ARGDEVCO INC.

City of Greater Sudbury
PO Box 5000, Stn A
200 Brady Street
Sudbury, ON
P3A 5P3

August 8, 2016

Attention: Kris Longston

RE: Cost Sharing Application

Dear Mr Longston:

Further to our cost sharing application we wanted to provide you with some further information for consideration as we believe Silver Hills Drive once constructed will be a positive addition to the existing road infrastructure and will have many added benefits to the Sudbury Community. Please find attached the supplemental information to update our cost sharing application.

As a leading developer in the City, we continue to work diligently in attracting growth and future development into our Community. We thank you for your attention to this matter and if you have any questions please give us a call.

Yours truly,

Celia Teale, MCIP, RPP
Development Manager

Steve A Vaccaro, MBA, CPA
Vice-President

SUPPLEMENTAL UPDATE TO COST SHARING
APPLICATION FOR SILVER HILLS DRIVE

Traffic Impacts:

- Silver Hills Drive has long been identified in the Official Plan and the Community Improvement Plan for Minnow Lake as a desired linkage required to complete a north/south road connection for the Community. The construction of this road linkage would be a benefit to the road network within the CGS.

- Traffic volumes on Bancroft Drive between the Kingsway and Bellevue Avenue and Second Avenue are expected to be reduced and there will be a benefit to existing intersections with the connection of Silver Hills Drive.

- The completion of Silver Hills Drive will improve the connection between Minnow Lake and the existing retail development. This connection will complete the Regional Centre.

- Silver Hills Drive is unique in design as it incorporates an active transit component consisting of dual bike lanes and sidewalks on both sides of the street.

- With the construction of Silver Hills Drive there will be no need to phase the development with a temporary access through Barry Street.

Social and Environmental Impacts:

- The construction of Silver Hills Drive will allow for the development of a residential community that will have a number of positive social and environmental attributes.

- New and enhanced walking trails and bike paths will be developed for the neighbourhood and the Minnow Lake Community.

- Blueberry Hill will have a new and enhanced trail system for walking and biking.

- As part of the residential development that will coincide with the construction of Silver Hills Drive a new storm water management facility will be constructed and become a feature of Blueberry Hill. The storm pond will be a benefit from an environmental perspective because it will control the quality and quantity of storm water runoff.

- This new Phase will allow ARG Devco to complete our long-term vision which is to create Sudbury's and Northern Ontario's most desirable life style centre which will connect features such as the retail hub of North-eastern Ontario, new housing forms, and nature's beautiful landscape of rolling hills, walking trails and parks all in one location.

Economic Impacts:

- The construction of Silver Hills Drive will allow us to create a tremendous economic benefit.

- We are negotiating with several industry leaders to bring to Sudbury several forms of senior residential living. Our initial targets will be a Long Term Care Facility and a senior residence.

- The estimated value of construction for the above mentioned facilities would be in the range of approximately 85 million dollars. This will be a huge boost to the local tax base.

- It is anticipated that with the construction of each of these facilities 50 construction jobs will be created for a period of one year. That translates into 150 jobs for the Sudbury Community.

- When construction is completed the long term care home and the seniors' residence will employ 120 full and part time staff.

- Silver Hills Drive construction will also allow for a mixture of dwelling units to be constructed giving residents a new choice in housing options.

- The construction of approximately 30-50 dwelling units each year at Silver Hills Residential will create jobs and provide for positive economic spin offs. The National Association of Home Builders have reported that the estimated one year of impacts of building 100 single family homes in a local area generates:

    - 28.7 million in local income
    - 3.6 million in taxes and other revenue for local governments
    - 394 local jobs
    - We have the opportunity to build over 600 doors, creating tremendous opportunities

- 35 full time jobs will also result as the construction of Silver Hills Drive proceeds

- The construction of the new units will create a new tax base for the City of Greater Sudbury

- Future growth will happen because of the road linkage as new residential projects are undertaken in the area. The Minnow Lake Community will be revitalized and the City will have brand new infrastructure in the road network with no risk.

- There will be future benefits from completion of over 600 doors in our project with between 30 and 50 new homes being built as well as a number of condominium apartments. The City could potentially add $20 to $50 million dollars in new housing infrastructure to its existing tax base annually. This residential component is over and above the senior residential facilities that we are currently working on.

- The Minnow Lake area will attract younger families; the Sudbury community will see the benefits of in-filling which will utilize existing and improved infrastructure all without placing any hardship on the existing tax base.

Timing of Construction

- It is the intent to start the construction of Silver Hills Drive in November of this year with completion targeted for June 30, 2017, the intersection work at Bellevue/Bancroft would be completed by September 30, 2017.

- The start of construction of Silver Hills Drive is also highly dependent on the City of Greater Sudbury completing the land acquisitions required for the construction of the road and the intersection. We are aware that this process has commenced, with only a few acquisitions remaining.

- The lease agreement between the City of Greater Sudbury and the Nickel District Conservation Authority would also have to be amended to reflect the construction of the road and the storm water pond. The Nickel District Conservation Authority Board has approved in principle amending of the lease agreement with the City of Greater Sudbury.