



Date: 2024-08-29

To: Carrie Sykes, Township of Lake of Bays Clerk

Re: **Lake of Bays Association Comments for September 9 Public Meeting regarding Roads License Agreements**

The Lake of Bays Association (LOBA) represents almost 1200 member families who affect and are affected by the Lake of Bays. Through education, advocacy and engagement, the Association's mission is to foster a healthy natural environment, responsible waterfront development, a thriving community, and a Lake of Bays shared respectfully and safely by all. The Association respectfully submits the following comments to the September 9 Public Meeting regarding Roads License Agreements (RLA).

As we understand it, the primary objective of having residents enter into a Roads License Agreement with the Township is to reduce potential risk and liability to the Township, road users, the public and all municipal taxpayers; as well as ensuring that roads are maintained to allow for safe passage and accessibility, particularly for emergency vehicles.

Liability Insurance

With respect to liability, the insurance Broker for the Lake of Bays Association, Cade Associates Insurance Brokers Limited, offers a liability insurance program for Road Associations. They have advised that their Road Association liability insurance policies will typically be able to meet the listed insurance requirements of a \$5-million General Liability limit and Additional Insured status for the Township. They have further confirmed that surveys of any kind are not required as part of the underwriting process for such a policy. We recommend the Township discuss this coverage option with their legal and insurance advisors and if they concur that Road Associations can satisfy the Townships' liability insurance requirements, then the need for a survey to be completed in order to enter into a RLA needs to be reassessed. We understand that outside of a Road Association there are unique situations and instances where there may only be one property owner who may not have access to the type of general liability insurance necessary to satisfy the Township's requirements. We recommend the Township work with their legal and insurance advisors as well as other representatives in the insurance industry to determine if solutions or guidelines can be established for these unique situations.

Road Maintenance

With respect to road maintenance, the Township website advises that property owners are not required to maintain the road to full municipal standards but must keep it in a "safe manner" as determined by the Public Works Department. We believe greater clarity and minimum standards need to be provided

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that make up the criteria that the Public Works Department utilizes to determine whether the unopened road allowance is being maintained in a safe manner, and that these minimum standards be a part of the RLA. We suspect that in many instances no improvements or nominal improvements may be required but without clearly knowing the minimum standards, property owners are rightly concerned about the possible costs of such improvements. A process needs to be established whereby property owners can determine the extent to which their road may need to be improved.

Purchase of the Road Allowance

We understand that the best solution to absolve the Township of all liability is to allow Road Associations and individuals to purchase the road allowance(s). A number of Road Associations are exploring this option but are struggling with the Township's proposed pricing. We recommend that since the purchase of the road allowance eliminates the Township's liability exposure and the allowance itself has no real value to them other than facilitating access to properties that in turn pay property taxes, that the road allowance be sold to the Road Association at a price equal to the legal and administrative costs incurred by the Township to make the transaction. It needs to be understood that the "value" of the road allowance to Road Associations is much less than other undeveloped landlocked property as these 66-foot-wide parcels of land are only useful as roads and cannot be developed or sold for any other purpose. Once purchased, the Road Association takes on the burden of maintenance, insurance, taxes, improvements, etc. while the Township would enjoy the elimination of liability, ensure public access and the continuation of property taxes at a level driven by market value for waterfront property versus water access only properties – certainly a significant level of value to the Township.

Roads License Agreement Wording

The wording of the Roads License Agreement as it stands is confusing and leaves the purchaser with questions and concerns that there may be additional, potentially large, costs to them in the future. The Township is encouraged to work with interested parties to simplify the Agreement and establish primary Agreement principals. If it has not already been done, benchmark with other municipalities to establish best practices for successfully establishing and executing a Roads License Agreement. Finally, continue to communicate with interested parties during the moratorium and maintain lines of communication to ensure all ideas and concerns are properly heard.

On behalf of the Lake of Bays Association and our members, I would like to thank you for your attention to our comments.

Respectfully,
Paul Gleeson, President, Lake of Bays Association

Copies: LOBA Board of Directors
Don McCreesh, Garnet Beach Road Association
Ross Fraser, Cade Associates Insurance Brokers Limited
LOBA Members via Electronic NewsFlash