Staff Report
Planning and Development Services

Report To: Committee of the Whole
Meeting Date: June 10, 2019
Report Number: PDS.19.68
Subject: Clarksbury Lands Corporation Request to Purchase Town Owned Lands
Prepared by: Shawn Postma, BES, MCIP, RPP, Senior Policy Planner

A. Recommendations

THAT Council receive Staff Report PDS.19.68, entitled “Clarksbury Lands Corporation Request to Purchase Town Owned Lands”;

AND THAT Council authorize the sale of the Town owned lands legally described as Part Lot 28, Concession 7 (Assessment Roll Number 4242000011038900000) to Clarksbury Lands Corporation for $141,220 and that the details of the land transfer including timing of payment be included in the future Subdivision Agreement for the development of the Clarksbury Lands.

B. Overview

The purpose of this report is to provide Council with a final recommendation regarding a request to purchase Town Owned lands by the Clarksbury Development Corporation.

C. Background

Clarksbury Lands Corporation has submitted a request to purchase Town Lands. An application for Plan of Subdivision and Zoning By-law Amendment has been received by Planning Staff proposing 54 single detached residential units on a new public street. The Plan is very similar to a previous Draft Plan that was submitted in 2005 known as Georgian Glen. The Georgian Glen project lapsed and the Clarksbury project has been considered through a brand new set of applications.

Clarksbury Project Status/Timeline:

June 2017 Notice of Complete Application issued by Town and County

October 2017 Council Authorization to add the Town Owned Lands to the Clarksbury Subdivision and Zoning applications and to also initiate the sale of the lands to the sole adjacent property owner being Clarksbury Lands Corporation in accordance with the Sale and Disposition of Town Owned Lands process.
December 2017 A Public Meeting on the Planning Applications and the Sale of Town Owned Lands was held.

June 2018 Draft Plan Approval and Zoning Approval received. At that time the sale of the Town Owned Lands could not occur as Council of the day was in lame duck status.

Figure 1: Location of Clarksbury Owned Lands and Town Owned Lands:

The Town Lands are comprised of a former septic tank and septic field that serviced the Lakewood Drive neighbourhood. Lakewood Drive is now connected to full municipal sewer services and the septic tanks have since been decommissioned but not removed from the site. An Environmental Study was completed and confirmed that no contaminants exist on the site.

D. Analysis

Clarksbury is requesting to purchase the lands from the Town. In support of the purchase request, Clarksbury prepared an appraisal and deemed the value of the lands at $105,000. The appraisal was prepared by a qualified appraiser in August 2017 and looked at market value, highest and best use, and a direct comparison of per acre land costs on recent comparable sales. The appraisal concluded that the highest and best use of the Town Owned Lands is to
assemble them with the surrounding Clarksbury Lands for orderly build out. The comparable sales review established a land value of $70,000 per acre.

The Town felt it was appropriate to have a peer review or its own appraisal completed. The Town completed its own appraisal which established a value of $220,000. Similar to the applicants appraisal, the Town appraisal was prepared by a qualified appraiser in January 2018 and looked at market value, highest and best use, and a direct comparison of per lot land values on recent comparable sales. The appraisal concluded that the highest and best use of the Town Owned Lands is to assemble them with the surrounding Clarksbury Lands for orderly build out. The comparable sales review established a per lot value (undeveloped property) at $32,000- $37,000 per lot. The value of $220,000 was the rounded value at the highest land value as the lands were at a later stage of assembly resulting in a ‘premium’ value. The value also does not include the costs associated with removing the existing septic system infrastructure.

The primary differences between the two appraisals is that the comparable sales completed on each appraisal were based on land area / cost per acre (Clarksbury) and number of residential lots that could be created as part of a future subdivision cost per lot (Town). The Town Appraisal also did not factor in the costs associated with removing the existing septic system infrastructure. Infrastructure and Public Works completed an investigation on the costs associated with removing the septic system infrastructure and estimates a cost of $78,780 to remove the concrete tanks, septic tile and disposal costs as part of the construction process for the subdivision.

Table 1: Town Owned Lands Septic System Removal Budget

<table>
<thead>
<tr>
<th>Item</th>
<th>Town Estimate</th>
<th>Town Disposal Costs</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Concrete Tanks Removal &amp; Disposal</td>
<td>$49,600</td>
<td>$5,200</td>
<td>$54,800</td>
</tr>
<tr>
<td>Septic Tile Removal &amp; Disposal</td>
<td>$23,460</td>
<td>$520</td>
<td>$23,980</td>
</tr>
<tr>
<td>Grand Total</td>
<td></td>
<td></td>
<td>$78,780</td>
</tr>
</tbody>
</table>

The Town could complete the remedial works prior to the sale, however the costs will likely be higher as a one-off project. For efficiencies in the development of the lands, it would appear more suitable to credit the above removal costs to the final appraisal amount and have Clarksbury complete the remediation works as part of the Subdivision construction process.

Based on the information above, Town Staff recommend that Council authorize the sale of the Town Owned Lands to Clarksbury Lands Corporation for $141,220 and that the details of the land transfer including payment be completed in the future Subdivision Agreement for the development of the Clarksbury Lands.
E. The Blue Mountains Strategic Plan

Goal #3: Support Healthy Lifestyles
Objective #3 Manager Growth and Promote Smart Growth

F. Environmental Impacts

Nil

G. Financial Impact

Receipt of $141,220 for the sale of Town Owned Lands

H. In consultation with

Mike Campbell, Infrastructure and Public Works
Nathan Westendorp, Director of Planning and Development Services

I. Public Engagement

The topic of this Staff Report has been the subject of a Public Meeting and/or a Public Information Centre which took place on December 4, 2017. Those who provided comments at the Public Meeting and/or Public Information Centre, including anyone who has asked to receive notice regarding this matter, have been provided notice of this Staff Report.

J. Attached

1. Nil

Respectfully submitted,

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Shawn Postma, BES, MCIP, PRR
Senior Policy Planner

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Nathan Westendorp, RPP, MCIP
Director of Planning and Development Services
Committee of the Whole
PDS.19.68

For more information, please contact:
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