Subject: Surplus Land Declaration – Five City Properties – 2575 Reaneyhill Way, 3131 Jockvale Road, 7010 Parkway Road, 1127 Mill Street and 1137 Mill Street

File Number: ACS2025-SI-HSI-0003

**Report to Finance and Corporate Services Committee on 4 February 2025** 

Submitted on January 24, 2025 by Geraldine Wildman, Interim Director, Housing Solutions and Investment Services, Strategic Initiatives Department

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Wards: Barrhaven West (3); Osgoode (20); Manotick (21)

Objet: Déclaration de terrains excédentaires - Cinq biens-fonds municipaux - 2575, voie Reaneyhill, 3131, chemin Jockvale, 7010, chemin Parkway, 1127, rue Mill et 1137 rue Mill

Dossier : ACS2025-SI-HSI-0003

Rapport au Comité des finances et des services organisationnels

le 4 février 2025

Soumis le [24 janvier 2025] par Geraldine Wildman, directeur par intérim, Solutions de logement et Investissements

Personne ressource: Peter Radke, Gestionnaire, Initiatives immobiliere et développement, La Direction générale des initiatives stratégiques

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Quartiers: Barrhaven Ouest (3); Osgoode (20); Manotick (21)

#### **REPORT RECOMMENDATION(S)**

- 1. That the Finance and Corporate Services Committee declare as surplus to City needs, the following properties:
  - a. 2575 Reaneyhill Way, described as Concession 7, Part Lot 20 Registered Plan 5R10782, parts 3, 4 and 11 being all of PIN 04314-0188 shown as Parcels 1 and 2 and on Document 1 attached, containing a total area of 59,500 sq. m (640,453 sq. ft.), subject to final survey.
  - b. 3131 Jockvale Road, described as Concession 3, Rideau Front, Part Lot 16, Registered Plan 5R-14710, Parts 1-3, 6, 8-9 and 11, being part of PIN's 04599-0353, 04599-0327 (Block 44 on Plan 4M-342) and 04599-0356 and part of 04599-0359; shown as Area A on Document 2 attached, containing a total area of 2,620 sq. m. (28,202 sq. ft.), subject to final survey;
  - c. 7010 Parkway Road, described as Plan 902 Part Lot 34, Registered Plan 5R2356, part 1 being all of PIN 04315-0078 shown as Area A on Document 3 attached, containing a total area of 2,080.79 sq. m. (22,397.44 sq. ft.), subject to final survey;
  - d. 1127 Mill Street, described as Concession A Part Lots 1 and 2; North Gower; known as the Dickenson House identified as all of PIN 03903-2407 shown as Area A on Document 4 attached, containing a total area of 2,874.28 sq. m. (30,938.47 sq. ft.), subject to final survey; and
  - e. 1137 Mill Street, described as Plan 15, Lot 4, North Gower, being all of PIN 03903-0010 and shown as Area A on Document 4 attached, containing a total area of 459.53 sq. m. (4,9646.33 sq. ft.), subject to final survey.

#### **RECOMMANDATION(S) DU RAPPORT**

- 1. Que le Comité des finances et des services organisationnels déclare excédentaires pour les besoins de la Ville les propriétés suivantes :
  - a. 2575, voie Reaneyhill, propriété décrite comme constituant la

concession 7, partie du lot 20, plan enregistré 5R10782, parties 3, 4 et 11, relevant intégralement du NIP 04314-0188, illustrée comme étant les parcelles 1 et 2 et figurant sur le document 1 ci-joint, couvrant une superficie totale de 59 500 m<sup>2</sup> (640 453 pi<sup>2</sup>), sous réserve d'un levé définitif;

- b. 3131, chemin Jockvale, propriété décrite comme constituant la concession 3, façade rivière Rideau, partie du lot 16, plan enregistré 5R-14710, parties 1-3, 6, 8-9 et 11, relevant des NIP 04599-0353, 04599-0327 (îlot 44 sur le plan 4M-342) et 04599-0356 et d'une partie du NIP 04599-0359, illustrée comme étant le secteur A sur le document 2 cijoint, couvrant une superficie totale de 2 620 m<sup>2</sup> (28 202 pi<sup>2</sup>), sous réserve d'un levé définitif;
- c. 7010, chemin Parkway, propriété décrite comme constituant le plan 902, partie du lot 34, plan enregistré 5R2356, partie 1, relevant intégralement du NIP 04315-0078, illustrée comme étant le secteur A sur le document 3 ci-joint, couvrant une superficie totale de 2 080,79 m<sup>2</sup> (22 397,44 pi<sup>2</sup>), sous réserve d'un levé définitif;
- d. 1127, rue Mill, propriété décrite comme constituant la concession A, partie des lots 1 et 2; North Gower; connue sous l'appellation de maison Dickenson, relevant intégralement du NIP 03903-2407, illustrée comme étant le secteur A sur le document 4 ci-joint, couvrant une superficie totale de 2 874,28 m<sup>2</sup> (30 938,47 pi<sup>2</sup>), sous réserve d'un levé définitif; et
- e. 1137, rue Mill, propriété décrite comme constituant le plan 15, lot 4, North Gower, relevant intégralement du NIP 03903-0010, illustrée comme étant le secteur A sur le document 4 ci-joint, couvrant une superficie totale de 459,53 m<sup>2</sup> (4 9646,33 pi<sup>2</sup>), sous réserve d'un levé définitif.

## BACKGROUND

#### 2575 Reaneyhill Way

The subject lot, municipally known as 2575 Reaneyhill Way, is a vacant, treed parcel of land located north of the intersection of Victoria Street and Andrew Simpson Drive in the village of Metcalfe, former township of Osgoode. The property was acquired in 1988 by

the former township of Osgoode, together with the property located at 3011 Victoria Street, identified as PIN 043140190, and known as Metcalfe Fire Station 91. Both properties are currently assessed under one roll number and no municipal sanitary or water services available.

The subject property is partially zoned DR1 – Development Reserve Zone with a portion of the parcel zoned V3G – Village Residential Third Density Zone and has an area of approximately 59,500 square meters (640,453 square feet), shown as Parcels 1 and 2 on Document 1 attached. The property is legally described as Part Lot 1 RCP 911 Osgoode Parts 3, 4 & 11, 5R10872, Lying North of Parts 1 to 4, subject to OS17716 Osgoode.

An internal and utility circulation was completed on May 16, 2023 and no departmental needs were identified to retain 2575 Reaneyhill Way. Prior to proceeding with a recommendation to declare the parcel surplus to City needs, City Real Estate staff undertook an in-depth review with the City's Affordable Housing to confirm no opportunities were evident to retain the parcel for an affordable housing development. The property is near existing community housing units, formerly owned and operated by Osgoode Community Housing, recently transferred to Ottawa Community Housing (OCH). The City's Affordable Housing group, as well as OCH, were not interested in retaining the subject property for affordable housing projects and therefore, subject to approval of Recommendation 1.b. above, can be declared surplus to City requirements and marketed for sale.

A 6-meter wide strip of land running along the east edge of the subject property, shown as Parcel 2 on Document 1, has been retained for a potential future cycling network. Transportation Committee at its meeting of April 17, 2023 raised a Motion No. TRC 2023 04-02 whereby they recommended *"Council direct staff to ensure that the Metcalfe Loop and Greely Loop are included in future planning regarding the TMP as being part of the City cycling network."* Retaining Parcel 2 provides opportunity for a cycling network in the rural village. Subject to approval of Recommendation 1.a above, it can be declared surplus to City requirements.

#### 3131 Jockvale Road

The subject property, known as the Jockvale School community building, contains a onestorey brick building which includes a main hall, washrooms, kitchen, two utility rooms, and a mechanical room. The building is designated under the Ontario Heritage Act and is currently vacant. A recent Building Condition Audit indicates a significant level of investment is required. The property is located at the corner of Jockvale Road and Strandherd Drive and was purchased by the Corporation of the City of Nepean in 1980. It was predominantly used by community groups and Parks and Recreation programming.

The subject property is zoned I1B – Minor Institutional Zone and has an area of approximately 2,620 square meters (28,202 square feet), shown as Area A on Document 2 attached. The property is legally described as Part of Lot 16, Concession 3, Rideau Front, being Part 1 on Plan 5R-13631 and Part 1 on Plan 5R-6528; Part of Block 125 on Plan 4M-538; Block 44 on Plan 4M-342; and Part of Jockvale Road Concession 3, Rideau Front, as widened bounded on the North by the Westerly extension of the Northerly limit of Block C, Plan M208 and on the South by the Northerly limit of road allowance between Lots 15 & 16, Concession 3, Rideau Front, Nepean.

An internal and utility circulation was completed on April 5, 2024 and no departmental needs were identified to retain 3131 Jockvale Road. As a result of comments received from Transportation Engineering Services, the property was recirculated on January 6, 2025 to include a portion of Jockvale Road that is currently used as the access and parking lot for 3131 Jockvale Road, as it was considered surplus from a transportation perspective. Subject to approval of Recommendation 1.b. above, it can be declared surplus to City requirements.

#### 7010 Parkway Road

7010 Parkway Road is located in the village of Metcalfe, former Township of Osgoode, purchased by the former township in 1976 for the Greely Library. The Greely Library relocated in 2011 at which time Ottawa Police Service and Public Works moved into the facility where they continue to share space for storage and a community police centre. The facility is divided into two areas and is shared by Public Works, Parks, and Ottawa Police Service. The community police centre is used by one officer, who is available for community drop-ins, questions, and as a satellite office for neighbouring police officers on patrol. The facility is generally unoccupied and used mostly for storage. Asset Management has advised that the condition of the facility is poor and would require significant capital investments to bring it into good operating condition. Given the small size and financial investment required, the recommendation is to deem the facility surplus and market for sale.

The subject property is zoned VM – Village Mixed-Use Zone and has a land area of approximately 2,080.79 sq. m. (22,397.44 sq. ft.) with a 3,054 sq ft. building and is shown

as Area A on Document 3 attached. The property is legally described as PLAN 902 PT LOT 34; RP 5R2356 PART 1.

An internal and utility circulation was completed on October 29, 2024 and yielded no other departmental need to retain 7010 Parkway Road. Subject to approval of Recommendation 1.c above, it can be declared surplus to City requirements.

#### Manotick Mill Street Properties

A recent asset rationalization study conducted by the City concluded that ongoing maintenance and operation of these properties are no longer feasible. Details of each property are as follows:

#### 1127 Mill Street

The subject property was acquired by the City through a land exchange with the Rideau Valley Conservation Authority. It is known as Dickinson House and contains a principal building and accessory carriage building which were constructed in 1868. The buildings are currently used as a museum and retail space. It is zoned VM9[679r] S298 – Village Mixed Use, Subzone 9, Rural Exception 679r, Schedule 298, and subject to the Heritage Overlay. This property has an area of approximately 2874 sq. m. (30, 938 sq. ft) and is designated under the Ontario Heritage Act. The site is shown as Area A on Document 4 attached. The legal description is North Gower Concession A Part lots 1 and 2.

The City, through the Manotick Mill Quarter Development Corporation (MMQCDC), attempted to sell the Dickinson House and Carriage Shed in 2014, along with three other properties it had acquired from the Rideau Valley Conservation Authority. However, the marketing process did not result in any viable lease or purchase offers. Through public consultation, however, there was a strong desire to keep these properties' in the hands of the community as they have become essential components of Dickinson Square and the operation of the community-owned Watson's Mill. Dickinson House is currently operated by the Rideau Township Historical Society while Watson's Mill Manotick Inc. operated the Carriage Shed.

## 1137 Mill Street

The subject property features a two-storey building constructed in the 1880s and is currently known as Millers Oven Team Room & Café. It is zoned VM2 – Village Mixed-Use Subzone 2 and is subject to the Heritage Overlay. The property has an area of

approximately 460 sq. m. (4946 sq. ft.) and is designated under the Ontario Heritage Act. It is shown as Area A on Document 5 attached. The legal description is N GOWER PLAN 15 LOT 4.

## DISCUSSION

As there has been no demonstrated need to retain the subject properties for a City mandated purpose, Housing Solutions and Investment Services (HSIS) is recommending that all properties be declared surplus and marketed for sale. This is in keeping with the City's mandate to dispose of properties no longer required by the municipality.

Proposed sales for recommendation properties 1.a, 1.b and 1.c. will include a City buyback option in the Agreement of Purchase and Sale. Should the purchaser not commence construction of an approved building within 60 months from the date of registration of the transfer from the City to the purchaser, and the building is not completed within 72 months of registration of the transfer, the City may re-purchase the property at 20% less of the original sale price.

## 1127 Mill Street and 1137 Mill Street

Though staff are seeking approval to dispose of these properties, we recognize the cultural significance of these properties and desire to have these existing buildings maintained, including that community-based uses continue to be provided at these locations. As part of the agreement and purchase and sale for these properties, the City will, for an indefinite time, maintain first right-of-refusal to buy back the properties should there be an interest to use or development these properties in a way that is no longer in keeping with the City's interests.

As the properties are designated under the Ontario Heritage Act, any development proposed will require review from staff.

# Housing Suitability

In keeping with the Provincial housing goals under Bill 23: More Homes Built Faster Act 2022, and the City of Ottawa Municipal Housing Pledge of developing 151,000 homes by 2031, each site has been evaluated for it's potential to contribute to the housing goals, and 2575 Reaneyhill Way and 7010 Parkway Road have been identified as suitable for residential development.

To help achieve the Provincial and Municipal housing goals, HSIS, with consultation from Planning staff, will recommend to the purchaser appropriate zoning for the lands which may achieve the greatest density possible for residential construction.

The Disposal of Real Property Policy states that Viable Real Property shall be declared surplus by Finance and Corporate Services Committee.

# AFFORDABLE HOUSING LAND AND FUNDING POLICY

The Affordable Housing Land and Funding Policy approved by City Council on 26 April 2017, advances the vision and targets established in the 10-Year Housing Homelessness Plan, the Official Plan and other Council-approved affordable housing initiatives. The Policy also requires that the Official Plan target of 25 per cent affordable housing be met on any City owned property where existing or proposed zoning allows for residential uses. These zones include:

- All residential zones (R) Village and rural residential zones (RR, RU, VM, V1 V3)
- Mixed use/Commercial Zones (TM, AM, GM, MC, MD and TD); and
- Institutional zones (I1 and I2).

Where property is disposed of without a condition requiring an affordable housing component in any of the above zones, 25 per cent of the net proceeds from the sale are to be credited to Housing account 820055-507320 to be used for the development of affordable housing elsewhere in the City.

All five of the subject properties have zoning that meets the terms of the Affordable Housing Land and Funding Policy. Therefore, 25 per cent of the net proceeds from each sale would be applicable.

# PARKLAND ACQUISITION AND FUNDING THROUGH PROPERTY DISPOSAL POLICY

The Parkland Acquisition and Funding Through Property Disposal Policy approved by City Council on July 6, 2022, requires that a portion of the net proceeds from the sale of City lands be directed towards the development of municipal parkland and recreation facilities to meet the targets of the Parks and Recreation Facilities Master Plan (2021). The policy applies to the sale of surplus City owned land that, at the time of disposal is not zoned as parkland, considered municipal parkland, or used as a parks and recreation facility.

When a property is disposed that meets the policy application, 25 per cent of the net proceeds from the sale are to be credited to the Parkland account for the development of municipal parks and recreation facilities, or a minimum of 25 per cent of the City's net proceeds from sale are to be transferred to the fund designated for municipal parks and recreation. Alternatively, 25 per cent of the land area subject to disposal can be retained by the City for recreation uses.

The City Lands recommended for disposal in this report fall within the policy application; HSIS staff will consult with Recreation, Culture, and Facility Services Department prior to disposal of each parcel to identify if they wish to have 25 per cent of the net proceeds from the sale credited to the Parkland account for the development of municipal parks and recreation facilities, or a minimum of 25 per cent of the City's net proceeds from sale transferred to the fund designated for municipal parks and recreation; or alternatively 25 per cent of the land area subject to disposal retained by the City for recreation uses.

## FINANCIAL IMPLICATIONS

There are no direct financial implications at this time, separate reports will be brought forward at the time of disposal for these properties. The Parkland Acquisition and Funding Through Property Disposal and the Affordable Housing Land & Funding Policy apply on the future disposals of these properties, as such net proceeds will be transferred to these reserves and the City Wide Capital Reserve.

## LEGAL IMPLICATIONS

There are no legal impediments to implementing the recommendations set out in this Report.

#### COMMENTS BY THE WARD COUNCILLOR(S)

The respective Ward Councillor's are aware of the recommendations in this report and have provided the following comments.

2575 Reaneyhill Way - Ward 20, Osgoode, Councillor's office replied "Councillor Darouze is aware of the report."

3131 Jockvale Road – Ward 3, Barrhaven West, Councillor Hill I would like to thank staff for their hard work and collaborative approach to a City of Ottawa (and old City of Nepean) landmark. For many years the Jockvale School House has either been underused or empty. As the building requires significant upgrades, I am happy to see that staff are looking for a new caretaker for what is one of the most historical buildings in Barrhaven. I have discussed my desire with staff that should the property be put up for sale that, at a minimum, a ranking system for the sale should be used, with extra points in the ranking system being awarded to any community based/non profit group that wishes to purchase the building. Furthermore, extra points should be awarded for any community based/non profit group that will offer up the building for continued community use. It goes without saying that the historic nature of the building absolutely needs to be preserved.

7010 Parkway Road – Ward 20, Osgoode, Councillor Darouze - "I understand that this building is essentially considered functionally obsolete, and also understand the community concerns about losing a community space. I am hopeful that with the disposal of this property, the funds will be used to invest in an even better new community space that can serve the needs of everyone in Greely in the coming years"

1127 and 1137 Mill Street, Manotick – Ward 21 Rideau-Jock, Councillor Brown

"As Ward Councillor, I am concerned that the proposed declaration of surplus would lead to disposal of these assets. Such disposal will not serve the City's interests or the interests of the Village of Manotick if not managed appropriately. Both properties serve the community and are of major historical significance to the Village. It is my view that, if the City declares these properties as surplus, the City should negotiate in good faith with the community organizations who currently operate these facilities to transfer ownership of these properties for a nominal sum. This would ensure that these historically significant buildings in the core of the Village of Manotick can be preserved for continued use by the community."

# ADVISORY COMMITTEE(S) COMMENTS

This section contains any comments or recommendations made by one or more Advisory Committees relating to this report.

## CONSULTATION

In accordance with policies approved by City Council on 17 April 2020, the availability of the subject properties was circulated to all City Departments, including the Housing Branch and the Ward Councillor to determine if the property was required for a City mandated program.

Comments received from the internal and utility circulation that required action have been documented and will be addressed prior to disposal either through internal implementation or in the Agreement of Purchase and Sale Agreements.

## ACCESSIBILITY IMPACTS

There are no accessibility impacts associated with the report recommendation.

#### **ASSET MANAGEMENT IMPLICATIONS**

The report recommends declaring five properties surplus to City needs. Four properties include city-owned facilities. Reducing the number of city-owned facilities has a positive impact by decreasing the future costs of operations, maintenance and renewal. If approved, changes to the inventory of assets and financial forecasts would be made to future updates of the following Asset Management Plans:

7010 Parkway Road would be removed from the Transportation Asset Management Plan as a Road Services Building. 3131Jockvale Road, 1127 Mill Street and 1137 Mill Street would be removed from the Recreation and Cultural Services Asset Management Plan as historical properties.

This report aligns with the Comprehensive Asset Management program and policy.

#### **CLIMATE IMPLICATIONS**

There are no climate implications associated with the report recommendation.

## **ECONOMIC IMPLICATIONS**

There are no economic implications associated with the report recommendation.

#### **ENVIRONMENTAL IMPLICATIONS**

2575 Reaneyhill Way

The City's Environmental Remediation Unit (ERU) has completed environmental screening in support of declaring the Subject Lands surplus to City needs. Environmental screening included a review through the City's Historical Land Use Inventory (HLUI), review of proximity of the Subject Lands to known former landfills and/or risk management areas, review of ERU files and available aerial photography. The Subject Lands are vacant, undeveloped and forested, with no evidence or records of having ever been used for any potential contaminating activity; and based on the results of the environmental screening undertaken by ERU, completion of a Phase One Environmental Site Assessment (ESA) was not recommended.

#### 3131 Jockvale Road

The Environmental Remediation Unit has a record of a heating oil tank in the basement of the building in 1982. There are no records of the current status of the oil tank or any environmental reports for the property. In addition the Historic Land Use Inventory indicates a retail fuel outlet has been located across Jockvale Road from the property since 2009. A Phase One Environmental Site Assessment is planned for the property in winter/spring 2025. It is unknown at the current time if there are environmental impacts on the property.

# 7010 Parkway Road

The City's Environmental Remediation Unit (ERU) has completed environmental screening in support of declaring the Subject Lands surplus to City needs. Environmental screening included a review through the City's Historical Land Use Inventory (HLUI), review of proximity of the Subject Lands to known former landfills and/or risk management areas, review of ERU files and available aerial photography. The Subject Lands have been used for commercial/industrial purposes by the City and ERU also identified the presence of a historic fuel storage tank at this site; and therefore based on the results of the environmental screening undertaken by ERU, completion of a Phase One Environmental Site Assessment (ESA) was recommended.

The Phase One ESA was completed on behalf of ERU by a qualified environmental consultant (ESA report dated December 5, 2024) which identified two (2) areas of potential environmental concern (APECs), including the area of the former above ground fuel storage tank, and potential presence of fill material of unknown quality. The potential for environmental liabilities associated with these APECs was considered to be low and a Phase Two ESA was not recommended. If/when the City proceeds with disposal of the property, a copy of the Phase One ESA should be disclosed to potential purchasers for information purposes, where they would be permitted to carry out additional environmental due diligence prior to purchasing the property.

1127 and 1137 Mill Street

Both 1127 and 1137 Mill Street are located within an Environmental Risk Management Area (ERMA) where an area of groundwater contamination by volatile organic compounds (VOCs) and petroleum hydrocarbons has been identified in the Village of Manotick. The groundwater impacts are attributed to historic spills and/or leaks of drycleaning solvents and petroleum products from various sources in the study area. The Regional Municipality of Ottawa-Carleton water supply system was extended to the contaminated area in the summer of 1993 to secure a safe water supply for the area.

A review of studies completed on behalf of the Ministry of Environment Energy in 1994 and 1996 confirms that both 1127 and 1137 Mill Street are within the area impacted by VOCs and the concentrations of VOCs identified in groundwater at the time would exceed the current Ministry standards. A Phase II Environmental Site Assessment completed for the City at 1127 Mill Street in 2009 also confirmed the presence of VOCs in groundwater above the current day Ministry standards.

No more recent monitoring reports regarding VOCs in groundwater in the vicinity of the two properties are available but given the nature of VOCs it is possible that they are still present in excess of Ministry standards.

## INDIGENOUS GENDER AND EQUITY IMPLICATIONS

There are no indigenous gender and equity implications associated with the report recommendation.

#### **RISK MANAGEMENT IMPLICATIONS**

There are no risk implications associated with the report recommendation.

#### **RURAL IMPLICATIONS**

The properties 2575 Reaneyhill Way, 7010 Parkway Road,1127 and 1137 Mill Street are located within the rural area. Any proposed development will have regard for rural character and servicing requirements.

#### TERM OF COUNCIL PRIORITIES

There are no Term of Council Priorities associated with the recommendation.

#### SUPPORTING DOCUMENTATION

Document 1 – 2575 Reaneyhill Way - Sketch of lands to be declared surplus.

Document 2 – 3131 Jockvale Road – Sketch of lands to be declared surplus.

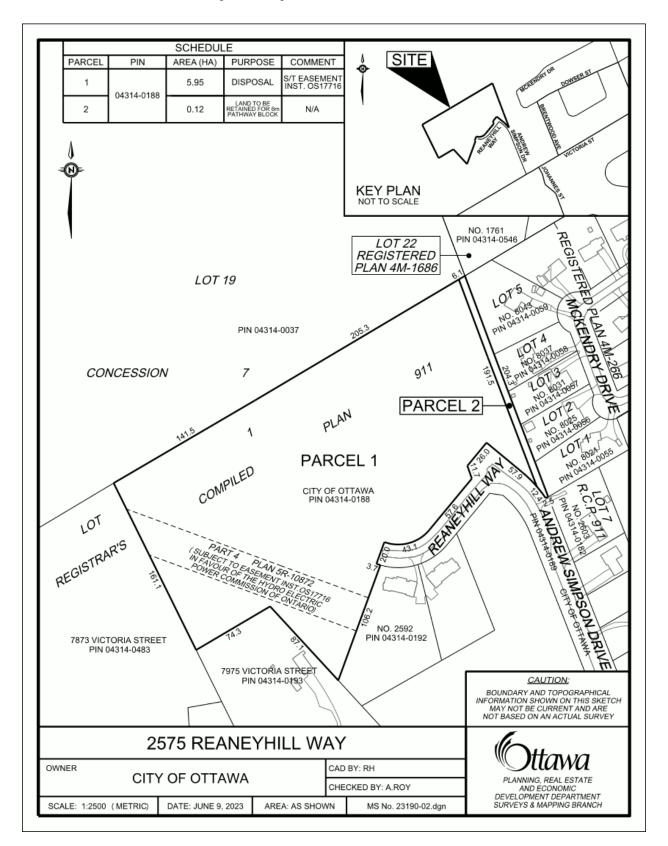
Document 3 – 7010 Parkway Road – Sketch of lands to be declared surplus.

Document 4 – 1127 Mill Street - Sketch of lands to be declared surplus.

Document 5 - 1137 Mill Street - Sketch of lands to be declared surplus.

#### DISPOSITION

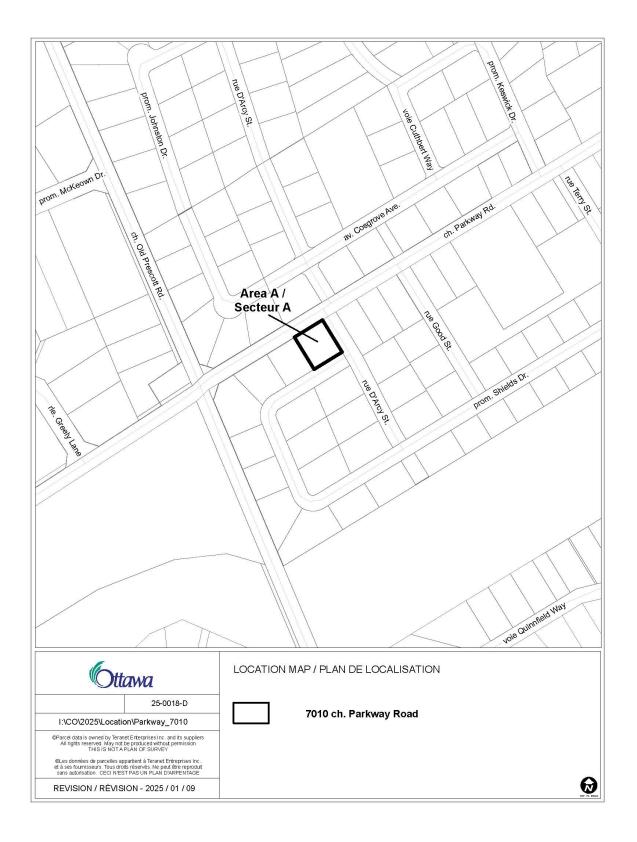
Following approval, the Housing Solutions and Investments Services office will initiate measures to market the subject properties for sale.



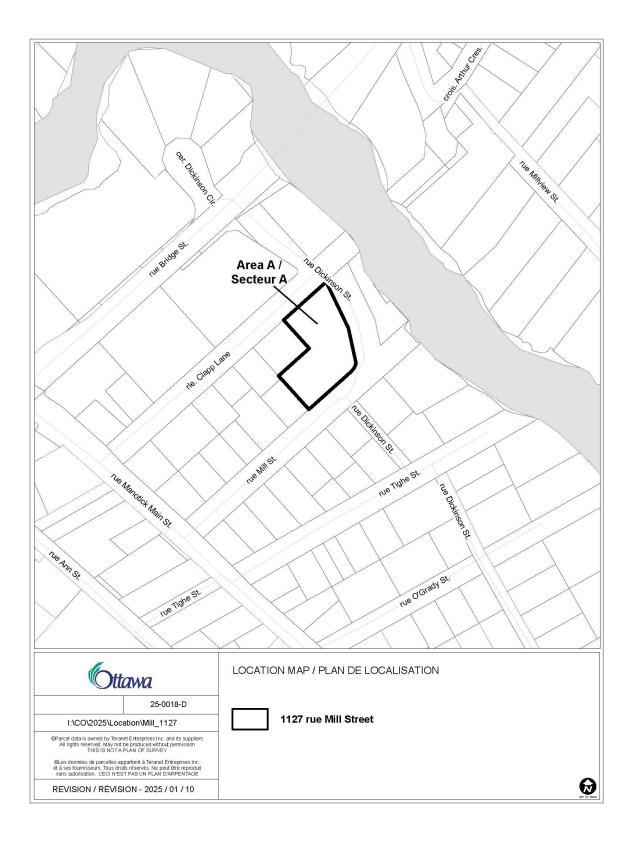
## Document 2 - 3131 Jockvale Road



## Document 3 – 7010 Parkway Road



## Document 4 – 1127 Mill Street



## Document 5 – 1137 Mill Street

