#### Subject: Acquisition of Property for Barrhaven Civic Complex

#### File Number: ACS2025-SI-HSI-0014

Report to Finance and Corporate Services Committee on 30 June 2025

#### and Council on 23 July 2025

Submitted on June 19, 2025 by Geraldine Wildman, Interim Director, Housing and Strategic Initiatives

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Ward: Barrhaven West (3)

Objet : Acquisition de bien-fonds pour le Complexe municipal de Barrhaven

Dossier : ACS2025-SI-HSI-0014

Rapport au Comité des finances et des services organisationnels le 30 juin 2025

#### et au Conseil le 23 juillet 2025

Soumis le 19 juin 2025 par Geraldine Wildman, directrice par intérim, Services des solutions de logement et des investissements, Direction générale des initiatives stratégiques

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**Quartier : Barrhaven West (3)** 

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

That the Finance and Corporate Services Committee recommend City Council:

- Approve the acquisition as described in the report for the purchase of the fee simple interest in lands having Property Identification Number (PIN) 04732-5879 (the "Barrhaven Civic Complex Lands") and shown as Parcel 1 on Document 1 attached, from South Nepean Development Corporation for \$10,032,000 plus applicable taxes and closing costs.
- 2. Delegate authority to the Director, Housing Solutions and Investment Services to enter into, conclude, execute, amend, and implement on behalf of the City, the Purchase Agreement for the acquisition of the "Barrhaven Civic Complex Lands" as described in this report.
- 3. Authorize the financial disbursement to reimburse grading and drainage works for \$75,100 plus applicable taxes.
- 4. Authorize the financial disbursement to reimburse the upgrade to the Hydro Ottawa site input specifications to accommodate the Civic Complex that is above and beyond the Parkland dedication servicing requirements outlined in the subdivision agreement for \$261,000 plus applicable taxes.
- 5. Approve the budget authority of \$10,032,000 plus applicable taxes and closing costs for the Purchase Agreement for the acquisition of the "Barrhaven Civic Complex Lands".

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

Que le Comité des finances et des services organisationnels recommande ce qui suit au Conseil municipal :

- Approuver, conformément à ce qui est prévu dans le rapport, l'acquisition en fief simple du terrain portant le numéro d'identification de propriété (NIP) 04732-5879 (le « terrain du Complexe municipal de Barrhaven »), illustré comme constituant la parcelle 1 dans le document 1 ci-joint, de South Nepean Development Corporation, pour un montant de 10 032 000 \$ (taxes applicables et frais de clôture en sus).
- 2. Déléguer au directeur, Solutions de logement et Investissements, le pouvoir de conclure, de signer, de modifier et de mettre en œuvre, au nom de la Ville,

l'accord pour l'acquisition du « terrain du Complexe municipal de Barrhaven », comme le décrit le présent rapport.

- 3. Autoriser la sortie de fonds nécessaires au remboursement des travaux de nivellement et de drainage, dont le coût s'élève à 75 100 \$, taxes applicables en sus.
- 4. Autoriser la sortie de fonds nécessaires au remboursement de la mise à niveau des spécifications du site d'Hydro Ottawa pour l'aménagement du Complexe municipal, qui vont au-delà des exigences de viabilisation des terrains affectés à la création de parcs décrites dans l'accord de lotissement, dont le coût s'élève à 261 000 \$, taxes applicables en sus.
- 5. Approuver l'autorisation budgétaire d'un montant de 10 032 000 \$, taxes applicables et frais de clôture en sus, pour la convention d'achat permettant l'acquisition du « terrain du Complexe municipal de Barrhaven ».

## BACKGROUND

Parks and Facilities Planning Services, Recreation, Cultural and Facility Services Department (RCFS) and Ottawa Public Library (OPL) are planning to design and construct a new cultural/civic hub in the Barrhaven Town Centre. Transit Services are planning the future LRT station to serve the Barrhaven community at the Barrhaven Town Centre. Reality Services has been engaged to acquire the lands under examination

The City received funding under the <u>Investing in Canada Infrastructure Program</u> (ICIP) for a project to provide a 1,400 square meter (15,000 square feet) cultural centre with performance and event space, and flexible seating opportunities, a 280 square meter (3,000 square feet.) seniors' space, a 2,800 square meter (30,000 square feet) district level library branch, 30 square meter Councillor Ward Office in the shared spaces, a 0.25-hectare (0.62 acre) urban plaza with possible water/ice feature, and parking lot for the facility.

Also considered within the purchase, is the future LRT line and station lands terminating at Chapman Mills.

This development will be a civic hub for a variety of community gatherings and events for the Barrhaven community with the added Transit connection. The project will serve the entire population of Barrhaven (approximately 100,000 residents) as well as potential visitors from the greater Ottawa area. The new civic hub will become a valued community asset, focal point and destination that will resonate with the people of Barrhaven and instill a sense of civic and cultural pride. The district library branch will serve residents in the South Nepean communities of Riverside South and Barrhaven.

#### DISCUSSION

Reality Services within The Strategic Initiatives Department has entered into discussions with the South Nepean Development Corporation (SNDC) to acquire the lands for the Barrhaven civic hub conditional upon approval by City Council.

The property is a 4.18-acre parcel of vacant land located at the north-west corner of the future Chapman Mills Drive and Riocan Avenue intersection. The 4.18-acre parcel is described as Parcel 1 on the Property Sketch in Document 1.

## Intended Use

The property is being purchased to design and construct a new civic complex and future LRT station to serve the Barrhaven community. The proposed civic complex is in the preliminary design stages and the LRT design will follow in coming years.

The larger project also includes parkland dedication lands provided as a part of the Subdivision Agreement for the SNDC subdivision to the east of the civic complex lands. These parkland dedication lands total 0.618 acres or 2,500.9 square meters and shown as Parcel 2 in Document 1. The civic complex lands, LRT lands and the parkland dedication lands combined will have a total area of 4.798 acres of land.

## **Purchase Cost and Conditions**

The market value compensation in the offer to acquire the lands for the civic hub was supported by both an internal City appraisal as well as a third-party independent appraisal. Both appraisal reports concluded that the highest and best use of the property was high density residential. The residential growth in the area made this a great location to build a complex to serve the community.

The agreement to sell this land to the City requires that SNDC design and extend services (water, sanitary sewer, stormwater, gas, hydro and telecom) to the lot line of the property through the subdivision agreement. The appraisals were based on the condition that services have been extended to the lot line, as well as the roads being built to City standards. The services under the subdivision agreement were to service the parkland dedication block. RCFS have requested that SNDC upgrade the Hydro

service to the standards required for the civic complex which are estimated at \$261,000, plus applicable taxes. RCFS has agreed to these costs associated with this as provided by SNDC. Also within this agreement are additional works associated with grading and drainage of the site, to the satisfaction of the General Manager of RCFS, the costs associated with the grading and drainage are \$75,100, plus applicable taxes, and RCFS has reviewed and accepted these costs.

The estimated unit rate of the City's two appraisals was similar at \$2,400,000 per acre. Negotiations resulted in an agreement to purchase the property at a market value rate of \$2,400,000 per acre, which resulted in a purchase price of \$10,032,000 for the 4.18 acres.

Recommendation 1 of this report is to approve the acquisition of the property for \$10,032,000, plus applicable taxes and closing costs. Project costs will inevitably change as a result of more detailed, refined, and up-to-date funding estimates. The additional growth-related costs will be included in a future Development Charges Background Study. The overall development charge recoverable allocation for the project will continue to align with the percentage listed within the 2024 DC Background Study. Once City lands in the Barrhaven area are sold, the proceeds will return the 10 per cent tax component.

Recommendation 3 of this report is to approve the costs associated with the grading and drainage of the site to specifications provided by RCFS with a cost of \$75,100, plus applicable taxes.

Recommendation 4 is to upgrade the Hydro input to the site to specifications outlined by RCFS with a cost of \$261,000, plus applicable taxes.

Funds are available for recommendation 3 and 4 from within existing the existing ICIP-CCR-Barrhaven Town Centre Civic Complex account.

The City's offer was made subject to a set of conditions, each of which if not completed would nullify the offer. The conditions are:

- The City to have time to review and satisfy itself with the title to the Lands and all related encumbrances.
- The City to have 120 days from the date that the grading and drainage works are completed to the satisfaction of the General Manager of RCFS, to review and satisfy itself with the environmental and geotechnical condition of the Lands. In that regard, a qualified consultant will complete a Phase One Environmental Site Assessment

(ESA) and a Phase Two ESA.

- SNDC to construct, at its own expense, the servicing for the Civic Complex (Parcel 1) and the parkland (Parcel 2), as these obligations were laid out in the existing subdivision agreement.
- SNDC to transfer the Civic Complex Lands (Parcel 1) to the City on the closing date.

Upon completion of the acquisition, Recreation, Cultural and Facility Services and Transit Services will continue working on a plan to develop the site.

The purchase agreement has been negotiated subject to approval by City Council. Recommendation 2 is for Council to delegate authority to the Director, Housing Solutions and Investment Services, to execute and conclude the Agreement on behalf of the City.

The acquisition of this property will allow the City to proceed with developing a major civic complex, transit hub and urban park that will serve the growing Barrhaven community.

The negotiated price of \$10,032,000 is considered fair and reasonable. Staff recommend that Council approve the Agreement of Purchase and Sale as described in this report.

The transfer of the Fee Simple Lands shall be completed on the later of thirty (30) days after the day of Acceptance of Riocan Ave (as defined later in this Agreement) and Thirty (30) days after the City waives its environmental conditions as set out in clause 16. (the "Closing"). The Closing may occur on such earlier or other date as may mutually be agreed upon by the parties.

#### **FINANCIAL IMPLICATIONS**

Pending Council approval, a new capital account will be established for \$10,032,000 plus applicable taxes and closing costs for the Purchase and Sale Agreement for the acquisition of the Barrhaven Civic Complex Lands.

The increased funding of these development-related eligible land acquisition costs will be included in a future development Charges Background Study. The non-growthrelated share of the project cost continues to be 10 per cent and will be funded from the property tax base with 90 per cent recoverable from development charges based on the allocation listed within the 2024 DC Background Study. A future City property will be sold in the Barrhaven area, proceeds from that sale will be used to return the tax component funding on this acquisition to the City Wide Capital Reserve.

The \$75,100, plus applicable taxes, associated with the grading and drainage of the site to specifications and \$261,000, plus applicable taxes, to upgrade the Hydro input to the site are available from within existing the existing ICIP-CCR-Barrhaven Town Centre Civic Complex account.

## LEGAL IMPLICATIONS

There are no legal impediments to implementing the recommendations of this report.

## COMMENTS BY THE WARD COUNCILLOR(S)

The subject property is in Ward 3 – Barrhaven West. The Ward Councillor, David Hill, is aware and supportive of the purchase.

## CONSULTATION

RCFS and OPL are currently undertaking a feasibility study to develop initial concept designs that address the Barrhaven Civic Complex (Cultural space, Seniors' space and District Library, along with a Councillor Ward office) and the Urban Park, incorporating key functional program requirements, sustainable design principles, and preliminary cost considerations. Consultation with the public, key stakeholders and RCFS / OPL staff will form a key component of the feasibility study.

## ACCESSIBILITY IMPACTS

The Barrhaven Civic Complex project and subsequent projects will be designed and constructed in accordance with the City's Accessibility Design Standards and the applicable accessibility requirements in the Ontario Building Code.

## ASSET MANAGEMENT IMPLICATIONS

Water, sanitary, and storm servicing connections are available adjacent to this site. Civic Complex sites typically require a secondary water supply feed, which would not have been contemplated necessary when master servicing studies of the broader development area were completed. Future site development studies must account for the planning, design, and construction costs of extending a secondary water supply. One potential option is connecting to a watermain approximately 200m east on Glenroy Gilbert Drive.

#### **ENVIRONMENTAL IMPLICATIONS**

The City's Environmental Remediation Unit (ERU) has completed environmental screening in support of acquiring the Barrhaven Civic Complex Lands. 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. Based the preliminary environmental screen, ERU staff have noted that substantial ground disturbance, soil movements, and importation/stockpiling of fill material has occurred on the lands based on aerial imagery between around 2005 – 2021.

A qualified Consultant will be retained to complete environmental site assessments (ESAs) for due diligence purposes in accordance with City's property acquisition policies. A geotechnical study will also be completed to support the design/planning for the future Civic Complex. The Land Purchase Agreements will be conditional for at least 120 days to give the City time to complete the ESAs and geotechnical study, and to review and satisfy itself with the condition of the Lands for the purpose of developing the proposed Civic Complex. The owner would also be required to disclose any existing environmental or geotechnical records available for the Lands, including any information about current or historic potentially contaminating activities (as defined under Ontario Regulation 153/04 and Ontario Regulation 406/19).

# **DELEGATION OF AUTHORITY IMPLICATIONS**

The purchase agreement has been negotiated subject to approval by City Council or its Delegated Authority. To complete the transaction in a timely and efficient manner, Recommendation Two is for Council to delegate authority to the Director, Housing Solutions and Investments to execute and conclude the Agreement on behalf of the City.

## **RISK MANAGEMENT IMPLICATIONS**

There are risk implications in the acquisition of this property. These risks have been identified and explained in the report and are being managed by the appropriate staff.

#### **RURAL IMPLICATIONS**

There are no rural implications in this report.

## **TERM of COUNCIL PRIORITIES**

The recommendations of this report support the following Term of Council Priorities:

- Economic Growth & Diversification;
- Thriving Communities;
- Service Excellence Through Innovation; and
- Sustainable Infrastructure.

# SUPPORTING DOCUMENTATION

Document 1 – Property Sketch is attached to this report.

# DISPOSITION

Following approval by Council, Legal Services, Recreation, Culture, and Facility Services and Strategic Initiatives staff will implement the recommendations in this report.

# Document 1 – Property Sketch

