

## Staff Report

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**Report To:** City Council

**Report From:** Briana Bloomfield, City Clerk

Pamela Coulter, Director of Community Services

**Meeting Date:** December 13, 2021

**Report Code:** CS-21-150

**Subject:** Sale of Portion of Former 14th Street East Road Allowance  
– Request by White Owl Properties Inc. (formerly the Miller Group)

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### Recommendations:

THAT in consideration of Staff Report CS-21-150 respecting the Sale of a portion of the former 14<sup>th</sup> Street East Road allowance, City Council:

1. Directs the City solicitor to sign back the Agreement of Purchase and Sale;
2. Directs staff to bring forward a by-law to stop up and close a portion of the 14<sup>th</sup> Street East road allowance being PIN No.37054-0025 and PIN No. 37054-0038; and
3. Directs staff to bring forward a by-law to authorize the Mayor and Clerk to execute all documents necessary to finalize the sale to White Owl Properties Inc.

### Highlights:

- In June of 2018 Council received a request with respect to a land purchase (White Owl Properties Inc., formerly the Miller Group) and provided direction with respect to two small pieces of former Right-of-Ways.
- The direction of Council and the matters required under the Disposition of Land By-law have been completed.

- The lands will be merged with the adjoining property also owned by White Owl Properties Inc.
- The lands are designated and zoned to permit a variety of uses in the Mixed-Use Commercial Zone.

## **Strategic Plan Alignment:**

This report supports the delivery of Core Service

## **Background:**

In 2018, the Miller Group submitted a request to purchase two parcels of land identified as Pin #37054-0025 and Pin # 37054-0038. The request relates to two small parcels to complete a small land assembly with their recent purchase of 1370 2nd Avenue East (Pin #0022).

Attached to this report is the property index map, Draft R Plan and aerial photo (Schedule A). The subject lands consist of portions of the former 14th Street East Road allowance (Closed by Bylaw No. 824 in 1936). The lands are within the Waterfront Mixed Use designation of the Official Plan and zoned Mixed-Use Commercial (MC) by Zoning Bylaw No. 2010-078, as amended. There are no identified roads or trails for this land identified in the Official Plan. The most westerly parcel would have no frontage on a public street unless it was merged with abutting lands.

In 2018, Council considered [Report CR-18-077](#) and provided the following direction with respect to the sale:

R-180611-009

"THAT in consideration of Staff Report CR-18-077 respecting the public notice of intention to declare surplus and dispose of municipal property, Pin #37054-0025 and Pin #37054-0038, City Council:

1. Directs staff to provide notice and afford the public an opportunity to comment on the City's intention to declare surplus and dispose of lands described as Pin #37054-0025 and Pin # 37054-0038 (the "subject lands");
2. Directs staff to post notice on the City's website and in the Sun Times;

3. Directs staff to bring forward a bylaw to declare surplus the subject lands provided there are no public comments that oppose the declaration submitted prior to or at the public meeting;
4. Directs staff to obtain a valuation to determine market value by letter of opinion; and
5. Authorizes the method of disposition to be by direct sale."

On July 9, 2018, a public meeting was held respecting the Notice of Intent to Declare Land Surplus and Dispose of Municipal Property. No correspondence was received with respect to the sale and no one attended the public meeting to speak to the matter. Bylaw No. 2018-116 was approved declaring the lands surplus to the needs of the City.

In accordance with the City's Disposition of Land By-law No. 2012-195, the following process is required prior to the disposition of land.

<b>Process</b>	<b>Actions</b>
Declaration of intention to declare land surplus	Bylaw No. 2018-116 declared the land surplus.
Notice of intention to dispose of land	Notice provided via the City's website and an advertisement in the Sun Times. A public meeting was held on July 9, 2018.
Valuation	Council recommended that a letter of opinion be obtained. The proponent retained an appraiser to provide a letter of opinion (attached). The lands are valued at \$10,000 (\$5,000 per smaller parcel).
Method of disposal	The notice included that the lands were to be sold through direct sale.
Costs of disposal	All costs associated with disposition are being borne by the purchaser, including transfer, legal, survey and appraisal costs.

## **Analysis:**

Council directed that staff initiate the process to dispose of these lands in accordance with the Disposition of Land By-law.

The developer has submitted an Agreement of Purchase and Sale (APS) in the standard form which is attached to this report. The APS includes the standard clauses regarding payment for all City costs associated with the sale. The APS has been reviewed by the City solicitor. While reviewing the APS the City solicitor noted that By-law No. 824 to stop up and close the 14<sup>th</sup> Street East road allowance did not apply to the portion of the road allowance subject to this APS. It is the solicitor's recommendation that a by-law to stop up and close the road allowance respecting Pin No. 37054-0025 and Pin No. 37054-0038 be passed which will limit the need to complete a requisition during the land sale process.

The required process has been followed and in order to complete the sale, a by-law needs to be brought forward to authorize the Mayor and Clerk to execute any and all documents necessary to finalize the sale.

It is the intent of the purchaser to merge the lands. On the advice of the solicitor, this cannot be included in the APS however, if this does not occur, it can be imposed as a condition of a future re-development. Although the parcels being sold are small, the land assembly will enable the future development of the overall parcel.

It does merit note, the initial request was from the Miller Group. A portion of the Miller Group was sold, and these holdings are now owned by White Owl. The transfer will be to White Owl who owns the adjacent lands.

## **Financial Implications:**

\$10,000 in revenue. It is recommended these funds be put in the City's Land Sale Reserve.

The purchaser is required to pay all City costs including legal, appraisal, survey etc. as a condition reflected in the APS.

## **Communication Strategy:**

All communication required under the Disposition of Land By-law has been completed.

**Consultation:**

Planning and Engineering were consulted in advance of the June 2018 report with respect to the potential sale.

**Attachments:**

Schedule 'A': Maps showing the subject lands  
Schedule 'B': Letter of opinion regarding value  
Schedule 'C': Agreement of Purchase and Sale

**Recommended by:**

Pamela Coulter, Director of Community Services

**Reviewed by:**

Briana Bloomfield, City Clerk

**Submission approved by:**

Tim Simmonds, City Manager

For more information on this report, please contact Pamela Coulter, Director of Community Services at [pcoulter@owensound.ca](mailto:pcoulter@owensound.ca) or 519-376-4440 x. 1252.