the generality of the foregoing, the Transferor shall remain fully responsible to ensure that the development of the Lands is in full compliance with all requirements of the bylaws of the Transferee respecting land development, zoning, heritage, subdivision and building construction.

14.0 DONATIVE INTENT AND WAIVER OF LATECOMER CHARGES

- 14.1 The Transferor acknowledges that the Transferee does not have the statutory authority to compel the Transferee to provide all the Public Amenities or other benefits identified in this Agreement, including but not limited to the Sewer Amenity, as a condition of rezoning the CD-1 Lands. The Transferor further acknowledges that the Transferee, its officials, employees and agents, have not stated, held out or implied any expectation or requirement that the Public Amenities and other benefits to the Transferee must be provided in order for the Transferor's application to be approved.
- 14.2 The Transferor hereby expresses its intention to provide the Public Amenities and other benefits identified in this Agreement to the Transferor as amenities for the use and enjoyment of the public, without any expectation of payment or reward of any kind. The Transferor further releases, waives and forever discharges the Transferee from and against any claims, actions, or causes of action, whether based in contract, tort or equity, for damages or losses, for the recovery of costs incurred, including legal expenses, or for unjust enrichment, in connection with the provision of those Public Amenities or other benefits to the Transferee and, without limiting the generality of the foregoing, to the extent that the Sewage Treatment Plant is required to be constructed by the Transferor with an initial capacity that is greater than that required to service the residents of the Development, the Transferor expressly waives any entitlement to latecomer fees or charges in relation to the construction of the Sewage Treatment Plant.

15.0 GENERAL PROVISIONS

- 15.1 In this Agreement:
- (a) the headings and captions are for convenience only and do not form a part of this Agreement and will not be used to interpret, define or limit the scope, extent or intent of this Agreement or any of its provisions;
 - (b) the word "including" when following any general term or statement is not to be construed as limiting the general term or statement to the specific items or matters

set forth or to similar terms or matters but rather as permitting it to refer to other items or matters that could reasonably fall within its scope;

- (c) a reference to currency means Canadian currency;
- (d) a reference to a statute includes every regulation made pursuant thereto, all amendments to the statute or to any such regulation in force from time to time and any statute or regulation that supplements or supersedes such statute or any such regulation;
- (e) a reference to time or date is to the local time or date in Courtenay, British Columbia;
- (f) a word importing the masculine gender includes the feminine or neuter, and a word importing the singular includes the plural and vice versa;
- (g) a reference to approval, authorization, consent, designation, waiver or notice means written approval, authorization, consent, designation, waiver or notice; and
- (h) a reference to Part means a Part of this Agreement and the word section means a separately enumerated provision within a Part, and the words section or Part followed by a number or some combination of numbers and letters refers to a section or Part of this Agreement.

15.2 Notice

If sent as follows, notice under this Agreement is considered to be received:

- (a) Seventy-two (72) hours after the time of its mailing (by registered mail) or faxing, and
- (b) on the date of delivery if it is hand-delivered,

if to the Transferee:

Comox Valley Regional District
600 Comox Road
Courtenay, BC V9N 3P6
Attention:
Fax: (250) 334-4358

if to the Transferor:

98 Lancaster Crescent
St. Albert, Alberta
T8N 2N8
Fax:

If a party identifies alternate contact information in writing, notice is to be given to that alternate address.

If normal mail service or facsimile service is interrupted by strike, work slow-down, force majeure, or other cause,

- (a) a notice sent by the impaired service is considered to be received on the date of delivery, and
- (b) the sending party must use its best efforts to ensure prompt receipt of a notice by using other uninterrupted services, or by hand-delivering the notice.

15.3 Legal Fees

The Transferor shall, prior to execution of this Agreement, pay the legal fees of the Transferee incurred with respect to the preparation of this Agreement and any documents to be registered in the Land Title Office in connection with this Agreement. This is a personal covenant of the Transferor.

15.4 Time

Time is to be the essence of this Agreement.

15.5 Binding Effect

This Agreement shall be a covenant registered under Section 219 of the *Land Title Act* running with the Development Lands and therefore will enure to the benefit of and be binding upon the parties hereto and their respective heirs, administrators, executors, successors, and permitted assignees and successors in title, but shall be binding upon the Transferor only during its ownership of the Lands.

15.6 Waiver

The waiver by a party of any failure on the part of the other party to perform in accordance with any of the terms or conditions of this Agreement is not to be construed as a waiver of any future or continuing failure, whether similar or dissimilar.

15.7 Cumulative Remedies

No remedy under this Agreement is to be deemed exclusive but will, where possible, be cumulative with all other remedies at law or in equity.

15.8 Entire Agreement

This Agreement when executed will set forth the entire agreement and understanding of the parties as at the date hereof with respect to the subject matter hereof and supersede all prior agreements and understandings among the parties with respect to the subject matter hereof and there are no oral or written agreements, promises, warranties, terms, conditions, representations or collateral agreements whatsoever, express or implied, other than those contained in this Agreement.

15.9 Further Assurances

Each of the parties will do, execute or deliver or cause to be done, executed and delivered all such further acts, documents and things as may be reasonably required from time to time to give effect to this Agreement.

15.10 Amendment

No amendment, waiver, termination or variation of the terms, conditions, warranties, covenants, agreements and undertakings set out herein will be of any force or effect unless they are reduced to in writing and duly executed by all parties to this Agreement.

15.11 Law Applicable

This Agreement is to be construed in accordance with and governed by the laws applicable in the Province of British Columbia.

16. PRIORITY AGREEMENT

- 16.1 1687575 Alberta Ltd, the registered holder of charges by way of a mortgage and assignment of rents registered against the Lands and registered under No.'s CA2674449 and CA2674450, respectively (the "**Charges**") in the Land Title Office at Victoria, British Columbia, for and in consideration of the sum of One (\$1.00) Dollar paid by the Transferee to the said Chargeholder (the receipt whereof is hereby acknowledged), agrees with the Transferee, its successors and assigns, that the within section 219 Covenant shall be an encumbrance upon the Lands in priority to the Charges in the same manner and to the same effect as if it had been dated and registered prior to the Charges.
- 16.2 Tri National Investments Inc. the registered holder of charges by way of a mortgage registered against the Lands and registered under No.'s CA4570687 (the "**Charges**") in the Land Title Office at Victoria, British Columbia, for and in consideration of the sum of One (\$1.00) Dollar paid by the Transferee to the said Chargeholder (the receipt whereof is hereby acknowledged), agrees with the Transferee, its successors and assigns, that the within section 219 Covenant shall be an encumbrance upon the Lands in priority to the Charges in the same manner and to the same effect as if it had been dated and registered prior to the Charges.

IN WITNESS WHEREOF the parties hereto have set their hands and seals as of the day and year first above written.

SARATOGA BEACH ESTATES INC. by its authorized signatory(ies):

Name:

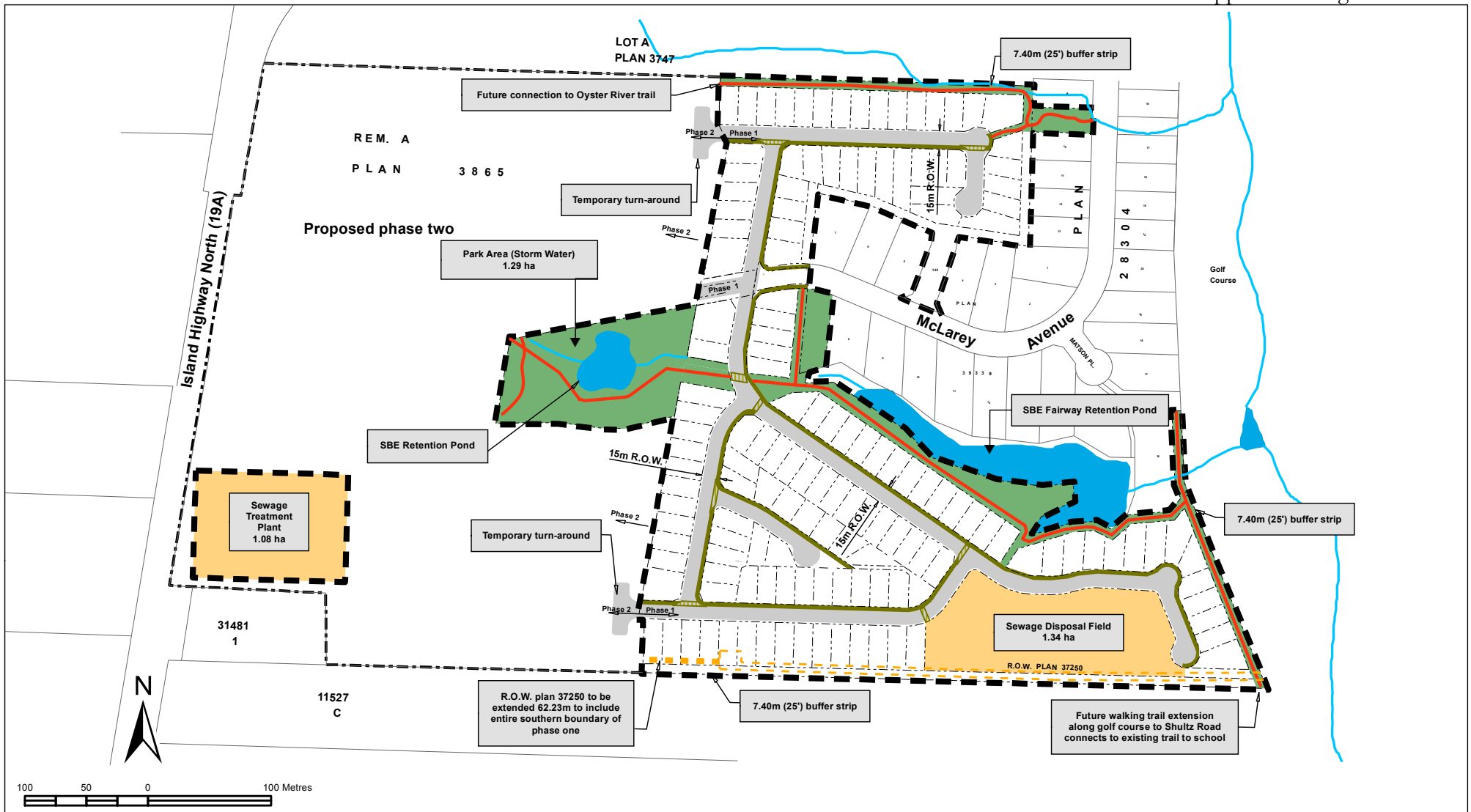
Name:

COMOX VALLEY REGIONAL DISTRICT by its authorized signatory(ies):

Name:

Name:

Draft



Legend

- Phase One
- *Public Open Space/Park
- Private Strata Road (R.O.W.)
- Public Constructed Trails
- Sidewalk (R.O.W. crossings over private strata communal lots)
- Crosswalk (R.O.W crossings over private strata roads)
- 143 Residential Lots With a Minimum Lot Size of 450m²(4843.8ft²)

*Open space indicated forms ±16.5% of the total area of Phase One.

PROPOSED PHASED BARE LAND STRATA PLAN OF PART
OF LOT A, BLOCK 29, COMOX DISTRICT, PLAN 3865.

SCALE 1"=1250'
ALL DIMENSIONS ARE IN METERS

LOT A PLAN 3747



REM. A
PLAN 3865

ISLAND HIGHWAY (19A)

ROAD

McLARY ROAD

MATSON PL.

CROWN

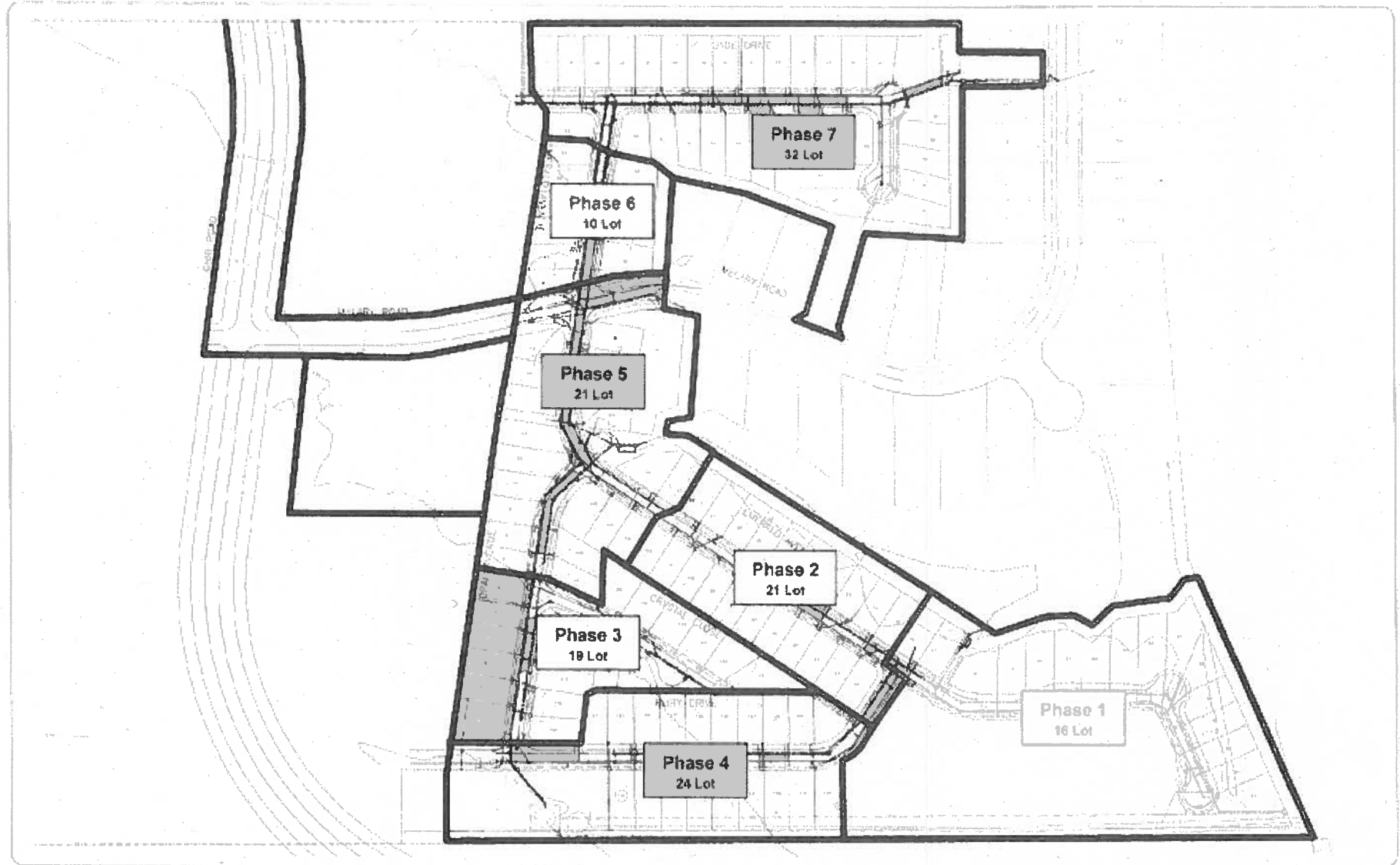
PLAN 37348

110
PLAN 28304

PLAN 31481

NOVEMBER 10, 2011
1 - 1041 COMOX AVENUE
COMOX B.C.
VIN 3RD (250) 239-5474
PETER T. LOVETT S.C.L.S.
BRITISH COLUMBIA LAND SURVEYOR

Saratoga Beach Estates Master Development Agreement
Schedule B



Schedule "D"
**(Statutory Right of Way over Remainder Lands/Comprehensive
 Development Zone One Lands Greenspace) to
 Master Development Agreement**

TERMS OF INSTRUMENT - PART 2

W H E R E A S:

- A. The Transferor is the registered owner of:
- (the "**Transferor's Lands**")
- B. The Transferee is the Comox Valley Regional District;
- C. Under the terms of a Master Development Agreement that is registered against title to the Land as a covenant pursuant to section 219 of the *Land Title Act*, the Transferor has agreed to grant to the Transferee a statutory right of way for the operation of a sewage disposal field on the Transferor's Lands.
- D. This Right of Way is necessary for the operation and maintenance of the Works by the Transferee;
- E. To facilitate the installation of one or more systems of sewer works including all pipes, sewage disposal facilities, pumps, pumping stations, power cables, valves, fittings and facilities in connection therewith (the "**Works**"), the Transferor has agreed to permit the construction by the Transferee of the Works on and under the Transferor's Lands and to grant for that purpose the Right of Way in Section 1.1.

NOW THEREFORE, in consideration of the sum of One (\$1.00) Dollar of lawful money of Canada, now paid by the Transferee to the Transferor (the receipt and sufficiency of which is hereby acknowledged by the Transferor), and in consideration of the covenants and conditions agreed to be observed and performed by the parties and for other valuable consideration:

1.0 THE TRANSFEROR:

- 1.1 Grants, conveys, confirms and transfers, in perpetuity, to the Transferee the full, free and uninterrupted right, licence, liberty, privilege, permission and right of way to lay down, install, construct, entrench, operate, maintain, inspect, alter, remove, replace, bury, cleanse, string, and otherwise establish one or more systems of Works upon, over, under and across the Transferor's Lands (the "**Right of Way**").
- 1.2 Covenants and agrees to and with the Transferee that the Transferee shall:
- (a) for itself and its servants, agents, workers, contractors and all other licensees of the Transferee;

- (b) together with machinery, vehicles, equipment, and materials;
- (c) upon, over, under and across the Right of Way;
- (d) as may be considered necessary, useful, or convenient by the Transferee for the purposes in section 1.1; and
- (e) in connection with the operations of the Transferee in relation to the Works;

be entitled at all times to enter, use, pass and repass, labour, construct, erect, install, dig, carry away soil or other surface or subsurface materials, and remove any growth, seedlings, trees, brush, buildings or obstructions now or hereafter in existence.

- 1.3 Transfers, assigns and conveys to the Transferee all right, title and interest in and to any Works that the Transferee, or the Transferor have prior to this Agreement established or constructed or maintained or operated within the Right of Way or in relation to any similar Works previously constructed by any party whatsoever within the Right of Way. **[For CD-1 Zone Land SRW – section 1.3 will read “Upon written notice from the Transferee that it has elected to assume the ownership and operation of the Sewage Treatment Plant that is referred to in section 9 of the Master Development Agreement, shall transfer all right, title and interest in and to any Works that the Transferee, or the Transferor have prior to this Agreement established or constructed or maintained or operated within the Right of Way or in relation to any similar Works previously constructed by any party whatsoever within the Right of Way.]**
- 1.4 Grants unto the Transferee the licence, permission and Right of Way to lay down, install, construct, operate, maintain, inspect, alter, remove, replace, cleanse, string, and otherwise establish one or more temporary systems of works upon the Transferor's Lands, in the event of a breakdown or malfunction of the Works arising from movement or displacement of soil of the Lands.

2.0 THE TRANSFEROR COVENANTS:

- 2.1 Not, and not to permit any other person, to erect, place, install or maintain any building, structure, addition to a building or structure, mobile home, paved driveway or patio, pipe, wire or other conduit on, over or under any portion of the Right of Way within 3 metres of the Works;
- 2.2 Not to do anything that in any way interferes with or damages or prevents access to or is likely to cause harm to the Works installed in or upon the Right of Way, including, without limiting the generality of the foregoing, erecting fences without reasonable access for the Transferee's maintenance personnel and equipment unless the Transferor has obtained the prior written consent of the Transferee. Reasonable access shall include the provision of conveniently located access gates or openings.
- 2.3 Not to do or knowingly permit to be done any act or thing which will interfere with or injure the Works and in particular will not carry out any blasting on or adjacent to the Right of Way without the consent in writing of the Transferee, and consent shall not be unreasonably withheld.

- 2.4 Not to substantially add to or diminish the soil cover over any of the Works installed in the Right of Way and in particular, without limiting the generality of the foregoing, will not construct open drains or ditches along or across any of the Works installed in the Right of Way without the consent of the Transferee, and consent shall not be unreasonably withheld.
- 2.5 From time to time and at all times at the reasonable request and at the cost of the Transferee to do and execute or cause to be made, done or executed any further and other lawful acts, deeds, things, devices, conveyances and assurances in law required to ensure the Transferee of its rights under this Agreement.

3.0 THE TRANSFEEE COVENANTS:

- 3.1 Not to bury any debris or rubbish of any kind in excavations or backfill, and to remove shoring and like temporary structures as backfilling proceeds.
- 3.2 To thoroughly clean all lands to which it has had access under this Agreement of all rubbish and construction debris created or placed thereon by the Transferee and to leave such lands in a neat and clean condition.
- 3.3 As soon as weather and soil conditions permit, and as often as it may exercise this right of entry to any of the Transferor's Lands, to replace the surface soil as nearly as may be reasonably possible to the same condition as it was prior to the entry, in order to restore the natural drainage to the lands. This shall not require the Transferee to restore any trees or other surface growth, or prevent the Transferee from clearing and removing growth, seedlings, trees or brush from the Right of Way
- 3.4 As far as reasonably possible, to carry out all work in a proper and workmanlike manner so as to do as little injury to the Transferor's Lands as possible.
- 3.5 **[For SRW over Remainder Lands only].** If the Transferee does not install and construct its Works on or under the Transferee's Lands within ten (10) years of the date of registration of this Agreement, the Transferee shall at the request of the Transferor execute a release of this Agreement in registrable form.

4.0 THE PARTIES COVENANT TO AND AGREE WITH EACH OTHER, as follows:

- 4.1 The Works, together with all pipes, valves, conduits, wires, casings, fittings, lines, meters, appliances, facilities, attachments or devices used in connection therewith shall constitute the Works.
- 4.2 In spite of any rule of law or equity to the contrary, the Works brought onto, set, constructed, laid, erected in, upon or under the Right of Way by the Transferee shall at all times remain the property of the Transferee, even if the Works are annexed or affixed to the freehold, and the Works shall at any time and from time to time be removable in whole or in part by the Transferee.
- 4.3 In the event that the Transferee abandons the Works or any part of them, the Transferee may, if it so elects, leave the whole or any part of the Works in place and if so abandoned the Works, or part thereof, shall become the property of the Transferor.

- 4.4 In the event that the Transferee abandons the Right of Way, the Works or any part of them, the Transferee shall not be obliged to conduct any remediation or clean up of the Lands, to remove any Contaminants from the Lands, or to remediate the Lands in accordance with Environmental Laws, where:
- (a) **“Contaminants”** means any pollutants, contaminants, deleterious substances, underground or above-ground tanks, lead, asbestos, asbestos-containing materials, hazardous, corrosive, or toxic substances, hazardous waste, waste, polychlorinated biphenyls (“PCBs”), PCB-containing equipment or materials, pesticides, defoliants, fungi, including mould and spores arising from fungi, or any other solid, liquid, gas, vapour, odour, heat, sound, vibration, radiation, or combination of any of them, which is now or hereafter prohibited, controlled, or regulated under Environmental Laws;
 - (b) **“Environmental Laws”** means any statutes, laws, regulations, orders, bylaws, standards, guidelines, protocols, criteria, permits, code of practice, and other lawful requirements of any government authority having jurisdiction over the Lands now or hereafter in force relating in any way to the environment, environmental assessment, health, occupational health and safety, protection of any form of plant or animal life or transportation of dangerous goods, including the principles of common law and equity.
- 4.5 No part of the title in fee simple to the Transferor's Lands shall pass to or be vested in the Transferee under or by virtue of this Agreement, and the Transferor may fully use and enjoy all of the Transferor's Lands subject only to the rights and restrictions in this Agreement.
- 4.6 The Transferor acknowledges that (a) these Covenants are enforceable against the Transferor and its successors in title, but (b) the Transferor is not liable for a breach of these Covenants after the Transferor has ceased to be the owner of the Lands.
- 4.7 If at the date hereof the Transferor is not the sole registered owner of the Transferor's Lands, this Agreement shall nevertheless bind the Transferor to the full extent of its interest therein, and if it shall acquire a greater of the entire interest in fee simple, this Agreement shall likewise extend to such after-acquired interests.
- 4.8 Where the expression "Transferor" includes more than one person, all covenants made by the Transferor shall be construed as being several as well as joint with respect to all persons constituting the Transferor.
- 4.9 This Agreement shall enure to the benefit of and be binding upon the parties hereto and their respective heirs, administrators, executors, successors and assigns as the case may be and wherever the singular or masculine is used, it shall be construed as if the plural or the feminine or neuter, as the case may be, had been used, where the parties or the context hereto so require and the rest of the sentence shall be construed as if the grammatical and terminological changes thereby rendered necessary had been made.

5.0 CONSENT AND PRIORITY AGREEMENT

- 5.1 Fisgard Capital Corporation, the registered holder of charges by way of a mortgage and assignment of rents registered against the Lands and registered in the Victoria Land Title Office at Victoria, British Columbia, under numbers CA872500 and CA872501, respectively (the "**Charges**"), for and in consideration of the sum of One (\$1.00) Dollar paid by the Transferee to the said Chargeholder (the receipt whereof is hereby acknowledged), agrees with the Transferee, its successors and assigns, that the within Section 218 Statutory Right of Way shall be an encumbrance upon the within described property in priority to the said Charges in the same manner and to the same effect as if it had been dated and registered prior to the said Charges.

IN WITNESS WHEREOF the parties hereto hereby acknowledge that this Agreement has been duly executed and delivered by the parties executing Forms C and D (pages 1, 2 and 3) attached hereto.

Schedule "A"
(Purchased Assets)

1. Statutory rights of way
2. Chattels and equipment

Schedule "E"
(Option to Purchase – Sewage Treatment Plant Lands/Improvements)
to Master Development Agreement

TERMS OF INSTRUMENT - PART 2

W H E R E A S:

- A. The Transferor is the registered owner in fee simple of:
- PID
- (the "**Land**");
- B. The Transferee is Comox Valley Regional District;
- C. The Transferee has created the Land by way of subdivision in order to develop a Sewage Treatment Plant;
- D. Under the terms of a Master Development Agreement that is registered against title to the Land as a covenant pursuant to section 219 of the *Land Title Act*, the Transferor has agreed to grant to the Transferee an option to purchase the Land and all improvements on the Land on the terms and conditions set out herein.

NOW THEREFORE, in consideration of the premises and the sum of Ten (\$10.00) Dollars now paid by the Transferee to the Transferor (the receipt and sufficiency of which is hereby acknowledged by the Transferor), the parties agree as follows:

Definitions

1. In this Agreement:
- (a) "**Agreement**" means this Agreement, including its recitals and schedules, and Forms C and D attached hereto.
- (b) "**Completion Date**" means the 60th day following the provision of notice of the exercise of the Option by the Transferee, or if the Land Title Office is closed on such day, the next day that office is open, or such other date as may be agreed in writing by the parties;
- (c) "**GST**" means the Goods and Services Tax levied pursuant to the *Excise Tax Act* (Canada), and if and when applicable, is deemed to include any harmonized sales tax levied pursuant to federal and provincial legislation.
- (d) "**Improvements**" includes all improvements on the Land as of the date of exercise of the Option by the Transferee, and without limitation includes the Sewage Treatment Plant constructed by the Transferor including the buildings and structures necessary to accommodate the Sewage Treatment Plant works, and all pipes, valves, pumps, fittings, electrical systems, chattels, equipment,

including but not limited to computer, monitoring and alarm systems, and all other appurtenances necessary for the operation of the Sewage Treatment Plant.

- (e) **“Option”** means the option to purchase the Land granted by the Transferor to the Transferee under the terms of this Agreement;
- (f) **“Option Event”** means the event that triggers the Transferee's right to exercise the Option, as set out in section 4.
- (g) **“Permitted Encumbrances”** means the liens, charges and encumbrances set out in Schedule "A" to this Agreement.
- (h) **“Registration Date”** means the date that this instrument is registered against title to the Land in the Land Title Office.
- (i) **“Transferor”** includes the successors in title of the Transferor.

Term

- 2. The term of this Agreement is eighty (80) years commencing on the Registration Date, provided that if the perpetuity period for the Option as specified in the *Perpetuity Act* is increased or decreased in length then the term of this Agreement will be increased or decreased accordingly.

Grant of Option

- 3. The Transferor grants to the Transferee an irrevocable option to purchase the Land and Improvements on the terms and conditions set out in this Agreement.

Option Event

- 4. The Transferee may exercise the Option at any time following the Transferee's adoption of:
 - (a) a bylaw establishing a sewage treatment service for lands that include the Land;
 - (b) a loan authorization bylaw authorizing any borrowing the Board of the Transferee considers to be necessary for the establishment of that service.

Notice of Exercise of Option

- 5. In order to exercise the Option, the Transferee must deliver written notice to the Transferor of the Transferee's exercise of the Option pursuant to the terms and conditions of this Option.

Purchase Price

- 6. The purchase price for the purpose of the Option shall be the sum of ONE (\$1.00) DOLLAR.

Acceptance/Exercise of Option

7. The acceptance and exercising of the Option in the manner set out in this Option to Purchase constitutes a binding contract of sale and purchase of the Land and Improvements. The completion of the sale and purchase of the Land and Improvements shall take place on the Completion Date and on or before the Completion Date, the parties shall execute and deliver such documents as are reasonably required to convey title to the Land and Improvements to the Transferee, free and clear of all liens, charges and encumbrances, whether registered or unregistered, except the Permitted Encumbrances.
8. This Agreement shall terminate and the Transferee shall, at the expense of the Transferor, provide a discharge of this Agreement in registrable form if the Option is not exercised in the manner set forth in this Agreement and the term set out in section 2 has expired.
9. If the Transferee elects to acquire the Land and Improvements pursuant to this Agreement, then:
 - (a) the purchase and sale of the Land and Improvements will complete on the Completion Date;
 - (b) the Transferee will be entitled to possession of the Land and Improvements at noon on the Completion Date;
 - (c) the Transferor shall remain responsible for the payment of all real property taxes levied against the Land and Improvements during the year in which the transfer of the Land and Improvements occurs, but all other adjustments of taxes, utilities and other items normally adjusted between a vendor and purchaser on the sale of similar property shall be made with respect to the Land and Improvements to and including the Completion Date. The Transferor will pay the costs of the Transferee in relation to the transfer of the Land and Improvements, including Land Title Office registration fees and legal fees;
 - (d) the Land and Improvements will be at the risk of the Transferor until 12:00 noon on the Completion Date;
 - (e) all documentation required to convey the Land and Improvements to the Transferee will be prepared by its solicitors and delivered to the solicitors for the Transferor at least five (5) business days before the Completion Date, and the Transferor will execute, in registrable form, all documents necessary to transfer title to the Land and Improvements to the Transferee;
 - (f) the Transferor will execute and deliver to the Transferee such further documents and give such further assurances as the solicitors for the Transferee may require in order to carry out and give effect to the intent of this Agreement and the purchase and sale contemplated in this Agreement;
 - (g) on the Completion Date the Transferee will cause its solicitors to register the transfer of the Land and Improvements in the Land Title Office;

- (h) following registration of the transfer of the Land and Improvements on the Completion Date, and upon the Transferee's solicitors being satisfied by way of post-registration search that title to the Land and Improvements will vest in the Transferee in accordance with ordinary Land Title Office procedures, the Transferee will pay to the Transferor by way of solicitor's trust cheque the purchase price due to the Transferor under this Agreement, as adjusted under section 9(c).
10. After the delivery of notice under section 5, until 12:00 noon on the Completion Date the Transferor will:
- (a) permit the Transferee and its representatives to enter onto the Land and carry out such inspections, tests, studies, appraisals, surveys and investigations of the Land and Improvements as the Transferee may reasonably require;
 - (b) cause the Land and Improvements to be maintained in the manner of a prudent owner;
 - (c) maintain insurance coverage with respect to the Land and Improvements in full force and effect until 12:00 noon on the Completion Date in such amounts and on such terms as would a prudent owner;
 - (d) not enter into or amend any contract with respect to the Land and Improvements including, without limitation, leases or service contracts, before the Completion Date without the prior written approval of the Transferee;
 - (e) grant authorizations reasonably required by the Transferee to authorize municipal or other governmental authorities to release information confirming compliance with laws, bylaws and other statutory and governmental regulations and with respect to potential statutory liens;
 - (f) pay when due any indebtedness of the Transferor to any municipal or other governmental authority which, by operation of law or otherwise, becomes a lien, charge or encumbrance on the Land or Improvements from and after the Completion Date, including without limitation, corporation capital taxes and workers compensation payments; and
 - (g) not modify, amend or cancel any of the Permitted Encumbrances without the prior written approval of the Transferee.

Notice

11. If sent as follows, notice under this Agreement is considered to be received:
- (a) Seventy-two (72) hours after the time of its mailing (by registered mail) or faxing, and
 - (b) on the date of delivery if it is hand-delivered,

if to the Transferee:

Comox Valley Regional District
600 Comox Road
Courtenay, BC V9N 3P6
Fax: (250) 334-4358

if to the Transferor:

400, 10525 – 170 Street NW
Edmonton, Alberta
T5P 4W2
Fax:

If a party identifies alternate contact information in writing, notice is to be given to that alternate address.

If normal mail service or facsimile service is interrupted by strike, work slow-down, force majeure, or other cause,

- (a) a notice sent by the impaired service is considered to be received on the date of delivery, and
- (b) the sending party must use its best efforts to ensure prompt receipt of a notice by using other uninterrupted services, or by hand-delivering the notice.

Time

- 12. Time is of the essence of this Agreement.

General

- 13. No term, condition, covenant or other provision of this Agreement will be considered to have been waived by the Transferee unless such waiver is expressed in writing by the Transferee and the waiver by the Transferee of any such term, condition, covenant or other provision of this Agreement will not be construed as or constitute a waiver of any further or other breach of that or any other term, condition, or other provision of this Agreement.
- 14. This Agreement extends to, is binding upon and enures to the benefit of the parties and their respective heirs, executors, administrators, successors and assigns.
- 15. In this Agreement, unless the context otherwise requires, the singular includes the plural and the masculine includes the feminine gender and a corporation.
- 16. The headings in this Agreement are included for ease of reference only and shall not affect the interpretation of this Agreement or any provision of this Agreement.
- 17. All of the provisions of this Agreement shall be construed as covenants and agreements as though the words importing covenants and agreements were used in each separate paragraph.

18. This Agreement will be interpreted according to the laws of the Province of British Columbia.
19. If any section of this Agreement or any part of a section, is found to be illegal or unenforceable, that part or section, as the case may be, will be considered separate and severable and the remaining parts or sections, as the case may be, will not be affected and will be enforceable to the fullest extent permitted by law.
20. Nothing contained or implied in this Agreement shall prejudice or affect the rights and powers of the Transferee in the exercise of its functions under any public or private statutes, bylaws, orders and regulations, all of which may be fully and effectively exercised in relation to the Land as if the Agreement had not been executed and delivered by the Transferor.

Priority Agreement

21. Fisgard Capital Corporation, the registered holder of charges by way of a mortgage and assignment of rents registered against the Lands and registered under No.'s CA872500 and CA872501, respectively (the "**Charges**") in the Land Title Office at Victoria, British Columbia, for and in consideration of the sum of One (\$1.00) Dollar paid by the Transferee to the said Chargeholder (the receipt whereof is hereby acknowledged), agrees with the Transferee, its successors and assigns, that the within section 219 Covenant shall be an encumbrance upon the Lands in priority to the Charges in the same manner and to the same effect as if it had been dated and registered prior to the Charges.

IN WITNESS WHEREOF the parties hereto hereby acknowledge that this Agreement has been duly executed and delivered by the parties executing Forms C and D (pages 1, 2 and 3) attached hereto.

SCHEDULE A
Permitted Encumbrances

1. All subsisting exceptions and reservations of rights, titles, interests and privileges contained in any previous Crown grant of the Land.

Schedule "F"
to Master Development Agreement

SEWAGE UTILITY WORKS TRANSFER AGREEMENT

THIS AGREEMENT dated for reference the day of , 20 .

BETWEEN:

SARATOGA BEACH ESTATES INC. (Inc. #A0075106)

400, 10525 – 170 Street NW
Edmonton, Alberta
T5P 4W2

(the "**Owner**")

OF THE FIRST PART

AND:

COMOX VALLEY REGIONAL DISTRICT

600 Comox Road
Courtenay, B.C.
V9N 3P6

(the "**Regional District**")

OF THE SECOND PART

WHEREAS:

- A. Under the terms of a Master Development Agreement dated [insert date], which is registered against title to the Lands as a covenant pursuant to section 219 of the *Land Title Act* (the "MDA"), the Owner has constructed and is operating a Sewage Water Treatment Plant (the "**Sewage Treatment Plant**") to provide sewage treatment services for the development within the following lands:

[insert strata plan particulars for CD-1 Lands]
- B. Under the terms of the MDA the Owner agreed to grant to the Regional District the option to purchase that is registered against title to the Lands under registration no. [*] (the "**Option to Purchase**");
- C. The Regional District has given notice of its exercise of the option under the Option to Purchase, and under the terms of the MDA and the Option to Purchase the Owner has agreed to transfer its interest in the Land and the Works to the Regional District;
- D. Pursuant to the terms of the MDA and the Option to Purchase the Regional District and the Owner have agreed to enter into this Agreement to provide for the orderly transfer of the Works and the undertaking of the Owner described in this Agreement to the Regional District and the acquisition of the Works of the Owner and the right, title and interest of the Owner in the other assets of the Owner as described in this Agreement, by the Regional District to be operated as a service by the Regional District.

NOW THIS AGREEMENT WITNESSES that in consideration of the covenants hereinafter provided, the parties covenant and agree each with the other as follows:

1.0 DEFINITIONS

1.1 In this Agreement:

"Completion Date" means the date upon which the Lands are to be transferred to the Regional District under the Option to Purchase.

"Deposit" means the sum of ONE (\$1.00) DOLLAR paid herewith by the Regional District to the Owner.

"Lands" means the following land together with the Sewage Treatment Plant and all buildings, structures and other improvements on the Lands:

[insert legal description of Sewage Treatment Plant Lands]

"Purchased Assets" means the Works;

"Purchase Price" means the sum of **TEN (\$10.00) DOLLARS**.

"Rights of Way" means the Statutory Rights of Way referred to in section 1 of Schedule "A", that are necessary for the conveyance of sewage effluent to the Sewage Treatment Plant and from the Sewage Treatment Plant to the disposal fields used in connection therewith .

"Works" means the entire system of sewage utility works including any component of the sewage treatment plant, and all pumping stations, pipes, valves pumps, fittings, electrical systems, chattels, equipment, including but not necessarily limited to computer, monitoring and alarm systems comprising the same wherever located together with all fittings, facilities and appurtenances related thereto, including, without limitation, the physical assets described in section 2 of Schedule "A", but for certainty does not include the Lands and Improvements that are the subject of the Option to Purchase.

2.0 PURCHASE PRICE

2.1 The Purchase Price shall be payable by the payment of the Purchase Price subject to adjustments as set out in this Agreement on or before the Completion Date.

3.0 TRANSFER OF THE WORKS AND ASSIGNMENT OF RIGHTS OF WAY

3.1 The Owner shall, upon payment of the Purchase Price, transfer to the Regional District absolutely, free and clear of all registered and unregistered charges, encumbrances and claims, all of its right, title and interest to the Purchased Assets, transfer and assign its interest in the Rights of Way, and any other instrument relating to the operation of the Works as a waste water treatment plant and sewer utility to the Regional District.

- 3.2 The Owner shall pay all taxes (including penalty taxes), rates, local improvements and other charges of a similar nature that are payable prior to or following the Completion Date in respect of the Works and that are levied or payable during the year in which the Works are transferred to the Regional District.
- 3.3 The Owner shall deliver possession of the Rights of Way and the Purchased Assets to the Regional District by midnight on the Completion Date.
- 3.4 The Regional District will pay the Goods and Services Tax or Harmonized Sales Tax, if applicable, in respect of the transfer contemplated by this Agreement.
- 3.5 The Owner shall deliver to the Regional District on or before the Completion Date a Bill of Sale for the Purchased Assets and a Transfer in registrable form necessary to register the Regional District's interest in the Rights of Way under the provisions of the *Land Title Act* of British Columbia and to otherwise complete the conveyance contemplated by this Agreement.
- 3.6 All documents are to be prepared by the solicitor for the Regional District and all costs pertaining to the preparation and registration of these documents shall be borne by the Owner. Documents required to clear title, if any, shall be prepared by the solicitor for and at the expense of the Owner. Nothing in this section shall make the Regional District liable for any cost or claim payable in respect of such documents required to clear title.

Risk

- 3.8 The Purchased Assets shall be at the risk of the Owner until midnight on the Completion Date and in the event of loss or damage to the same occurring before such date and time by reason of fire, tempest, lightning, earthquake, flood or other Act of God, explosion, riot, civil commotion, insurrection or war, the Regional District may, at its option, cancel this Agreement and shall thereupon be entitled to the return of any monies paid hereunder. After midnight on the Completion Date, the Purchased Assets shall be at the risk of the Regional District.

4.0 REGIONAL DISTRICT LICENCE

- 4.1 Prior to the transfer of the Purchased Assets, the Owner agrees that the Regional District may enter onto the Rights of Way to carry out testing, examinations, inspection of the Works, and may do all things necessary or convenient for the purpose of carrying out such testing, examination, inspection or sampling, and may for that purpose bring its employees and contractors onto the Lands and the Rights of Way.

5.0 DISCLOSURE AND REPRESENTATIONS

- 5.1 The Owner covenants and agrees with the Regional District that it shall, within two (2) weeks of the date of execution of this Agreement by the Owner, make complete disclosure to the Regional District of all information, documentation, reports or correspondence from any professional consultant retained by the Owner pertaining to the Purchased Assets or any aspect of the undertaking of the Owner in relation to the Purchased Assets.

- 5.2 The Owner grants to the Regional District its authority to obtain access to and copies of any records or information held by regulatory agencies including, without limitation, the Ministry of Environment.
- 5.3 The Owner warrants and represents to the Regional District as representations and warranties that are to survive the execution and transfer of the Works contemplated by this Agreement, as follows:
- (a) there are no judgments or executions, liens, orders under the *Bankruptcy and Insolvency Act* (Canada) or other liens, charges or encumbrances registered or unregistered, outstanding against the Lands or Works;
 - (b) except as may be otherwise set out in this Agreement, there are no outstanding debts, accounts or assessments due and owing or to become due and owing to any person, corporation, agency or governmental body in respect of the Works or for any work, labour, service or materials provided to or performed in relation to the Lands or the Works under which a lien or charge has arisen pursuant to the *Builders Lien Act* (British Columbia);
 - (c) the Owner is not in breach of any agreement to which it is a party in relation to the Lands or the Works, including any easement, right of way, licence, permit or service contract relating to the Lands or the Works or the operation of the Owner.
 - (d) the Owner is rightfully and absolutely possessed of and has good title to the Lands, the Rights of Way and the Purchased Assets;
 - (e) the Regional District will, upon the Completion Date, and subject only to this Agreement, have possession and enjoyment of the Rights of Way and the Purchased Assets for its own use and benefit without any interruption, claim or demand by the Owner;
 - (f) to the best of the Owner's knowledge, except as expressly disclosed in writing by the Owner to the Regional District, there are no environmental contaminants on the Lands or the Rights of Way affecting the Works; and there are no orders, notices, charges or proceedings and the Owner has no knowledge of any reason for the making or commencing of any orders, notices, charges or proceedings in relation to the presence of environmental contaminants on the Rights of Way or affecting the Works;
 - (g) the Owner has disclosed to the Regional District all orders, notices, charges and correspondence of any governmental or other authority including an association of insurance underwriters of which it has knowledge affecting the Rights of Way, the Purchased Assets or the undertaking of the Owner;
 - (h) the Owner has disclosed to the Regional District all notices, orders or other correspondence relating to the presence on the Lands, the Rights of Way or in relation to the Works of any environmental contaminants;

- (i) The Owner has disclosed to and by this Agreement transferred to the Regional District all rights of way, easements, licences or other agreements relating to the Purchased Assets or the undertaking of the Owner;
- (j) the Owner shall forward to the Regional District any sewer rates or other charges it may receive after the Completion Date in respect of any period following the Completion Date.

6.0 TIME

- 6.1 Time shall be of the essence of this Agreement. Unless the Purchase Price is paid and the other terms of this Agreement complied with by the Regional District within the times mentioned, the Owner may, at its option, cancel this Agreement and in such event the Deposit may, at the option of the Owner, be forfeited to the Owner as liquidated damages without prejudice to the Owner's other remedies.

7.0 BINDING AGREEMENT

- 7.1 That this Agreement shall enure to the benefit of and be binding upon the parties hereto, their respective successors and assigns.

8.0 NOTICES

- 8.1 Any notice required to be given hereunder by any party shall be deemed to have been well and sufficiently given if mailed by prepaid registered mail, sent by facsimile transmission to, or delivered at, the address of the other party hereinafter set forth:

if to the Owner:

Saratoga Beach Estates Inc. [or other owner/operator of utility]
 400, 10525 – 170 Street NW
 Edmonton, Alberta
 T5P 4W2
 Fax:

if to the Regional District:

Comox Valley Regional District
 600 Comox Road
 Courtenay, BC V9N 3P6
 Attention:
 Fax: (250) 334-4358

9.0 STATUTORY POWERS

- 9.1 This Agreement shall not be interpreted as prejudicing or affecting the rights and powers of the Regional District and the Owner in the exercise of its functions under any public and private statutes, bylaws, orders or regulations, all of which may be fully and effectively exercised as if this Agreement had not been executed and delivered by the parties.

10.0 ENFORCEABILITY

10.1 If any provision of this Agreement is unenforceable or invalid for any reason whatever, such unenforceability or invalidity shall not affect the enforceability or validity of the remaining provisions of this Agreement and such provisions shall be severable from the remainder of this Agreement.

11.0 ENTIRE AGREEMENT

11.1 The provisions herein constitute the entire Agreement between the parties hereto and supersede all previous expectations, understandings, communications, representations and agreements, whether verbal or written, between the parties with respect to the subject matter hereof.

12.0 AMENDMENT

12.1 No amendment to this Agreement shall be enforceable unless the same is in writing and signed by the parties hereto.

13.0 FORCE AND EFFECT

13.1 This Agreement will remain in force and effect until terminated by agreement between the Owner and the Regional District, and for certainty, the covenants, representations and warranties contained in this Agreement survive the transfer of the Purchased Assets contemplated by this Agreement.

14.0 LAW APPLICABLE

14.1 This Agreement shall be governed by and construed according to the laws of the Province of British Columbia.

15.0 OTHER DOCUMENTS

15.1 Each party to this Agreement will at all times execute and deliver at the request of the other party all such further documents, deeds, and instruments and must do and perform such acts as may be reasonably necessary to give full effect to the intent and meaning of this Agreement.

16.0 WAIVER

16.1 The waiver by a part of any failure on the part of the other party to perform in accordance with any of the terms or conditions of this Agreement is not to be construed as a waiver of any future or continuing failure, whether similar or dissimilar.

17.0 HEADINGS

17.1 The headings in this Agreement are inserted for convenience and reference only and in no way define, limit or enlarge the scope or meaning of this Agreement or any provision of it.

18.0 LANGUAGE

18.1 Wherever the singular, masculine and neuter are used throughout this Agreement, the same is to be construed as meaning the plural or the feminine or the body corporate or politic as the context so requires.

19.0 CUMULATIVE REMEDIES

19.1 No remedy under this Agreement is to be deemed exclusive but will, where possible, be cumulative with all other remedies at law or in equity.

EXECUTED BY THE OWNER at _____ , _____ , this ____ day of _____, 20__.

SARATOGA BEACH ESTATES INC. by its authorized signatories

Name:

Name:

EXECUTED BY THE REGIONAL DISTRICT at Comox, British Columbia, this ____ day of _____, 20__.

COMOX VALLEY REGIONAL DISTRICT by its authorized signatories

Name:

Name:

Office of the Chair

600 Comox Road, Courtenay, BC V9N 3P6
Tel: 250-334-6000 Fax: 250-334-4358
Toll free: 1-800-331-6007
www.comoxvalleyrd.ca



File: 3350-20 / CP 1C 06
3360-20 / RZ 4C 06

Date

Sent via email only: george.trinational@gmail.com

Saratoga Beach Estates Inc.
98 Lancaster Cres
St. Albert AB T8N 2N8

Attn: George Cowling

Dear Mr. Cowling:

Re: Saratoga Beach Estates revised Master Development Agreement

Thank you for your efforts to work with Comox Valley Regional District (CVRD) to complete revisions to the 2011 Saratoga Beach Estates Master Development Agreement (MDA). Saratoga Beach is one of three settlement nodes identified in Bylaw No. 120, being the “Comox Valley Regional District Regional Growth Strategy Bylaw No. 120, 2010”. Settlement Nodes are intended in the Regional Growth Strategy to accommodate moderate growth over the twenty year period of the Regional Growth Strategy.

Servicing, by way of a waste water treatment plant, as included in the attached MDA as an amenity contribution to the community, is a key factor in supporting growth in this area. The CVRD has, through the development of the Saratoga Community Sewer Service Establishment Bylaw No. 252, 2013, taken the first steps towards the establishment of a community sewer service at the Saratoga Beach Estates development project. As you are aware, Bylaw No. 252 is currently at third reading.

As confirmed by the CVRD Board’s resolution dated May 28, 2013, it is the intention of the CVRD to consider this Bylaw for adoption once electoral approval has been obtained by way of the petition process set forth under the *Local Government Act* (RSBC, 2015, c. 1), and upon your meeting the obligations for the first subdivision as specified in the Saratoga Beach Estates MDA, and further upon a maintenance and operation agreement respecting the operation of the wastewater treatment facility on the CVRD’s behalf being entered into. Final adoption of the Bylaw is required to facilitate operation of the waste water infrastructure as part of a CVRD service and its eventual transfer to the CVRD as a publicly owned system.

Sincerely,

Bruce Jolliffe
Chair

Enclosure

cc: Russell Dyson, Chief Administrative Officer
Ann MacDonald, General Manager of Planning and Development Services Branch
M. Rutten, General Manager of Engineering Services Branch

DRAFT



Staff report

DATE: May 10, 2017

FILE: 3350-20 / CP 1C 06
3360-20 / RZ 4C 06

TO: Chair and Directors
Electoral Areas Services committee

FROM: Debra Oakman, CPA, CMA
Chief Administrative Officer

RE: Proposed Revisions to the Saratoga Beach Estates Master Development Agreement

Purpose

To obtain board approval to negotiate revisions to the existing Saratoga Beach Estates Master Development Agreement (MDA) with the owner, and return to the Electoral Areas Services Committee for approval of revised agreement.

Policy Analysis

The Comox Valley Regional District (CVRD) and Saratoga Beach Estates (SBE) entered into a MDA on November 10, 2011. The agreement was registered as a covenant under Section 219 of the *Land Title Act* (LTA). Section 219 of the LTA states that the land is not to be built on or subdivided except in accordance with the covenant (MDA) and that the land or specified amenities be protected, preserved, conserved, maintained, enhanced restored or kept in its natural or existing state, and may be registered as a charge against the title to that land.

There is no statutory authority for a MDA in the *Local Government Act* (RSBC, 2015, c. 1) (LGA), though a similar development proposal developed from anew today would likely be in the form of a phased development agreement, per Section 516 of the LGA.

Executive Summary

The developer has indicated that terms included in the current MDA are financially prohibitive and do not favour obtaining financing. The intent of the proposed revisions is to create a revised set of workable conditions that support the project moving forward in a way that will balance the interests of the community and the developer. Key changes include reducing the size of the required sewage treatment plant (STP) and in exchange, the developer will create secondary access to the property, connect and construct a public trail system and agree to a sunset clause that requires that the agreement be renegotiated after five years of approving revisions to this agreement, if the STP is not designed, built and operating. A sunset clause also provides for the developer to utilize the additional treatment plant capacity over above that required for the 143 lots at SBE that was intended to serve 220 existing residents with failed septic systems. The clause allows the developer to rededicate this capacity to the Phase 2 property, in the event that there is no service in place to include the 220 lots into a service, within five years of the issuance of an occupancy permit for SBE. Along with other minor proposed revisions the updated MDA will create potential for this project to proceed and set a strong basis for Saratoga Miracle Beach to evolve as a walkable, livable community settlement node, per the Regional Growth Strategy (RGS), along with other RGS polices such as growth management, infrastructure and environmental management. The agreement is between the CVRD and the owners of SBE and can be changed without public consultation, a statutory hearing or any public assent; however, since staff are engaged in development of a local area plan, any approved revisions to the MDA would be presented to the public at the last public

open house planned for the fall of 2017. Upon obtaining direction from the board, this initiative will be forwarded to the Area C Advisory Planning Commission (APC) as well as the Saratoga Miracle Beach Residents' Association, (SAMBRA) and in particular, the local area planning sub-committee of SAMBRA, as an information item.

Recommendation from the Chief Administrative Officer:

THAT staff be directed to proceed with discussions with the owner of Saratoga Beach Estates towards a revised Master Development Agreement as outlined in Appendix A of staff report dated May 10, 2017;

AND FURTHER THAT staff bring forward a draft Master Development Agreement with revisions to be reviewed by the Electoral Areas Services Committee for approval by the board.

Respectfully:

D. Oakman

Debra Oakman, CPA, CMA
Chief Administrative Officer

Background/Current Situation

The overview of proposed revisions to the MDA is included as Appendix A. The following analysis provides the background to the proposed revisions.

1. Section 9.0 Sewage Treatment Plan Capacity

A key request from SBE is to reduce the size of the STP. The developer is now required to construct a treatment plant to serve 652 connections with expansion to 1956 connections.¹ In response, staff propose to reduce the size of the STP to 363 with expansion to 700 connections, based on reduced growth projections for the area and on the findings of the 2014 groundwater study in order to provide sewage service to approximately 220 residences that were identified as having failing or deficient septic systems in that study. This is an important amenity to the community, in exchange for the increased density that was provided through rezoning in 2011.

2. Section 10.1 Security Deposit

Section 10.1 of the MDA requires the owner to provide a security by way of cash or letter of credit (LOC) equaling 125 per cent of the estimated cost to construct the STP. The developers requested this be reduced to 100 per cent and that he be allowed to draw monthly versus quarterly, as provided for in Section 10.1 of the MDA. Note that a requirement for a 125 per cent security deposit is best industry practice, given actual costs are unknown and could exceed 100 per cent of the estimated costs. Staff are recommending staying with the requirement for 125 per cent but the parties have agreed on monthly withdrawals of this deposit. Given that the proposed STP is now intended to be smaller, the actual security deposit will also be reduced and this provides some financial relief to SBE.

¹ The revised MDA will express capacity in terms of number of connections versus the number of people, with one connection equalling 2.3 people per household. Current MDA uses people. i.e. 1500 people = 654 connections, with required expansion capacity to 4500 people = 1956 connections.

3. Final Adoption of Saratoga Community Sewage System Bylaw (Bylaw No. 252), CVRD Creation of a Service (to Enable Waiving Ministry of Environment Assurance Fund)

At its May 2013 meeting the CVRD board approved third reading for Bylaw 252, (<http://bit.ly/BoardMinutesMay2013>) known as the Saratoga Community Sewage System Bylaw. Once adopted, the creation of this service relieves SBE of the Ministry of the Environment (MOE) security condition required to be paid by a development that constructs a sewage treatment plant. As noted in the staff report from 2013, in addition to transferring the risk of construction of this facility to CVRD from SBE, this provides for a cost saving to SBE. The developer believes that the STP was never intended to be a private plant in the MDA and therefore believes that the assurance costs were not intended to be incurred by SBE; however, the MDA notes that SBE is responsible for the STP, as is the case in all rural land development and servicing projects. While the RGS does include policies toward publicly owned infrastructure, until such time as the CVRD creates a local service, as supported by voter assent, and the infrastructure is turned over to the CVRD, the infrastructure is the responsibility of the developer.

4. Reduction of Land Size for Sewage Treatment Plant and Disposal Field

SBE is currently required to donate land for the STP. With the proposed revisions and subsequent reductions of the size of the STP, the required land size has been reduced. The proposed revisions will result in a reduction of approximately 3 acres (\$45,000 per acre) for a cost saving of \$135,000. The developer views this potential land donation by SBE (i.e. 2.47 acres with 3.2 acres for the disposal field at \$45,000 per acre; total value \$255,000) as a benefit to CVRD; however, high density development of rural unserviced land always involves the developer providing the servicing and land required for the infrastructure. The land and STP will only be turned over to the CVRD at such time as a referendum is held and residents support joining, paying and hooking up to the service, at which time the CVRD would create and operate this service.

5. Provision to Allow Construction of Show Homes

SBE has requested a revision to allow construction of two to four show homes to improve its ability to pre-sell lots and generate cash flow while waiting for approval for STP. As the intent is to construct dry show homes with no servicing CVRD staff have confirmed this could be provided for under the *BC Building Act* providing the requirements of the act are met. Building permits are required, and land suitable for septic field (provided for with covenant) is required to service the homes in the event that the project does not proceed.

6. Construction of a Temporary Sewage Treatment Plant

SBE has requested revisions to allow for construction of a temporary sewage treatment plant. The developer cites an 18-24 month time delay for MOE to review and approve the SBE application for registration of the full treatment plant and has indicated that it is mandatory that they be permitted to construct a temporary facility under the Ministry of Health Sewerage System Regulations.

CVRD staff do not recommend supporting this request for the following reasons:

1. Best practice is that the developer pays, and this includes servicing the lots provided for in the increased density. The community runs the risk of obtaining no sewage treatment plant amenity should the project not proceed.
2. The developer has had more than five years to design and apply to MOE to obtain registration for a STP. Given that the zoning and MDA has been in place for more than five years, some progress could have been made by the developer towards application for Municipal Wastewater Registration with the MOE for a permanent STP for the 143 lots.
3. Staff have confirmed the timeline of 18-24 months with the MOE and have been advised that a complete application would normally proceed within 9-12 months.

In the event that the board wishes to support a temporary sewage treatment plant staff recommended requiring the developer provide a LOC for 125 per cent of the estimated costs to build the permanent sewage plant and that the developer demonstrate that some application has been made for registration of the permanent sewage plant and that the pre-application meeting has been held with design plans for the entire 143 lot subdivision. This will also require that the developer invest some funds in the design plans to obtain a detailed and accurate cost estimate for construction of the STP in order to collect an accurate amount in the letter of credit for 125 per cent, and that this be done prior to revising the MDA and allowing provision for a temporary plant.

7. Park Development Cost Charges Exemption Request

SBE has expressed that it should be exempt from the Parkland Development Cost Charges (DCCs) that were established after the adoption of the MDA. The owner was unaware of clauses in the LGA that provide for a one year exemption after the adoption of new DCCs, and only for applications that are in stream, i.e. complete subdivision applications with fees paid. This is not the case here. The Park DCCs will cost approximately \$230,000 to SBE and will provide CVRD with revenue to maintain all new trails into the future as up to five per cent of the area will be dedicated as park per the LGA. SBE maintains the view that it was not adequately informed and that it should be exempt from the 2013 Park DCCs as they were introduced after the 2011 MDA. Had there been some progress on the MDA, this may have been the case. Also, the act does not require the CVRD to notify every land owner with the introduction of a new DCC.

8. Section 4.0 Park and Trail Dedication and Trail Improvements

Section 4.0 of the current MDA outlines the requirement for park and trail dedication, in accordance with the park dedication requirement for all multi-lot subdivisions in the LGA. The parties have agreed to revise slightly the park dedication to make all parks shown on Schedule A (attached) as public open space. Previously, Schedule A of the MDA included both private and public open space, but with new Park DCCs available to the CVRD to cover ongoing maintenance costs, the proposal is to now create all of these parks as public open space. The exception is the drainage retention features currently shown in Schedule A to the west of the property, as it will remain as a retention pond to be managed by the SBE Strata Corporation. Similarly, the discharge field, at the south east corner of the SBE property currently shown as public open space, is actually the site of the sewage discharge field and it will remain as such to be managed by the SBE Strata Corporation.

9. Secondary Access as Alternative to McLarey Road

The current MDA shows a potential for expansion of McLarey Road west to Highway 19A, subject to SBE completing a Transportation Impact Assessment prior to subdivision. Currently, only one access point is provided in the MDA directing all traffic for the new 143 lots in SBE along the existing residential street of McLarey Avenue. The Ministry of Transportation and Infrastructure (MoTI) has indicated that the McLarey Avenue extension, previously considered an option, is no longer feasible and it will require a full traffic impact assessment be completed by SBE. MoTI also supports the requirement for a second access off McLarey Road. The parties have worked with adjacent property owners to the north and to the south to secure secondary access and this requires finalizing. Staff recommends including an additional clause in the revised MDA to require second access other than McLarey Road, as a condition of subdivision.

10. Water Feature to be Calculated as Part of Community Amenity

As noted in bullet No. 8 above, this feature is required in the current MDA to manage on-site drainage, as a condition of subdivision. Staff recommend that this infrastructure be retained as infrastructure to be maintained by the SBE Strata Corporation. The developer has indicated that the feature should be considered park, and the construction of this feature delayed until Phase 2, given that the existing fairway pond can provide for onsite drainage; however, managing stormwater is a

condition of subdivision and staff are recommending that this feature remain as SBE infrastructure to be constructed at time of subdivision and maintained by the future strata.

11. Addition of Sunset Clause in Revised MDA

An essential element of the current MDA and proposed revisions is the construction of a sewage treatment plant. The proposed revisions provide for a scaled down version of what was previously agreed to at the request of SBE. The proposed STP now provides for 143 connections for the proposed SBE development along with 220 existing residences that have been identified as having failing septic systems. Staff recommend including a clause such that if, after five years the construction and operation of the STP with capacity for 363 connections, the 220 existing residents have not voted in favour of connecting to the SBE STP, the excess capacity of 220 connections will be available for use by SBE for its Phase 2 property.

Options

1. Retain status quo. This option is not recommended given the proposal has made no progress to date, despite having zoning and an MDA in place for nearly six years.
2. Direct staff to revise the 2011 MDA as proposed in attached Schedule A. This is the recommended option. The owners of SBE and CVRD staff have developed a series of revisions that are supportable and could lead to the development proceeding. This will provide for park and greenway amenities to the community and a sewage treatment plant that can provide service, at their cost, to the 220 property owners identified as having failing septic systems.
3. Direct staff to pursue additional and different revisions to the 2011 MDA.

Financial Factors

SBE has provided a copy of an Economic Impact Study, as compiled by Comox Valley Economic Development Society. The study is based on the current MDA and does reflect investments associated with the proposed reductions in the sewage treatment plant and future capacity of that infrastructure. In particular, the current MDA includes a requirement for a plant for 1500 people with expansion to 4500 people, and the proposed revisions require a plant with much less capacity.

Legal Factors

The current MDA is a legal agreement, registered against the title of a portion of Lot A, Block 29, Plan 3865. The agreement is between the CVRD and SBE and there are no legal restrictions against amending the agreement, which the parties are seeking to do. Legal counsel has been engaged for this purpose and will be carrying out any revisions directed by the board.

Regional Growth Strategy Implications

The RGS identifies Saratoga Beach as a Settlement Node, within the core area of the RGS. It is designed in a location and in a way that supports a number of goals and objectives in the RGS. The RGS contains eight policy areas, all of which are positively addressed by the proposal as follows:

1. *Goal 1. Housing:* the SBE project includes 143 lots, including ranchers and duplexes and will assist the CVRD in reaching its housing targets per Goal 1, Housing: to ensure a diversity of affordable housing options to meet evolving regional demographics and needs.
2. *Goal 2. Ecosystems, Natural Areas and Parks:* the MDA provides for a network of parks and greenways to provide for community connectivity, per Goal 2 to protect, steward and enhance the natural environment and ecological connections and systems.
3. *Goal 3. Local Economic Development:* a revised MDA will enable construction of 143 dwelling units and a STP, (valued at \$2,434,320). Construction of the housing units and infrastructure will

address the RGS goal to achieve a sustainable, resilient and dynamic local economy that supports businesses and the region's entrepreneurial spirit.

4. *Goal 4: Transportation:* this goal seeks to encourage growth that can lead to an accessible, efficient and affordable multi-modal transportation network that connects Core Settlement Areas and designated Town Centres, and links the Comox Valley to neighbouring communities and regions. Development of 143 residential lots within a designated settlement node is the kind of development that the RGS was intended to encourage.
5. *Goal 5: Infrastructure:* This goal seeks to provide affordable, effective and efficient services and infrastructure that conserves land, water and energy resources. The RGS also promotes publicly owned and operated sewage systems and the MDA provides for the STP to be transferred to the CVRD in future, following public assent to broaden the service to cover more than just SBE.
6. *Goal 6: Food Systems:* to support and enhance the agricultural and aquaculture sector and increase local food security. As the project is located within a settlement node this initiative ensures protection of farmland, with limited to no negative effects on farmland in the area.
7. *Goal 7: Public Health and Safety:* to support a high quality of life through the protection and enhancement of community health, safety and well-being. The SBE proposal provides for a contribution to the parks and greenway network in Saratoga Beach and this will enhance the walkability, active transportation network and quality of life for residents by encouraging travel that is not auto dependent within the community.
8. *Goal 8 Climate Change:* minimize regional greenhouse gas (GHG) emissions and plan for adaptation. The pedestrian and cycling trails in Saratoga Beach will assist in the reduction of GHG emissions by way of an effective active transportation network that encourages walking, cycling and transit use. This development will contribute to the greenway network, and by being located in a settlement node, residents will be able to support use of local transit.

Intergovernmental Factor

In order to move forward, the MOE and MoTI have been contacted. Staff also plan to follow up with the Area C APC and SAMBRA, in particular, the SAMBRA local area planning committee, to advise of this initiative.

Interdepartmental Involvement

Development of the proposed revisions to the SBE MDA has been a collaborative effort involving Engineering Services, Community Services, and Planning and Development Services branches.

Citizen/Public Relations

In the event that revisions to the MDA require zoning amendments, the CVRD will be required to host a public hearing to advise of any proposed changes. The agreement is between the CVRD and the owners of SBE and can be changed without public consultation, a statutory hearing or any public assent; however, since staff are engaged in development of a local area plan, any approved revisions to the MDA will be presented to the public at the last in a series of four public open houses, now planned for the Fall of 2017.

Prepared by:

A. MacDonald

Ann MacDonald, MCIP, RPP
General Manager of Planning and
Development Services

Concurrence:

M. Rutten

Marc Rutten
General Manager of
Engineering Services

Attachments: Appendix A – “Proposed Amendments to SBE MDA”
Appendix B – “Economic Impact Study, Comox Valley Economic Development
Society”

Schedule A – “Saratoga Beach Estates Master Development Agreement”

	Revisions requested by SBE/CVRD	CVRD interest	Current requirement	Rationale / Comment
1.	Treatment plant capacity 143 connections (SBE)	Treatment plant capacity 143 + 220 CVRD connections for a total of 363 with expansion to 700 connections. Parties to express capacity in terms of number of connections versus number of people, connection = 2.3 people/ household.	Built to serve 652 connections (1500 people) with expansion to 1956 (4500 people).	Population projects used from 2008 exceed current or expected near term growth patterns. 2014 growth water study further defined area of concern for failing septic fields, with only 220 households requiring service. Developer indicates business case not there to design, build, operate and turn over plant to service his 143 households plus additional 509 households with expansion for 1956 household hook ups.
2.	LOC for 100% as security deposit (SBE)	LOC for 125% required as security deposit.	LOC for 125%.	No change to requirements, CVRD could change draw down terms to monthly versus quarterly; 125% is standard best practice.
3.	Waive of MOE assurance fund (SBE)	Agreed to waive in past as part of service area creation (3 rd reading) so no change.	Already waived with three readings on bylaw to do so.	Provided for as service created for SBE to enable MOE waive; significant cost savings to SBE with CVRD service establishment.
4.	8.5 acres of land for plant (SBE)	The land must still be donated for the plant with transfer to CVRD possible at some date but area of land to be significantly reduced given changes in plant size per No. 1 above.	Donation of land for treatment plant is a requirement in the MDA.	Size to be determined but some reduction in land amount given reduced plant capacity requirement.
5.	Provision to construct two show homes (SBE)	Could support one or two; requires revisions to MDA; <i>BC Building Act</i> requirements to be met and fire protection in place.	Not provided for in MDA.	Developer wishes to construct dry show homes with no water, sewer hookup to expedite and to generate lot sales; CVRD confirmed provisions in <i>BC Building Act</i> require area set aside for septic field with registered covenant in case plant is never built, building permits required prior to construction and provision of fire protection depending on location.
6.	Temporary treatment plant	A key interest for CVRD in revising the MDA is to ensure that full	Current MDA does not allow for this.	CVRD staff recommend that this be considered only once developer has posted 125% security deposit for construction of

	Revisions requested by SBE/CVRD	CVRD interest	Current requirement	Rationale / Comment
	(SBE)	servicing is provided for 363 connections with expansion to 700 including 220 houses identified in the 2014 ground water studies (link) with failing septic and to serve 363 connections with capacity to expand to 700.	Requirement is for one plant to meet one option in Opus, Dayton and Knight Report standards.	full treatment plant. A key principle to uphold is the expectation of full servicing for all proposed new development (143 lots) plus some community amenity in exchange for the increased density that has been provided through rezoning.
7.	Do not charge park DCCs or charge DCCs instead of park trails dedication (SBE)	DCCs must be applied in revised MDA as the project does not fall under any of four exemptions in the LGA.	MDA predates DCCs so they do not apply in current MDA.	New cost of nearly \$230,000 to SBE for CVRD to maintain new trails into the future; bylaw requirement with no option for exemption under the act. Park DCCs were not in place when the 2011 MDA came into effect. Subdivision and development applications that were submitted prior to the parks DCC bylaw coming into effect, provided the applications were complete and application fees paid, were exempted by the LGA from the Park DCCs for one year from the date of adoption in 2013.
8.	Construction of park trails as defined in current MDA (SBE and CVRD)	CVRD to make minor changes to what is proposed to improve connectivity throughout community and to make all trails public trails that are maintained in future by CVRD.	Mixture of public and private trails shown on Schedule A of MDA as shown in map attached to MDA.	Parties agree on making all trails public for benefit and connectivity for future residents. CVRD to maintain all trails in future using funds from Park DCCs. Trail dedication is a standard amenity provided by developer and a legislative requirement per section 510 of the LGA which requires that no more than 5% of the land being subdivided must be required at time of subdivision as parkland dedication.
9.	Secondary Access (CVRD)	Requirement to obtain public right-of-way (ROW) through adjacent property and for SBE to construct new secondary road access as part of new MDA south to Oyster Way and Shultz Road or some alternative to MoTI standards, not Strata to provide for future transit service for aging in place residents; does require	Only one access provided for in MDA; some discussion in MDA for potential access across future phase 2 with extension of McLarey Road though not	Important principle for CVRD & residents as 300 + new daily car traffic movements through McLarey are anticipated not including construction phase of 143 new houses; CVRD staff do not support revisions to MDA unless secondary road access issue is addressed. Possible road dedication (Oyster River Way) for alternate access through to Regent Road or south. Another possible access location with road dedication from owner to the north. Parties agreed to both explore two specific options; CVRD could explore options with lot 8840 & seek board approval to

	Revisions requested by SBE/CVRD	CVRD interest	Current requirement	Rationale / Comment
		Mo'TI approval but Mo'TI had already requested that a Transportation Impact Study be completed at time of subdivision. CVRD staff would like to have this access firmed up and included as requirement in MDA.	approved by Mo'TI to date.	rezone and request land dedication for road to connect Oyster Way with SBE covering survey and construction costs. CVRD to look at similar option for 8848 to extend public walkway to community school east of property.
10.	Water feature to be calculated as part of community amenity, parks, etc. (SBE).	Water feature is part of drainage plan for development and not considered as part of required parkland dedication.	Current MDA requires drainage plan that is addresses by water feature, so no change proposed.	All properties are required to manage on-site drainage as condition of subdivision.
11.	Addition of sunset clauses (CVRD and SBE)	To ensure that agreement has life for only 5 years, and that after five years parties are required to renegotiate the terms.	No terms of expiry included in the current MDA.	There is no statutory authority for an MDA in the LGA, but since 2011 LGA amended to provide statutory authority for phased development agreement which protects zoning for 10 years only, with possible 10 year extension with approval by Inspector of Municipalities. SBE has asked that a sunset clause be added to provide for SBE to utilize excess plant capacity to service their Phase 2 lands, west of current MDA area in the event of a defeated referendum to provide services to 220 existing residents. CVRD staff recommend sunset clause after five years requiring renegotiation of MDA if limited or no development occurs.

Saratoga Beach Estates Master Development Agreement

Proposed amendments to the MDA

March 20, 2017 – Appendix A

Economic Impact Summary: Saratoga Beach Estates Project

This report provides an initial summary of the economic impacts of the proposed **Saratoga Beach Estates, Phase One** project.

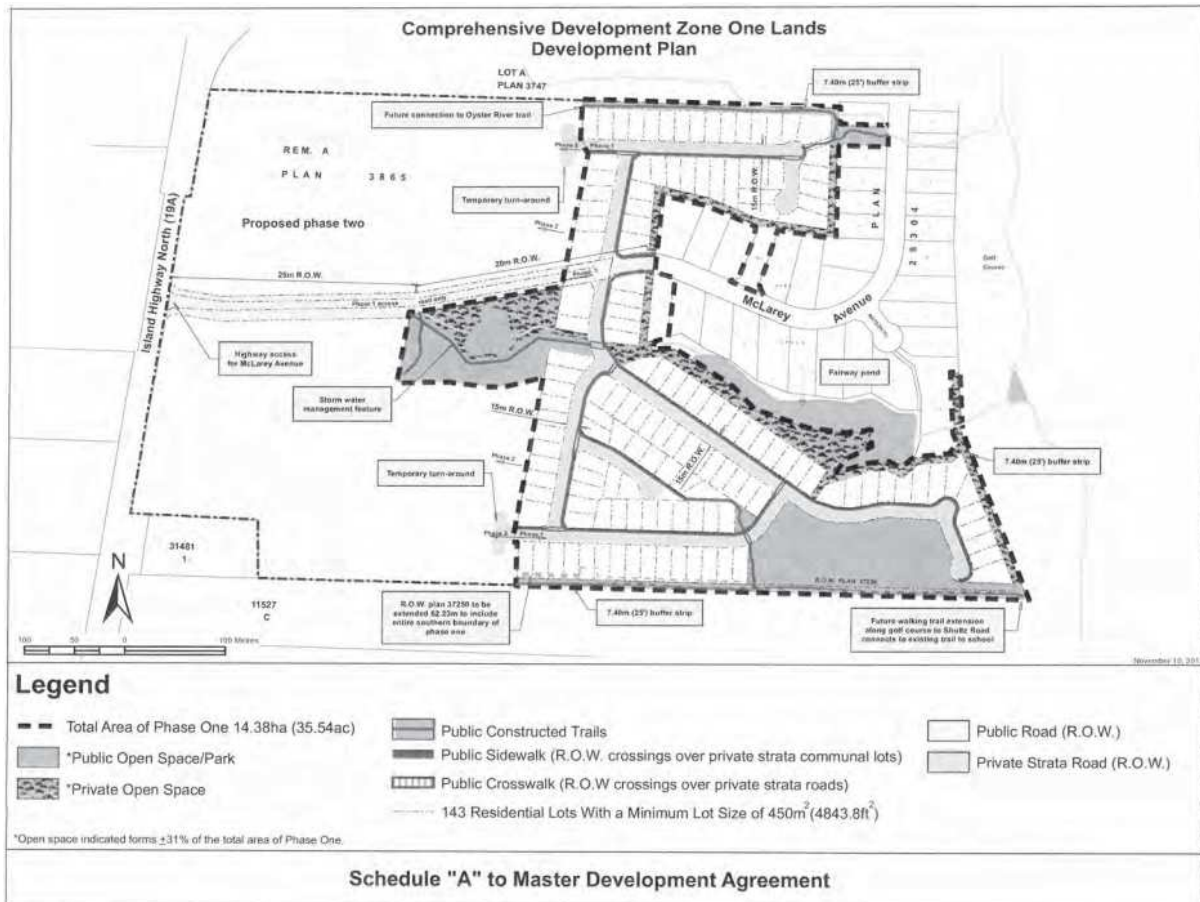
The impacts are calculated using a modified version of the Development Impacts model created for the Comox Valley Economic Development Society, as well as additional analysis where appropriate on topics like retail market impacts and possible non-quantifiable social and economic impacts on area residents and the entire Comox Valley.

All currency values are expressed in 2016 dollars and inflation is ignored (meaning that all factors are assumed to increase at the same rate).

Project Description

For purposes of the economic impact analysis, the key features of Phase One include the following:

- 143 single family lots
- Total construction expenditure, including site preparation, utilities and roadworks, a new sewage treatment plant, and the actual housing units, is estimated at \$48.9 million
- Average value of each completed home is \$400,000



The Master Development Agreement with the Comox Valley Regional District requires the developer to dedicate a site and build a \$2.7 million sewage treatment plant. Upon completion, ownership of the plant is to be transferred to the Regional District for \$1.

Construction Impacts

Assuming the construction spending of \$48.9 million occurs locally, the local employment impact is an **estimated 340 person-years of local employment**, spread over the construction timeframe of approximately 5 years.

The total economic impact from construction on the BC economy is total economic output of \$86 million and provincial employment of 495 person-years. This means the project will support an estimated 155 person-years beyond the Comox Valley due to inter-connected supply chains in the provincial economy. Total labour income in BC is estimated at \$28 million.

Local Government Revenues

Once the project is completed, the estimated increase in property tax revenue to the Regional District is \$167,000 per year. This is based on a total assessed value of \$57.2 million (143 units at \$400,000 each) and the applicable Area C residential tax rates (using 2016 tax rates).¹

Other local and regional authorities receiving additional tax revenue include:

- \$121,000 per year for School District 71
- \$45,000 per year for the local Hospital District
- \$12,000 per year for the Vancouver Island Regional Library

Development Cost Charges applicable to the project include:

- \$866,000 in Water DCCs
- \$203,000 in Parks DCCs

It is not possible, based on the available information, to provide an assessment of the additional servicing costs to be incurred by the Regional District because of the project.

Population and Retail Market Impacts

Due to the project location near a variety of recreational and lifestyle amenities, including Saratoga Beach, the Oyster River and a golf course, it is expected that 20% of units will be purchased for use as cottages or second homes by non-local residents. The remaining 80% of units, or 114 units, will have year-round occupation.

Based on the average household size of 2.5 residents in Area C (from the 2011 Census), the permanent population increase is an estimated 285 people. An additional 75 people would be seasonal residents.

The household spending impact of these new residents is estimated using the average household income in Area C from the 2011 Census, which was 3% lower than the BC average, as well as the 2015 Survey of Household Spending from Statistics Canada. Seasonal households are assumed to spend 15% of the level of a year-round household. **Total spending from the project households is estimated at \$5.9 million.** This includes:

¹ The applicable tax rates included in the calculation are for Comox Valley C, Black Creek Community Centre, Comox-Strathcona Waste Management, Comox Valley Transit, 911 Emergency and Black Creek/Oyster Fire Service.

- \$2.35 million in retail expenditures (e.g., food stores, hardware, appliance and furniture stores, specialty retail)
- \$1.3 million in vehicle purchase and operations
- \$800,000 in utilities and household services (including telecommunications, household repair, child care, etc.)
- \$300,000 in food services (e.g., restaurants)
- \$300,000 in finance, insurance and real estate services
- \$800,000 in various other services (e.g., out-of-pocket health and education spending, recreation services)

Most of this spending will occur in the Comox Valley, including in the local Saratoga Beach area. The addition of a new population cluster in Saratoga Beach will strengthen existing businesses and attract new neighbourhood-level stores, restaurants, and service providers. The availability of these new businesses is a benefit to existing residents of Saratoga Beach.

Other Considerations

The completion of the Saratoga Beach Estates project has the potential to generate additional social and economic impacts, in addition to those cited above. These include:

- **Health benefits and support for future development.** The Master Development Agreement with the Comox Valley Regional District specifies the construction of a sewage treatment plant as part of the project. This not only saves the Regional District the \$2.7 million in capital (plus land value) that is required for construction, but the finished plant would support 1,000 residents beyond SBE. This includes some current residents who are dealing with failing septic systems and the attendant public health risks, while the plant also makes possible further residential and commercial development in the area.
- **Enables needed development to support Black Creek/Oyster Bay Water System.** The additional development that would be enabled by the sewage treatment plant is needed to generate sufficient Development Cost Charge revenue to fund improvements to the Black Creek/Oyster Bay Water System.
- **Local employment opportunities in Saratoga Beach.** The growth of a new population cluster would support existing and new businesses in the local area, thus providing new employment opportunities in the immediate local area, including for students and those interested in part-time work.
- **Enhanced commercial services in Saratoga Beach.** The increased number and type of local businesses that will be viable in the Saratoga Beach area also provide a social benefit to local residents in terms of convenience and access.
- **Allows for future development of seniors assisted living facility.** If Phase One is completed, a subsequent Phase Two of Saratoga Beach Estates may include a three-story seniors assisted living facility. This would provide a needed alternative for care for local residents.
- **Additional economic impacts from Phase Two.** Assuming the necessary rezoning and other approvals are received, a subsequent Phase Two of Saratoga Beach Estates, if developed to the same density as Phase One and allowing for parks and trails dedication, would support

about 80 additional housing units. This would generate the following additional impacts (in 2016 dollars):

- 185 local person-years of construction employment
- \$94,000 in annual tax revenue to the Comox Valley RD
- \$100,000 in annual revenue to other local/regional authorities (School District, Hospital District, Regional Library)
- \$483,000 in Water DCCs
- \$113,000 in Parks DCCs
- \$3.3 million in annual retail spending by new residents (estimated at 160 permanent residents and 40 seasonal residents)

Summary

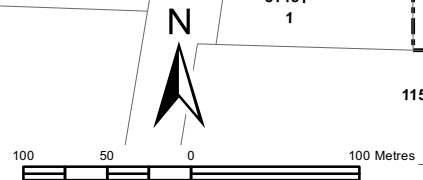
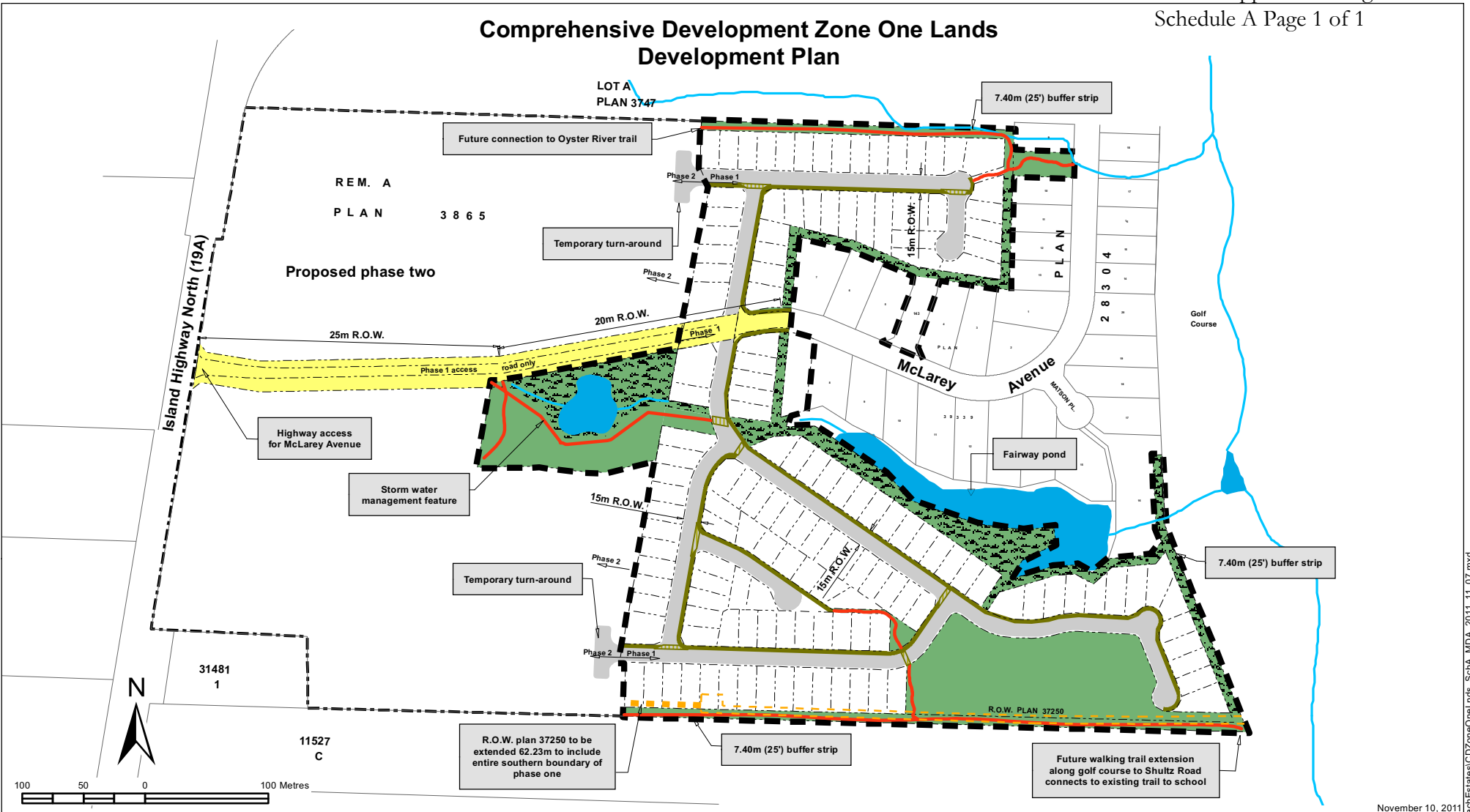
The economic impacts of Saratoga Beach Estates - Phase One are summarized below.

Impact Type	One-Time Impact (Within 5- Year Construction Period)	Annual, Ongoing Impacts (After Project Completion)
Project Construction		
Construction Spending	\$48.9 million	
Local Employment	340 person-years	
Additional BC Employment	155 person-years	
Total Economic Output (BC)	\$86 million	
Total Labour Income (BC)	\$28 million	
Development Cost Charges to Comox Valley RD		
Water DCCs	\$866,000	
Parks DCCs	\$203,000	
Property Tax Revenue		
Comox Valley Regional District		\$167,000
School District		\$121,000
Hospital District		\$45,000
Regional Library		\$12,000
Population and Retail Market Impacts		
Permanent Population		285
Seasonal Population		75
Estimated Household Spending		\$5.9 million

Other Considerations

- Health benefits from new Sewage Treatment Plant and moving current residents off failing septic systems
- Enables needed development to support Black Creek/Oyster Bay Water System
- Local employment opportunities in Saratoga Beach
- Enhanced commercial services in Saratoga Beach
- Allows for future development of seniors assisted living facility
- Additional economic impacts from Phase Two, expected to have about 80 housing units

Comprehensive Development Zone One Lands Development Plan



Legend

- Total Area of Phase One 14.38ha (35.54ac)
- *Public Open Space/Park
- *Private Open Space
- Public Constructed Trails
- Public Sidewalk (R.O.W. crossings over private strata communal lots)
- Public Crosswalk (R.O.W crossings over private strata roads)
- 143 Residential Lots With a Minimum Lot Size of 450m² (4843.8ft²)
- Public Road (R.O.W.)
- Private Strata Road (R.O.W.)

*Open space indicated forms ±31% of the total area of Phase One.

Schedule "A" to Master Development Agreement

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