



TO: GENERAL COMMITTEE

SUBJECT: SALE OF CITY OWNED LANDS – 155 DUNLOP STREET EAST
(WESTERLY PORTION OF BAYVIEW PARK)

PREPARED BY AND KEY CONTACT: J. FOSTER, BAA, MCIP, RPP
CITY CENTRE REVITALIZATION COORDINATOR, EXT. 4517 

SUBMITTED BY: W. McARTHUR, P. ENG. *Rum*
GENERAL MANAGER OF INFRASTRUCTURE, DEVELOPMENT &
CULTURE

GENERAL MANAGER APPROVAL: W. McARTHUR, P. ENG. *Rum*
GENERAL MANAGER OF INFRASTRUCTURE, DEVELOPMENT &
CULTURE

CHIEF ADMINISTRATIVE OFFICER APPROVAL: C. LADD, CHIEF ADMINISTRATIVE OFFICER 

RECOMMENDED MOTION

1. That the City owned lands located at 155 Dunlop Street East, forming the westerly portion of Bayview Park described as Part of Lots 19 and 20, Plan 2, located on the south side of Dunlop Street East, east of Mulcaster Street, having a frontage of 22.86m (75 feet) with a depth of 37.35m (122.55 feet), having a total area of 0.09ha (0.21 acres) (the 155 Dunlop Lands) be declared surplus to the needs of the City.
2. That the advertisement in the newspaper with general circulation on September 13 and September 20, 2012, as well as the posting of signage on the property is deemed satisfactory notice to the public of the intended sale.
3. That the May 2011 appraisal prepared by InFocus Appraisals be accepted as representing fair market value of the parcel and that no update be required.
4. That the Mayor and City Clerk be authorized to execute an Agreement of Purchase and Sale with John Trecapelli for the 155 Dunlop Lands in accordance with the following terms and conditions:
 - a) A purchase price of \$600,000 (to be deposited into the Tax Capital Reserve, Account Number 13-04-0441).
 - b) That the Owner execute a site plan agreement over the 155 Dunlop Lands and adjoining parcel, being 149-153 Dunlop Street East, within 10 months from the date of Council approval of the sale of the 155 Dunlop Lands.
 - c) That the Owner obtain approval for any variances to the Zoning By-law which includes but is not limited to building height, maximum gross floor area and building setback requirements.
 - d) That a Reference Plan be prepared and registered for the 155 Dunlop Lands and that the cost of survey and legal work to be paid for by Mr. Trecapelli.

- e) That the existing Gazebo, washroom facility and playground equipment on the 155 Dunlop Lands be included in the sale and that removal will be the responsibility of Mr. Trecapelli.
- f) That the Agreement of Purchase and Sale shall not be assigned without the approval of the City of Barrie.

PURPOSE & BACKGROUND

Report Overview

- 5. Staff are recommending the conditional sale of the 155 Dunlop Lands to Mr. Trecapelli at fair market value as determined in May 2011. The subject parcel of land, which makes up the westerly portion of Bayview Park, is designated City Centre in the Official Plan and zoned Central Area Commercial C1-1 by the Zoning By-law. Development in accordance with the provisions and uses of a C1-1 zone are permitted. The 155 Dunlop Lands, although currently forming part of Bayview Park, are not required in the redevelopment of the Park for an outdoor performance centre (in accordance with the Council approval-in-principle concept plan).

Background

- 6. The purpose of this staff report is to consider an Offer of Purchase and Sale for City owned lands. On March 14, 2011, Council considered a confidential unsolicited offer to purchase the 155 Dunlop Lands and passed a confidential motion which provided direction to staff to enter into exclusive negotiations on the terms and conditions of a Purchase and Sale Agreement with Mr. John Trecapelli, adjacent landowner, and to report back to General Committee. The parcel has a frontage of 22.86m (75 feet) with a depth of 37.35m (122.55 feet), having a total area of 0.09ha (0.21 acres). See Appendix A.
- 7. In addition, the Motion required that staff obtain an external appraisal of the subject lands to determine their market value.

ANALYSIS

- 8. Mr. Trecapelli is the owner of 149-153 Dunlop Street East, the adjacent property located southeast of Dunlop and Mulcaster Streets (the Hooters Restaurant building). Mr. Trecapelli is seeking the acquisition of the 155 Dunlop Lands to be added to his current land holding as part of a land assembly for the redevelopment of the combined parcel. Concept renderings of the proposed redevelopment of the site are attached in Appendix B.

Conceptual Design

- 9. In accordance with the previous Council Motion, staff entered into negotiations with Mr. Trecapelli on items related to the design concept, process, timing and sale price. Over the course of the year, Mr. Trecapelli has submitted several concept renditions of the proposed development for staff review and discussion. The design concept includes 1,731m² of retail commercial space on the ground floor with public access within the building from Dunlop Street through to the waterfront. A residential condominium component is proposed on the upper floors to accommodate 98 units and a total of 5 split levels of below grade parking for a total of 148 parking spaces. Mr. Trecapelli has advised that in order to make the redevelopment of his parcel economically viable, he requires the additional land from the City as well as certain variances to the Zoning By-law to allow for the scale and density of the proposed development.

Official Plan Policies

10. The 155 Dunlop Lands are designated City Centre and zoned Central Area Commercial C1-1 permitting a broad range of uses including mixed commercial and residential development.
11. Lands designated City Centre are intended to provide a broad range of commercial uses that serve the general needs of downtown and community residents. From Section 4.3.2.2 in the Official Plan, "Retail stores, offices, hotels, institutional, and entertainment uses shall be integrated, where possible, with residential uses, community facilities, and open space."
12. Residential Intensification policies in the Official Plan encourage and focus residential intensification in the Urban Growth Centre (UGC), among other locations. Intensification can be achieved through redevelopment to promote an increase in planned or built densities and to achieve a desirable compact urban form. From Section 4.2.2.6, "Intensification will contribute to development that is more compact and will efficiently use land and resources, optimize the use of existing and new infrastructure and services, support public transit and active transportation..."
13. Official Plan policies under the Waterfront Section 4.6.2.5(b) identify that:

"The City shall promote the development of the waterfront lands along Kempenfelt Bay and Little Lake as a continuous major public open space system. No City owned land will be disposed of or leased in these areas and Council will endeavour to acquire privately owned lands."
14. The concept plan for Bayview Park redevelopment for an outdoor performance centre included the 155 Dunlop Lands as a grassed, partially landscaped knoll area, not considered essential to the implementation of the park design or utilization. While a portion of the Bayview Park lands are being considered as surplus, the remainder of Bayview Park will be redeveloped for an outdoor performance centre. The waterfront shoreline and North Shore Trail will not be impacted by the sale of the 155 Dunlop Lands and therefore no portion of the continuous public open space system is contemplated to be interrupted or disposed of as a result of this proposed transaction. The remaining portion of Bayview Park will continue to be adjacent to and linked to the North Shore Trail and the waterfront shoreline.
15. The subject parcel when added to the adjacent private property would allow for redevelopment for mixed use commercial and residential, would allow the enhancement and revitalization of the site within the City Centre, utilizing existing infrastructure and provide additional employment and residential intensification contributing toward the achievement of the minimum gross density target of 150 residents and jobs per hectare in the UGC.

Downtown Commercial Master Plan

16. Council per Motion 06-G-007, approved in principle the Downtown Commercial Master Plan (DCMP) as prepared by Patty Xenos Inc., dated January 2006. The DCMP identifies the lands east of Mulcaster Street on the south side of Dunlop Street, including the Hooters building at 149-153 Dunlop and the 155 Dunlop Lands as a strategic location for the redevelopment of the parcel for an iconic building as part of a land assembly for redevelopment.

Bayview Park Redevelopment Concept

17. On March 21, 2011, Council passed Motion 11-G-053 which approved in principle, the Bayview Park Conceptual Design for an Outdoor Performance Centre. The concept design for Bayview Park is attached as Appendix C. In the concept, the 155 Dunlop Lands are proposed as a grassed terraced open space area with some planting. This area is not a key component of the park's redevelopment. The proposed design concept for Bayview Park, including the

amphitheatre, associated seating, steps, parking area and playground can be accommodated on the balance of the site. If the 155 Dunlop Lands are sold, 7m of green space will remain as a buffer between the proposed redevelopment and the essential components of the amphitheatre.

Zoning By-law

18. A Central Area Commercial C1-1 zone permits a maximum building height of 10m within 5m of the front lot line and lot flankage, and 30m beyond 5m of the front lot line and lot flankage, a maximum gross floor area of 600%, parking for residential uses at 1.5 spaces/unit and a continuous landscape buffer of a minimum 3m along the side and rear lot lines.
19. The proposed development concept includes a building height of 36m and does not provide the required building stepping provisions, which results in a density of 673%. Parking is provided below grade and satisfies By-law requirements, where 148 spaces are provided; 147 spaces are required by By-law. The redevelopment concept does not provide a rear or side yard 3m landscape strip. In addition, 1 loading space will be required on site. Currently a loading space has not been provided.
20. The 155 Dunlop Lands are proposed to be declared surplus, however, given the proposed variances requested, conditional approval of the sale is recommended subject to further planning approvals regarding zoning compliance and site plan approval. Mr. Trecapelli has identified that he is seeking Council's endorsement on the sale of the subject lands, even if it is conditional, in order to understand Council's position on the matter and in order to justify further expenditure of resources and money to seek planning approvals related to site plan and requested variances to the Zoning By-law.

By-law 90-104, as Amended

21. In accordance with the "Sale of Surplus Property" By-law 95-104, as amended, Section 3.1(b), Council must be satisfied that notice was provided of the intended sale of surplus property. Section 4 identifies that notice be provided to the public. Public notice must be provided at least 7 days prior to consideration by Council of the intended sale in one or more ways:
 - a) By publishing notice in a newspaper having general circulation;
 - b) By posting a For Sale sign on the subject property;
 - c) By listing the property with a broker.
22. Notice has been provided in 2 forms. The first was by way of notice in the Examiner and the Advance newspapers which included the required information and locational plan. The second was a sign posted on site, fronting onto Dunlop Street.
23. The newspaper notice appeared in the September 13, 2012 publication of the Examiner and the Advance newspapers. The sign was posted on the subject lands on Monday, September 17, 2012 and continues to remain. Both the notice and sign included the description of the subject lands as well as the date at which General Committee would be considering the matter.
24. In addition, Mr. Trecapelli hosted a neighbourhood meeting on September 18, 2012 in order to inform the public of the proposed redevelopment concept and his interest in seeking Council's approval for the sale of the parcel.
25. In accordance with the "Sale of Surplus Property" By-law 95-104, as amended, Section 3.1(c), identifies that prior to the sale of city property, at least one appraisal of the surplus property must

be undertaken within one year of the date of declaring the property surplus or such other date established by a resolution adopted by Council. Staff received an external appraisal from Robin Jones of InFocus Appraisals on May 12, 2011. The valuation analysis considered the property at its best and highest use based on current zoning which is for mixed commercial and residential uses. The appraised value of the 155 Dunlop Lands is \$600,000. Staff do not find that property values have substantially changed within the time period since May 2012 (within 1 year of the appraisal) that would warrant an update of the appraisal. In addition, the redevelopment of the site will generate an increase in property taxes and the collection of fees associated with development charges and application fees.

Purchase and Sale Agreement

26. Staff have discussed the terms of a Purchase and Sale Agreement with Mr. Trecapelli in so far as the sale of the lands will only be considered if other planning approvals are received. The terms and conditions include:
- a) A purchase price of \$600,000;
 - b) Approval for the proposed variances to the Zoning By-law to allow the current redevelopment concept;
 - c) Execution of a site plan agreement within 10 months from the date of Council approval for the combined parcel including 149-153 and the 155 Dunlop Lands;
 - d) The preparation and registration of a Reference Plan depicting the 155 Dunlop Lands and that the cost of survey and legal works to be paid for by Mr. Trecapelli;
 - e) That the removal of the existing Gazebo, washroom facility and playground equipment on the subject parcel will be the responsibility of Mr. Trecapelli.
 - f) That the Agreement of Purchase and Sale shall not be assigned without the approval of the City of Barrie.

ENVIRONMENTAL MATTERS

27. The subject lands are regulated by the Lake Simcoe Region Conversation Authority (LSRCA). While the LSRCA has not been formally circulated on a planning application concerning the subject lands, from previous correspondence on other adjacent lands recently considered for rezoning and site plan approval, namely "The West" redevelopment, the LSRCA comments identified that coastal engineering studies would be required at the site plan approval stage of development.

ALTERNATIVES

28. There are three alternatives available for consideration by General Committee:

Alternative #1

General Committee could not declare the lands surplus and not sell the lands to the adjacent landowner, therefore maintaining the lands in public ownership to form part of the Bayview Park redevelopment.

The subject parcel is not required for the essential components of the redevelopment of Bayview Park and the continuous public open space system along the waterfront will not be impacted. This parcel is designated and zoned to allow for commercial and residential

redevelopment and has a value of \$600,000. The best opportunity for its redevelopment is with the adjacent parcel affording a larger intensification development. This redevelopment opportunity is consistent with the DCMP recommendations. In addition, the redevelopment of the combined parcel will add commercial and residential development within the Downtown/Urban Growth Centre; would foster City Centre revitalization; and would increase the density of the site, its intensification, furthering the City's objective of population/employment targets within the UGC. The future redevelopment of this parcel will provide increased yearly property taxes, building permit fees, site plan approval fees and development charges.

Alternative #2

General Committee could declare the lands surplus and sell the lands without conditions pertaining to planning approvals related to zoning compliance and site plan approval.

While this option is available, staff wanted to ensure that General Committee and the public understand that the design concept was not in keeping with zoning standards and that further planning approvals were required. In addition, site plan approvals would provide Council with the vision for the redevelopment of the site to allow for the evaluation of the redevelopment versus sale of a portion of parkland.

Alternative #3

General Committee could require that the May 2011 appraisal be updated.

This alternative is not recommended as the approval is within 4 months from the one year requirement. The City would need to spend additional money to have the appraisal updated (approximately \$1,500). Real Estate staff have advised that the real estate market has not changed substantially to warrant a reinvestigation of the appraised value.

FINANCIAL

29. Below is a summary of the total fees to be paid to the City for the purchase of the 155 Dunlop Lands including sale price, increase in property taxes, development charges and application fees. An explanation of the financial breakdown is identified below:

Land Sale Price	\$ 600,000
Increase in Property Taxes	\$ 365,363
Development Charges	\$ 488,479
Building Permit Fees	\$ 269,429
Planning Fees	\$ 16,640 (Rezoning and Site Plan)
Total	\$1,739,911

Land Value

30. In accordance with By-law 95-104, as amended, which establishes procedures for the sale of real property, Section 3.1 (c) requires that the City obtain at least one appraisal of the surplus lands within one year of the declaration of the property surplus. A third party appraisal was undertaken

for the 155 Dunlop Lands by InFocus Appraisals dated May 12, 2011. The appraised value of the subject lands is \$600,000. Mr. Trecapelli has agreed to the appraised value without dispute and is willing to compensate the City for the lands at a cost of **\$600,000**. Staff are recommending that the \$600,000 once received be deposited into the Tax Capital Reserve, Account Number 13-04-0441.

31. The appraisal was undertaken just over one year ago. Given the real estate market conditions have remained constant over the last year, staffs' opinion is that the appraisal would remain valid and continues to represent fair market value. Staff are not recommending that the appraisal be revisited or updated.

Property Taxes

32. The proposed development contemplates 1,731m² of commercial space and 98 residential units. From the BMA Study, 2012, the tax estimate for municipal purposes is as follows:

Commercial - 1,731m² (18,633ft²) X \$2.26/ft² = \$42,110

Residential - 98 units X \$350,000 (estimated sale value per unit) = \$34,300,000
\$34,300,000 X 1.083051% (2012 residential municipal tax rate) = \$371,486

Therefore the total estimated property taxes that could be generated based on the development concept = \$413,596.

30. The 2012 property taxes billed for 149 – 153 Dunlop Street East (Hooter's building) is \$48,233 based on an assessed commercial value of \$1,542,000. Given that the portion of the proposed redevelopment includes City land, for which property taxes are not collected, the increase in property taxes over the combined development parcel would be **\$365,363** (\$413,596 estimated property taxes minus \$48,233 existing property taxes).

Development Charges

31. The development of both parcels of land (City and private) would be eligible for credit for the gross floor area (GFA) for the existing building on site at approximate 15,327ft². At the current retail rate this would yield a DCA credit of \$259,653. The proposed new development concept under the current DCA By-law is only required to pay development charges for the residential component at 50% with commercial at 0%. Therefore at 98 proposed residential units (assumed to be 49 one bedroom and 49 two bedroom) equals a total development charge of \$748,132 (49 X \$16,576 and 49 X \$13,960 = \$1,496,264 @ 50%).
32. Therefore with the DCA credit for existing GFA (\$259,653), the total development charges, provided that building permits are issued prior to June 16, 2013 (current DCA By-law timeframe) would be **\$488,479** (748,132 - \$259,653).

Building Permit Fees

33. Building permit fees to be paid, based on 2012 rates, and based on the current development concept are:

Commercial - \$13/m² for 1,731m² GFA = \$22,503

Residential - \$15.25/m² for 13,448m² GFA = \$205,082

Parking Garage - \$8.25/m² for 5,072m² GFA = \$41,844

34. Therefore the total building permit fees to be paid upon building permit for the proposed development concept is **\$269,429**.

Site Plan/Committee of Adjustment or Rezoning Application Fees

35. In accordance with the Site Plan By-law 99-312, a site plan will be required for the approval of the proposed development. Given the size of the development, the application fee is \$6,864.
36. In addition, given the proposed variances to the By-law as contemplated by the development concept, a Committee of Adjustment approval for variances or a Rezoning of the property will be required. Current Committee of Adjustment application fee is \$1,425. A Rezoning application fee is \$9,776. Therefore the total planning application fees anticipated to be generated as a result of this development would be **\$8,289** (Site Plan and Committee of Adjustment) or **\$16,640** (Site Plan and Rezoning).

LINKAGE TO 2010-2014 COUNCIL STRATEGIC PLAN

37. The recommendations included in this Staff Report support the following goals identified in the 2010-2014 City Council Strategic Plan:

- Strengthen Barrie's Financial Condition
- Create a Vibrant and Healthy City Centre

38. The sale of City underutilized sites in the City Centre resulting in redevelopment that provides a financial gain that might not otherwise be realized. In addition, the subject parcel although currently part of Bayview Park is not essential to the redevelopment of the park for an outdoor performance centre. Redevelopment of Downtown sites increase the mix of land uses that will provide employment, increased property taxes and will continue to revitalize and intensify the Downtown, supporting a vibrant and healthy City Centre. The proposed development concept is in keeping with the recommended vision for the downtown as identified in the Downtown Commercial Master Plan.

Attachments: Appendix A – Subject Parcel
Appendix B – Development Concept
Appendix C – Bayview Park Concept

APPENDIX "A"

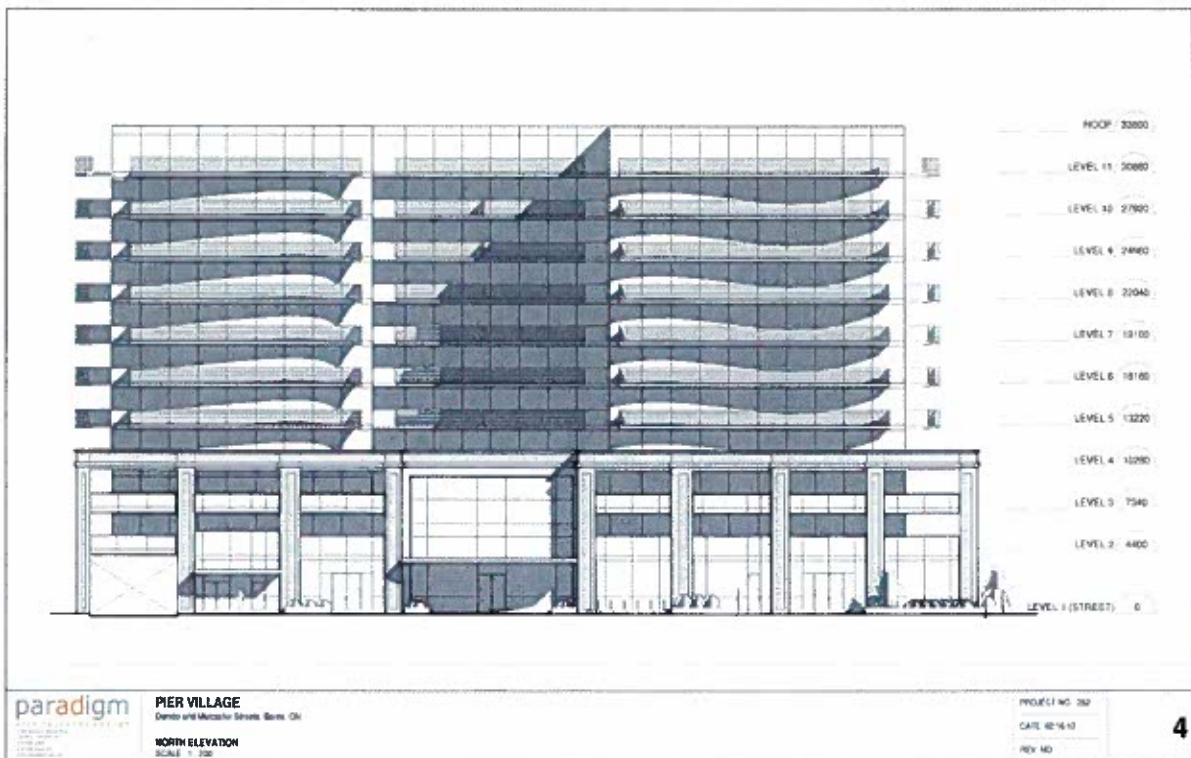
Subject Parcel



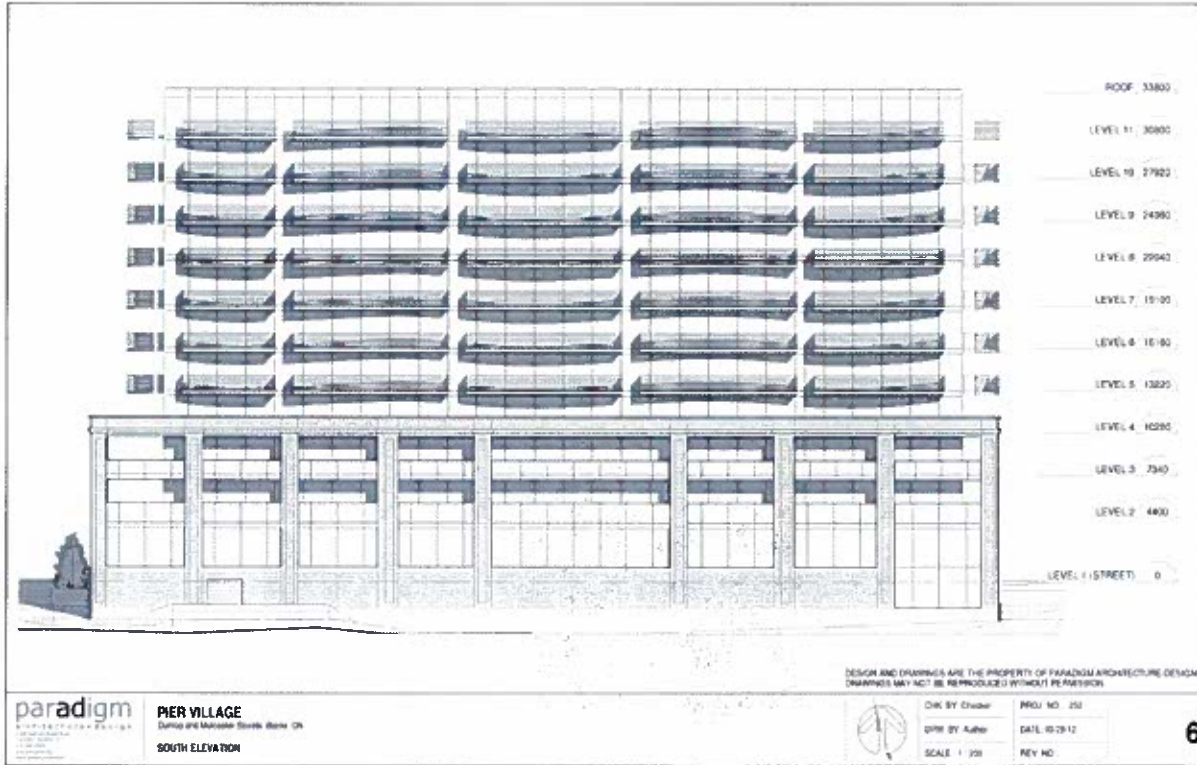
APPENDIX "B"
Development Concept



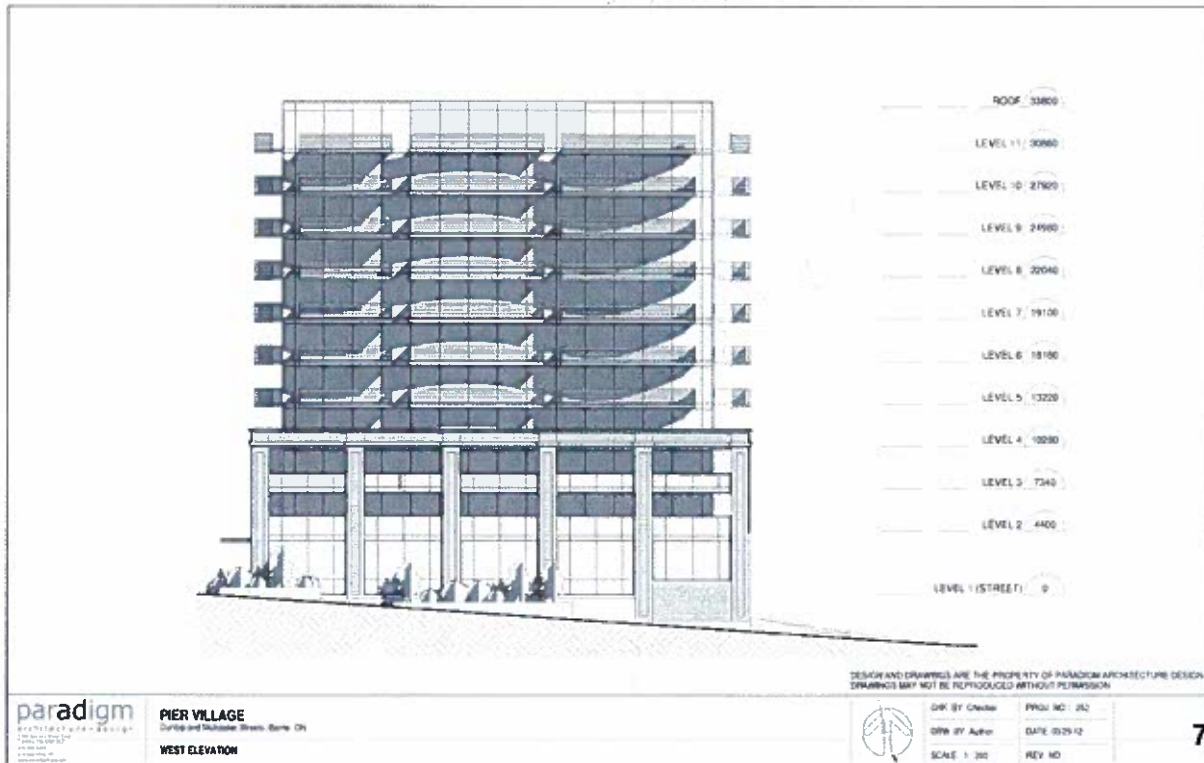
SOUTH-EAST ELEVATION



NORTH ELEVATION



SOUTH ELEVATION



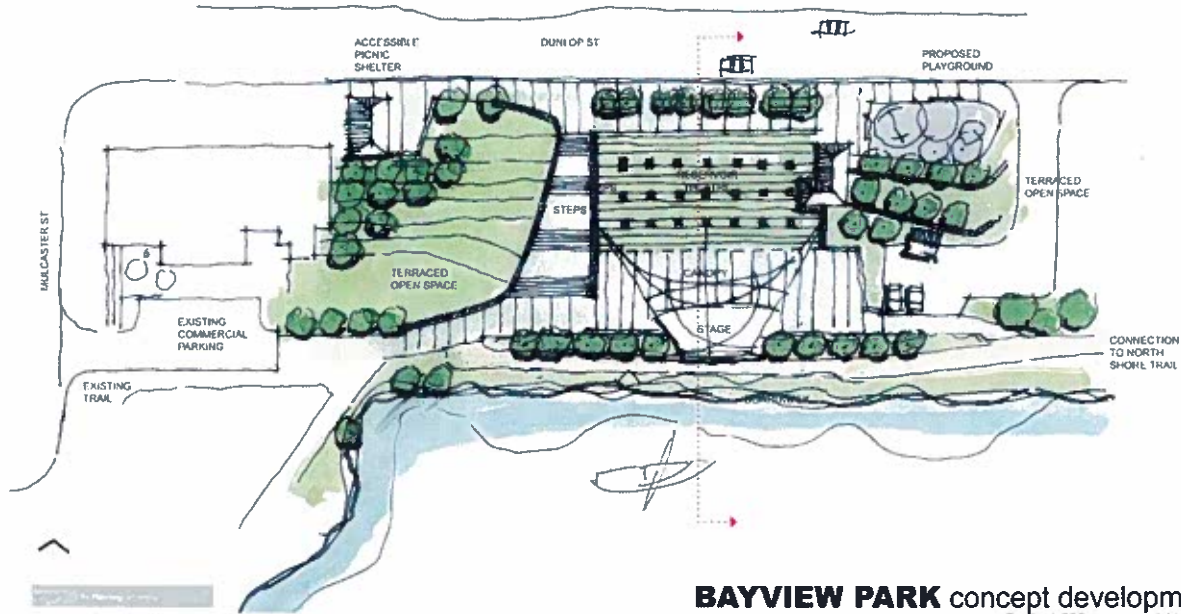
WEST ELEVATION



PERSPECTIVE SECTION

APPENDIX "C"

Bayview Park Concept



BAYVIEW PARK concept development

Scale 1:500 / 11.02.02