

---

**TO:** GENERAL COMMITTEE

**SUBJECT:** PROPERTY ACQUISITIONS FOR THE RECONSTRUCTION OF ESSA ROAD  
(BRYNE DRIVE TO ANNE STREET)

**PREPARED BY AND KEY CONTACT:** R. S. KAHLE, M. Eng., P. Eng. *RK*  
MANAGER OF DESIGN AND CONSTRUCTION (Ext. 4549)

**SUBMITTED BY:** R. W. MCARTHUR, P. Eng. *R. W. McArthur*  
DIRECTOR OF ENGINEERING

**GENERAL MANAGER APPROVAL:** I. PETERS *I. Peters*  
DIRECTOR OF LEGAL SERVICES

R. J. FORWARD, MBA, M.Sc., P. Eng. *R. J. Forward*  
GENERAL MANAGER OF INFRASTRUCTURE, DEVELOPMENT & CULTURE

E. ARCHER *E. Archer*  
GENERAL MANAGER OF CORPORATE SERVICES

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

---

**RECOMMENDED MOTION**

1. That staff in the Legal Services Department complete the proposed property acquisitions necessary for the Essa Road transportation improvements (Bryne Drive to Anne Street) as identified in Phases 3 and 4 of the Municipal Class EA Preferred Design Alternative, and the City Clerk be delegated the authority to execute Agreements of Purchase and Sale for the purpose of acquiring the required land.
2. That the Director of Legal Services be authorized to commence expropriation proceedings against the properties identified in the Essa Road Municipal Class EA where negotiated agreements are not in place by October 1, 2012.
3. That staff be directed to serve and publish the "Notice of Application for Approval to Expropriate" and to forward any requests for inquiries received, pursuant to the "Notice of Application for Approval to Expropriate" to the Chief Inquiring Officer and the Chief Inquiring Officer be requested to report to Council with respect to any such request.
4. That the Director of Legal Services be delegated the authority to settle the expropriation amounts and that the Mayor and the City Clerk be authorized to execute all associated and required documents to the satisfaction of Director of Legal Services.
5. That the property acquisitions for the Essa Road Reconstruction project in the amount of \$2.5M. be added to the 2012 Capital Plan and be funded as follows:

\$1,616,200.00 – Road DC (11-05-0520)

\$883,800 – Tax Capital Reserve (13-04-0440)

---

**PURPOSE & BACKGROUND**

6. The proposed Essa Road widening project between Bryne Drive and Anne Street has been identified as a capital project necessary to facilitate development of the former Barrie Raceway (Event Centre) lands and to accommodate existing and future traffic demands.
7. The purpose of this staff report is to seek budget approval for an additional \$2.5 million in order that acquisition of required land through negotiation and/or expropriation can be expedited prior to Council adoption of the 2013 Business Plan and Capital Budget.
8. An initial \$500,000 was budget approved in the 2008 Capital Plan for various project expenditures which included property acquisitions.
9. On August 15, 2011, City Council passed Motion 11-G-231 as amended to adopt Phases 3 & 4 of the Preferred Design Alternative for the Municipal Class Environmental Assessment for Essa Road(Class EA), from east of Anne Street to west of Bryne Drive. Motion 11-G-231 as amended is attached as Appendix "A". No authority was provided to commence property acquisitions. The funding for property acquisition to be considered in future budgets was reduced from \$5.5 million to \$2.5 million based on no implementation of cross access easements as part of this project.
10. In July 2012, City staff met with representatives of Osmington Inc, who expressed interest in moving the project forward as soon as possible to accommodate their proposed development of the former Barrie Raceway (Event Centre) lands. They wish to have the road reconstruction project completed to a point where an anchor tenant can be operational by late 2014.
11. A Part 2 Order request has been made to the Minister of the Environment regarding the Essa Road Municipal Class EA. A decision on the order request is pending by the Minister.
12. A consulting engineering firm, the IBI Group, has been retained via an RFP process, to undertake design services related to this reconstruction project. The scope of their work includes storm sewers, sanitary sewers, traffic signals, illumination, structures, and roadway design. Work by IBI recently commenced, and the design work is expected to be completed early in 2013. Currently property acquisition, design work and utility relocations are scheduled for completion in 2013 with construction in 2014 & 2015. Assuming the 2013 works are completed early there would be an opportunity to tender the construction project in 2013 and potentially start construction in 2013. This would be the subject of a subsequent staff report to Council for consideration.

**ANALYSIS**

13. To best position the City with an opportunity to realize the timelines that Osmington has requested Real Estate Services Staff will need to begin active negotiations immediately in order to ensure an expedited timeline for land acquisitions and allow for utility relocations to commence as early as possible.
14. It is likely that the necessary property acquisitions (either through negotiation or expropriation) will result in claims for injurious affection, business losses, possible relocation costs and further legal expenses. Included in the funds currently budgeted is an allowance for these costs but it is not possible to predict with certainty what the final costs will be.
15. There are 21 properties requiring fee simple acquisitions, and 1 property requiring an easement. The properties affected are a mix of residential homes and mixed commercial businesses.

16. Osmington Inc. has offered to provide short term financing to the City of up to \$2.5 million to expedite the process of acquiring any required land on the basis that the loan will be repaid upon 2013 budget approval. This offer would provide little benefit given the very short timeframe within which the loan is available. It is estimated that acquisitions will begin to close in late 2012. It is estimated that \$800,000 may be expended in 2012.
17. The legal authority to commence expropriation is essential at this time in order for the statutory timelines to begin to run.
18. The proposed development by Osmington Inc. has been site plan approved and will include a large retail unit, supermarket, and several other mid size retail units. This development on the former Barrie Raceway (Event Centre) lands will enhance the southern gateway to the City and generate tax revenues as detailed in the Financial section.

#### **ENVIRONMENTAL MATTERS**

19. There are no environmental matters related to the recommendation.

#### **ALTERNATIVE**

**Alternative #1** General Committee could address funding for property acquisitions as part of the 2013 Business Plan deliberations.

This alternative is not recommended as it will delay property acquisitions, utility relocations, and ultimately project construction. The redevelopment schedule of the former Barrie Raceway (Event Centre) lands would be impacted.

#### **FINANCIAL**

20. The Essa Road capital project (property component) from east of Anne Street to west of Bryne Drive is to be funded in part by the 2008 Capital Plan allocation of \$500,000 and an additional \$2.5 million. The 2013 budget forecast has \$2,500,000.00 for property which will be removed from the 2013 plan.
21. Presently, the former Barrie Raceway (Event Centre) lands are under ownership by the Barrie Agricultural Society, and as such, are exempt from contributing to the City's tax base. Once Osmington Inc. begins their development of said property, ownership is to be transferred and estimated initial tax revenues of \$582,800/year (2012) would be assessed. Once full development of the site is attained, estimated tax revenues will be in the \$775,000/year range.

#### **LINKAGE TO 2010-2014 COUNCIL STRATEGIC PLAN**

22. The recommendation(s) included in this Staff Report support the following goals identified in the 2010-2014 City Council Strategic Plan:
  - Direct & Manage Economic Development
    - Engage businesses, institutions and all levels of government to establish a competitive local economy
  - Strengthen Barrie's Financial Condition
    - Diversify revenues

**APPENDIX "A"**



*City Clerk's Office*  
**COUNCIL DIRECTION MEMORANDUM**

TO: Director of Engineering  
City Clerk  
Director of Legal Services

FROM: Dawn McAlpine, City Clerk

DATE APPROVED  
BY COUNCIL: August 15, 2011

**AMENDED BY CITY COUNCIL ON AUGUST 15, 2011:**

**AMENDMENT #1**

That motion 11-G-231 of Section "F" of the General Committee Report dated August 8, 2011, concerning Essa Road Transportation Improvements (Bryne Drive/Ardagh Road to Anne Street) Municipal Class EA, Phases 3 and 4 be amended by adding paragraph 4 as follows:

- "4. That, given concerns regarding the high costs of property acquisition for the potential cross-access easement:
- a) the cross-access easement not be implemented as part of the project pending further review by staff and consultation with the property owners, and;
  - b) the amount for property acquisition to be considered as part of the 2012 Capital Budget project be reduced from \$5.5M to \$2.5M."

**11-G-231 ESSA ROAD TRANSPORTATION IMPROVEMENTS (BRYNE DRIVE/ARDAGH ROAD TO ANNE STREET) MUNICIPAL CLASS EA, PHASES 3 AND 4**

- 1. That the Preferred Design Alternative for the Municipal Class Environmental Assessment for Essa Road (Class EA), from east of Anne Street to west of Bryne Drive, Phases 3 & 4 be adopted as outlined in Staff Report ENG035-11.
- 2. That the Mayor and the City Clerk be authorized to execute all associated and required documents in a form approved by the Director of Legal Services.
- 3. That in accordance with the requirements of the Class EA process, the Engineering Department publish a Notice of Completion for the Essa Road Environmental Study Report (ESR). (11-TED-025) (11-G-209) (ENG035-11) (File: T05-ES)

**Directions:**

Director of Engineering – note/process  
City Clerk – note  
Director of Legal Services – note