

A CASE AGAINST THE RESIDENTIAL DEVELOPMENT OF MILLCROFT GREEN SPACE.

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THE ISSUE : THE MILLCROFT GOLF COURSE RE-DEVELOPMENT PROPOSAL

The Millcroft Golf Course (previously owned by Monarch Developments), its owners and ARGO developments have proposed a re-design of the current Millcroft Golf Course from a 6,000 yd golf course to a 4,000 yd golf course in order to re-develop a significant part of the course as new residential housing.

The proposal to the city will request a change in the zoning from the currently zoned and designated “green space” to “residential” in order to allow for approximately 99 new homes to be constructed in these rezoned areas. These proposed areas to be developed are parts of the green space on this golf course that are not encumbered by other development restrictions such as pipelines or hydro right of ways. This development proposal is only a part of the actual green space that could be considered developable. The second part of this proposal is to re-design the remaining lands as a 18 hole golf course.

The general questions to ask the City are

Why is this development needed?

and

Why should the city change its designation of green space?

If the city’s requirement and its development policy for green space can simply be overturned, why does the city even bother to specify its need for green space in new developments. A “contract” had been made between the city and the original developers. This new proposal would reverse a previous agreement and the land designations.

This document is not about losing a valued golf course but the potential loss of a valuable environmental asset in Burlington that benefits the residents of the city. Green space has been identified in many major cities as a key for its residents’ mental and physical health. Toronto, with its high population density, recognizes the value of green space and lack of it, and is considering creating green space by building over the railway yards, because any square footage in the area has been designated for high rises.

AREAS OF CONCERN WITH RESPECT TO THIS DEVELOPMENT?

The following are some of the areas of concern to be considered in evaluating this development proposal:

- Reduction in Burlington's overall green space – trees and open space
- Reduction in recreational assets in Burlington
- Reduction in property values throughout Millcroft –
- Increased traffic intensity – on Millcroft Park drive and Country Club drive
- With 2 new access intersections with approx. 200 new vehicles
- Increase traffic on Walkers, Upper Middle, Appleby and Dundas
- Increased safety concerns from vehicular traffic for residents.
- Increased pollution – coupled with significantly less greenspace and trees.
- Increased pressure on all city infrastructures in and around Millcroft.
- This development will increase the frequency of infrastructure maintenance and will put pressure on city resources. (these will not be offset by increased property tax revenue).

Does this development have any benefits for the city.

- Short term increase in construction jobs.
- New residents –

The primary area of concern is with this initial submission, if it is approved, is how does this development contribute to, or take away from the benefit to the city and its residents. The proposal is not a simple question of changing the zoning in favour of the developer and the owners of the golf course, but it should not be to the detriment of the residents of the city. We as residents are all owners of the city of Burlington.

THE IMPACT : THE MILLCROFT GOLF COURSE RE-DEVELOPMENT PROPOSAL

This development will impact a number of areas.

1. Millcroft property owners
2. City of Burlington and its all of its residents
3. Millcroft Golf Course users.

THE CURRENT RESIDENTS OF MILLCROFT

Most, if not all of the property owners in the Millcroft development paid a premium for their property either because it backed on to the golf course or because it was part of the golf course community.

Residents will potentially see their property values decrease – especially those properties that back onto the golf course and who had paid a premium for this privilege.

Removing this green space will significantly reduce property values for all Millcroft property owners regardless of whether they back on to the property or not.

Residents potentially will see their property be affected by the redevelopment –

Residents loss of open space for those backing on to the current course

With the general concept of infill and intensification supported by other provincial policies, this will only be in direct contradiction to the environmental concept of the value of green space in developments supported by the City.

Infill and intensification will intensify traffic - Increasing safety concerns in a small defined area for access and egress to the new developments, with approximately 200 incremental cars and service vehicles through these intersection as well as only one or two main intersections in and out of the development. These new intersections would be in close proximity to an already busy intersection.

A REDUCTION IN THE AMOUNT OF GREEN SPACE WITHIN THE CITY OF BURLINGTON

We all know climate change is a serious issue and any reduction of a valuable city asset of green space is a loss for all residents, not just those in the proposed development area or those who use the golf course. It is even more important as an environmental asset that is currently in place and its benefits can be enjoyed by all city residents.

Burlington has lost significant amounts of green space over the last 20 years due to school closings and a provincial redevelopment policy of infill and intensification. This provincial policy, and its core principle, fits where old construction is being replaced by new construction – but this is at odds with local environmental policies, where the development is to simply convert green space to accommodate the developer. It works against the city's own direction to commit and maintain or develop greenspace as part of a healthy environment for all of its citizens. Burlington is well below its own designated target of 2.5% of land area designated for green space.

The city forefathers wisely understood the need to have green space for recreation and the best place was to have this close to a school. School parks were integrated with the city parks and recreation operations. Even today many city parks are integrated with schools. These park lands were not for the exclusive use of the school and were actually part of the city's parks system.

For example, the City of Burlington lost General Brock High school (and several other similar local school properties) and the adjacent park space to the Halton District when it was required to transfer the school property from the Burlington City School Board over to HDSB. This transaction was done for \$ 1.00. Unfortunately, they transferred the parks along with the school

buildings. Administrators' at the time did not anticipate or fully understand the long-term impact. The actual General Brock school buildings and parking lot were the only real assets that needed to be transferred leaving the parks for the city.

The school property has been declared to be surplus assets for the HDSB and it was willing to sell it back to the city for approximately \$ 10 + million, the current market value or it will ultimately be developed. The city has lost control of this green space asset that was once a city park.

This is how one level of government can seriously impact another level of government – both claiming to represent the citizens. This is how the city which needs “green space” has systematically had its “green space” depleted – and no one seems to be able to stop it.

Each government office believes they are doing what they are mandated to do. None of their operational objectives appear to support the preservation of green space for the healthy benefit of its citizens. Instead, they want to increase the number of residents, the number of cars, the amount of pollution, all to the detriment of the city and surrounding areas.

ALL USERS OF THE GOLF COURSE

The re-design proposal impacts the current user-base and the future success of the redesign is an unknown quantity, especially as to its long-term survivability as a shortened golf course.

There are plenty of golf courses in the area, but one valuable attribute of this course is that it is local and serves a local group of members. There is no need to drive outside of the city to find an accessible course. There are many residents of Millcroft that actually walk to the course.

This golf course has been an ongoing successful business for over 33 years and there is no reason to believe that it cannot be maintained as such.

The re-design as a shorter 18-hole course is questionable viability.

Again, the overall question is, should this development be approved at all? The general areas of concern that the city should be focused at is what is in the best interest for the city of Burlington and its residents since this Green Space was previously required by the City for the benefit of all residents? This is not about whether there should be a golf course or not but what is the loss to the city of this valuable resource. A golf course is one way which makes this resource useable by the city residents.

BACKGROUND TO THE CURRENT SITUATION DEVELOPMENT

THE MONARCH MILLCROFT GOLF COURSE

The Millcroft golf course was part of Monarch's Millcroft Residential development in the late 80's. As part of the development plan, developers were required to provide a percentage of the land to be designated as green space or open space. (see article in the appendix)

The city administrations (representing the city residents) have valued green space as an important city attribute that adds to the livability of the city. As such the city has specifically and previously made it a key requirement for residential development. That has been a clear and strong development policy direction by the city over 35 years ago.

And the overall public attitude in support of the environment and Green space is even stronger and more important now than it was 35 years ago. This was clearly why it was important for the city to recognize the value of building parks attached to schools for over 70 years.....because it was important to the city community. So, why are we always giving up this valuable resource to developers.

The city entered into a "contract" for the designated green space with Monarch as a condition of the residential development for the Millcroft subdivision. The city received a set aside of green space incorporated in the golf course plans.

The hydro lands on the north side of the development (12th hole) and the land above the gas pipeline, (16th, 17th 18th and 1st) and the conservation waterways for the creeks (on most holes) that pass through this development were not included in the residential development and were excluded from the developer's green space requirement because of their designation as undevelopable green space. The areas the developers could commit for green space were principally those lands that are now being considered for development.

Monarch proposed The Millcroft golf course as their requirement for green space and this was accepted and approved by the city. This golf course and all associated land was zoned as open space or green space. The Monarch development wisely incorporated those other green spaces listed above that could not be developed for residential housing as part of the golf course proposal.

Monarch managed the golf course for a number of years before the golf course "business" was sold eventually as a going concern, to the current owners. Monarch had honored their "contract" with the city, and this became a valuable asset for Monarch and the city.

In support of the original golf course development proposal, the city provided a reduced tax base for this property. A win for the developers, a win for the city and residents, and a win for the golf course.

The initial areas the original developers could commit for green space are principally those lands that are now being considered for development. All other areas of the golf course, designated as green space, have restrictive encumbrances that would prevent any residential development.

THE CURRENT MILLCROFT GOLF COURSE

The Millcroft golf course was purchased from Monarch as an on-going business situated on land zoned as greenspace that was one of the requirements necessary to be operated as a golf course. As such the business has benefitted by a reduced taxation based on this zoning. The golf course was sold by Monarch with the current zoning in-place and as part of the due diligence the current owners were fully aware of the zoning for this property. This zoning was required by the Monarch developer and was a requirement that should have been factored into the purchase price. It was not sold as a golf course with an option to convert the land into residential zoning, it was sold as a going concern business under these zoning conditions.

A SUCCESSFUL ON-GOING BUSINESS

Any golf course has a well-defined income model based on the number of golfers using the course. This revenue is often affected by weather conditions, whether it is a cool wet spring or a long warm fall, so it is unlikely to sell out 100% of available tee times and as a result the golf course revenue can fluctuate. On the cost side the maintenance of the course is a relatively fixed cost based on primarily wage expenses and golf course maintenance costs.

So as an ongoing business one of the primary objectives should be to maximize revenue based on maximizing users. To accomplish this there needs to be a clear understanding of the value proposition offered by the owners for the users (golfers). As stated in the article in the appendix, "It's simply a park that generates a little bit of money,"

One way to guarantee a portion of the annual revenue, is to offer memberships and game packages for committed users. This locks in a user base. Actively promoting these memberships and actively improving and promoting the golf course are other ways to enhance revenue. Without users it doesn't matter what the on-going operating course expenses are, so focusing at expenses does not always improve the net profit objective. To enhance the number of users and subsequent revenue the primary marketing objective is get encourage more users.

If the course is attractive, well maintained and reasonable in its value proposition, and promotion of its value to users, the revenue side can be maximized. This involves marketing and promotion. The club membership groups demonstrate this value. There is value in the equity in these groups for any club. These groups mean there is a preference for Millcroft versus other local golf courses. This is one of the bestselling features for this club. Unfortunately the current owners have focused at cost savings versus revenue generation.

A golf course has a maximum revenue as a function of the number of tee times sold. This revenue stream is about \$ 3.91 MM including golf cart rental and Its net income or profit is based on this revenue less its operating costs estimated to be \$ 2.64 M for a potential profit of \$ 1.55 MM. This revenue is obviously subject to effects from weather and the impact will directly reduce revenues and profits from bad weather.

THE NEW MILLCROFT GOLF COURSE - REDESIGN

As any business the owners need to evaluate the business operations in order to maximize their objectives, be it long term income, short term return, maintenance of an on-going business. Some of this means greater investment, greater promotion, redesign of operations. There are only 3 possible business strategies; 1) grow the business, 2) hold the current position - make no change or 3) decline and withdraw from the market.

Any of these strategies has these options

1. Do nothing – let the business rise and fall on its own – hold its current position
2. Invest – and enhance the value of the offering – to increase revenues
3. Cost minimization and revenue maximization
4. Sell – get out and recover investment – let another organization run the business
5. Rezone and re-develop to maximize one time revenue

Because of the owner's proposal for development, the current course business model does not meet the owners' need to make a greater return and they are looking for ways to extract more value. Their actions appear to be Option 5 – which is to withdraw from the business and maximize the payout.

To do this means changing the zoning which is strictly only for their benefit and is contrary to the Monarch original development plan. The option 5 proposal to rezone and convert the current approx. 5800 yd. 18-hole golf course to an approx. 4000 yd. 18 hole golf course meets their need to make money but is also fraught with problems and contradictions.

An 18-hole course of less than 4,000 yds is likely a non-starter for most regular golfers. Most golf courses that have been reduced to this size seldom survive if at all. The revenue will be affected in 2 ways – they will likely not be able to charge the same fee and they will need to attract a lot more players. Some golfers shy away from playing Millcroft because of the closeness of the homes. A regular membership player is familiar with the course and should be preferred versus a broader based clientele with many players uncomfortable playing between the homes.

The proposed smaller and tighter 18-hole course does nothing to appeal to most regular golfers. Millcroft is already considered a short course. This new design will likely only exacerbate the errant ball problem because of the wider skill level of golfers. If the club has not been able to attract new golfers by now after 30 years, they will definitely have trouble attracting these new golfers for this new design.

The majority of the current membership will likely withdraw their annual membership support in favour of another golf course offering a more standard-length golf course. This membership would normally play 2- 4 times a week. The guaranteed revenue stream and a valuable cash flow at the beginning of the season from the normal annual membership would be seriously reduced in favor of a more unreliable and less frequent user base. This shortened format considered a par "3" executive course or a "Pitch'n putt" type design, cater to a much smaller percentage of the golfing public.

The current owners' actions in 2021, increasing the cost of a fixed number of games package (15, 30, 60) by over 15% and the elimination of full memberships only highlights their efforts to reduce committed memberships and focus on the higher value of walk on players. This had worked well for the club during the pandemic in 2020 as the tee sheet was almost always full, and the non-member player made a significantly higher revenue contribution. It may not work that well in 2021.

This loss of club members will need to be replaced, with this re-design, with a wider range of users, many of whom are generally less accomplished golfers and golfers who likely would not play this course regularly. This would mean the total number of individual players would have to increase significantly in order to generate the revenue needed to break even, even under the current course setup.

The business plan is potentially set up for failure, which is a highly probable expected outcome considered in their development strategy. During the actual development process, it may ultimately demonstrate or be decided by the owners that this “new” 18-hole golf course may not be a viable business. As a result, the owners may decide not to invest the money to actually re-design the course and the only alternative for them would be to attempt to convert the balance of the course’s developmental property.

This proposal is only the first attempt to convert green space to residential. Other areas of the current golf course that may potentially be developed are the green space on #2, #3, #4, #5, #8 and #9, #10, #14.

If the new venture fails, or maybe it is never developed, and the city by approving this initial residential development, it will only set a precedent that will allow the conversion of the remaining developmental land (#2, #3, #4, #5, #8 and #9, #10, #14). There may be no other option once the first development is allowed.

If this is to happen, what will happen to the balance of “undevelopable green space” on # 11, #12, #15, #16, # 17, and #18. Who will look after this property once all other available land is developed? Will the pipeline land and hydro lands (#12, #16, # 17,#18 and #1) convert to just a green corridor as it exists across other areas of Burlington.

With respect to this new proposal, the city should live up to the contracted “commitment” that was made when the property was originally developed and maintain all of these lands as green space.

THE SAFETY ISSUE

As part of the justification for the new proposal cites errant golf balls as a safety issue as one of the rationalizations for proposing the development of these open green spaces for residential development.

Converting the golf course to a much shorter course will not solve the problem of errant golf balls which is one of the proposals rationalizations for this development. The problem of errant golf balls would likely increase as more casual and less skilled players play this course, under the basic premise that the course would be able to attract enough players to keep the course busy. There would still be 18 holes with 18 tee boxes.

The golf course has been in existence since 1987. The data presented by the developer only represented data since 2002. Errant golf balls have always been an accepted part of living on a golf course. Over the 33 years of existence the course has had the thousands of trees increase in size and mature, and they have added more protection to many of the homes that back on to the course. The danger from errant golf balls has been significantly reduced over the 33 years as a result of the course maturing and with some tee box and course modifications to add further mitigation. Unfortunately, the course has lost over 300 trees mostly Ash trees over the last 2 years which had previously provided some of this protection.

Some mitigation of this problem can be provided with golf ball screens that can be erected on properties more severely affected. Some homes have already installed these screens. If errant golf balls is the only problem – a major redesign of the course is not the answer. In fact, this proposal doesn’t even address the problem.

Regardless, Millcroft is a golf course where homeowners are aware of the inherent problem of backing on to a golf course.

The general membership, men’s, senior men’s, women, mixed are all members of Golf Canada and as such they have insurance coverage from Golf Canada for damages caused by members. The current members are quite comfortable playing between the homes and are familiar how best to play the course. Often new players to this course are nervous about playing within the homes.

If the proposed changes are approved the likely course clientele changes will not be covered by Golf Canada which will only increase the liability potential.

THE CITY OF BURLINGTON AND GREEN SPACE

The city in its history and its wisdom had designated a percentage of the land base as green space for the city and has tried to have green space designated with every residential development. The city has recognized the value of this asset for its residents. The City's green space currently is well below the targeted amount. Green space, in its definition, is area that allows for a healthy natural environment that enhances the general area esthetically, environmentally and recreationally. These attributes have a significant intrinsic value which goes well beyond the residential market value.

Part of the city's attractiveness is due to the city's wealth of facilities including its parks, sports facilities and green spaces it has managed to preserve. It has not been without its struggles. Residents strongly support the maintenance of this dwindling resource as more and more people are pushed into tighter and tighter spaces. With this population intensification, these facilities are ever more valuable. Intensification also has implications on other city services including increased traffic, increased time in traffic, increased pollution and the impact on fire and EMT services in addition to the environmental impact by the reduction of trees and green space.

Green space and the ecological impact are serious issues facing the city and its residents. The city of Burlington has implemented regulations with respect to residential tree removal in an effort to maintain its urban forest.

The designation and allocation of similar lands as green space has been to the mutual benefit of the developers and the city of Burlington. The City of Burlington has committed to maintaining greenspace in the face of rapid housing development.

The developers of Millcroft built a much sought-after housing development which attracted higher market prices for all homes in this development, in addition to the premiums paid for houses that backing onto the golf course as a direct result of this green space designation. A reduction in this green space will have a direct impact on the value of this area.

The golf course has operated as a viable business on these lands for years. It could be stated that there was a co-operative and co-beneficiary agreement because of this land designation. The golf course has one attribute that benefits all residents of Burlington and that is the value of the green space and its contribution to the environment. Many residents enjoy the natural beauty of this green space.

Other developments in the 1980's provided green / open space for the residents. The Headon Forest residential development has Ireland Park that serves the whole of the city with soccer, baseball, tennis facilities as well as green park space. This green space was required as part of the development plans for the city and could never be considered for residential development.

Part of the current redevelopment proposal is to honor the "development contract" and develop the remaining areas as an 18-hole golf course, albeit a much shorter course.

As with any business the ability to generate an income and profit is important. The owners are obviously looking at ways to maximize their revenue and profit. This new proposal, however, will only be a one-time profit extraction for the owners and a permanent loss for the city of valuable green space. Green space is more valuable to society in its value to the city, if it is not developed.

The city is being forced to evaluate a change to their own long-established policy for green space. If granted it would result in a reversal of this policy that was adhered to by the original developer. It would mean that any developer can create green space in a new development and retain the ability to have it changed in the future. It would mean the city isn't committed to green space. The conversion of this green space to residential would be a huge windfall profit for the golf course owners and developers and an increased expense for all Burlington residents. To have a new developer convert a previous developers' green space into residential space is completely contrary to the city's policy for green space.

Some will argue that a golf course is only for the privileged and those who can afford to play the game. This, however, can be said for all sports in Burlington where there is a cost to play hockey at city and private facilities and there is a cost to play soccer, baseball, basketball, field hockey, badminton, football, tennis, and a cost for swimming at any of the city's facilities.

WINNERS AND LOSERS

Winners

- Golf course owner and developer –
- Significant value extraction from converting zoned green space to residential developmental property.

Losers

- Current owners of property on the golf course.
- City of Burlington - once the green space is gone it is lost forever.
- All Residents of Burlington – the loss of an asset that makes up one attribute that attracts people to Burlington
- Burlington golfers
- Loss of a local asset
- The environment

WHY SHOULD THE DEVELOPMENT NOT BE APPROVED

There is no real net gain for Burlington in fact it is a net loss for Burlington

This proposal would convert an established city policy for the benefit of only a few – the golf course owners and the developer.

This proposal would convert a currently ongoing business operation for a questionably viable smaller format in order to extract a one-time windfall from the re-development lands. Should this fail, it will lead to the development of other “green space” on the golf course.

This development increases traffic, the need for more services, adds more environmental pressure and reduces overall livability of a community.

Burlington City planners wisely had greenspace set aside with the approval of the Monarch Millcroft Development in the 1980's. The area designated as green space adds significant value not only to the residents of Millcroft but to the residents of Burlington in terms of environmental protection and valuable recreational areas.

The owners / developers are asking the residents of Burlington to approve the relinquishment of this greenspace value, for free, so the developers can extract a one-time significant value in terms of profit from this development, all to the complete detriment of society.

The city and its residents will lose value out of this proposal. Should the proposal be approved it should also be required that the city and its residents be compensated for the loss of this value that is intrinsically included in land designated as green space.

APPENDIX

MILLCROFT'S HISTORY – MONARCH DEVELOPMENTS

This is an article from Score Golf in 2008 that explains the history for Millcroft Development.

Back in 1972, when Monarch Corporation purchased the 650-acre site for \$10.5 million, the British-backed company planned to build thousands of homes on the property. As time passed, the development proposal evolved into one of the most successful residential golf communities in Ontario. But the picture of half-million dollar single-family homes and upper-middle-class townhouses that stands today wasn't always that rosy.

Golf certainly wasn't the driving force behind the project in the early years; it wasn't even part of the initial equation. But Monarch eventually figured out that the only way it was going to be able to move on the project and get a return on its investment was to build a golf course community.

"I remember in the late 1980s there was a high level of concern internally about how much money this thing was consuming," Brian Johnston, president of Monarch Corporation, says, noting they sold just 36 homes in 1990 and by 1991 had over \$30 million invested in the project with very little to show for it. Fast forward to 2005 and the company experienced its best year, closing deals on 226 homes.

Earlier this year, (2002) Monarch, a subsidiary of Taylor Woodrow, sold the 5,800-yard, par-70 public green fee course, where you can play for \$60 on weekends, to the owners of nearby Indian Wells GC. By the end of next year, the Toronto-based developer expects to pull up stakes from its Burlington sales office with nearly 2,400 homes sold.

"It was a big, big acquisition for the company," said Johnston. "I remember when I arrived here in 1984 all they ever talked about was a piece of land called Rose Community. At that point, the company had owned the site for 12 years, there had been a large debt on it and I would say, at that time, it was a company embarrassment."

Shortly after Monarch bought the land, Burlington voted in a "no growth council." The development proposal stalled for years before then-company president, Colin Parsons, brought the golf course community concept to the table. John Latimer, who would become company president in the 1990s, worked the proposal through the planning process with Burlington city council and the community was renamed Millcroft.

"I remember that Monarch brought up the president of the development company for Taylor Woodrow in Florida and he **made a presentation to city council about the golf course community and the green open space it provides,**" said Johnston, adding that the parent company was building a similar 5,000-unit community in Sarasota, Fla., called The Meadows.

Initially, Monarch went big, offering 50, 60 and 70-foot lots. The first house sold in 1987 and over the last two decades the size, style and type of home has evolved with the marketplace. In addition to single-family homes, there was a time when Monarch was selling 3,000-square-foot townhouses, but of late it has been a 50/50 of single-family and smaller townhouse units *with as many of the homes backing on to the golf course as possible.*

"With a unique community like a golf course community, the buyer has a sort of a show me attitude," said Johnston. "They want to see that the golf course is built, they want to see that the clubhouse is built and they want to see the community is continuing to evolve, that the developer hasn't run out of money and suddenly stops or somebody else comes in.

Millcroft's layout has matured at the same pace as the homes that surround it.

With influences from golf course architect Tom McBroom, the course creatively winds its way through the community in a figure-eight pattern with no parallel fairways and a clubhouse in the middle of the very walkable design. Nine holes opened in 1987, the full 18 in 1988 and when Monarch unveiled the \$1-million clubhouse in 1989 home sales really started to pick up.

“For us the really key thing was building the clubhouse; once the clubhouse was built people were really starting to believe in the project,” said Johnston. He stresses that golf course development is different than real estate development.

“I have seen a lot of developers make this mistake . . . where they let the golf course architect start to shape the real estate development. It’s a big mistake, big mistake.

Real estate development has to take priority over the golf course because if you see how much money a golf course makes compared to how much we make on a house or a lot there is no comparison. *It’s simply a park that generates a little bit of money, whereas the real estate is where the big money is and a lot of people just don’t understand that.*”

Golf course memberships at the public facility were never part of the sales pitch or tied to purchasing a home. Johnston says really smart buyers need to look carefully at the golf course property, walk it and play it before purchasing a home. That way they can figure out where to buy and what spots might want to be avoided. Living *near a tee deck or by a green site is usually better than midway down a fairway.* Monarch has had a policy in place that if a golf ball breaks a window they’ll replace it at no charge for the first five years after someone buys a home. Monarch has also spent about \$25,000 a year planting trees in strategic locations to prevent more damage to homes.

“People do have to understand when you buy on a golf course an errant golf ball is a risk,” he said. “We can’t control an errant golf shot, but we can try and minimize the problem. What people want to see is that you take their problem seriously and that you’re trying to address it.”

The Millcroft project has been so successful Monarch used the same figure-eight golf course footprint to start developing a new 700-acre golf course community in the Ottawa area in 2000. The company called upon architect Ted Baker to design the 6,517-yard, par-71 Stonebridge G&CC giving him 185 acres to work with, roughly 50 more than Millcroft, which is a little tight and short by today’s standards. Stonebridge’s east nine opened in 2001, the west nine in 2002, the clubhouse in 2005 and Johnston says sales remain strong.

“My predecessors would argue that the delay (at Millcroft) was a very significant problem for them to deal with,” he said. “However, looking back over time, there is no doubt the delay forced a unique development concept on Monarch, which combined with land price appreciation, generated profits well in excess of whatever was imagined when the property was purchased.”

It has been nearly 35 years in the making, but Monarch Homes is finally letting go of Millcroft GC and the flourishing upscale residential community that surrounds the busy Burlington golf course.

CITY ACES LEGAL DISPUTE OVER KANATA GOLF CLUB

Judge upholds agreement preventing ClubLink from redeveloping greens

[Joanne Chianello](#) · CBC News · Posted: Feb 19, 2021 6:04 PM ET | Last Updated: February 19

An Ontario court judge has upheld a 40-year-old agreement that says the Kanata Lakes Golf and Country Club must remain open space and not be redeveloped into a housing community.

The decision is a big win for the city, Kanata North Coun. Jenna Sudds and her constituents, who have spent two years trying to prevent property owner ClubLink from turning the course into a 1,500-home development with its partners Minto Communities and Richcraft Homes.

- City ready to lawyer up to prevent golf course development
- Kanata residents teed off over plan to swap golf course for housing

Sudds, who said she burst into tears over Friday's decision, called it "terrific news" for the community. As many as 500 homes back onto the course and more than 1,000 households use the grounds for recreation, she said.

"The green space, the golf course itself, which really is right in the middle of our community here, is used by the community quite frequently," said Sudds, who recently moved to the neighbourhood. "I see people out all hours of the day throughout the winter. It's amazing to see all the tracks snowshoeing and skiing and dog-walking."

40-YEAR-OLD AGREEMENT 'VALID'

ClubLink, which bought the 50-year-old course in 1997, announced in December 2018 that it planned to redevelop part of the property.

Local residents, along with the newly elected councillor and the city's own legal department, argued that the development shouldn't go ahead due to a 1981 legal agreement between then City of Kanata and the developer. That agreement called for 40 per cent of the area in Kanata Lakes to be open space in perpetuity.

"The 1981 Agreement continues to be a valid and binding contract," Ontario Superior Court Justice Marc Labrosse wrote in his 44-page decision.



ClubLink had proposed 1,544 homes and apartments on the Kanata Golf and Country Club. (City of Ottawa)

No one from ClubLink was available for comment. It's unclear whether the company will appeal the decision.

Late last year, council rejected the formal planning application from the owner of the Kanata Golf and Country Club to turn the property into a housing subdivision, arguing the decision was premature due to outstanding legal issues.

ClubLink has appealed council's decision to the province's Local Planning Appeal Tribunal, which is set to hear the case early next year. In light of Friday's court decision, Sudds said the city will ask ClubLink to withdraw its appeal.

The city fought to prevent ClubLink from developing the Kanata Golf and Country Club. (Kate Porter/CBC)

CITY WON'T HAVE TO RUN GOLF COURSE

The original 1981 agreement, which has been updated several times, including when ClubLink purchased the property 23 years ago, stipulated that if the original owners of the golf course wanted to get out of the business and couldn't find another operator, the land would go to the city "at no cost," and the city would operate it as a golf course.

But the more recent 1997 agreement between the city and ClubLink says the lands can be used as a golf course, or if that doesn't work out, "remain open space lands."

Labrosse found that the 1997 agreement let the city off the hook from running the Kanata golf course.

"The City's obligations under ... the 1981 Agreement are not triggered if the City discontinues the golf course use provided that it continues to use the land for recreational and natural environment purposes," he wrote.

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A PROFORMA FINANCIAL CASH FLOW FOR A GOLF COURSE SIMILAR TO MILLCROFT.

Potential Revenue based on a	Full tee sheet 20 players/hour			
Average Weekly Revenue	\$ 94,183	Total		\$3,913,580
	<u>#</u>	<u>Salaries</u>		
Staff	6	\$50,000		\$300,000
Grounds Keeper	1	\$120,000		\$120,000
Summer Temp	10	\$25,000		\$250,000
				\$670,000
Golf Course Operations				\$1,345,000
Equipment				\$200,000
Misc. operational expenses				\$200,000
Other Office Expenses				\$225,000
				\$1,970,000
Gross profit (before taxes and other distributions)				\$1,273,580