Grey Highlands enters conditional sale agreement for Talisman properties

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'The municipality is turning its back on the community's will and is saying it doesn't really matter what you want,' says Kimberley resident



The Talisman lands are a 200-acre property located in the Beaver Valley in Kimberley the municipality of Grey Highlands. Contributed photo.

Grey Highlands has entered into a conditional sale agreement with a Toronto-based investment firm, despite repeated pleas from the community not to sell the lands to the highest bidder.

Today, the municipality of Grey Highlands' council has confirmed the municipality has entered a conditional sale for former Talisman Resort lands in Kimberley to Westway Capital, a Toronto-based investment firm.

"The municipality received the offer to purchase in June and has spent the last weeks reviewing and assessing the offer and the opportunities it presents," stated Grey Highlands CAO Karen Govan in a news release issued Thursday morning.

The municipality currently owns two-thirds of the property with one-third being owned by a private number company.

Earlier this year the municipality entered into a <u>joint-venture agreement</u> with the owner of the private number company to facilitate the promotion and sale of the properties.

Since that time, the municipality has also held several <u>community visioning sessions</u> that aimed at gathering community feedback from residents on the future of the Beaver Valley, which includes the Talisman lands.

Concurrently, Grey Highlands council received a number of <u>deputations from prospective buyers</u> - including Westway Capital, as well as a community coalition named the Friends of the Beaver Valley.

In its presentation to council, Westway Capital representatives noted their intentions to restore the Talisman lands to its former glory of a bustling resort community.

The presentation included high-level plans to redevelop the resort, golf course and spa areas of the property in order to "capitalize on the changing landscape of local tourism."

Paul Mondell, senior planning consultant for the Westway Group is also employed as the senior vice-president leading the development team for Skyline Investments, a Toronto-based investment company with assets totalling approximately \$700 million including significant cash-flow in hotel and resort land properties.

Mondell, through Skyline, has been highly involved in numerous resorts throughout Ontario including the Blue Mountain Resort and Village, Deerhurst, and Horseshoe Resort and Village. <u>According to its website</u>, Skyline owns 50 per cent and manages 100 per cent of all the retail properties in the Blue Mountain Village.

And while Westway submitted an offer to purchase in June, members of the community coalition Friends of the Beaver Valley <u>have also been diligently working</u> to put together an offer to purchase with the goal of maintaining the site's natural features while embracing sustainable development in areas that would allow.

The group came together quickly after news of the potential sale circulated.

The Friends of the Beaver Valley group previously asked the municipal council to consider pausing the sale of the lands for three months to allow the group to conduct the necessary due diligence. However, the request was denied.

Over the same timeframe, Grey Highlands council members have been engaging in closed sessions during nearly every council meeting held in June and July.

When previously asked what was being discussed during the closed sessions, Grey Highlands Mayor Paul McQueen stated that he was unable to speak to the contents of the closed session.

"Staff have been providing updates to council throughout the process, which must remain confidential in order to maintain any bargaining or negotiation position of the municipality in relation to any potential offers that may come forward in the future. There was nothing to report out from the closed session related to the update that council received," McQueen said.

A few weeks later and the municipality announced it has entered into a conditional sale agreement with Westway Capital and will be moving forward with the due diligence required to finalize the sale.

Erica Ferguson, a Kimberley resident, said she was extremely disappointed to hear the municipality's decision to move into a sale agreement and is concerned with the lack of transparency around the project in general.

Ferguson said the new sale agreement is like Groundhog Day for many Grey Highlands' residents.

"This (is) repeating history. The community is saying we want a chance to do something here that's not just selling it to the highest bidder. But it looks like again, just like in 2014, the municipality is turning its back on the community's will and is saying it doesn't really matter what you want. This is the form of development that we think is best for you and we're going to put it here despite everything that you said against it," Ferguson said.

As a longtime resident with a background in rural planning, Ferguson explained that she had previously sat on a task force that was created in 2013 to determine the future use of the Talisman properties, prior to the municipality selling one-third of the property to the private number company for the development of a resort, which later flopped due to financial issues.

"The task force put together a report and suggestions basically saying that there should be a community process to develop this in a way that makes sense for the community interest and that we don't want to just be selling it off, which is exactly what they did," she said.

She added that the Beaver Valley Visioning sessions held by the municipality earlier this year were extremely well attended and provided a clear message to what Grey Highlands residents want to see the Talisman lands become and a resort community is not it.

"The general consensus was saying that we do not want this to be developed as per Collingwood. We want something different. And we want some time to figure out what could happen there that would be in alignment with what the people of the Beaver Valley think or feel is the right direction for the valley," she explained.

Ferguson feels that the move to sell the property before fully exploring the options community members have presented is a poor decision on the part of council members, which has been driven by the goal of reducing any future tax increases.

"The people of the Beaver Valley are the people who pay the taxes and I think if we knew that collectively our taxes are going to increase a little bit in order to have this amazing place that is available to the people who live here and to the people who come here to to enjoy the really the natural wonder that is the Beaver Valley, that has inherent value, and over time will have financial value," she said.

"Would you rather have slightly higher taxes or have lower taxes and a big development right next door?"

After taking part in the community visioning sessions and being a member of a previous task force on the same topic, Ferguson said she is fed up with municipality and council not listening to what its constituents are asking for.

"The results of both consultations were clear that selling to the highest bidder will not achieve the preferred use of the land. Yet that is what you are doing, as quickly as possible, behind closed doors, without even listening to alternative options," she said.

McQueen stated that the council has spent many hours discussing the ideas brought forward related to the Beaver Valley lands and has carefully weighed the options for a balanced approach to future development.

"The sale of these municipally-owned properties will cultivate the use of land already designated for development; explore the tourism and recreational development potential of the lands; optimize the use of existing and planned infrastructure, including increasing usage on the existing water system; generate opportunities for significant direct and indirect employment; generate annual property tax revenue for the benefit of all residents in the municipality; and support long-term economic development and destination development and management," McQueen said in the news release.

The release also noted that the municipality intends to encourage "opportunities for collaborative undertakings between the developers and the community groups" but does not divulge any further details.

The final approval of the sale is expected to come before Grey Highlands council in open session, however no date was provided.

The municipality did not immediately respond to an additional request for comment prior to publication.