



## Council report

<b>Meeting date:</b>	August 3, 2021
<b>Title:</b>	1993934 Ontario Inc. – Request to purchase municipal property
<b>Prepared by:</b>	Lorelie Spencer, Manager of Planning and Development
<b>Reviewed by:</b>	Laura Johnston, CAO

### Recommendation

That council receive Planner Spencer's report and the recommendation to proceed to declare the lands surplus and direct staff to proceed with the disposal of municipal lands process.

### Executive summary

1993934 Ontario Inc. made a request to Council on May 11, 2021 for the purchase of municipal property.

### Background and discussion

The request has come from the company noted above and pertains to specific properties. For the purposes of this report, the report will pertain to the property noted of immediate interest. The lands are located on Park Street West, specifically identified as 4205.260.0041.5400 (Plan 505, Part park lot 5). The parcel is approximately 1.4 ha. in size and zoned FD (future development). The municipality's official plan designates the property 'residential' and the western portion of the property contains regulated areas with the Saugeen Valley Conservation Authority (approximately 0.35 ha.). Any development on the subject lands would require consultation with planning staff and the conservation authority.

This request has been provided to council on two separate occasions in the past, including as part of an overall report regarding surplus properties in the fall of 2019.

The intent of the request is to have council deem the lands surplus to permit the development of the subject lands in future for multi-residential land uses. The applicant has not pre-consulted with staff on this preliminary proposal and it is intended that the use of these lands will be discussed at length in future should the lands be declared surplus and successfully obtained through the methods of the property disposal by-law. At this time, the lands are vacant and the proposal would be required to be vetted through planning principles in accordance with the Planning Act R.S.O., 1990 as amended, in accordance with the 2020 Provincial Policy Statement, the county and local official plans. A zoning by-law amendment is anticipated as part of the proposal based on the preliminary information provided.

The lands are currently vacant and not serving immediate municipal needs. Water and sewer



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services are not connected to the site in question at this time. As part of any future development on the subject lands the provision of services will be reviewed.

The lands under municipal ownership do not provide income related to municipal property taxes. Sale of the lands would result in proceeds from the sale, development charges, future property taxes in addition to the efficient use of services.

Based on the preliminary intent of the applicant, the potential use of this property could provide an appropriate range and type of housing within the settlement area of Durham. The 2020 Provincial Policy Statement, County Official Plan and local official plan all support the provision of a wide range of housing types, including affordable housing units. These could be considered as a portion of development in discussions with the successful purchaser. Planning staff are satisfied that this would be an appropriate use of the lands and would maintain the general intent and character of the neighbourhood.

## **Legal and legislated requirements**

In summary should council choose to proceed with the disposal of property the following shall occur in accordance with bylaw no. 23-2008:

### **Lands abutting an unopened road allowance**

- 1.) By resolution, declare the lands to be surplus;
- 2.) Pass a by-law to permanently close the roads under section 34 of the municipal act;
- 3.) Obtain at least one appraisal of the fair market value of the lands from an independent appraiser, or from a real estate firm or broker;
- 4.) For those properties abutting the requested unopened road allowances, notice must be posted on the municipality's website for 10 days prior to the passage of a by-law approving the sale. This is only relevant to those properties abutting the unopened road allowances in question.

### **Sale of real property**

- 1.) By resolution, declare the lands to be surplus;
- 2.) Obtain at least one appraisal of the fair market value of the lands from an independent appraiser, or from a real estate firm or broker;
- 3.) Give notice to the public of the intended sale of the land by placing at least one advertisement in a newspaper having general circulation in the municipality, and posting notice on the municipal website a minimum of 14 days prior to the sale of the land. Notice of the proposed sale must also be posted at the property location.



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- 4.) To complete the sale, council must pass a resolution indicating the method wherein the sale will be completed (tender, request for quotation, public quotation, or by a real estate firm or broker).

Bylaw 23-2008 contains certain provisions which define that the costs associated with the sale shall be established as part of the resolution. These provisions include the following:

- An estimated bid amount which is not less than the appraised value of the land and must cover any costs incurred during the property transaction;
- Tender or quotation documents must be received by the date specified;
- The tender or quotation document and advertisement in a newspaper shall include the statement that 'the highest or any offer may not necessarily be accepted';
- The sale by public auction documents shall include a minimum bid reserve; and
- Should the sale proceed through a real estate firm or broker, offers standard to the Ontario Real Estate Association Agreement of Purchase and Sale forms shall be submitted to the CAO / Clerk, providing for an irrevocable period of at least 20 days, and shall be submitted to council at a regular meeting for acceptance or dismissal.

## Financial and resource implications

- Sale proceeds from the disposal of lands;
- Future proceeds from municipal property taxes; and
- Payment of building permit fees and development charges.

## Staffing implications

N/A

## Consultation

N/A

## Alignment to strategic vision plan

Pillar: Build a better future

Goal: Vibrant community

Strategy: Responsible stewards of the tax dollars

## Attachments

- Aerial and zoning

## Next steps



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That council determine if the disposal of these lands is in their interest, and provided support is granted, that staff be directed to commence the disposal of lands process.

Respectfully submitted:



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Manager of Planning and Development