



Staff Report

Legal Services

Report To: Committee of the Whole Meeting
Meeting Date: June 21, 2022
Report Number: FAF.22.114
Title: 171 King St. Disposition – Follow Up to Public Meeting
Prepared by: Will Thomson, Director of Legal Services

A. Recommendations

THAT Council receive Staff Report FAF.22.114, entitled “171 King St. Disposition – Follow Up to Public Meeting”;

AND THAT Council declares 171 King St. E as surplus to the needs of the Municipality;

AND THAT Council approves the transfer of 171 King St. E to the Blue Mountain Attainable Housing Corporation for nominal consideration (e.g. \$2.00), subject to conditions as set out in this Staff Report;

AND THAT Council approves a grant to the Blue Mountain Attainable Housing Corporation in the amount of \$3,985,000, as set out in the Treasurers Statement, as attached to this Report;

AND THAT Council delegates authority, including signing authority, to the Deputy Mayor and Clerk to finalize and execute all necessary documentation to complete the transfer of 171 King St. E from the Town to the Blue Mountains Attainable Housing Corporation as set out in this Report and in consultation with the CAO, Director of Legal Services, and Director of Finance and IT.

B. Overview

This report is a follow up to the May 30th, 2022, Public Meeting.

C. Background

Town Council has received no fewer than 7 Staff Reports related to the Blue Mountain Attainable Housing Corporation (BMAHC) and/or the potential disposition of 171 King St. E to the BMAHC:

[FAF.21.038](#); [FAF.21.058](#); [FAF.21.059](#); [FAF.21.084](#); [FAF.21.116](#); [FAF.21.189](#); [FAF.22.076](#)

Of note, on May 3, 2021, Council considered the options for the future ownership of 171 King St. E and passed the following Motion:



The Town of Blue Mountains, Council Meeting

Date: Monday, May 3, 2021

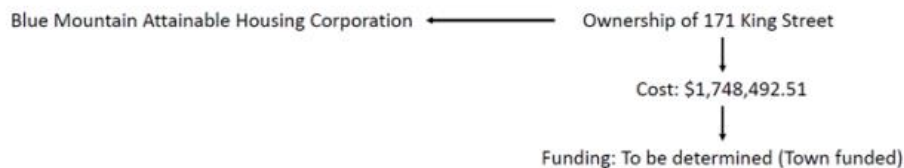
Moved by: Councillor Sampson
Seconded by: Deputy Mayor Potter

THAT Council receive Staff Report FAF.21.059, entitled "Ownership Structure Options for 171 King Street for The Blue Mountains Attainable Housing Corporation Gateway Project";
AND THAT Council consider the following options provided by staff as a follow up to The Blue Mountains Attainable Housing Corporation deputation to Committee of the Whole on March 9, 2021;
AND THAT Council select Option #1 as the preferred option and basis for staff to proceed with negotiations with The Blue Mountains Attainable Housing Corporation Board as the Terms and Conditions of ownership for 171 King Street;
AND THAT Council direct staff to bring a Staff Report to a future Committee of the Whole meeting that provides the details of the Terms and Conditions of Ownership for 171 King Street based on Option #1 selected by Council.

The motion is Carried

The motion is Carried

Option #1



As such, Council's direction on May 3, 2021 was to transfer ownership of 171 King St. E to the BMAHC, funded by the Town, funding source to be determined. Further to this, on April 25, 2022, Council passed the following Motion:



**The Town of The Blue Mountains
Council Meeting**

Title: B.4.1 Potential Disposition of 171 King St. to Blue Mountain Attainable Housing Corporation ("BMAHC"), FAF.22.076
Date: Monday, April 25, 2022

Moved by: Councillor Matrosovs
Seconded by: Deputy Mayor Bordignon

THAT Council receive Staff Report FAF.22.076, entitled "Potential Disposition of 171 King St. to the Blue Mountains Attainable Housing Corporation ("BMAHC");
AND THAT Council direct Staff to schedule a Public Meeting to consider the potential disposition of 171 King St. to the Blue Mountains Attainable Housing Corporation for nominal consideration and give Notice in accordance with Sale and Other Disposition of Land Policy POL.COR.07.02 and Provision of Notice and Manner of Giving Notice to the Public Policy POL.COR.07.03.

The motion is Carried

This April 25, 2022 resolution directed a Public Meeting to consider the disposition of land to BMAHC for nominal consideration.

The Public Meeting was held on May 30, 2022. All Public Comments arising from the meeting are attached in full (if written) at attachment 2 to this report.

D. Analysis

Public Meeting Follow Up

Generally speaking, everyone supports the concept of *attainable housing*.

Numerous parties expressed their support for the transfer of lands and the 'Gateway' project generally, on the condition that the land revert to the Town if the project doesn't go ahead.

Two individuals do not support the disposition, or it seems, the project in general. The criticisms are included in full attachment 2, but generally relate to the financial impacts, proposed location of the project, and whether local government should even be involved in such initiatives.

Next Steps

Town Staff heard many unique and interesting concepts and ideas at the Public Meeting; including ideas related to leasing (rather than selling) the land and various fundraising initiatives. While Staff agree that many of the suggested options are creative and perhaps worth consideration, to proceed on the basis of a lease would likely constitute a reconsideration of Council's May 3, 2021 resolution. Further, such a revamped process would lead to delays and risk running into the potential "lame duck" period.

If Council declares the land surplus and directs that the transfer to BMAHC proceed, Staff recommend the sale be contingent on the following general conditions, to be negotiated and finalized prior to transfer:

1. That it be for nominal consideration – i.e. \$2.00 – and the balance of the value of the land be deemed a grant to a not-for-profit organization under s. 107 of the *Municipal Act* and in accordance with Town Policy POL.COR.13.19 (Asset Transfers to Corporations Policy).
2. That the transfer be conditional on a right of reversion which will be triggered in any of the following circumstances:
 - a. The project provides fewer than ___ “attainable” (as defined by BMAHC from time to time) units.
 - b. Confirmation and annual reporting to Town Council that the Attainable Units are offered at a controlled Rental Rate of \$_____ for no less than ___ Years.
 - c. That construction on the project does not commence within 3 years of the date of completion of the sale.
3. That the transfer includes a right of first refusal which, in the event BMAHC intends to sell the land, will give the Town the first right to reacquire the land.
4. Other conditions if/as required by Council.
5. Other conditions if/as required by the CAO, Director of Legal Services, and Director of Finance and IT.

Once Council approves the sale, Staff estimate it will take 6-8 weeks to draft and finalize the transfer, and that there will be \$5000-\$10,000 in costs.

E. Strategic Priorities

1. Communication and Engagement

We will enhance communications and engagement between Town Staff, Town residents and stakeholders

2. Organizational Excellence

We will continually seek out ways to improve the internal organization of Town Staff and the management of Town assets.

3. Community

We will protect and enhance the community feel and the character of the Town, while ensuring the responsible use of resources and restoration of nature.

4. Quality of Life

We will foster a high quality of life for full-time and part-time residents of all ages and stages, while welcoming visitors.

F. Environmental Impacts

None

G. Financial Impacts

The disposition of the land will incur direct costs in the amount of \$5000 - \$10000

Formal Appraisals that have been completed on the specific property

July 2021 Appraisal - \$3,150,000

April 2022 Appraisal - \$3,975,000

Both Appraisals were completed by the same Professional Real Estate Appraisal

H. In Consultation With

Ruth Prince, Director of Finance and IT

Shawn Everitt, CAO

I. Public Engagement

The topic of this Staff Report has been the subject of a Public Meeting and/or Public Information Centre which took place on **May 30, 2022**. Those who provided comments at the Public Meeting and/or Public Information Centre, including anyone who has asked to receive notice regarding this matter, has been provided notice of this Staff Report. Any comments regarding this report should be submitted to Will Thomson, Director Legal Services directorlegal@thebluemountains.ca.

J. Attached

1. Attachment 1 Treasurers Statement
2. Attachment 2 Public Meeting Comments

Respectfully submitted,

Will Thomson
Director Legal Services

For more information, please contact:
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Report Approval Details

Document Title:	FAF.22.114 171 King St. Disposition - Follow Up to Public Meeting.docx
Attachments:	- Attachment 1 - Treasurer's Certificate 1.pdf - Attachment 2 - Public Meeting Comments May 30.pdf
Final Approval Date:	Jun 10, 2022

This report and all of its attachments were approved and signed as outlined below:

Will Thomson - Jun 9, 2022 - 12:56 PM

No Signature found

Ruth Prince - Jun 9, 2022 - 12:57 PM

No Signature found

Shawn Everitt - Jun 10, 2022 - 8:25 AM