# RIVERBEND SOUTH COMMUNITY PLAN

**Draft Terms of Reference**

Jo-Ann Dunn  
1420 Westdel Bourne

<table>
<thead>
<tr>
<th>Tab No.</th>
<th>Document</th>
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</table>
| 1       | Redacted Letter from Sifton Properties Limited to Jo-Ann Dunn  
June 19, 2003 |
| 2       | Letter from Stantec Consulting Ltd. to Jo-Ann Dunn  
June 22, 2006 |
| 3       | City of London Notice, Draft Terms of Reference  
July 5, 2006 |
| 4       | Letter from Sifton Properties Limited to Jo-Ann Dunn  
August 1, 2006 |
| 5       | Letter from Sifton Properties Limited to Jo-Ann Dunn  
August 23, 2006 |
| 6       | City of London Notice, Draft Terms of Reference  
August 25, 2006 |
June 19, 2003

"CONFIDENTIAL"

J. Sweeney
R. Kowalchuk (Hopedale Construction)
J. Dunn
H. Wagner

Dear Sirs and Madam:

Re: Letter of Intent – RiverBend South Community Planning Area
Lands South of Commissioners and East of Westdel Bourne Road
and West of the Sifton Lands – to Approximately 550 metres
North of Baseline Road, City of London, County of Middlesex (the “Lands)
Outlined Yellow on Schedule “A” Attached

Sifton Properties Limited is Interested in participating in the development of the above
captioned land. We ask that this Letter of Intent be accepted as a general basis to form
a joint venture agreement between yourselves as the Land Owners and Sifton
Properties Limited as the Land Developer (“Developer”).

We are knowledgeable of the Lands and we provide the following observations:

- The Land is wholly contained within the RiverBend Community Planning Area;
- The Lands are all within the Urban Growth Area of the City of London;
- The Lands are in the Oxford Sanitary Sewerage Shed and will be serviced by
gravity sanitary sewers outletting into a sanitary pumping station currently being
built by Sifton east of Westdel Bourne Road and North of Shore Road and on the
South Side of the “new” Kains Road;
- Storm water will be directed to the regional storm water management (SWM)
facility to be constructed by Sifton in their RiverBend Phase 2 subdivision north of
the new Kains Road and immediately east of Westdel Bourne Road.
- Water servicing to the Lands is by a High Pressure Watermain planned to be
constructed by the City of London from the new water pumping station on the
East side of Wickerson Road, South of Baseline Road;

We have no direct knowledge of the soil conditions on the Lands.
The following schedule shows your ownership and approximate areas of the individual parcels (taken from City of London's web site):

<table>
<thead>
<tr>
<th>Parcel No.</th>
<th>Description</th>
<th>Area (AC)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Sweeney</td>
<td>080070179000000</td>
<td>59.13 ACS.</td>
</tr>
<tr>
<td>Dunn</td>
<td>080070148000000</td>
<td>10.00 ACS.</td>
</tr>
<tr>
<td>Kowalchuk</td>
<td>080070177000000</td>
<td>15.00 ACS.</td>
</tr>
<tr>
<td>Wagner</td>
<td>080070197000000</td>
<td>31.93 ACS.</td>
</tr>
<tr>
<td>Total</td>
<td></td>
<td>116.06 ACS.</td>
</tr>
</tbody>
</table>

Proposal - The following revenues and costs have been estimated based on Sifton's knowledge and experience of the development process. There is no "Draft Plan" of the area and therefore an accurate lot count is impossible. Some of the Lands, in particular across the north end of the Sweeney and Kowalchuk parcels, are designated as commercial and medium density in the RiverBend Community Plan. The Planning Act requires that a minimum of 5% of the land to be developed shall be dedicated as parkland (5% of 116.06 acres is 5.80 acres). Some of the lands will be subject to environmental review - estimate a land loss of 10% or 11.6 acres. Taking into consideration the loss of land to park dedication and environmental sensitivity, the area of land for development is roughly 98 acres.

The land value for the lands is estimated by Sifton to be \$ per acre for the developable land - for this calculation we add in the 5% parkland dedication of 5.8 acres - therefore the area of developable land is approximately 104.5 acres. The proposed land value is 104.5 acres x \$ =

To be conservative in this proposal, I have considered all of the Lands to be low density, single family which, in our opinion is consistent with market demand:

- Using a lot yield of four, fifty foot footage lots, per acre we estimate there will be 395 Lots
- Using today's lot pricing of approximately \$ per front foot the revenues are estimated at 50 x 395 =

Sifton's historic costs to develop land of this classification (primarily single family) is approximately \$ per acre. Therefore the estimated cost to develop the lands is 98 x =
The following chart better shows the costs and revenues and therefore estimated profit:

<table>
<thead>
<tr>
<th>Total Estimated Revenues</th>
<th>Total Estimated Costs</th>
<th>Proposed Land Value</th>
<th>Estimated Profit</th>
</tr>
</thead>
</table>

The total estimated investment to completion of the development of the Land is 54% Developer and 46% Land Owner. The first in revenues would be shared in that proportion so that Sifton recoup their incurred costs, and yourself recoup your investment plus a substantial profit.

The Developer's investment must be considered as all risk. Land development projects - due to outside influences, not in the control of the Developer, such as Ontario Municipal Board referrals and market changes - all have a significant potential impact on the success of this project. Given that the first of revenue produces no return for Sifton and significant returns for your property, revenues above that amount would be dispersed 60% to Sifton and 40% to yourself.

Sifton, as part of their development and marketing plan in a development of this size, establishes a builder group of four or five prominent builders not necessarily including Sifton. We give the builders terms in the form of vendor take back mortgages - the vendor in this instance being the joint venture.

Disbursement of Funds following sales (discharged mortgages) would be 64% to the Developer and 48% to the Land Owners until the funds representing the total investment have been repaid. Disbursement of funds after the total investment has been repaid would be 60% to the Developer and 40% to the Land Owners.

Conditions of the Joint Venture would include:

- Achievement of Official Plan Designations and zoning uses on the Land agreeable to Sifton;
- Sifton being satisfied that the soils are favourable to accommodate servicing and normal building foundations.

Sifton would act as agent for the above matters and those relating to approvals for development and actual development of the Lands. All costs incurred in achieving approvals, servicing and marketing would represent Sifton's contribution to the Joint Venture.

The estimated costs and revenues will fluctuate based on the final plan adopted by the joint venture. We would be quite prepared to work to a more refined investment sharing percentage as the plan is refined, or we would accept fixing them now.
We have prepared the proposal on a conservative basis. That is, we have used historic lot yields and today's selling prices and estimated costs rather than attempting to inflate them, and therefore, the profits over time.

The lands have a fragmented ownership and planning/development of each parcel is dependant on the concurrent planning/development of the other parcels. The Lands must be developed as one parcel, including the Sifton lands to the east.

We would commence the approval process immediately and estimate that a construction start could be in approximately 12-18 months.

As you may be aware, we have had experience working in joint ventures with the University of Western Ontario and London Life, as well as other private landowners.

We would appreciate the opportunity to enter into a joint venture with you and are confident you would be very satisfied with the outcome in terms of accountability to the venture and the results both of the physical development and the financial outcome.

The information presented in this Letter of Intent and any further information as a result of subsequent discussions, from either you or Sifton, will be kept in strictest confidence.

Should you choose to explore this general outline further, we would be prepared to do so at your convenience.

Thank you for the opportunity to present this proposal.

Yours truly,
SIFTON PROPERTIES LIMITED

Jim Hebb
Vice-President, Land

JH/mg
Attach.
June 22, 2006
File:  614-05007

Mrs. Dunn
1420 Westdel Bourne
London, ON
N6K 4P9

Dear Mrs. Dunn:

Reference:  Potential Initiation of Riverbend South Area Plan

This letter is to inform you that Sifton Properties Limited is interested in initiating a Secondary Planning process for the lands located south of Riverbend, with Stantec Consulting as the lead planning and engineering consultants on the project. Sifton is the major landowner within the area bounded by Oxford Street West, the Warbler Woods ESA, Westdel Bourne Road and the City growth boundary. A secondary plan is proposed rather than an Area Plan in order to avoid the need for potential subsequent Class EA studies however, the scope of work and process is essentially the same as an Area Plan.

A draft Terms of Reference has been prepared by Stantec and discussed with City Planning staff and a copy is enclosed for your review and comment. The City has indicated that the Terms of Reference could potentially go to a public meeting at Planning Committee in August, after which the various technical studies would be initiated. When undertaking area / secondary plans, it is most ideal if they include the active and financial participation of all landowners as it facilitates the most comprehensive and cost-effective planning. Sifton will be contacting you directly in the near future to discuss your interest in participating in the Area / Secondary Plan process in order to obtain land use designations for your lands that are currently within the Urban Reserve – Community Growth designation. In the interim, we would appreciate it if you could provide us with any comments or concerns regarding the enclosed Draft Terms of Reference by Monday, June 26 so that we can submit a final draft to the City for internal circulation prior to discussing them at APAG in July and proceeding to the public meeting on August 21.

If you have any questions or require clarification regarding any aspects of the enclosed Draft Terms of Reference for the proposed Riverbend South Secondary Plan, please do not hesitate to contact us.
Fax from: 519 685 8636

Stantec

June 22, 2006
Error! Reference source not found.
Page 2 of 2

Reference: Potential Initiation of Riverbend South Area Plan

Sincerely,

STANTEC CONSULTING LTD.

Maureen Zunti, MCIP, RPP
Project Manager
Tel: (519) 645-2007
Fax: (519) 645-8575
mzunti@stantec.com

c. Jim Hebb / Phil Masschelein
NOTICE OF STUDY INITIATION
DRAFT TERMS OF REFERENCE - RIVERBEND SOUTH AREA PLANNING STUDY

Sifton Properties Limited

Maureen Zunti – Stantec Consulting

The southerly and westerly limits of the study area are generally bounded by the City of London Urban Growth boundary. The easterly limit is defined by the Warbler Woods ESA. The northern limit of the study area begins approximately 200 metres south of the intersection of Oxford Street West and Westdel Bourne, gradually sloping in a south-easterly direction, ending approximately 300 metres south of the intersection between Oxford Street West and the Warbler Woods ESA boundary. (See attached location map).

The purpose of the Riverbend South Area Planning Study is to guide the location and compatibility of specific land uses within the area; to identify the provision of services, the location of collector road patterns and the protection of any significant environmental features; to determine the need and location for community facilities, and; to prepare land use concepts that illustrate alternative means of providing a range of housing choices and associated uses that best address the natural heritage, servicing and transportation opportunities and impacts identified. A secondary objective of the Riverbend South Area Plan is to consider the opportunity to undertake/co-ordinate the Class Environmental Assessment process that is required for certain servicing components in the general study area.

The majority of the study area requiring specific land use policies is designated Urban Reserve – Community Growth in the City of London Official Plan while a smaller portion is designated Open Space in the Official Plan.

The Draft Terms of Reference identify the preliminary planning issues, and outlines the process and the background studies required before considering land use options. The various background studies will be circulated for comment to the appropriate departments and agencies as they are submitted. These studies will also be available to the public during this process.

A copy of the draft Terms of Reference is being circulated for your review and comment.

Please call in, mail or fax your comments on the Draft Terms of Reference to us by Tuesday, July 18, 2006, if possible. Your opinion on this study initiative is important. Comments will be reviewed and summarized in a report that will be submitted to the Planning Committee of City Council for consideration. Please indicate if you wish to have your comments appended to the staff report.

For more information, please call Barb Debbert at 661-2500 ext. 5345, referring to "Riverbend South Area Plan – Draft Terms of Reference".

July 5, 2006

Barb Debbert
Tel: (519) 661-2500 ext. 5345
Fax: (519) 661-5397
Website: www.london.ca

350 Dufferin Avenue
P.O. Box 5035
London, ON
N6A 4J9

July 5, 2006

NOTICE OF STUDY INITIATION
DRAFT TERMS OF REFERENCE - RIVERBEND SOUTH AREA PLANNING STUDY

Sifton Properties Limited

Maureen Zunti – Stantec Consulting

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July 5, 2006

Barb Debbert
Tel: (519) 661-2500 ext. 5345
Fax: (519) 661-5397
Website: www.london.ca

350 Dufferin Avenue
P.O. Box 5035
London, ON
N6A 4J9
August 1, 2006

Jo-Ann Dunn
Hopedale Construction (London) Limited
Hans Wagner and Sigrid Wagner
Heidi Sweeney and James Dennis Sweeney

To Whom It May Concern:

Re: RiverBend South - Secondary Planning Study

The following serves to confirm our understanding of how all owners within the RiverBend South Secondary Planning Study area will complete the Secondary Plan required as a pre-requisite to development. All owners agree to complete a Secondary Planning Study (the "Plan") for the southern portion of the RiverBend Community Planning Area as outlined in red on the plan attached hereto as Schedule "A" (the "RiverBend South Planning Area").

The owners agree that the scope of the Plan will be general conformity with the draft terms of reference prepared by Stantec Consulting ("Stantec") and approved by the City of London. Each owner confirms that they will pay their proportionate share of costs to complete the Plan based on the total cost to complete the Plan and obtain re-designation of the RiverBend South Secondary Planning Area in the City's Official Plan. The proportionate costs involved will be assigned on a developable acreage basis accordingly to the final plan adopted by the City of London. Each owner acknowledges that they will be responsible for completing any Natural Heritage study work required by the Terms of Reference on their property. A nominal coordination fee will be payable to Stantec for consolidation of the individual Natural Heritage reports into the Plan.

A formal Cost Sharing Agreement will be prepared in draft form which outlines the specific costs expected to be incurred to complete the study, the proportionate share per landowner, terms for payment of the costs to complete the study and a default mechanism to ensure payment. Upon your acknowledgement and acceptance of this Letter of Intent, the parties hereto agree to negotiate in good faith this formal Cost Sharing Agreement.

If you are agreeable to the foregoing terms and conditions we would appreciate if you could sign and return the duplicate copy of this letter by end of day August 10, 2006.

Yours truly,

SIFTON PROPERTIES LIMITED

Phil Masschelein
Senior Land Manager
ACKNOWLEDGED AND AGREED THIS

HOPEDALE CONSTRUCTION (LONDON) LIMITED

Per:

Name:  
Position:  
I have authority to bind the Corporation

HANS WAGNER

SIGRID WAGNER

HEIDI SWEENEY

JAMES DENNIS SWEENEY

JO-ANN DUNN
August 23, 2006

Mrs. Jo-Ann Dunn
1420 Westdel Bourne
London, ON N6K 4P9

Dear Mrs. Dunn:

Whenever a formal application is made to the City for proposed changes in land designations, all correspondence becomes very technical and dictatorial. We know that when any developer starts a development process, people justifiably get upset – change can be upsetting. It is not our intention to cause you stress or financial hardship. The result of our application will enhance the value of your lands.

The early letters that went out from our office at the start of the development process, addressed Cost Sharing, but did not address how payments would be made. The "Cost Sharing Agreement" does address this issue. Simply stated this is what we are suggesting:

- costs for each land holding to be a proportionate share based on developable acreage;
- payment of costs by developer land owners, such as Hopedale, will be at billing time;
- payment of costs by non-developer land owners, such as you, would not be until the land is sold or developed.

Land Uses can be disconcerting. City of London input will influence most of the Land Designations. I predict that your lands will be Medium Density or Low Density or may be a combination of both. I can safely state that, because of the "high pressure gas main" along the Westdel Bourne frontage of your lands, a school site will not be a land use designation. I can also state that a roadway of some classification, likely local, will be on part of your lands.

This development process will happen and we sincerely hope that you choose to be part of it. All resulting information will be forwarded to you whether or not you actively participate. City staff acknowledges that any lands within the Riverbend South Planning Area who is not a party to this Agreement ("Non-Participating Owner") will not be redesignated into the Official Plan of the City.

I apologize for any concerns we may have caused you – as I stated before, it was not our intention to do so.

Yours truly,
SIFTON PROPERTIES LIMITED

Jim Hebb
Vice-President, Land

SIFTON PROPERTIES LIMITED P.O. BOX 5099, LONDON, ONTARIO N6A 4M8 • TEL (519) 434-1000 • FAX (519) 434-1099
NOTICE OF PUBLIC MEETING BEFORE PLANNING COMMITTEE

TERMS OF REFERENCE: RIVERBEND SOUTH AREA SECONDARY PLANNING STUDY

APPLICANT: Sifton Properties Limited

LOCATION: The study area is bounded on the south by the Urban Growth Boundary, on the west by Westdel Bourne, on the north by Oxford Street West, and on the east by property within the Warbler Woods ESA. The northerly portion of the study area was the subject of the Riverbend Area Plan and Official Plan designations have already been established for these areas. (see attached map)

The purpose of the Riverbend South Area Planning Study is to guide the location and compatibility of specific land uses within the area; to identify the provision of services, the location of collector road patterns and the protection of any significant environmental features; to determine the need and location for community facilities, and; to prepare land use concepts that illustrate alternative means of providing a range of housing choices and associated uses that best address the natural heritage, servicing and transportation opportunities and impacts identified. A secondary objective of the Riverbend South Area Plan is to consider the opportunity to undertake/coordinate the Class Environmental Assessment process that is required for certain servicing components in the general study area.

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By letter dated July 5, 2006, you were advised of the above possible amendment(s).

As an interested property owner in the area, you are now advised that the Planning Committee will consider this application at its meeting on Monday, September 11, 2006 at 7:30 p.m. or thereafter. Meetings are held in the Council Chambers on the second floor of City Hall, located at 300 Dufferin Avenue (north-east corner of Wellington Street). Each application is allocated a time for public delegations. It should be recognized however, that Planning Committee may find it necessary to exceed the limit. Your co-operation is appreciated in the event that you have to wait for your application to be considered.

A neighbourhood or community association may exist in your area. If it reflects your views on this proposal, you may wish to select a representative of the association to speak on your behalf at the meeting.

 Replies received to our previous notice are included in summary form in our report which will be considered by Planning Committee. Copies of this report will be available from the Planning Division and at the Planning Committee meeting.
Your representatives on City Council, Councillor Susan Eagle (res. 519-657-8720) or Councillor Paul VanMeerbergen (res. 519-641-6515) would be pleased to discuss any concerns you may have with this application.

For more information, please call Barb Debbert at 661-4980, referring to "Riverbend South Area Plan – Draft Terms of Reference".

August 18, 2006
BD7