



A People Place, A Change of Pace
SHELBURNE
ONTARIO, CANADA

Meeting Date:	Monday, June 13, 2022
To:	Mayor Mills and Members of Council
From:	Denyse Morrissey, Chief Administrative Officer
Report:	CAO2022-08
Subject:	420 Victoria Street Update - Surplus and Sale

Recommendation

Be it Resolved that Council of the Town of Shelburne:

1. Receives the report CAO 2022-08 420 Victoria Street Update - Surplus and Sale for information; and that
2. 420 Victoria Street be declared surplus and proposed for future sale; and that
3. Notice is hereby given that, in accordance with Town of Shelburne By-law # 7-1995 - Procedures to Sell or Otherwise dispose of Real Property - The Council of the Town of Shelburne declares the lands municipally known as 420 Victoria Street and legally described as PLAN 10A PT BLK A CON 3 PT LOT 32 being approximately 0.73 of an acre as Surplus Land and directs staff to provide the required 14 days notice prior to bringing forward a by-law for adoption by Council, and that
4. Waste treatment plant allocation for 420 Victoria Street of approximately 2 cubic metres is reserved and the property is granted Stage 1 priority; and that
5. Any proceeds from the future sale of the property, expected in Spring 2023, be re-allocated to the capital reserve.

Background

This report provides an update on the status of 420 Victoria Street.

In November 2019, Council approved the recommendation in Report CAO 2019-11 to proceed with the full remediation of the site, completion of a Phase II ESA report and Record of Site Condition (RSC) to support the future surplus and sale of the property.

The report link:

<https://calendar.shelburne.ca/meetings/Detail/2019-11-11-1930-Council-Meeting-November-11-2019/3112a61a-42f0-4cb1-ae2-aafe011570a9#page=99>

Remediation of the site has continued to support the future sale of the property. The sale of the property would allow the Town to recover as much as possible of the significant property remediation costs.

The project costs for the site remediation, including the \$400,000 included in the 2022 capital budget is about \$1,200,000. The total estimated costs for site remediation to date is about \$1,000,000 and it is expected the project will not exceed \$1,200,000.

Analysis

Staff recognizes this process has taken significant time (and costs) and will require additional time to complete the project so the property can be sold with a Record of Site Condition (RSC). While selling the property without a RSC was reviewed, it is not a direction that has been recommended due to both short and long risk created for the Town. It is not recommended that Town consider trying to sell the property without the RSC.

There was remedial site work completed in 2020 and 2021 on the North half of the property. There is work that will continue through summer 2022 to fully characterize the remaining areas of the property and groundwater for the risk assessment and RSC. The RSC is expected to be issued in January 2023 or February 2023. After the RSC is received, the property can be listed/posted for sale and likely in early spring 2023. The property would be sold directly by the Town with a minimum bid established.

Currently, the only RSC restriction expected on the certificate of property use for the lands is that no well may be drilled on site. This restriction is not deemed an issue as the property is fully serviced with municipal water. A further restriction, as identified in the past, on below grade residential use may also be required as part of the Certificate of Property Use (CPU) which is issued by the Ministry of Environment, Conservation and Parks (MECP).

420 Victoria Street is .73 acres and the property is zoned Institutional. The permitted uses within an Institutional zoning are listed in zoning by-law 38-2007, section 4.113.1:

- i) *Arena*
- ii) *Art Gallery*
- iii) *Assembly Hall*
- iv) *Auditorium*
- v) *Cemetery*
- vi) *Community Centre*
- vii) *Day Care Centre*
- viii) *Fairground*
- ix) *Fitness Centre*
- x) *Group Home Type 1*
- xi) *Hospital*
- xii) *Library*
- xiii) *Medical Office*
- xiv) *Nursery School*
- xv) *Open Space*
- xvi) *Parking Lot*
- xvii) *Place of Religious Assembly*
- xviii) *Post Office*
- xix) *Private Academy, Philanthropic or Religious School*
- xx) *Private School*
- xxi) *Park, Public*
- xxii) *Public School*
- xxiii) *Public Use*
- xxiv) *Public Utility*
- xxv) *Recreational Establishment, Public*
- xxvi) *Retirement Home*
- xxvii) *Senior Citizens Home*
- xxviii) *Special Needs Facility*
- xxix) *Training and Rehabilitation Centre*

In January 2022, Dufferin Community Living (DCL) had presented their interest in purchasing this property for a group home (to support people with intellectual disabilities and provide employment opportunities) to Council. A group home is a permitted current use under Institutional zoning. DCL also reconfirmed their interest in this property on May 30, 2022.

The property could also have other end uses created through rezoning. For example, rezoning to residential and sub-dividing the property to support three or four residential lots for single family homes or townhouses, or creating not for profit housing or affordable rental apartments might be development options.

All costs related to rezone the property would be the cost of the purchaser. The end use might also impact whether property taxes and those revenues to the Town are applicable or not.

The sale and development of this property would be considered infill. With the sale of the property in spring 2023, the Town would want to ensure that sufficient sewage treatment allocation for future infill development is now reserved for this property.

The property currently has an allocation of 1 cubic metre and based on some of the desired end uses, including the interest of Dufferin Community Living, up to 3 cubic metres would be needed. This report has recommended the property be granted a Stage 1 or priority status for allocation under the current allocation framework. In the absence of adding reserved allocation the property would be limited to the existing allocation. Any other needed allocation for development of the property would likely only be available when the expansion to the waste treatment plant is completed in 2025. The lack of allocation may impact the saleability and value of the property.

The sale of Town Property is outlined in ByLaw 7-1995 which is the Bylaw to establish procedures to sell or otherwise dispose of real property. It includes giving public notice of the proposed sale. The by-law was also amended in 2008 with By-Law 6-2008. By-Law 1995 and By-Law 6-2008 are provided in Appendix 1. This by-law is included on the list of by-laws that need to be updated. As listed under noticer requirements 5.f Council does have the authority under the by-law to determine "to whom the property shall be offered for sale, if not offered to the general public".

Estimated Project Timelines:

Council resolution and approval for future sale	June 13, 2022
14 Days Public notice of proposed surplus	June 27, 2022
By-Law to surplus the property for adoption by Council	July 25, 2022
Receive Record of Site Condition from Ministry	Jan - Feb 2023
Issuance of property for sale documents by Town	March – April 2023
Report to Council	April – May 2023

Financial Impact

The sale of the property will offset the estimated site remediation costs of up to \$1,200,000.

As required under ByLaw 6-2008 an independent letter of opinion of the property to establish the minimum value for the disposition of land process will be obtained and likely in February 2023. The estimated cost is \$1,000.

This report has recommended any proceeds from the future sale of the property be re-allocated to the capital reserve.

Policies & Implications

By-law 7-1995: By Law to Establish Procedures To Sell Or Otherwise Dispose of Real Property

By-Law 6-2008 (amending by-law)

Consultation and Communications

Legal review with the Town's solicitor was completed.

Council Strategic Priorities

Council's Strategic Priorities has three Goals - Sustainable, Engaged and Livable. There are a total of 12 targets with the three Goals.

This report aligns with the Sustainable Goals within the Targets:

Target T2 Municipal Services Review and Evaluation

Target T4 Promote Balanced Growth

Supporting Documentation

Appendix 1: By-law 7-1995: By Law to Establish Procedures To Sell Or Otherwise Dispose of Real Property; By-Law 6-2008 (amending by-law)

Respectfully Submitted:

Denyse Morrissey, CAO

Prepared with:

Stephen Burnett, P.Eng. Town Engineer; Principal, S. Burnett & Associates Limited

Steve Wever MCIP, RPP Town Planner; President GSP Group

CORPORATION OF THE TOWN OF SHELBURNE

BY-LAW NUMBER 6-2008

**BEING A BY-LAW TO AMEND THE ESTABLISHED PROCEDURES
TO SELL OR OTHERWISE DISPOSE OF REAL PROPERTY WITHIN
THE TOWN OF SHELBURNE**

WHEREAS the Council has deemed it expedite to review the established procedures to sell or otherwise dispose of real property within the Town of Shelburne;

NOW THEREFORE the Council of the Corporation of the Town of Shelburne enacts as follows:

- 1. By-law 7-1995 is amended by deleting s. 2 b). and inserting the following:
“That an independent letter of opinion will be obtained “

This By-Law shall take effect and come into force upon passing.

READ A FIRST, SECOND and THIRD TIME in Open Council, and finally passed this the 28th day of January, 2008.

MAYOR

TOWN CLERK

THE CORPORATION OF THE TOWN OF SHELBURNE

BY-LAW 7-1995

**BEING A BY-LAW TO ESTABLISH PROCEDURES TO SELL
OR OTHERWISE DISPOSE OF REAL PROPERTY.**

WHEREAS, the Planning and Municipal Statute Law Amendment Act, 1994, requires that every Council with authority to sell or otherwise dispose of real property shall, by by-law, establish procedures governing the sale of real property, and

WHEREAS, the by-law must include a provision that Council shall officially declare, by resolution, the real property to be surplus, and

WHEREAS, the by-law must include a provision that Council shall obtain at least one appraisal of the fair market value of the real property, and

WHEREAS, the by-law must include a provision that Council shall give notice to the public of the proposed sale, and

WHEREAS, the by-law could include a provision authorizing different procedures for different classes of real property, and

WHEREAS, the Minister, by regulations, has prescribed classes of real property and certain public bodies for which an appraisal is not required.

NOW THEREFORE, the Council of the Town of Shelburne enacts as follows:

1. The following classes of property are exempt from the provisions of this by-law:
 - a. Land 0.3 metres or less in width acquired in connection with an approval or decision under the Planning Act.
 - b. Highways, roads and road allowances. *
 - c. Land formerly used for railway branch lines if sold to an owner of land abutting the former railway land.
 - d. Land that does not have direct access to a highway if sold to the owner of land abutting that land.
 - e. Land repurchased by an owner in accordance with section 42 of the Expropriations Act.
 - f. Land to be used for sites for the establishment and carrying on of industries and of industrial operations and incidental uses.
 - g. Land sold under sections 112, 112.1, 112.2, and 113 of the Municipal Act.
 - h. Easements granted to public utilities or to telephone companies.
 - i. Land sold under the Municipal Tax Sales Act.
- * The sale or disposal of highways, roads and road allowances shall follow the provisions set out in the Municipal Act for sale of this class of property.

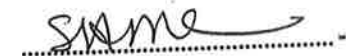
2. Before selling any real property not exempted under Section No. 1, Council shall:
 - a. by by-law or resolution passed at a meeting open to the public, declare the real property to be surplus;
 - b. obtain at least one appraisal of the fair market value of the real property; and
 - c. give notice to the public of the proposed sale.
3. Council may, at its discretion, declare real property to be surplus by by-law or by resolution passed in open council.
4. Council shall obtain at least one appraisal of the fair market value of the real property, but may elect not to obtain an appraisal if selling to one or more of the following public bodies:
 - a. Any municipality, including a metropolitan, regional or district municipality and the County of Oxford;
 - b. A local board as defined in the Municipal Affairs Act.
 - c. An authority under the Conservation Authorities Act.
 - d. The Crown in Right of Ontario or of Canada and their agencies.
5. Council shall give notice to the public of the proposed sale by placing a notice in one or more newspapers having general circulation in all or part of the municipality, and such notice shall disclose the following information:
 - a. legal description of property;
 - b. the area of the property;
 - c. the current use of the property;
 - d. the reason the property is being sold or disposed of;
 - e. the manner in which the property shall first be offered for sale;
 - f. to whom the property shall be offered for sale, if not offered to the general public, and
 - g. such other information as Council directs.
6. The Clerk may issue a certificate with respect to a sale of real property by the municipality, verifying that to the best of his or her knowledge and belief,
 - a. a procedural by-law required under subsection 2 was in force in the municipality at the time the resolution required by this section was passed;
 - b. the measures required for giving notice to the public required by the procedural by-law have been carried out; and

- c. the appraisal required by this section was obtained or,
 - i. the property is of a prescribed class that does not require an appraisal,
 - ii. the sale is to a prescribed public body, or
 - iii. the sale is under section 210.1 of the Municipal Act.
 - d. The certificate shall be in the form prescribed by Regulations, a sample of which is included as Appendix "A" hereto.
7. Sections 2, 3, 4 and 5 of this by-law do not apply to a sale or other disposition of land under subsection 210.1(2) of the Municipal Act.
8. Any by-law or section of a by-law inconsistent with this by-law is hereby repealed.

BY-LAW READ A FIRST AND SECOND TIME THIS 8TH DAY OF MAY, 1995

BY-LAW READ A THIRD TIME AND ENACTED THIS 8TH DAY OF MAY, 1995


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MAYOR


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CLERK