



Staff Report

Legal Services

Report To: Council Meeting
Meeting Date: July 4, 2022
Report Number: FAF.22.120
Title: Acquisition of Part of 795906 Grey Road 19
Prepared by: Will Thomson, Director of Legal Services

A. Recommendations

THAT Council receive Staff Report FAF.22.120, entitled "Acquisition of Part of 795906 Grey Road 19";

AND THAT Council authorizes the purchase of approximately 15 acres as of 795906 Grey Road 19 ("Subject Property") on terms as set out in this Staff Report.

AND THAT Council approves the purchase of the Subject Property for \$3,400,000 plus HST and closing costs.

AND THAT Council delegates, authorizes, and directs the Chief Administrative Officer, Director of Legal Services and Director of Finance & IT to negotiate and finalize the Agreement of Purchase and Sale, set and waive conditions thereto, and retain necessary consultants (e.g. survey, legal), and expend funds for the purposes of concluding the acquisition of part of 795906 Grey Road 19 as set out in this Staff Report.

AND THAT Council authorizes the Mayor and Clerk to sign all necessary documentation to complete the purchase of the Subject Property.

AND THAT Council delegates the authority to acquire the subject land to the Chief Administrative Officer, Director of Legal Services, and Director of Finance & IT for the purposes of the Lame Duck period under the Municipal Act, 2001.

B. Overview

This report is being brought directly to Council for expediency.

C. Background

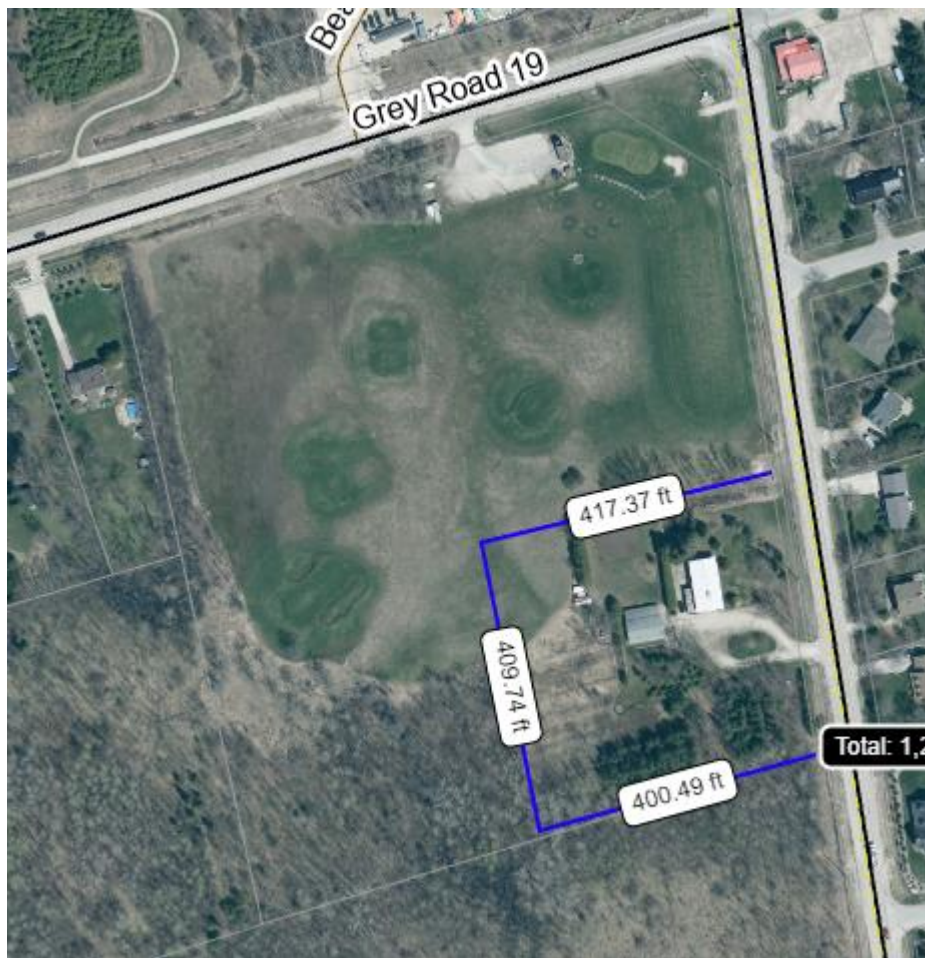
The County of Grey is in the midst of a significant infrastructure project to reconstruct the Grey Rd. 19 and 21 intersection and install a roundabout. As a result, the Town Water Booster

Station, which is located in the 19/21 road allowance at the south-west corner, must be relocated. Because of the required relocation, in 2020 the Town began investigating where the new booster station could be placed. The preferred location is on the same corner of the intersection, but further inland, onto what is currently private property. The private property at the south-west corner of Grey Rd. 19/21 contains a commercial use (Tees Please Driving Range, ~15 acres) and a residential use (~3.67 acres). After identifying that a portion of the Subject Property would be the preferred location for the new booster station, the Town began negotiating a possible purchase of a part of the Subject Lands to house the new booster station, as well as for other potential future uses.

D. Analysis

The Subject Property is approximately 18 acres located at the southwest corner of Grey Rd/ 19 and 21:

Figure 1 (measurements not exact, for reference purposes only):



The Subject Property is improved with a commercial driving range (Tees Please) and a residential use in the south-east corner. The Town proposes to acquire approximately 15 acres

of the Subject Property, leaving the existing owner with a parcel of land (approximately 3.67 acres, 400x400 ft) which contains the residential use (see Figure 1).

The Subject Property presents several unique opportunities. First and foremost, portions of the land are required for the future booster pumping station and future road widenings on Grey Rd. 19 and 21.

Furthermore, the Subject Property is the last remaining undeveloped parcel of land at this gateway intersection into the Town of The Blue Mountains. This intersection is a primary thoroughfare for visitors and residents alike travelling into Town from Collingwood and heading to Blue Mountain Resort.

The Subject Property is currently in the Deferred Development (DD) zone which contemplates planning amendments/applications to facilitate future land uses and development proposals.

Staff believe the Subject Property, as the last undeveloped property of substantial size at this important intersection, offers significant strategic value to the Town. Town Staff also believe the proposed purchase price represents good and fair value for the land.

To facilitate the acquisition, several steps and conditions will first have to take place:

- The Town and owner will have an R-Plan prepared setting out the exact boundaries of the land to be acquired.
- The Town and owner will negotiate the final Agreement of Purchase and Sale which is expected to include several conditions, including:
 - o That the owners retained lands will be reasonably protected from drainage or interference with water system (well) impact by future development;
 - o That the Town will agree to assume the commercial lease of the driving range until with a term concluding in the Spring of 2024.
 - o That the Town will be permitted to commence construction on the booster station prior to the expiry of the driving range lease and/or compensate the commercial tenant for unreasonable interference with their operations;
 - o And that the purchase will close in the Fall of 2022.
 - o Other conditions as negotiated between the parties.

The proposed purchase price is \$3,400,000 plus HST and costs, which, subject to confirmation, could increase the total purchase cost to ~\$3,800,000.00 (though the total could be less based on HST rebates).

Staff are seeking Council direction to conclude negotiations, finalize the terms and conditions of the sale, and complete the transaction in line with this Staff Report. Given that there remains work to be done and details to be negotiated, there remains a risk the deal does not close, but Staff are optimistic that the Town and vendor are mutually agreed on the primary elements of the proposed transaction.

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

NIL

G. Financial Impacts

The total cost of up to \$3,800,000 is to be debt financed.

H. In Consultation With

Shawn Everitt, CAO

Ruth prince, Director of Finance & IT

I. Public Engagement

The topic of this Staff Report has not been the subject of a Public Meeting and/or a Public Information Centre as neither a Public Meeting nor a Public Information Centre are required.

Any comments regarding this report should be submitted to Will Thomson, Director Legal Services directorlegal@thebluemountains.ca.

J. Attached

NIL

Respectfully submitted,

Will Thomson
Director Legal Services

For more information, please contact:
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Report Approval Details

Document Title:	FAF.22.120 Acquisition of Part of 795906 Grey Road 19.docx
Attachments:	
Final Approval Date:	Jun 29, 2022

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

Will Thomson - Jun 29, 2022 - 1:55 PM