
TO: GENERAL COMMITTEE

SUBJECT: ACQUISITION OF MTO LAND AND SALE OF CITY-OWNED LAND TO LITTLE LAKE SENIORS COMMUNITY INC.

WARD: 3

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

SUBMITTED BY: S. SCHLICHTER, DIRECTOR OF BUSINESS DEVELOPMENT

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

CHIEF ADMINISTRATIVE OFFICER APPROVAL: M. PROWSE, CHIEF ADMINISTRATIVE OFFICER

RECOMMENDED MOTION

1. That the Legal Services staff be authorized to undertake the acquisition of the portions of land from the Province of Ontario that comprise the road allowance and Ministry of Transportation buffer described as Part of Lot 5 Con 1 WPR and Part of Lots 21 and 22 Con 3, Geographic Township of Vespra, being Parts 9 and 20 on 51R-38777 (Ministry Highway Plan P-2847-0201); and being part of PIN 58361-0816 (Part 9) and part of PIN 58830-0051(Part 20), in the City of Barrie, in the County of Simcoe, as shown on the attached Appendix "A" to Staff Report BDD013-17 for the purchase price of \$61,950.00 for the purposes of creating complete a lot for purchase by Little Lake Seniors Community Inc. (the Purchaser).
2. That the Agreement of Purchase and Sale will not be executed with the Ministry of Transportation (MTO) until such time as an Agreement of Purchase and Sale is accepted in its entirety by Little Lake Seniors Community Inc. for the Provincially-owned and City-owned lands and a non-refundable deposit in the amount of \$61,950.00 is received.
3. That the City Clerk be authorized to execute any documents to facilitate the acquisition of lands from the Ministry of Transportation.
4. That the Ministry of Transportation Lands at JC Massie Way and Duckworth Street, described Part of Lot 5 Con 1 WPR and Part of Lots 21 and 22 Con 3, Geographic Township of Vespra, being Parts 9 and 20 on 51R-38777 (Ministry Highway Plan P-2847-0201); and, being part of PIN 58361-0816 (Part 9) and part of PIN 58830-0051(Part 20), in the City of Barrie, in the County of Simcoe, as shown on the attached Appendix "A" of Staff Report BDD013-17 be declared surplus to the City's needs upon the condition of an Agreement of Purchase and Sale for the Lands being entered into with Little Lake Seniors Community Inc.
5. That the City Clerk be authorized to execute an Agreement of Purchase and Sale between the City and the Little Lake Seniors Community Inc. for the Lands at JC Massie Way and Duckworth Street, Part Lot 21, Concession 3 (Vespra) being Parts 1 and 5, Plan 51R-40899; Part Road Allowance b/w Conc. 2 and 3 (Vespra) being Part 2, Plan 51R-40899; Part Block C, RCP 1491, being Part 3, Plan 51R-40899; Part Road Allowance b/w Lots 20 and 21, Conc. 3 (Vespra) being Part 4, Plan 51R-40899; Part road allowance between Concs. 1, 2 and 3 (Vespra) and Part Block C, Plan RCP 1491, being Part 6 Plan 51R-40899; and Part Lot 5, Conc. 1 (Vespra), being Part 7, Plan 51R-40899, City of Barrie, County of Simcoe and, also known as 480-500 Duckworth Street as depicted in Appendix "B" to Staff Report BDD013-17, for the purchase price of \$401,950.00.

6. That the Agreement of Purchase and Sale be subject to the following conditions and any other conditions, mutually agreed upon by the Director of Legal Services and Director of Business Development:
 - a) The Purchaser agrees that it is Purchasing the property in its present condition “as is” and will determine to its satisfaction that the Lands are suitable for its intended use;
 - b) A blanket easement be provided by the Purchaser across the subject Lands in favour of the City, and any other utilities identified, providing the City unencumbered unlimited access 24 hours per day and 7 days per week access to existing or planned infrastructure, whether the infrastructure is on or under the Lands and such access resulting in construction of the parking, the City will only be responsible to return the property to a base granular condition;
 - c) When the City requires access to its infrastructure within the easement area, the City shall not be held responsible or liable in any way for the operation of the parking facility or any impact on the Purchaser’s business operations for any repair, upgrades or installation of infrastructure;
 - d) The Purchaser assumes all costs associated with the transfer of both the MTO Lands to the City and the City-lands to Little Lake Seniors Community Inc. including applicable land transfer tax estimated at \$6,000, and legal fees;
 - e) The sale is conditional upon the transfer of the MTO Lands owned by the Province of Ontario to the City of Barrie; and
 - f) The Purchaser provide a non-refundable deposit for the purchase of the said lands at an amount not less than \$61,950 that will be used to honour the City’s obligation to the Ministry of Transportation for property acquisition.
7. That the City Clerk be authorized to execute any amendments or extensions to the conditional dates as set out in the Purchase Agreement in a form acceptable to the Director of Business Development and the Director Legal Services.
8. That the Purchaser be authorized to submit a site plan application for the subject properties in advance of the transfer of land and the City Clerk be authorized to sign on behalf of the City of Barrie as owner of the lands, the planning application(s) and ancillary document(s) required.
9. That net proceeds from the sale of the Property in the amount of \$340,000 (sale price of property less cost of MTO Land acquisition) be allocated to the Parkland Dedication Reserve.
10. That any permanent road closings necessary to consolidate and transfer the property be made in accordance with Section 34 of the *Municipal Act*. 2001 and the Notice By-Law 2017-017.

PURPOSE & BACKGROUND

Report Overview

11. The purpose of this staff report is to obtain authorizations to complete the necessary property acquisitions, surplusing, disposition and road allowance transactions for the Lands that makes up a portion of the intersection and area of the new JC Massie Way and Duckworth Street, as further depicted in Appendix ‘B’, to facilitate the construction of a parking lot for Little Lake Seniors Community Inc.
12. The report also authorizes the purchaser, Little Lake Seniors Community Inc. to submit an application for site plan approval in advance of the transfer of the property.

13. Little Lake Seniors Community Inc. is a large medical, health & retirement living complex situated in the area of JC Massie Way, in the vicinity of Cundles Road East and Duckworth Street. The complex is under construction with the medical/office building (Phase 1, Block A) having been completed and currently in operation in addition to Phase 2 (Block C) of the development that includes an assisted living retirement residence. The third phase (Block B) of the development has Site Plan Approval for the construction of a seniors housing condominium development.
14. Currently 'Block B' of the development proposal provides 104 of the 195 required parking spaces in support of overall parking for the Little Lake Community Health Centre (Phase 1, Block A) and the City-owned lands adjacent to the development offer an opportunity to re-locate parking for the 104 spaces required to maximize the residential density of the development.
15. On April 4, 2016 Council Motion 16-G-069 approved the following recommendation:
 - a) That the Lands at JC Massie Way and Duckworth Street, described as part of PIN's 583610796, 588300051, 583610426, 583610419, 583610425 and 583610249 (the Lands) as depicted in Appendix "A" to Staff Report BDD004-16, to be further described by reference plan to be deposited, be declared surplus to the City's needs.
 - b) That staff in the Business Development Department be authorized to negotiate an Agreement of Purchase and Sale (APS) with Little Lake Seniors Community Inc. (the Purchaser) for the subject Lands and report back to General Committee for approval.
 - c) That the Purchaser be authorized to submit an application, on behalf of the City of Barrie (as owner), for an Official Plan Amendment and Rezoning of the Lands at its own expense and with the understanding that the application will be considered on its own merits and no approval being implied.
 - d) That the City Clerk be authorized to execute any documents to provide such authorization.
 - e) That fair market value be determined by an appraiser, paid for by the Purchaser, for the Properties to be sold.
 - f) That the Agreement of Purchase and Sale contain the following conditions and any other conditions, mutually agreed upon by the Director of Legal Services and Director of Business Development:
 - i) The Properties are to be sold in their present condition "as is" and the Purchaser be required to complete any such tests, reports, analysis and plans at its own expense as may be required by the City, at the City's sole discretion, to support the proposed development including but not limited to any reports, analysis, plans and environmental compliance approvals, including those by third parties such as the Conservation Authority;
 - ii) The Purchaser is required to obtain the required Official Plan and Zoning By-law Amendments for its development proposal and that these amendments be considered separately and on their own merits with no approval of such Applications being implied;
 - iii) An easement be provided by the Purchaser across the subject Lands in favour of the City, providing the City unencumbered unlimited access 24 hours per day and 7 days per week access to existing or planned infrastructure, whether the infrastructure is on or under the Lands being surplus.

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- iv) The design of the proposed parking area be such that it has minimal impact on existing infrastructure that the City may be required to undertake work upon to the satisfaction of the Director of Engineering and Director of Environmental Services via Site Plan Control approvals.
 - v) When the City require access to its infrastructure within the easement area, the City shall not be held responsible or liable in any way for the operation of the parking facility or any impact on the Purchaser's business operations for any repair, upgrades or installation of infrastructure.
16. The subject Lands have significant infrastructure and utilities located within the property. Analysis by Staff determined that the parcel would be suitable for the purposes of creating surface parking and provided the City retain unencumbered, unhindered and immediate access to the infrastructure in perpetuity to service, maintain and repair the infrastructure.
17. Since receiving Council Direction, several actions have been undertaken:
- a) On January 16th, 2017, Council Motion 17-G-009 approved the re-zoning of the Lands from Open Space OS to General Commercial C4 (SP) with the following Special Provisions:
 - i) Parking shall be the only use permitted;
 - ii) Permit a landscape buffer area adjacent to the Highway 400 right of way in accordance with the Schedule as identified in Appendix "D" to Staff Report PLN003-17;
 - iii) For the purpose of the Zoning By-law and in consideration of zoning standards, the subject lands will be treated as one parcel with the adjoining lands municipally known as 13 Little Lake Drive, for zoning purposes
 - b) Completion of an appraisal for the Lands to determine fair market value. Value of the Lands were appraised at \$340,000.00 taking into account the limited utility of the land for parking only, the blanket easement for unencumbered access, extraneous costs to develop the site including, tree cutting, significant retaining wall work, gas main relocation and water main lowering;
 - c) In order to address the protection of the infrastructure and to ensure the parking area did not conflict with the infrastructure, a significant amount of design work of the site has been completed to satisfy the utilities (Alectra, Enbridge) and the City to minimize impacts to access infrastructure and to determine feasibility of the site for the development of a parking lot;
 - d) Creation of a Reference Plan for the Property and blanket easement terms to protect the City's access to its infrastructure;
 - e) Engagement with MTO to acquire their property for development as the City will require it's blanket easement to cover the MTO lands in order to protect and preserve its access to infrastructure.
18. Staff are now in a position to move forward with an Agreement of Purchase and Sale for the property and complete all remaining transactions to complete the transfer of the sale to Little Lake Seniors Community.

ANALYSIS

19. 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 subsequently given of the City's intention to sell the lands. Staff have advertised the potential sale of the Land as required via newspaper notice on October 7th, 2017 and October 12th, 2017.
20. Further, By-Law 95-104 as amended permits that real property can be declared surplus by the City provided it is under contract through an Agreement of Purchase and sale. The City's intent is to enter into an Agreement with the Ministry of Transportation to acquire their Lands for the purposes of placing an easement on the lands and transferring as part of the City-owned parcels to Little Lake Seniors Community Inc. As such, the MTO Lands will be declared surplus upon the formal signing of the Agreement of Purchase and Sale between the City of Barrie and the Ministry of Transportation.
21. By-Law 95-104 also requires that fair market value of the land be determined by appraisal. As such, the City completed an appraisal of the Lands, which was paid for by the Purchaser. Value of the Lands were appraised at \$340,000.00 taking into account the limited utility of the land for parking only, the blanket easement for unencumbered access, extraneous costs to develop the site including, tree cutting, significant retaining wall work, gas main relocation and water main lowering
22. The total land area being proposed for purchase is just over 2 acres in size and would provide an additional 140 parking stalls in total, all within close proximity to the community health centre. The MTO lands were to be purchased independently by Little Lake Seniors Community Inc., however, given the City's need to ensure its easement rights were transferred on title to protect access to its infrastructure, it is in the City's interests to acquire the parcels from MTO and transfer the 'bundle' of Lands in one transaction to Little Lake Seniors Community.
23. There are significant municipal services contained within the site and in the right-of-way along the former Duckworth Street including a wastewater force main and water main. It is important to note that staff would not normally recommend that sale of municipally owned land containing critical infrastructure, however the uniqueness of the proposed project together with the location of the subject lands are acknowledged. As such, the Environmental Services Department, Roads Parks and Fleet and other municipal departments will require unencumbered access to all areas surrounding the wastewater force main, water main(s), storm water pipe and culvert to ensure legislative obligations related to systems operations can be met. This access will be secured through a blanket easement across the property.
24. The Little Lake Seniors Community Inc. has undertaken a tree inventory to calculate compensation required under the Public Tree By-law and will be addressed as part of the Site Plan process for the property.
25. The Agreement of Purchase and Sale will contemplate the restoration responsibilities should any infrastructure maintenance/services works need to be undertaken resulting in the construction of the parking area where the City will return the property to base granular condition and the Purchaser would be responsible for replacing the asphalt resurfacing. A Reference Plan has been created as part of the property disposition process, should it be approved by Council.

ENVIRONMENTAL MATTERS

26. There are no environmental matters related to the recommended motion.

ALTERNATIVES

27. There are 2 alternatives are available for consideration by General Committee:

Alternative #1

General Committee could choose to not acquire the lands from MTO and require Little Lake Seniors Community Inc. to acquire independently.

This alternative is not recommended as acquiring the lands directly from MTO will allow the City to register its easements on the property to protect access to its infrastructure into perpetuity.

Further, the City will not execute the Agreement of Purchase and Sale with the Province until a non-refundable deposit on the sale of the lands to directly cover the cost of acquiring the MTO lands is received by Little Lake Seniors Community Inc.

Alternative #2

General Committee could choose not to approve the disposition of the property in its entirety.

This alternative is not recommended as Council has previously declared the property surplus with the intent to dispose of the lands to Little Lake Seniors Community Inc. The property is being sold at fair market value as determined by an independent appraisal, and the sale of the lot will facilitate increased parking and increased residential density for the area.

FINANCIAL

28. As the subject Lands were part of a parkland dedication, the gain in revenues from the sale of the Property \$340,000 (purchase price of \$401,950 less MTO Land purchase price of \$61,950) will be charged to the Parkland Reserve account.
29. Placing the property in private ownership will result in annual property tax revenues. Estimated value would be based upon the approved zoning and usage of the property for commercial purposes.
30. The Buyer shall pay all the City's legal, land transfer tax and surveying expenses incurred due to affect the sale of the Property.

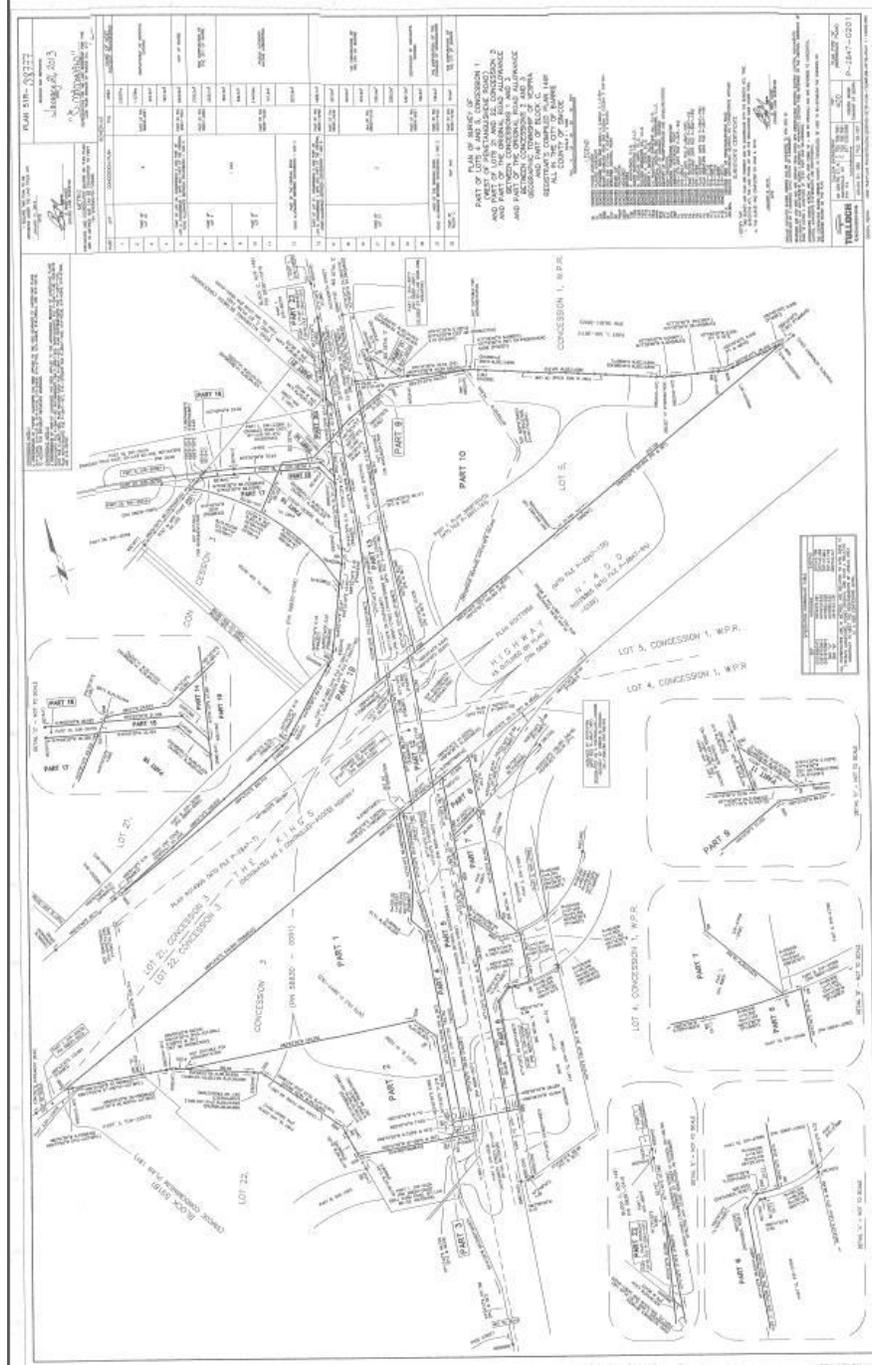
LINKAGE TO 2014-2018 STRATEGIC PLAN

31. The recommendation included in this Staff Report support the following goals identified in the 2014-2018 Strategic Plan:

- Vibrant Business Environment

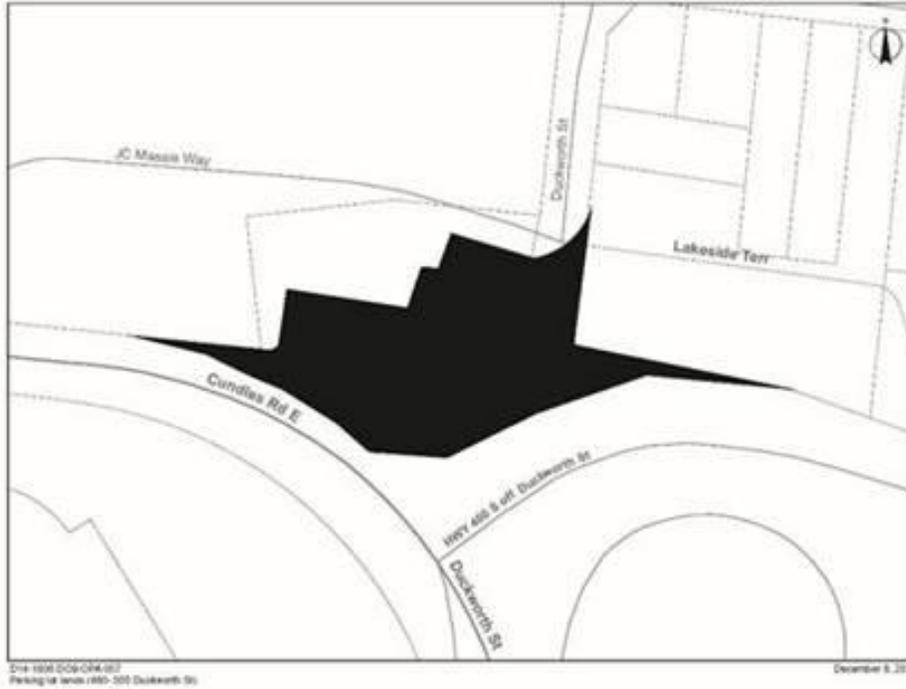
APPENDIX "A"

Parcels to Be Acquired from the Province of Ontario



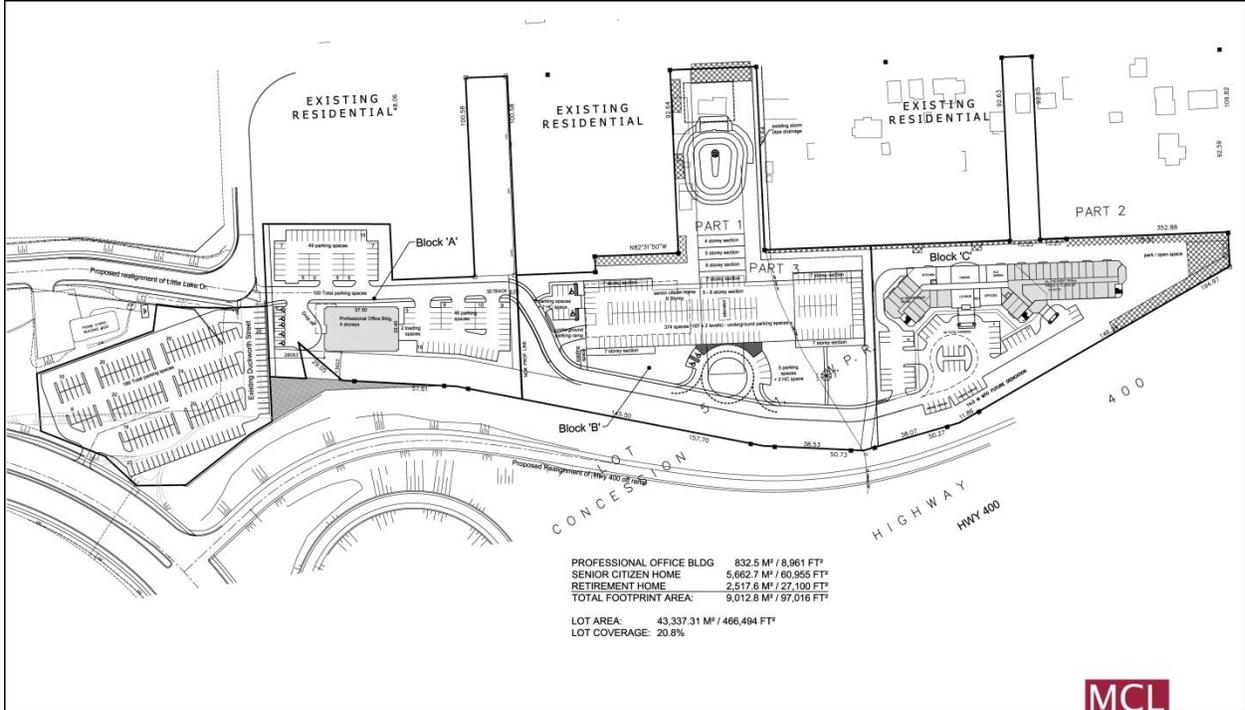
APPENDIX 'B'

Complete Lot to be Purchased by Little Lake Seniors Community Inc.



APPENDIX 'C'

Proposed Site Plan – Little Lake Seniors Community Inc.



Project:
Little Lake Seniors Site Plan with Parking on City Land
13 Little Lake Road, Barrie, Ontario

Scale 1:1500 @11x17
April 16, 2012

