



Staff Report

Administration – Chief Administrative Officer

Report To: COW_Finance_Admin_Fire_Community_Services
Meeting Date: February 26, 2024
Report Number: FAF.24.030
Title: Recommendation to Initiate an RFP Process for the Potential Disposition of 171 King Street East
Prepared by: Shawn Everitt, Chief Administrative Officer

A. Recommendations

THAT Council receive Staff Report FAF.24.030, entitled “Recommendation to Initiate an RFP Process for the Potential Disposition of 171 King Street East”;

AND THAT Council direct staff to initiate the RFP process regarding the potential disposition and sale of 171 King Street East through a formal, transparent, and accountable selection process.

B. Overview

This report is being brought forward for Council to consider for providing direction to staff to initiate a Request for Proposal (RFP) for the potential disposition and sale of 171 King Street East for purposes and use(s) that Council could set specific elements through a future open session of Council.

C. Background

On September 25, 2019, staff brought forward a [Staff Report FAF.19.203](#) that recommended the purchase of the 171 King Street East property. The staff report recommended that Council, in Open Session, approve the purchase of 171 King Street East and the expenditure of \$1,600,00 to purchase the subject land. The staff report also identified that the recommended source of funding at that time would be debt financing.

Through 2020 and into 2021, discussions between The Blue Mountains Attainable Housing Corporation (BMAHC) and the Town took place to consider the opportunities and options that would result in 171 King Street East being the future site of an Attainable Housing Project.

On April 20, 2021, staff provided [Staff Report FAF.21.059](#) that presented a series of four (4) options for Council to consider regarding the transferring of 171 King Street East to the BMAHC for the purpose of developing Attainable Housing on the property.

In 2023, Council reconsidered the transfer of 171 King Street East, and staff confirm that the property remains in Town ownership and was never transferred to The Blue Mountains Attainable Housing Corporation (BMAHC) since its purchase in 2019.

Over the past year, Council and staff have received several informal expressions of interest from different parties regarding the purchase, lease, and general use of the 171 King Street East property.

Staff suggest that may be an appropriate time that a Request for Proposal (RFP) be initiated so all interested parties are able to submit proposals regarding the 171 King Street East property and Council can make a decision on how best to proceed with either keeping the property within its inventory or disposing of the land that also protects the land's future use. Through an RFP Process may or may not wish to proceed with disposing of the land.

D. Analysis

Staff recommend that if Council provides direction to move forward with a formal RFP, a similar process that was utilized in the 125 Peel Street Request for Qualifications and RFP process which allowed Council to establish key elements that were required to be met in order for submissions to be accepted for consideration. This process of establishing key elements for submissions regarding 171 King Street East also allows the Town to retain control over what the property will be used for. Staff have always considered 171 King Street East a strategic asset as its positioning on the Highway 26 corridor and its close proximity to the Thornbury Downtown Core make this property very desirable.

For 171 King Street East, staff recommend that Council, in Open Session, determine what would **NOT** be accepted in an RFP submission and prioritize preferred options. This would provide interested parties the opportunity to submit innovative and creative options that could still be evaluated and scored in a fair and transparent manner.

It should be noted that significant environmental studies have been completed on 171 King Street East through the work of The Blue Mountains Attainable Housing Corporation (BMAHC) that would be additional value adds to the marketing and due diligence of a potential Request for Proposal (RFP) process.

Similar to the 125 Peel Street process, if Council wishes to proceed with an RFP, staff recommend retaining the services of a Fairness Advisor to ensure the integrity of the process from start to finish.

The recommendations of this Staff Report are tied to Staff Report FAF.24.025 authored by Sam Dinsmore, Acting Director of Finance/Treasurer. The connection between the two (2) reports is the consideration that would secure the funding to offset the outstanding payment of the Operating Loan provided to the BMAHC over the course of 2019 through to 2023. The total outstanding debt relating to the Operating Loan is reflected and recorded in the Staff Report FAF.24.025.

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

It is a priority and a commitment of the Town to ensure that the impact on the environment is limited and that best practice and innovation are key deliverables when considering submissions through the Request for Proposal (RFP) process.

G. Financial Impacts

The Town purchased 171 King Street East in 2019 for \$1,600,000 and is the current owner of the property. In addition to the purchase of the land, the Town led and funded the demolition of the former grocery store structure on the property in 2020 at a total cost of \$60,162.50. The Town also funded all the legal and real estate costs for the land transfer to the Town at a cost of \$65,559.77.

Staff recommend that one option that exists is for the proceeds of the potential sale of 171 King Street East could be used to offset the outstanding unpaid debt of The Blue Mountains Attainable Housing Corporation (BMAHC) as outlined in Staff Report FAF.24.025. Council could then consider how best to use any remaining funds from the potential sale of 171 King Street East.

H. In Consultation With

Senior Management Team

I. Public Engagement

A Public Meeting was held on May 30, 2022, for the purposes of declaring 171 King Street East surplus for the purposes of the potential disposition of 171 King Street East to the BMAHC.

Staff suggest that if Council moves forward with the recommended Request for Proposal (RFP) process, that the Town undertake a second Public Meeting as part of this process since the first Public Meeting to consider the land surplus to the Town's needs was specific to the BMAHC and was performed nearly a year ago.

Any comments regarding this report should be submitted to Shawn Everitt, Chief Administrative Officer, cao@thebluemountains.ca.

J. Attached

None

Respectfully submitted,

Shawn Everitt
Chief Administrative Officer

For more information, please contact:
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Report Approval Details

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Attachments:	
Final Approval Date:	Feb 11, 2024

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

Shawn Everitt - Feb 11, 2024 - 7:50 AM