
TO: GENERAL COMMITTEE

SUBJECT: SURPLUS AND DISPOSITION OF 10-14 COLLIER STREET

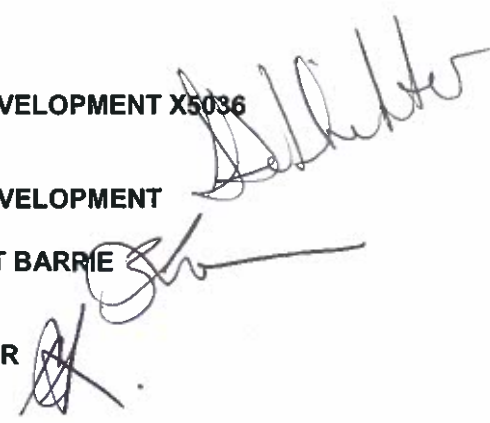
WARD: 2

PREPARED BY AND KEY CONTACT: S.SCHLICHTER, DIRECTOR BUSINESS DEVELOPMENT X5036

SUBMITTED BY: S.SCHLICHTER, DIRECTOR BUSINESS DEVELOPMENT

GENERAL MANAGER APPROVAL: Z. LIFSHIZ, EXECUTIVE DIRECTOR INVEST BARRIE

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



RECOMMENDED MOTION

1. That the Subject Property known municipally as 10-14 Collier Street, described as Part of Lots 64, 65 and 66 of Plan 2, now further described as Parts 1, 2, 3, 4, 5 and 6 of Plan 51R-17218 and Part 1, Plan 51R-19316 the City of Barrie, County of Simcoe, having an area of approximately 0.51 acres, be confirmed as surplus to the needs of the City;
2. That Invest Barrie Staff be directed to negotiate a Conditional Agreement(s) of Purchase and Sale with adjacent property owner(s) that meet the criteria as set out in Staff Report BDD008-15, to create a land assembly which must include the adjoining parcel known municipally as 4-8 Collier Street for the development of a commercial building; and
3. That upon negotiation by Staff with proponent(s) who can demonstrate either ownership or a standing agreement to purchase 4-8 Collier Street, the Conditional Agreement(s) of Purchase and Sale be brought back before General Committee for approval prior to finalization.

PURPOSE & BACKGROUND

Report Overview

4. The purpose of this staff report is to request that the Subject Property be confirmed as surplus to the needs of the City and to seek authorization to enter into Agreement(s) of Purchase and Sale as required to facilitate a land assembly that includes the adjacent property, known municipally as 4-8 Collier Street.
5. This staff report executes, in part, the strategy for the rationalization of downtown parking lots as approved by Council in Motion 15-G-160. Specifically, this staff report executes the disposition of 10-14 Collier Street.

ANALYSIS

6. Council Motion 06-G-492 declared the Subject Property surplus to the City's needs on September 25, 2006. Council Motion 13-G-114, dated April 29th, 2013 identified 10-14 Collier Street as previously declared surplus.
7. By-Law 95-104 as amended requires that any real property to be sold by the City, be declared surplus by Council and public notice be given of the City's intention to sell the lands. Notice may be given by placing an advertisement in the newspaper, posting a 'For Sale' sign on the property or listing the property with a broker or MSL service. Notice will be provided via an advertisement in the Barrie Examiner.
8. Staff Report BDD002-15 provided a disposition strategy for downtown parking lots, which included 10-14 Collier Street. Since this is a smaller property that could yield significantly better development opportunities, and a higher sales price, if assembled with adjacent properties or if included as part of larger nearby developments, the Staff Report included 10-14 Collier Street in a category of parcels known as "parcels that are supportive of larger developments (via assembly)"
9. Lots in this category would only be recommended for sale to builders who intend to leverage the parcels as part of a larger land assembly development that includes adjacent or nearby privately held parcels, if the following criteria are met:
 - i) The offer price is at a minimum of fair market value. Market value will be determined relative to the development proposal being contemplated.
 - ii) The proposed development aligns with at least one of the following guiding disposition objectives:
 - Growth and Vibrancy
 - Integration
 - Strategic Development
 - Affordable Housing
10. Building on the disposition approach described for this category of lots, the criteria have been further refined with respect to 10-14 Collier Street in particular, in order to maximize development outcomes and ensure that any resulting development align with the Commercial Neighbourhood Layout as defined in the Downtown Commercial Master Plan.
11. As a result we recommend that the City of Barrie consider offers for the sale and development of the parking lot located at 10-14 Collier Street, in accordance with the following refined criteria:
 - i) The offer price is at a minimum fair market value. Market value will be determined relative to the development proposal being contemplated. By-Law 95-104 requires that fair market value of the land be determined by appraisal. Should the surplus of the Subject Property be approved by Council, its value will be determined either by staff or by an outside appraiser. The cost of an appraiser is to be paid for by the buyer.

- ii) Given that 10-14 Collier Street is located at the border between the professional services/financial neighbourhood and the arrival neighbourhood as set out in the Downtown Commercial Master Plan, the City of Barrie will entertain offers that would most effectively assemble the lands for the City's priority uses. Preference will be given to any development that focuses on the City's highest priority uses, specifically a hotel or a high-density financial or office tower as identified in the Downtown Commercial Master Plan. Development proposals that focus on these priority uses will allow the City to continue to fulfil the vision for the downtown by eliminating a need or gap.
- iii) To ensure that any resulting development feature prominently at the border between the professional services/financial neighbourhood and arrival neighbourhood as set out in the Downtown Commercial Master Plan, the City will only entertain offers that combine the parking lot with the adjacent parcel, specifically 4-8 Collier Street as sole requirement into a larger land assembly. Proponent(s) must demonstrate either ownership of 4-8 Collier Street or a standing agreement to purchase 4-8 Collier Street.
- ii) Additional adjacent properties may also be considered as part of the overall proposal provided that 4-8 Collier Street is included. To maximize the impact of the development, the assembly should preferably also extend to include frontage along Bayfield St, but this is not required.

ENVIRONMENTAL MATTERS

- 12. The Subject Property is currently being reviewed by the Ministry of Environment and a Record of Site Condition has not been issued.
- 13. Particulars of any environmental requirements will be negotiated in agreement of Purchase and Sale.

ALTERNATIVES

- 14. The following alternatives are available for consideration by General Committee:

Alternative #1

General Committee could decline to confirm the surplusing of the Property.

Staff do not recommend this alternative as the property was declared surplus on September 25, 2006 and has been identified as a prime parcel for redevelopment in the downtown. Confirming the property as surplus executes the strategy for the rationalization of downtown parking lots as approved by Council Motion 15- G-160.

Alternative #2

General Committee could not accept staff's recommendations to require the land assembly to include 4-8 Collier Street.

Staff do not recommend this alternative as it is the desire to attract signature developments to the downtown core. As such, to maximize impact of the development, the assembly should include significant frontage on Collier St. at minimum. Including 4-8 Collier Street as a requirement for land assembly ensures that maximum frontage onto Collier Street can be maintained, and the resulting development feature prominently at the border between the professional services/financial neighbourhood and arrival neighbourhood as set out in the Downtown Commercial Master Plan.

FINANCIAL

15. The property to be confirmed surplus and sold currently generates parking revenue for the City. Until such time as the site is sold for redevelopment, it is expected that the site will continue to serve as a parking lot.
16. It is expected that the net loss of any public parking due to the redevelopment of the property will be offset by the other financial benefits anticipated in attracting new investment to the downtown.
17. Once an Agreement of Purchase and Sale is negotiated for the property, staff will present the offer and its associated terms and conditions to General Committee. At that time, the financial component of the sale will be reviewed in detail and impact to the Corporation will be identified.
18. Any excess sale proceeds after accounting for the costs of the lands would be allocated to the parking reserve.

LINKAGE TO 2014-2018 STRATEGIC PLAN

19. The recommendation included in this Staff Report support the following goals identified in the 2014-2018 Strategic Plan:
 - Vibrant Business Environment

APPENDIX "A"

Subject Property

1. Lot 4: 10 – 14 Collier

Current Use: Parking Lot

Proposed Use: Mixed commercial/office or residential with potential for assembly.

Area: The property is in the area of busy commercial activity.

Size: 0.51

Current Zoning: C1-2, Central Area-2, commercial

Height: 45 meters (approximately 13 storeys)

