



ADMINISTRATION/FINANCE & PERSONNEL REPORT

To: Council

Meeting Date: September 24, 2024

Prepared by: Jeff Dyck
Director, Corporate Services

Date Prepared: September 12, 2024

Subject: Letter of Credit Reduction – ValleyRauss Subdivision

Recommendation:

That the Council of the Township of Wellesley receive this report for information.

Summary:

The developer (ValleyRauss) has requested a letter of credit reduction for their residential subdivision on Albert Street in St. Clements. Staff have reviewed the information submitted by the developer's engineering consultant and are satisfied that a partial reduction can be considered.

Report:

The ValleyRauss subdivision was registered in 1982 but was only partially developed. The developer recently decided to proceed with building out the remainder of the subdivision and the Subdivision Agreement with the Township and the Region was signed earlier this year. As part of the agreement, the Township required a letter of credit to be held as security in the amount of \$380,960. Since the majority of the services to be installed on Albert Street have been completed, the developer has requested a reduction in the letter of credit.

The Township of Wellesley Director of Public Works, the Director of Planning and the Township Engineer (GEI Consultants) have reviewed the documentation submitted by the developer's engineering consultant and are satisfied that a partial reduction can be considered. The Subdivision Agreement states that the security may be reduced to a minimum of 10% of the estimated cost of the services to be installed, plus the full value of any outstanding work.

Staff are of the opinion that a reduction from \$380,960 to \$71,603 is appropriate given that only a small portion of aboveground work on Albert Street needs to be completed. Upon

completion of the surface course asphalt, boulevard landscaping and expiration of the maintenance period, the developer may apply for the remaining security deposit to be returned.

Township Strategic Plan:

This report aligns with the initiative of growth management/sustainable growth with the strategic goal of ensuring that the Township of Wellesley is carefully planned and that Township policies provide for well managed, balanced sustainable growth.

Financial Implications:

N/A

Other Department / Agency Comments:

N/A

Legal Considerations:

N/A

Attachment(s):

Location Map

Approved By:

Senior Management Team

Location Map

