

Norquay Sunningdale Land Corp

301 – 100 Wellington Street
London, ON N6B 2K6

August 13, 2013

ATTENTION: Members of Planning and Environment Committee

Re: Request for Delegation Status - Provision of Security, 160 Sunningdale Road West, 39T-11504 Phase 2, 101 Single Family Residential Lots.

I must stress this is an unusual situation, and your consideration of this information greatly appreciated.

Notwithstanding the City of London policy 19 (18a) "Subdivision Security" which requires the subdivider to provide to the City additional security in the form of cash and/or bond to secure all works outlined in the subdivision agreement, Norquay Sunningdale Land Corp respectfully request reconsideration in the interim to allow building permits to be issued on seventeen (17) lots in the subdivision which front onto an existing street in an adjacent subdivision developed by 160 Sunningdale Road West Ltd.

160 Sunningdale Road West Ltd. has constructed Callingham Drive, including all PDC's required for lots 47 – 63 in our plan of subdivision, all in accordance with their subdivision agreement.

It is our desire to obtain conditional acceptance for lots 47 – 63 immediately upon registration of our plan of subdivision. When I advised City staff about my intentions, I was told we would have to post the bond security as outlined in Schedule 'E' of the subdivision agreement which is \$1,892,532. This is on top of the cash portion (\$289,059) that we will be providing upon execution of the subdivision agreement itself.

Typically, we would provide the cash portion (\$298,059) upon execution of the subdivision agreement. The bond portion would be provided just before conditional acceptance is requested. However, it is important to note that our consulting engineer would prepare a security reduction calculation to deduct the cost of works already completed in accordance with the subdivision agreement. This would result in the subdivider typically only having to provide less than half of the original bond portion. In this case, it would be reasonably expected that Norquay Sunningdale would have to provide approximately \$700,000 to obtain conditional acceptance on all 101 lots in the plan of subdivision.

It is punitive to expect provision of over \$2.1m in bond security for only 17 of these lots in the interim, especially since the 17 lots already front onto a road which is fully secured by the adjacent developer.

I respectfully submit for your consideration the following facts:

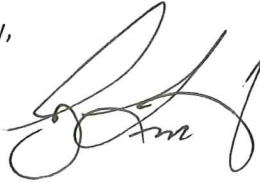
- 160 Sunningdale Road West Ltd. has provided the cash (approx. \$204,000) security for the registration of their plan of subdivision.
- Lots 47 – 63 in our plan of subdivision front onto Callingham, which is substantially completed in accordance with their subdivision agreement, and is fully secured.
- Norquay Sunningdale will provide \$298,059 in security upon execution of our subdivision agreement.

- The city will hold substantially more than \$500,000 of security between both subdivision agreements.
- Norquay Sunningdale has tendered the remainder of the works in the subdivision agreement, and expect to complete the works to granular road base in November 2013, at which point all remaining bond security would be provided for all 101 lots.

Norquay Sunningdale respectfully requests that Council direct staff to accept the cash security the City of London will have been provided (298,059) and grant conditional acceptance on Lots 47 – 63 fronting Callingham Drive, without requiring the full bond portion of security as noted in Schedule 'E' of our subdivision agreement.

This will allow building permits to be issued on 17 lots fronting a completed road and allow our builder to commence construction in a timely manner.

Sincerely,

A handwritten signature in black ink, appearing to read 'Craig Linton', written in a cursive style.

Craig Linton
Land Development Project Manager
Norquay Sunningdale Land Corp.

519-672-4011

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