

**Subject: Land Exchange Agreement - Bank Street Renewal Project - City of
Ottawa and National Capital Commission**

File Number: ACS2026-SI-HSI-0007

**Report to Finance and Corporate Services Committee on 7 April 2026
and Council 8 April 2026**

**Submitted on March 25, 2026 by Lily Xu, Director, Housing Solutions, Real Estate
& Investment Services, Strategic Initiatives Department**

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Ward: River (16), Capital (17) Alta Vista (18)

**Objet: Land Exchange – Projet de réfection de la rue Bank – ville d’Ottawa
et National Capital Commission**

Dossier: ACS2026-SI-HSI-0007

Rapport au Comité des finances et des services organisationnels

le 7 avril 2026

et au Conseil le 8 avril 2026

**Soumis le 25 mars 2026 par Lily Xu, Directrice, Services des solutions de
logement et des investissements, Direction générale des initiatives stratégiques**

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Quartier: Rivière (16), Capitale (17), Alta Vista (18)

REPORT RECOMMENDATIONS

That the Finance and Corporate Services Committee recommend that City Council approve a land exchange agreement (the “Agreement”) between the City of Ottawa and the National Capital Commission as follows:

- 1. Declare a portion of the property legally described as part of PIN 04145-0237, containing an area of approximately 1,370.2 square metres, more particularly described and shown as Parcel 1 on Schedule C-1 and a portion of the property municipally known as 2213 Riverside Drive, being part of PIN 04145-0233, containing an area of approximately 491.1 square metres, more particularly described and shown as Parcel 1 on Schedule C-2 attached (City Lands) as surplus to the City’s requirements.**
- 2. Waive articles 2.3 and 5.1 of the Disposal of Real Property Policy and approve a direct transfer of the lands described in Recommendation 1 to the National Capital Commission.**
- 3. Approve the acquisition of a fee simple interest in Lands owned by National Capital Commission shown as 12 parcels on Schedule D (NCC Lands), subject to final survey, having a market value of \$2,300,640.20 less the amount of \$11,439.96 paid under the Temporary License of Occupation for these parcels resulting in the total amount of compensation payable of \$2,289,200.24 plus applicable tax and subject to final survey.**
- 4. Approve the acquisition of easements shown as four parcels on Schedule D to the City, subject to final survey and easements that may be required, having a market value of \$486,192.00 less the amount of \$145,857.60 paid under the Temporary License of Occupation for these parcels resulting in the total amount of compensation payable of \$340,334.40 plus applicable tax and subject to final survey.**
- 5. Approve the disposal of the fee simple interest in the City lands described in Recommendation 1 for a total consideration of \$3,365,230.40 plus applicable tax, and subject to final survey.**
- 6. Authorize staff to undertake the process to close the public highway located on the Existing Ramp Lands (in the Agreement) and bring forward a Road Closure By-law as soon as reasonably practicable following the completion of**

construction and opening of the new road described on the NCC Fee Simple Lands.

7. Delegate authority to the Director, Housing Solutions, Real Estate and Investments, on behalf of the City, to enter into, conclude, execute, amend, supplement, implement, and take all steps required to close the transactions contemplated by the Agreement and Temporary License of Occupation, the Post-Closing License of Occupation and all other ancillary agreements contemplated therein with the NCC, as described in this report.
8. That this report be brought to the Council meeting of April 8, 2026, to ensure that Council approve the report prior to the National Capital Commission Board meeting, which will occur before the next Ottawa City Council meeting scheduled for April 22, 2026.

RECOMMANDATIONS DU RAPPORT

Que le Comité des finances et des services organisationnels recommande au Conseil d'approuver une entente d'échange de terrains (l'« entente ») entre la Ville d'Ottawa et la Commission de la capitale nationale, comme suit :

1. Déclarer excédentaire, par rapport aux besoins de la Ville, une partie de la propriété décrite légalement comme constituant une partie du NIP 04145-0237, comprenant une superficie d'environ 1 370,2 mètres carrés, plus précisément définie et illustrée comme étant la parcelle 1 dans l'annexe C-1 et une partie de la propriété située au 2213, promenade Riverside, faisant partie du NIP 04145-0233 et comprenant une superficie d'environ 491,1 mètres carrés, plus particulièrement décrite et illustrée comme étant la parcelle 1 dans l'annexe C-2 ci-jointe (collectivement, les « terrains de la Ville »).
2. Renoncer aux articles 2.3 et 5.1 de la Politique sur l'aliénation des biens immobiliers et approuver le transfert direct des terrains décrits à la recommandation 1 à la Commission de la capitale nationale.
3. Approuver l'acquisition en fief simple des terrains appartenant à la Commission de la capitale nationale, couvrant 12 parcelles illustrées dans l'annexe D (collectivement, les « terrains en fief simple de la CCN »), sous réserve d'un levé définitif, dont la valeur marchande est de 2 300 640,20 \$, déduction faite du montant de 11 439,96 \$ versé en vertu du permis d'occupation temporaire pour ces parcelles, soit un montant total de

compensation à verser de 2 289 200,24 \$, majoré des taxes applicables et sous réserve d'un levé définitif.

4. Approuver l'acquisition par la Ville des servitudes représentées par quatre parcelles dans l'annexe D, sous réserve d'un levé définitif et des servitudes qui pourraient être requises, dont la valeur marchande est de 486 192,00 \$, déduction faite du montant de 145 857,60 \$ versé en vertu du permis d'occupation temporaire pour ces parcelles, soit un montant total de compensation à verser de 340 334,40 \$, majoré des taxes applicables et sous réserve d'un levé définitif.
5. Approuver la cession en fief simple des terrains décrits à la recommandation 1, pour un montant total de 3 365 230,40 \$, taxes applicables en sus, sous réserve d'un levé définitif.
6. Autoriser le personnel à entreprendre le processus de fermeture de la voie publique située sur les terrains de la bretelle existante (visés dans l'entente) et à présenter un règlement de fermeture de route dès que raisonnablement possible après l'achèvement des travaux de construction et l'ouverture de la nouvelle route décrite sur les terrains en fief simple de la CCN.
7. Déléguer à la directrice, Services des solutions de logement, de l'immobilier et des investissements, au nom de la Ville, le pouvoir de conclure, de signer, de modifier, de compléter, de mettre en œuvre et de prendre toutes les mesures nécessaires pour mener à bien les transactions prévues par l'entente et le permis d'occupation temporaire, le permis d'occupation après la clôture ainsi que toutes les autres ententes connexes prévues dans ces documents avec la CCN, comme il est décrit dans le présent rapport.
8. Que le présent rapport soit présenté au cours de la réunion du Conseil municipal prévue le 8 avril 2026, afin que le Conseil l'approuve avant la réunion de la Commission de la capitale nationale (CCN), qui aura lieu avant la réunion du Conseil municipal prévue le 22 avril 2026.

EXECUTIVE SUMMARY

The purpose of this report is to request approval for a land exchange agreement between the City and the NCC for the Bank Street Renewal project. The exchange will enable the City to acquire twelve parcels, together with four easements for a watermain from the NCC. In exchange, the City would transfer two parcels of adjacent non-viable

land to the NCC to assemble with their adjacent properties to create a development parcel.

The two City parcels consist of part of 2213 Riverside Drive, which is an access road to the Billings Bridge Pumping Station; and a parcel of land currently being used as part of the road right-of-way between Riverside Drive north and south. Staff reviewed the NCC's request and determined that the access road to the Pumping Station could be relocated, and a relocated right-of-way could be constructed to connect Riverside Drive north and south. **Recommendation 1** of this report is to declare the two City Parcels as surplus for disposal. **Recommendation 6** of this report is to get direction to close the road right-of-way between Riverside Drive North and South to facilitate its disposal.

Staff and the NCC entered into land exchange negotiations, subject to the satisfaction of certain approval conditions, enable the NCC to create a development opportunity while providing the City with the lands required for the Bank Street Renewal Project. **Recommendation 2** of this report seeks Council approval to waive the Disposal Policy to permit a direct transfer of the City lands to the NCC.

Staff have negotiated a Land Exchange Agreement subject to Council approval. Following Council approval, the Agreement would then proceed to the NCC for its approval. The NCC advised that their Board of Directors could provide approval for the disposal by May 1, 2026; however, the authority for the NCC to acquire the City Lands, and also to grant a 99-year easement over the Watermain Easement Lands, would require a separate Governor in Council submission which would not be obtained until June 1, 2027.

To ensure the City is able to acquire the NCC Lands and Easement, the NCC's approval was separated into two conditions - a NCC Disposal Condition, which runs to May 1, 2026, and an NCC Acquisition Condition, which runs to June 1, 2027. This will protect the City in the event the NCC satisfies the NCC Disposal Condition but not the NCC Acquisition Condition. This failsafe clause will enable the City to acquire the NCC Fee Simple Lands with a cash payment instead of an exchange of the City Lands.

Pursuant to the market value estimates and terms of the Agreement:

-The **NCC will convey to the City:**

- Lands in fee simple, 12 parcels for the total compensation payable by the City of **\$2,289,200.24** plus applicable taxes; and

- Easements requirements, four parcels for the total compensation of **\$340,334.40** plus applicable taxes.
- **Recommendations 3 and 4** of this report seek Council approval to complete the acquisition of the fee simple and easement rights for a total consideration of **\$2,629,534.64** (\$2,289,200.24 plus \$340,334.40) plus applicable tax.

-The City will convey to the NCC:

- Lands in fee simple, two parcels on Schedule C, having a total market value of **\$3,365,230.40** plus applicable tax.
- **Recommendation 5** of this report seeks Council approval to complete the conveyance to the NCC as described above for a total compensation of **\$3,365,230.40**.

The value of lands to be exchanged between the parties is not equal. To balance the agreement the NCC will include a cash payment to the City estimated at \$735,695.76 being the differential in land values being exchanged.

In the event that NCC does not satisfy the NCC Acquisition Condition, the City can still move forward with its acquisition. To acquire the lands for the Bank Street Renewal project, the City will be required to pay the total amount of \$2,629,534.64 in the form of cash rather than with land.

The Land Exchange Agreement is mutually beneficial to the City and the NCC. The NCC will assemble a development site in a prime location. The City will acquire land and easements needed for a major infrastructure project and also receive a cash payment of \$735,695.76. **Recommendation 7** is to delegate authority to the Director, Housing Solutions, Real Estate and Investments, on behalf of the City, to enter into the agreements contemplated therein with the NCC, as described in this report.

SYNTHÈSE ADMINISTRATIVE

Le présent rapport demande l'approbation d'une entente d'échange de terrains entre la Ville d'Ottawa et la CCN dans le cadre du projet de réfection de la rue Bank. L'échange permettrait à la Ville d'acquérir de la CCN douze parcelles ainsi que quatre servitudes permettant l'installation d'une conduite d'eau principale. En échange, la Ville transférerait deux parcelles adjacentes de terrain non viable à la CCN, qui les ajouterait à ses biens-fonds adjacents pour former une parcelle à aménager.

Les deux parcelles municipales consistent en : une partie du 2213, promenade Riverside, qui sert de route d'accès à la station de pompage de Billings Bridge; et une parcelle de terrain faisant partie de l'emprise routière entre les promenades Riverside Nord et Sud. Le personnel a examiné la demande de la CCN et conclu que la route d'accès à la station de pompage pouvait être déplacée, et qu'on pouvait changer l'emprise de place et l'aménager de façon à relier les promenades Riverside Nord et Sud. **La recommandation 1** du présent rapport consiste à déclarer les deux parcelles municipales excédentaires, en vue de leur aliénation. **La recommandation 6** du rapport vise à obtenir des directives pour fermer l'emprise routière entre les promenades Riverside Nord et Sud afin d'en faciliter l'aliénation.

Le personnel et la CCN ont entamé des négociations visant l'échange des terrains en question, moyennant le respect de certaines conditions d'approbation, afin d'offrir à la CCN une possibilité d'aménagement tout en fournissant à la Ville les terrains requis pour la réfection de la rue Bank. **La recommandation 2** du présent rapport consiste à obtenir l'approbation du Conseil municipal pour suspendre l'application de la Politique sur l'aliénation des biens immobiliers, afin d'autoriser un transfert direct des terrains de la Ville à la CCN.

Le personnel a négocié une entente d'échange de terrains, sous réserve de l'approbation du Conseil municipal. Quand ce dernier aura donné son accord, l'entente sera présentée à la CCN afin d'obtenir son approbation. La CCN a précisé que son conseil d'administration pourrait approuver l'aliénation d'ici le 1^{er} mai 2026; toutefois, pour qu'elle ait le pouvoir d'acquérir les terrains de la Ville et d'accorder une servitude de 99 ans sur le bien-fonds accueillant la conduite d'eau principale, il faudrait prévoir une présentation distincte au gouverneur en conseil, et la réponse ne serait pas reçue avant le 1^{er} juin 2027.

Pour s'assurer que la Ville est en mesure d'acquérir les terrains et la servitude de la CCN, l'approbation de la CCN a été scindée en deux conditions : une condition d'aliénation par la CCN, applicable jusqu'au 1^{er} mai 2026, et une condition d'acquisition par la CCN, applicable jusqu'au 1^{er} juin 2027. Cela protégera la Ville dans l'éventualité où la CCN remplit la condition d'aliénation, mais pas la condition d'acquisition. Une telle clause de sécurité intégrée permettra à la Ville d'acquérir les terrains en fief simple de la CCN contre un paiement en espèces plutôt qu'en échange de terrains municipaux.

Selon les estimations de la valeur marchande et les modalités de l'entente :

La CCN cédera à la Ville :

- des terrains en fief simple, soit douze parcelles, contre un montant total payable par la Ville de **2 289 200,24 \$** plus les taxes applicables; et
- des droits de servitude sur quatre parcelles, contre un montant total de **340 334,40 \$** plus les taxes applicables.
- **Les recommandations 3 et 4** du présent rapport visent à obtenir l'approbation du Conseil municipal pour acquérir les terrains en fief simple et les droits de servitude contre un montant total de **2 629 534,64 \$** (2 289 200,24 \$ plus 340 334,40 \$) plus les taxes applicables.

La Ville cédera à la CCN :

- des terrains en fief simple, soit les deux parcelles décrites à l'Annexe C, ayant une valeur marchande totale de **3 365 230,40 \$** plus les taxes applicables.
- **La recommandation 5** du présent rapport vise à obtenir l'approbation du Conseil municipal pour céder les terrains à la CCN, comme cela est décrit précédemment, contre un montant total de **3 365 230,40 \$**.

La valeur des terrains échangés par les parties n'est pas la même. Afin d'équilibrer l'entente, la CCN versera à la Ville un montant d'environ 735 695,76 \$ en espèces, soit la différence entre les valeurs des terrains.

Advenant que la CCN ne remplisse pas la « condition d'acquisition par la CCN », la Ville pourra quand même procéder à l'acquisition des terrains, afin de réaliser le projet de réfection de la rue Bank; elle devra alors verser au total de 2 629 534,64 \$ en espèces plutôt que sous forme de terrains.

L'entente d'échange de terrains constitue un avantage pour la Ville et pour la CCN. La CCN se dotera d'un site à aménager dans un emplacement de choix. La Ville acquerra les terrains et les servitudes requises pour mener à bien un projet majeur d'infrastructure et recevra aussi un paiement en argent de 735 695,76 \$. **La recommandation 7** consiste à déléguer à la directrice, Services des solutions de logement, de l'immobilier et des investissements, le pouvoir de conclure avec la CCN, au nom de la Ville, les ententes décrites ici, comme le prévoit le présent rapport.

BACKGROUND

The Bank Street Renewal project is a high priority project for the City of Ottawa. Funding was approved in 2018, and it has been in the planning and consultation process for years. The project will renew approximately 2.8 kilometres of Bank Street from Riverside Drive to Ledbury Avenue. Construction for Phase One (from Riverside Drive to Collins Avenue) is underway with completion anticipated in 2027. Construction for Phase Two (from Collins Avenue to Ledbury Avenue) will start following the completion of Phase One.

The vision is that Bank Street will become a welcoming, livable main street. The goal is to create a destination and enhanced quality of the streetscape by providing safe, comfortable and easy access for everyone by foot, bicycle, public transit, and car. Some of the proposed aboveground and underground improvements include:

- Full road reconstruction that includes cycle tracks in both directions and protected intersections
- Reconstruction of sanitary sewer, storm sewer and replacement of distribution watermains
- Streetscaping features including new street furniture, streetlights, trees, concrete sidewalks, grassed sections and paver stones
- Optimized bus stop and bus shelter locations

There is a limited City right-of-way along the project limits requiring additional width to implement the planned traffic, cycling and pedestrian infrastructure. As a result, to facilitate this work, Infrastructure and Water Services asked Realty Services to acquire various property rights including fee simple, easement and temporary interests in parcels of land at Bank Street and Riverside Drive that are owned by the National Capital Commission.

DISCUSSION

The property interests required by the City from the National Capital Commission (NCC) include a fee simple interest in 12 parcels and an easement interest for a watermain across four parcels. The required Parcels are shown on the sketches attached in Schedule D as D-1 to D-14. When the City approached the NCC to begin negotiations to acquire the property rights, the NCC advised that they would like to develop their property adjacent to City-owned lands at 2213 Riverside Drive. To efficiently develop

this parcel the NCC sought to acquire a fee simple interest in two adjacent City-owned properties (shown on the sketches attached in Schedule C being C-1 and C-2).

The two City parcels of interest to the NCC consist of part of 2213 Riverside Drive, which is an access road to the Billings Bridge Pumping Station; and a parcel of land currently being used as part of the road right-of-way between Riverside Drive north and south. Staff reviewed the NCC's request and determined that the access road to the Pumping Station could be relocated, and a relocated right-of-way could be constructed to connect Riverside Drive north and south.

In October 2023, staff circulated the two City property parcels to determine if they were surplus to City requirements. Comments were evaluated and staff concerns were addressed over obtaining alternate access to the pumping station and the right-of-way realignment. Therefore, **Recommendation 1** of this report is to declare the two City Parcels as surplus for disposal. **Recommendation 6** of this report is to get direction to close the road right-of-way between Riverside Drive North and South, as shown in Schedule C-1 Existing Ramp Lands, to facilitate its disposal.

Given that there was no municipal use for the City lands, staff and the NCC entered into land exchange negotiations, subject to the satisfaction of certain approval conditions. The exchange is in both the City and NCC's mutual interest. It will enable the NCC to create a development opportunity while providing the City with the lands required for the Bank Street Renewal Project. **Recommendation 2** of this report seeks Council approval to waive the Disposal Policy to permit a direct transfer of the City lands to the NCC to support the Bank Street Renewal project.

Staff have negotiated a Land Exchange Agreement subject to Council approving the transfer of City Lands to the NCC and the corresponding acquisition of the NCC Fee Simple Lands and the Watermain Easement Lands (for a term of 49 years). Following Council approval of the Land Exchange Agreement, it would then proceed to the NCC for its approval. The NCC advised that their Board of Directors could provide approval for the disposal by May 1, 2026; however, the authority for the NCC to acquire the City Lands, and also to grant a 99-year easement over the Watermain Easement Lands, would require a separate Governor in Council submission which would not be obtained until June 1, 2027.

In order to ensure the City is able to acquire the NCC Fee Simple Lands and the Watermain Easement Lands, the NCC's approval was separated into two conditions. A NCC Disposal Condition, which runs to May 1, 2026, and an NCC Acquisition Condition,

which runs to June 1, 2027, were negotiated into the Land Exchange Agreement. This will protect the City in the event the NCC satisfies the NCC Disposal Condition but not the NCC Acquisition Condition. This failsafe clause will enable the City to acquire the NCC Fee Simple Lands with a cash payment instead of an exchange of the City Lands.

In order to keep to the Bank Street Renewal construction schedule, on January 30, 2026, the NCC granted the City a temporary license of occupation over 13 properties (DEL-2026-HSREIS-0026). This will permit the City to complete some advance work in preparation for the pending the property acquisition. The license includes some lands where property interests are to be conveyed to the City by the NCC. As a result, the amount paid under the Temporary License of Occupation for these parcels will be deducted from total amount of compensation payable.

Value of the Land Exchange and Compensation

To ascertain the equity of the Land Exchange Agreement the City and the NCC lands were appraised. The City and NCC agreed on the Terms of Reference for a joint appraisal and the City commissioned and oversaw the external appraisal. In addition, the City's Valuation Unit completed a second appraisal.

Both appraisers estimated the market value of all the land parcels as per their highest and best use. There were four separate land uses identified amongst the lands being exchanged. The separate uses identified were:

City Lands:

- High-rise residential/mixed-use development: 2213 Riverside Drive; and
- High-rise residential/mixed-use development: Road between Riverside Drive north and south

NCC Lands:

- Commercial pad retail: 1352 Bank Street, 2223 Riverside Drive
- Holding for future high-rise residential: 2193 Riverside Drive
- Residential high-rise / mixed use development: 2209, 2215, 2301 Riverside Drive and
- Continuation of its existing greenspace / open space use: 1960, 2221, 2300, 2303 Riverside Drive

The different land uses (highest and best use) generated four different land value estimates. The appraisers relied on the Direct Comparison Approach, which compared the parent parcels to recent sales of similar type/use properties in the area that had recently been sold or offered for sale at the time of the appraisal. The market valuations by the external and internal appraisers were reconciled into per square meter unit rates for the four land categories. The market value estimate for each of the categories of lands to be exchanged were:

- Commercial pad retail building: \$274 per sq. m.
- Holding for future high-rise residential: \$1,670 per sq. m.
- Residential high-rise / mixed use development: \$1,808 per sq. m. and
- Continuation of its existing greenspace / open space use: \$180 per sq. m.

A unit rate was applied to each parcel in the land exchange based on its categorization. The Market Value of fee simple interest is summarized in Schedule A for the NCC Parcels, Schedule B for the NCC Easement Parcels and Schedule C for the City Parcels. The market value for the easements was based on the ascribed unit rates for the fee simple interest and discounted at 50 percent to reflect the limited interest being acquired.

Pursuant to the market value estimates and the terms of the Land Exchange Agreement the NCC will convey to the City:

- Lands in fee simple, 12 parcels on Schedule A-1, having a total market value of \$2,300,640.20. Two parcels to be acquired are licensed to the City to support construction. The payments made to the NCC under the Temporary License of Occupation total \$11,439.96. After the credit for the License of Occupation, the total amount of compensation payable by the City for the 12 parcels is estimated at **\$2,289,200.24** plus applicable taxes; and
- Easements requirements, four parcels on Schedule A-2, have a total market value of \$486,192.00. The City is temporarily licensing two parcels that it will be acquiring. The NCC will credit the City in the amount of \$145,857.60 paid under the Temporary License of Occupation. The total easements compensation under the Land Exchange Agreement, reduced for the license fees paid, is **\$340,334.40** plus applicable taxes.

Recommendations 3 and 4 of this report seek Council approval to complete the acquisition of the fee simple and easement rights as described above for a total consideration of \$2,629,534.64 (\$2,289,200.24 plus \$340,334.40).

Pursuant to the market value estimates and the terms of the Land Exchange Agreement the City will convey to the National Capital Commission

- Lands in fee simple, two parcels on Schedule C, having a total market value of **\$3,365,230.40** plus applicable tax.

Recommendation 5 of this report seeks Council approval to complete the conveyance to the NCC as described above for a total consideration of \$3,365,230.40.

The land value amounts are subject to final adjustment for actual surveyed areas. Based on the pre-construction plans, the value of lands to be exchanged between the parties are not equal. The NCC is acquiring land having a greater value (\$3,365,230.40) than the lands and easements rights (\$2,629,534.64) being acquired by the City. It is estimated that the NCC will benefit in the exchange in the amount of \$735,695.76.

NCC Acquisition Value of City Lands	\$3,365,230.40
Less City Acquisition Value of N.C.C. Lands.	(\$2,289,200.24)
Less City Acquisition Value of NCC Easement Rights	<u>(\$ 340,334.40)</u>
Land Exchange Differential (benefit to NCC)	\$ 735,695.76

Upon approval in June 2027 by the Treasury Board Secretariat of the NCC acquisition the land exchange will be completed. To balance the agreement, the NCC will include a cash payment to the City of \$735,695.76 being the differential in land values being exchanged. The purpose of the cash payment is to balance the land exchange.

In the event that NCC does not obtain Treasury Board Secretariat approval (does not satisfy the NCC Acquisition Condition), the City can still move forward with its acquisition. To acquire the lands for the Bank Street Renewal project the City will be required to pay the total amount of \$2,629,534.64 in the form of cash rather than with land.

License of Occupation

The NCC will grant the City a Temporary License of Occupation on the NCC Fee Simple Lands and the Watermain Easement Lands for the License Fee of One Dollar (\$1.00) to permit the City to proceed with the construction of the Project and other related works. This License will remain in force until the date of Closing when these Lands are conveyed to the City.

Upon the conveyance of the City Lands to the NCC, the NCC will grant the City a Post-Closing License of Occupation over the City Lands for the License Fee of One Dollar (\$1.00) to permit the City to complete the construction of the Project and other related works.

Summary

The Land Exchange Agreement is mutually beneficial to the City and the NCC. The NCC will assemble a development site in a prime location. The City will acquire land and easements needed for a major infrastructure project and receive a cash payment of \$735,695.76, the differential in land values being exchanged.

Recommendation 7 is to delegate authority to the Director, Housing Solutions, Real Estate and Investments, on behalf of the City, to enter into, conclude, execute, amend, supplement, implement, and take all steps required to close the transactions contemplated by the Agreement. This would include commencing the Road Closing, entering into the Temporary License of Occupation, the Post-Closing License of Occupation and all other ancillary agreements contemplated therein with the NCC, as described in this report.

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 and 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 to be used for the development of affordable housing elsewhere in the City.

In this case, the subject property is zoned AM8 - Arterial Mainstreet Zone and is within the terms of the Affordable Housing Land and Funding Policy. Therefore, 25 per cent of the net proceeds (\$183,923.94) from the sale will be set aside for future affordable housing.

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; Therefore, 25 per cent of the net proceeds (\$183,923.94) from the sale will be applicable in this case.

FINANCIAL IMPLICATIONS

The exchange represents revenue of \$735,695.76. The Affordable Housing Land and Funding Policy and the Parkland Acquisition and Funding Through Property Disposal Policy both apply to this sale. The net proceeds will be allocated to City-Wide Capital, and 25 per cent of the net proceeds will be transferred to the Affordable Housing Reserve Fund and 25 per cent to the Cash-in-Lieu of Parkland Reserve, subject to any proportionate adjustments at closing.

Each of the City and the NCC have approval conditions in their respective favours in the Land Exchange Agreement that relate to obtaining approval authority. The City Condition is on Council approval being satisfied on or before June 1, 2026. The NCC has two separate approval conditions: (1) a NCC Disposal Condition with respect to the

transfer of the NCC Fee Simple Lands and the Watermain Easement Lands to the City, which is to be satisfied (NCC Board) on or before May 1, 2026; and (2) a NCC Acquisition Condition with respect of the purchase of the City Lands from the City, which is to be satisfied on or before June 1, 2027 (Treasury Board Secretariat). The scope of these conditions can result in three separate scenarios:

1. All conditions are satisfied – In this circumstance the land exchange will proceed as contemplated and there are no financial risks
2. Either the NCC does not satisfy the NCC Disposal Condition by May 1, 2026, or the City does not satisfy the City Condition by June 1, 2026 – In this circumstance either party can terminate the entirety of the transaction and it will not proceed. This would require a redesign of the project to exclude the NCC lands at additional costs to be determined and delay to the City. The risk to this outcome is considered extremely low as both the City and the NCC are motivated to obtain their respective authorities as the land exchange is mutually beneficial.
3. The City satisfies the City Condition and NCC satisfies the NCC Disposal Condition but not the NCC Acquisition Condition in July 2027. The NCC acquisition of the City Lands will not occur. In this circumstance the City would have been using the NCC Fee Simple Lands and the Watermain Easement Lands under temporary Licenses of Occupation and would have completed most of its infrastructure work. The NCC is required to dispose of these lands for cash consideration rather than through an exchange of land. In this circumstance, funding for the property acquisition for the Bank Street Renewal Project, in the amount of \$2,629,534.64, is available within the current capital budget. The likelihood of the NCC not obtaining approval to acquire the City lands is considered extremely low.

LEGAL IMPLICATIONS

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

COMMENTS BY THE WARD COUNCILLORS

The subject properties are located in Wards 17 and 18. Councillor Menard, Ward 17; and Councillor Carr, Ward 18, are aware of the report.

ADVISORY COMMITTEE COMMENTS

There are no Advisory Committee Comments to be included in this report.

CONSULTATION

The planning phase of the project involved significant public consultation. The completion of the Bank Street Functional Design Study (December 2016), a Road Modification Approval (RMA) dated the 17th of July 2017 by the Councilors for Ward 16 (River), Ward 17 (Capital), and Ward 18 (Alta Vista) and three public meetings (October 2019, April 2021, and March 2023). The optimal Road design considered the impact of a Land Exchange Agreement, and this was selected as the preferred design.

In accordance with Council approved Disposal Policy the city owned properties were circulated in October 2023 to all City Departments and Ward Councilors to determine if they were required for continued City use or could support a mandated program.

Comments were received and the various departments and outside agencies (Enbridge Gas, Hydro Ottawa) were consulted. Assurance of continued access to the Water Pumping station was satisfied with relocated lane access. New traffic patterns created with the removal of the Riverside Drive Ramp were reviewed and approved by Transportation Planning. All comments received through the circulation have been addressed and satisfied.

ACCESSIBILITY IMPACTS

There are no accessibility impacts associated with the recommendation of this report.

ASSET MANAGEMENT IMPLICATIONS

There are no asset management implications for this report.

ENVIRONMENTAL IMPLICATIONS

The City's Environmental Remediation Unit (ERU) has completed environmental screening in support of acquiring the Subject Lands via the proposed land exchange for the Bank Street Reconstruction Project. 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. A qualified environmental consultant (Gemtec) was also retained to complete preliminary studies for the linear road construction project; including a Phase I ESA (2019), Phase II ESA (2020), an Assessment of Past Uses report (APU, 2023), a Soil Characterization Report (SCR, 2023) and a Materials Management Plan (MMP, 2023). Various areas of potential environmental concern (APECs) and areas of contamination are identified across the project area. The

construction project will need to address any contaminants found from the ESAs according to recommendations from the MMP, project-specific soil management plans and industry best management practices.

RISK MANAGEMENT IMPLICATIONS

The acquisition of the NCC Lands is required to complete the Bank Street Renewal Project. Failure to acquire these lands as recommended in this Report would require a redesign and would delay completion of the Bank Street Renewal Project.

RURAL IMPLICATIONS

All requirements are within the Urban Boundary of the City of Ottawa. The acquisition of property required for the Bank Street Renewal Project will not generate any rural implication.

TERM OF COUNCIL PRIORITIES

In July 2023, Council approved the 2023-2026 Term of Council Priorities. The Bank Street Renewal Project will assist in meeting the Council objectives to have a city that is more connected with reliable, safe, and accessible mobility options; more livable for all; and green and resilient.

SUPPORTING DOCUMENTATION

Schedule A – List of market value of NCC Lands and total compensation payable

Schedule B – List of market value of City Lands and total compensation payable

Schedule C – Property Sketches – City Lands

Schedule D – Property Sketches – NCC Lands

DISPOSITION

The NCC Board of Directors (NCC Board) is meeting on April 16, 2026, to consider the Land Exchange Agreement's Disposal Condition with respect to the transfer of the NCC Fee Simple Lands and the Watermain Easement Lands to the City.

Staff recommend that City Council consider this report at the meeting on April 8, 2026, to ensure that when the NCC Board meets on April 16, 2026, the City has obtained approval authority from City Council.

Following Council's approval, Legal Services and Realty Services staff will implement the

recommendations in this report.

SCHEDULE A: Valuation of NCC Lands**A-1 - NCC Lands (To be acquired by City)**

Address	Parcel / Sketch	Schedule	Area	Rate	Market Value	Less License Fee Paid	Total Compensation Payable
1352 Bank Street	parcels 1,2 PRP 22037-05-Rev02	D-1	57.2	\$274	\$15,672.80	\$0.00	\$15,672.80
1960 Riverside Drive	parcel 1, PRP 22037-22-Rev01	D-2	8.4	\$180	\$1,512.00	\$0.00	\$1,512.00
2193 Riverside Drive	parcel 1, PRP 22037-02A-Rev01	D-3	31.4	\$1,670	\$52,438.00	\$0.00	\$52,438.00
2209 Riverside Drive	parcels 1,4, PRP 22037-02B-Rev06	D-4	1041.4	\$1,884	\$1,961,997.60	\$5,934.60	\$1,956,063.00
2215 Riverside Drive	parcel 1, PRP 22037-25-Rev03	D-5	20.3	\$1,808	\$36,702.40	\$5,505.36	\$31,197.04
2221 Riverside Drive	parcel 1 on PRP 22037-06B-Rev02	D-6	650.5	\$274	\$178,237.00	\$0.00	\$178,237.00
2223 Riverside Drive	parcel 1 on PRP 22037-06C-Rev01	D-7	59.5	\$274	\$16,330.40	\$0.00	\$16,330.40
2300 Riverside Drive	parcel 1 on PRP 22037-20-Rev01	D-8	16.7	\$180	\$3,006.00	\$0.00	\$3,006.00
2303 Riverside Drive	parcel 1 on PRP 22037-24-Rev01	D-9	97.6	\$180	\$17,568.00	\$0.00	\$17,568.00
2301 Riverside Drive	parcel 1 on PRP 22037-06A-Rev02	D-10	9.5	\$1,808	\$17,176.00	\$0.00	\$17,176.00
City Purchase Price for NCC Fee Simple Rights: \$2,300,640.20						\$11,439.96	\$2,289,200.24

SCHEDULE A: Valuation of NCC Lands**A-2 - NCC Easement Parcels (To be acquired by City)**

Address	Parcel / Sketch	Schedule	Area	Rate	Discount	Market Value	Less License Fee Paid	Total Compensation Payable
2209 Riverside Drive	parcel 2 on PRP 22037-02B-Rev06	D-4	64.5	\$1,884	50%	\$60,759.00	\$18,227.70	\$42,531.30
2209 Riverside Drive	parcel 6 on PRP 22037-02B-Rev06	D-4	184.1	\$1,844	50%	\$173,422.20	\$52,026.66	\$121,395.54
2209 Riverside Drive	parcel 8 on PRP 22037-02B-Rev06	D-4	175.4	\$1,884	50%	\$165,226.80	\$49,568.04	\$115,658.76
2215 Riverside Drive	parcel 3 on PRP 22037-25-Rev03	D-5	96.0	\$1,808	50%	\$86,784.00	\$26,035.20	\$60,748.80
City Purchase Price for NCC Watermain Easement Rights: \$486,192.00							\$145,857.60	\$340,334.40

SCHEDULE B - Valuation of City Lands**City Lands (To be acquired by NCC)**

Address/PIN	Parcel / Sketch	Schedule	Area (m2)	Rate / m2	Market Value
PIN 04156-0237 (Ramp to be closed)	parcel 1 on 22037-27	B-1	1370.2	\$1,808	\$2,477,321.60
2213 Riverside Drive	parcel 1 on 22037-28Rev02	B-2	491.1	\$1,808	\$887,908.80
	NCC Purchase Price for City Lands				\$3,365,230.40

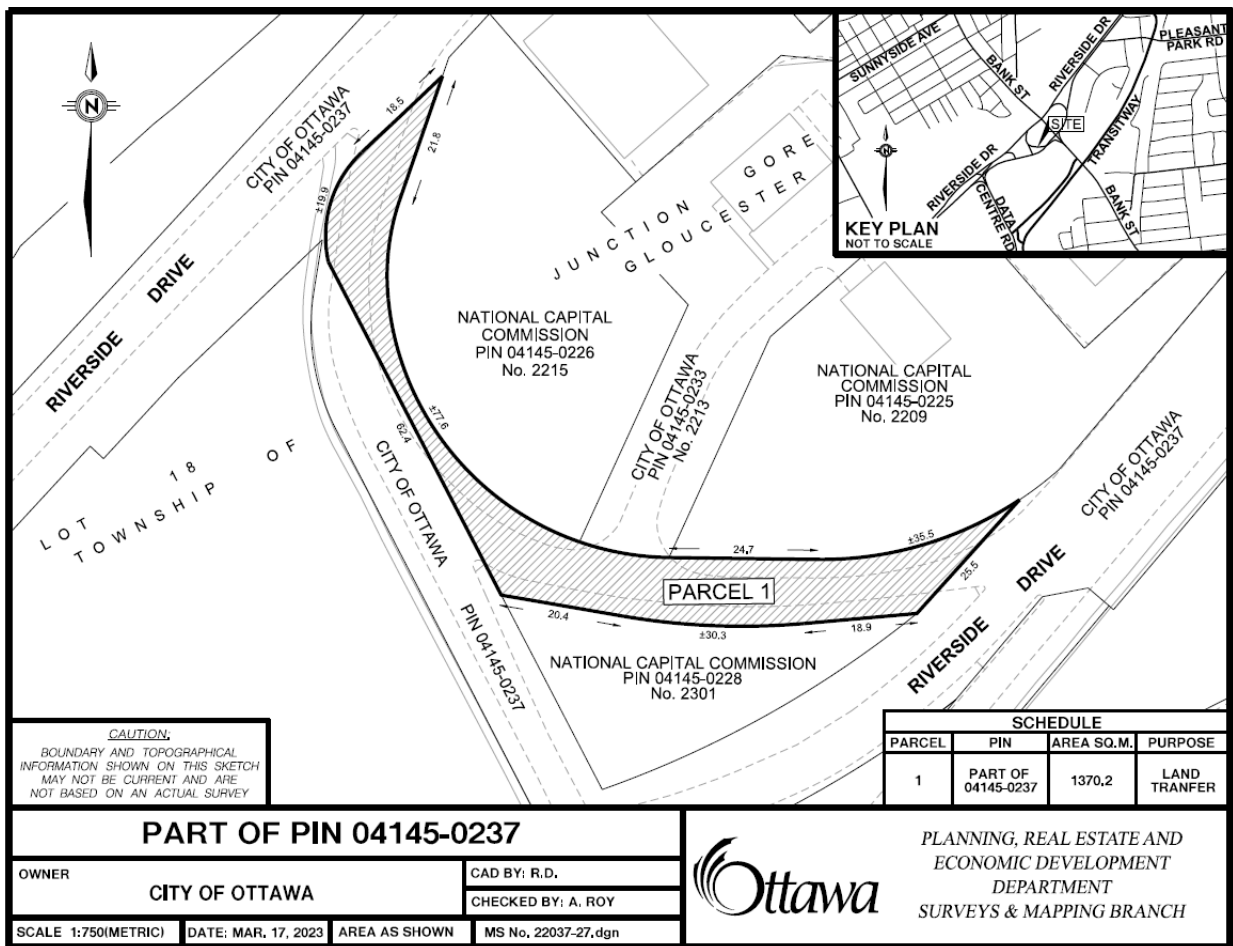
SCHEDULE C - CITY LANDS - C-1 – Ramp (Including right-of-way to be closed)

Property – Legal Description

Property Identification Number (PIN) 04145-0237

Legal Description: Firstly; Part of Lots 18 & 19, Concession Junction Gore, being a forced road known as Riverside Dr (formerly Bowesville Rd); Secondly; Part of Lots 18 & 19, Concession Junction Gore, as in OT74539 lying east of the northerly ext of the north corner of Part 110, Plan 5R-4720 and lying west of a line joining the northeast corner of Part 3, Plan 5R-4720 to the southeast corner of Part 10, Plan 5R-4720; Thirdly; Part of Lot 19, Concession Junction Gore, being Parts 37 & 40 on Plan OR-116 and Part 36 on Plan OR116 lying east of the northerly ext of the north corner of Part 110, Plan 5R-4720; in the former Township of Gloucester, now City of Ottawa.

Sketch



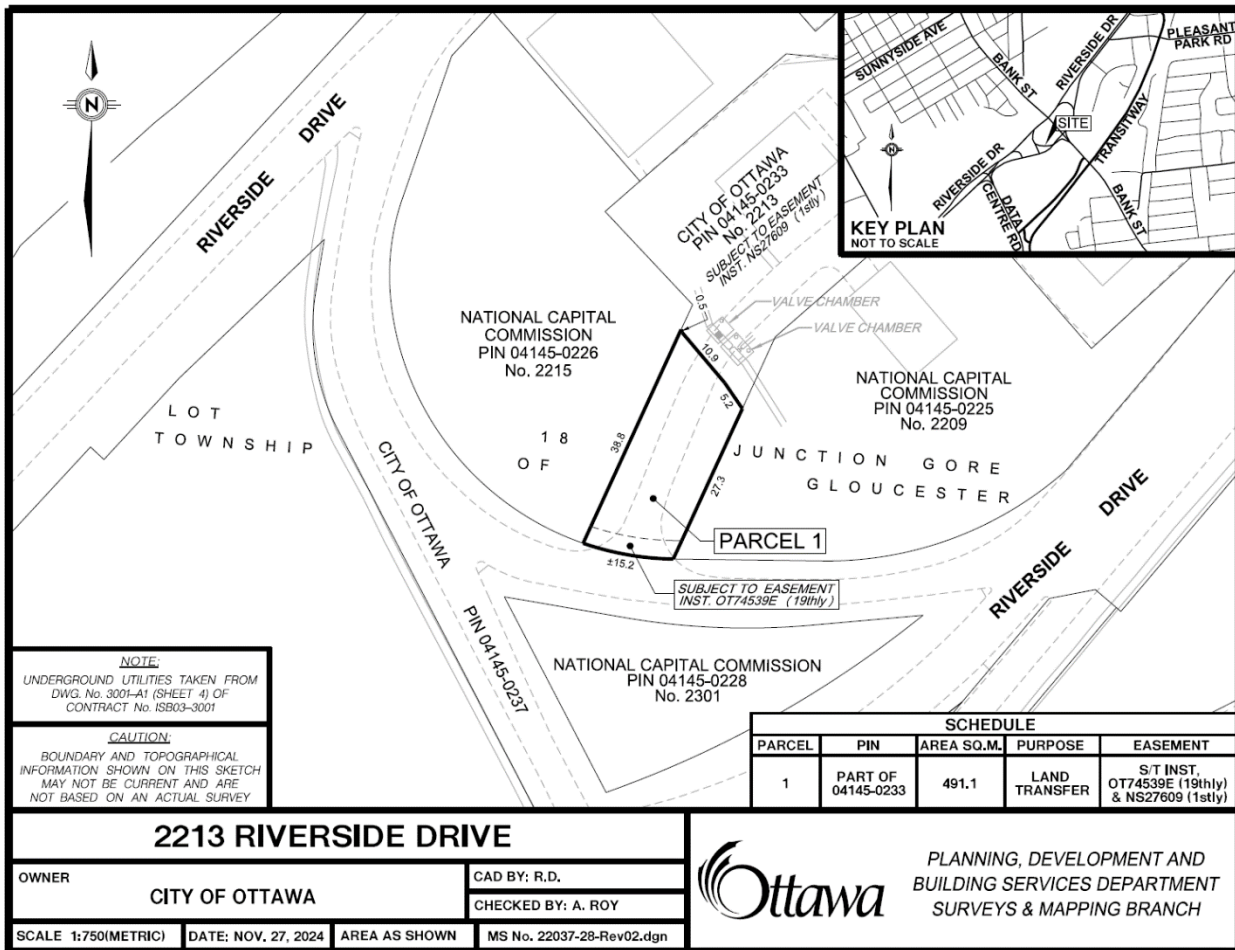
SCHEDULE C - CITY LANDS - C-2

Property – Legal Description

Property Identification Number (PIN) 04145-0233

Legal Description: Part of Lot 18, Concession Junction Gore, as in NS27609 subject to NS27609, subject to OT74539E, in the former Township of Gloucester, now City of Ottawa

Sketch




NOTE:
UNDERGROUND UTILITIES TAKEN FROM
DWG. No. 3001-A1 (SHEET 4) OF
CONTRACT No. ISB03-3001

CAUTION:
BOUNDARY AND TOPOGRAPHICAL
INFORMATION SHOWN ON THIS SKETCH
MAY NOT BE CURRENT AND ARE
NOT BASED ON AN ACTUAL SURVEY

SCHEDULE				
PARCEL	PIN	AREA SQ.M.	PURPOSE	EASEMENT
1	PART OF 04145-0233	491.1	LAND TRANSFER	S/T INST. OT74539E (19thly) & NS27609 (1stly)

2213 RIVERSIDE DRIVE

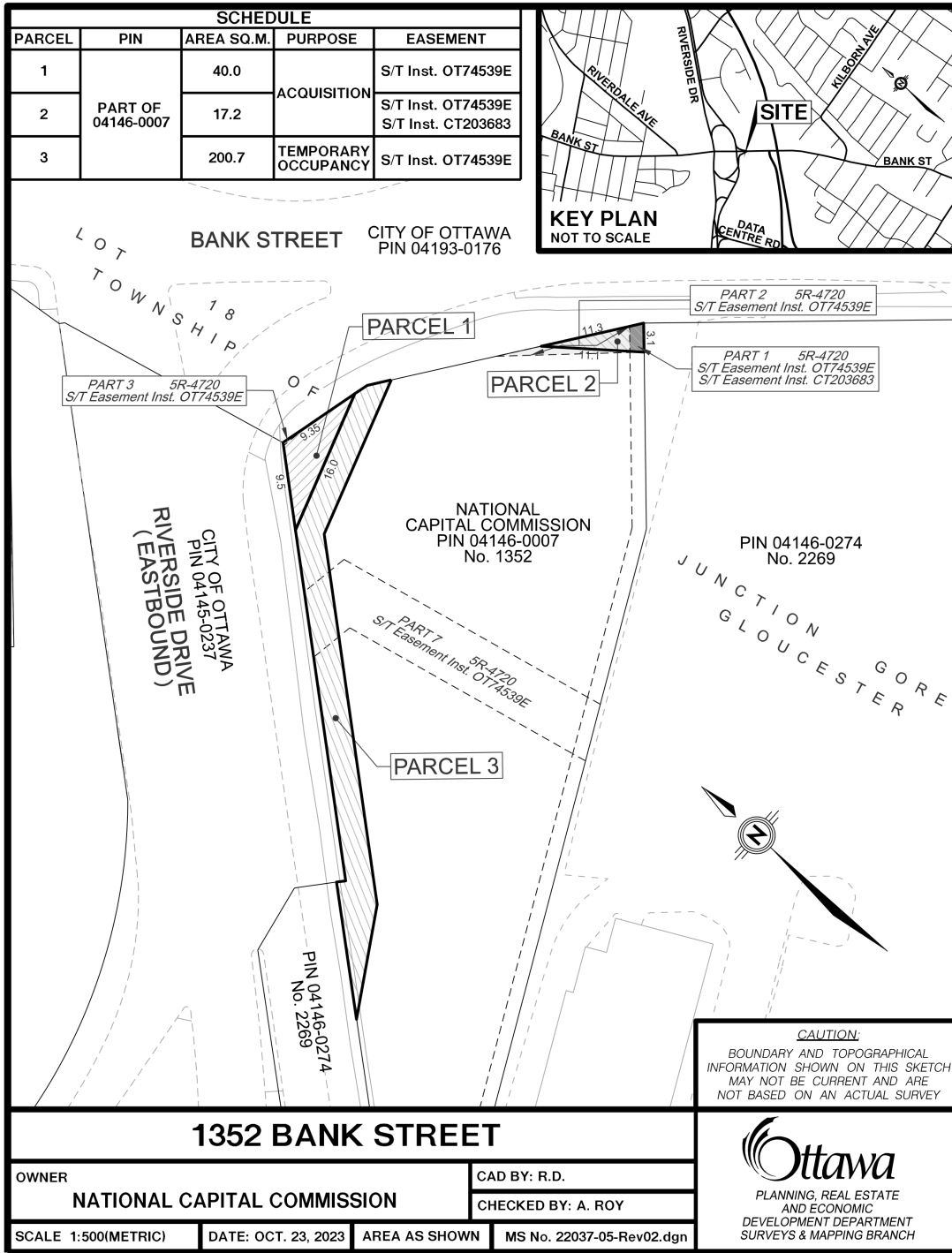
OWNER CITY OF OTTAWA	CAD BY: R.D.		
	CHECKED BY: A. ROY		
SCALE 1:750(METRIC)	DATE: NOV. 27, 2024	AREA AS SHOWN	MS No. 22037-28-Rev02.dgn

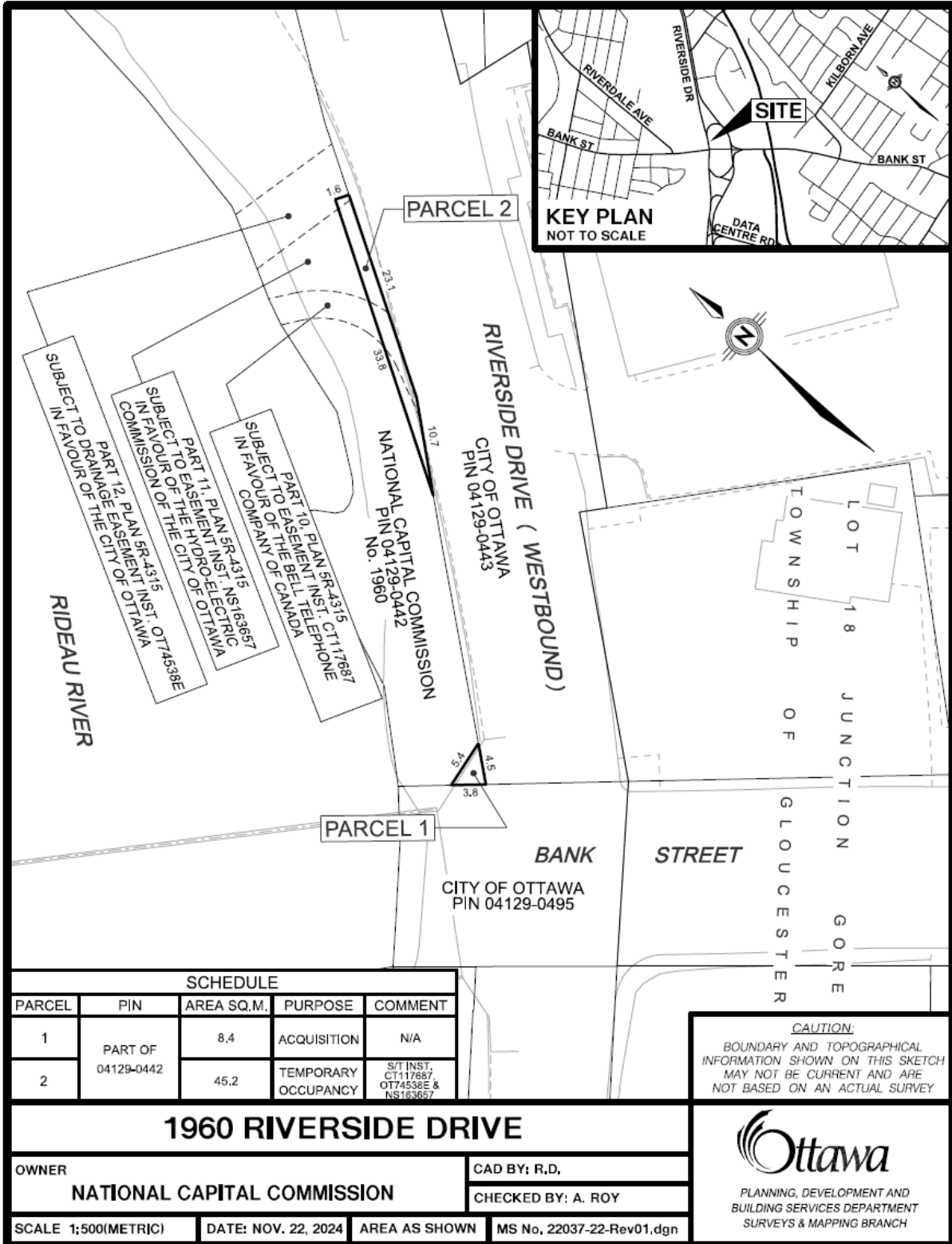


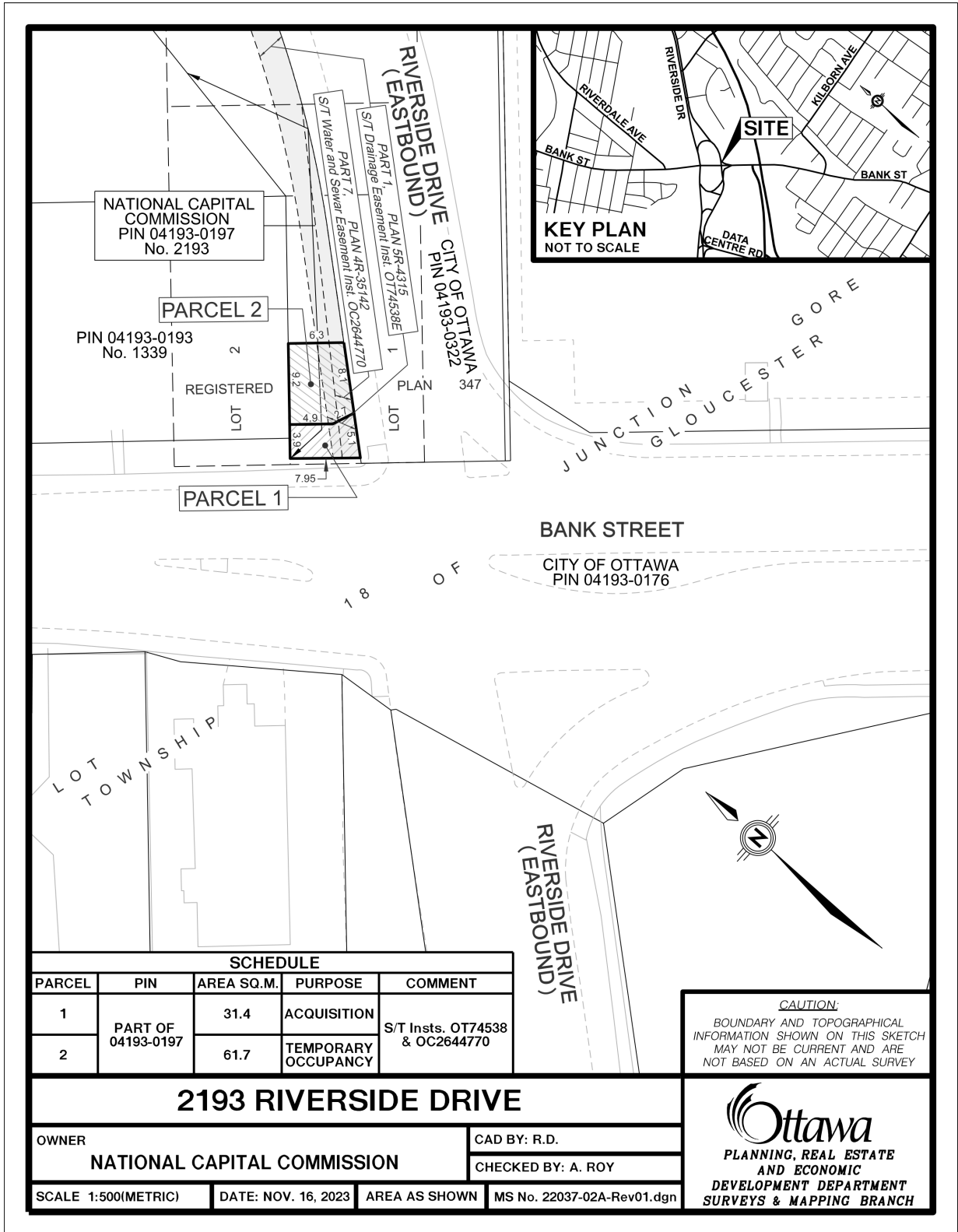
PLANNING, DEVELOPMENT AND
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SURVEYS & MAPPING BRANCH

SCHEDULE D - NCC LANDS SKETCHES

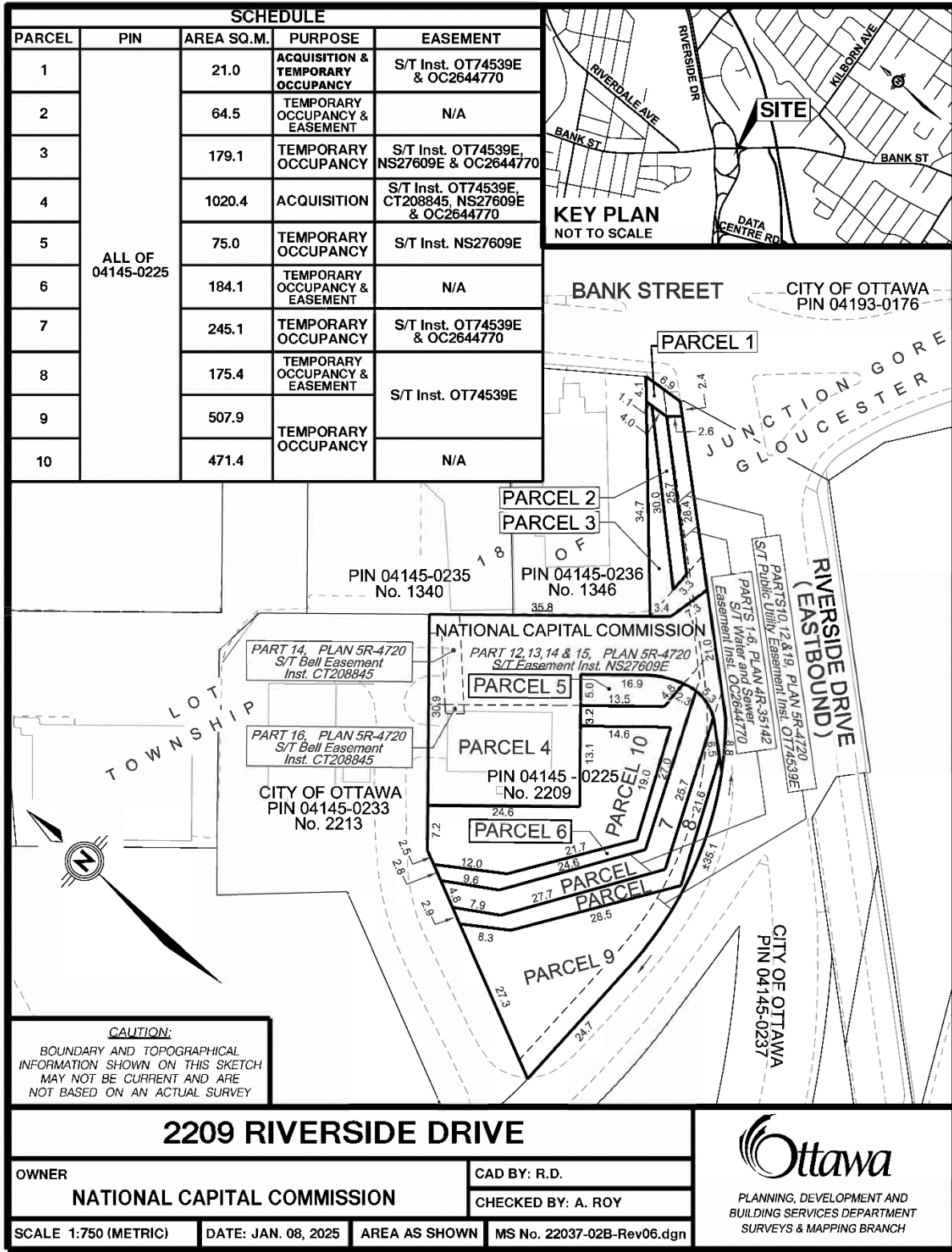
D-1



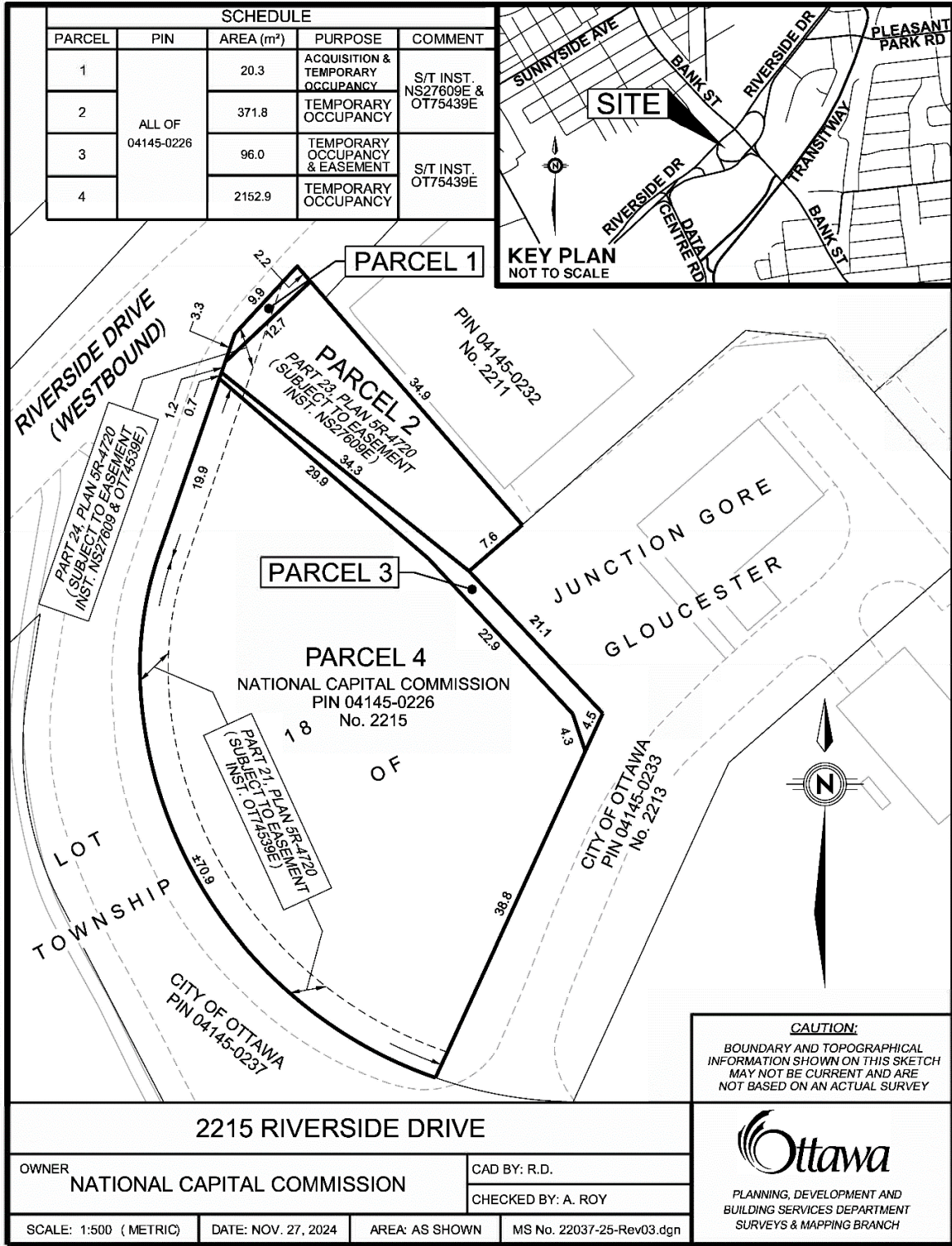


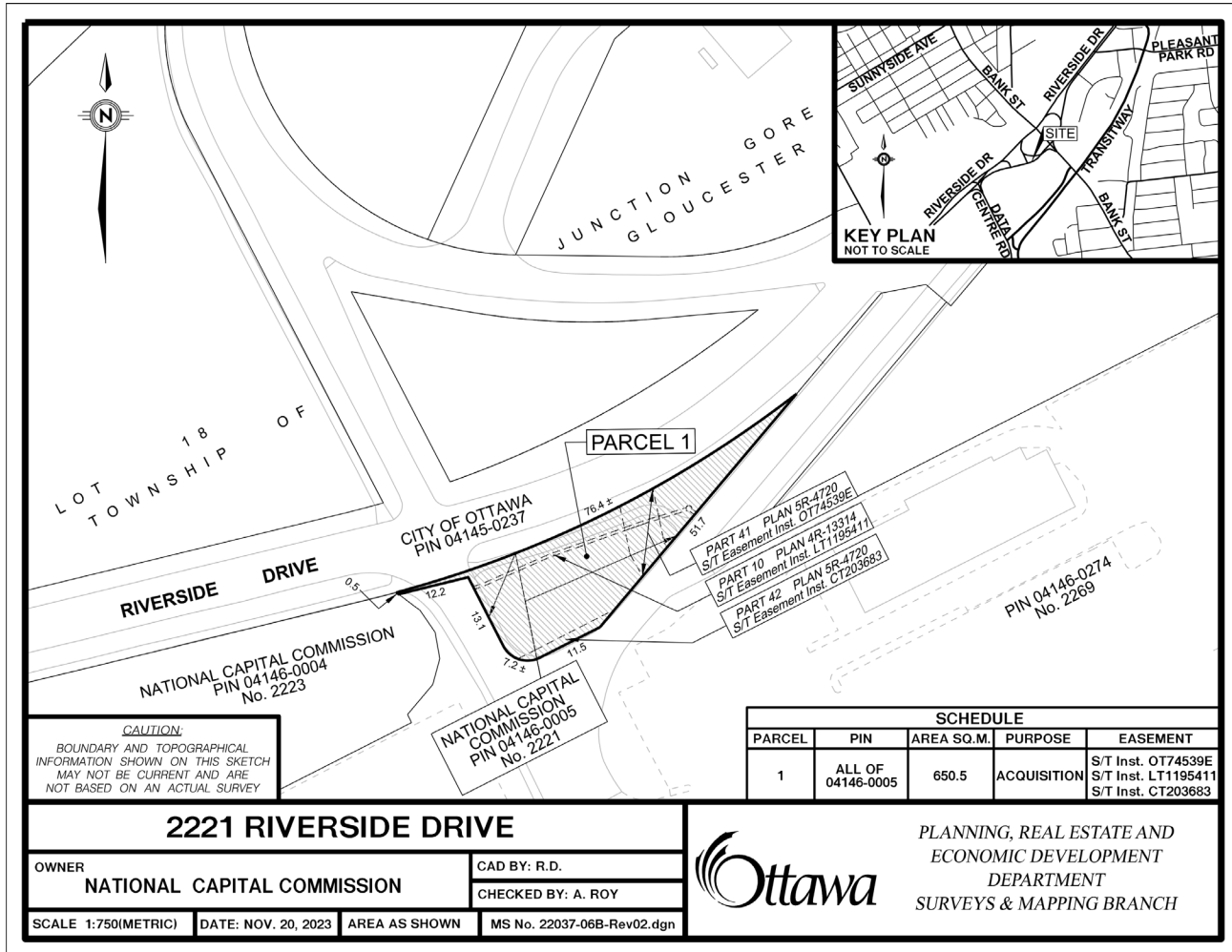


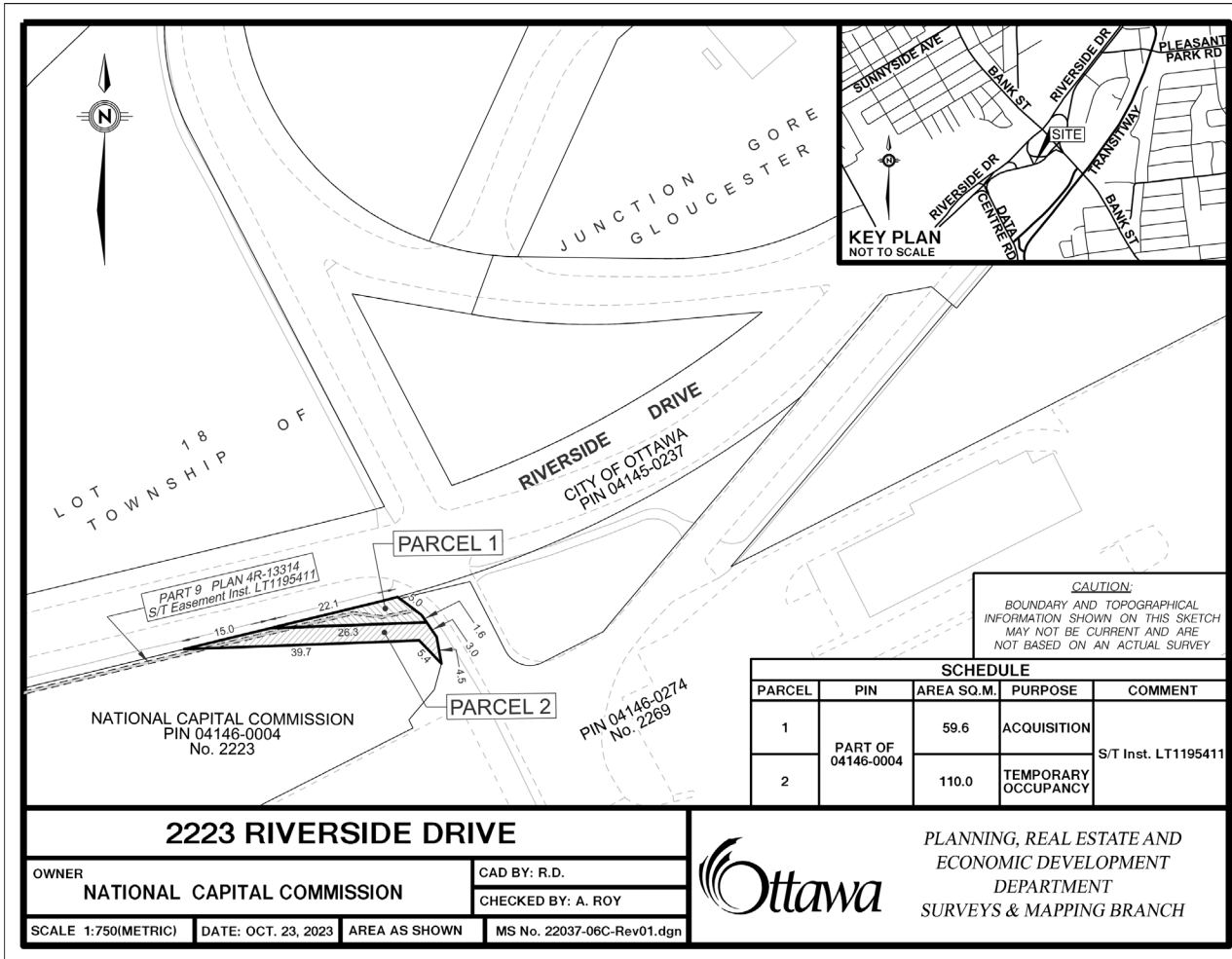
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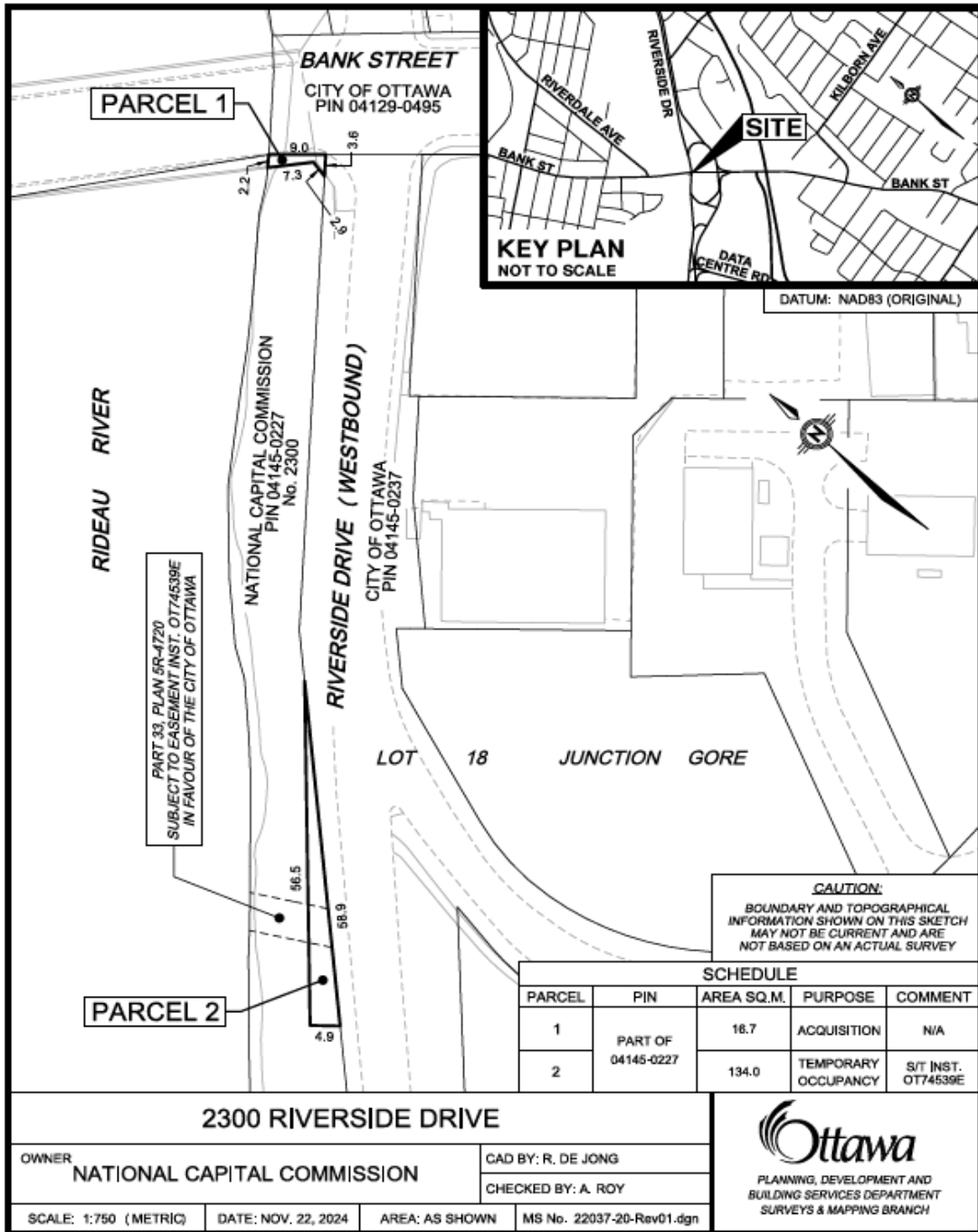


D-5









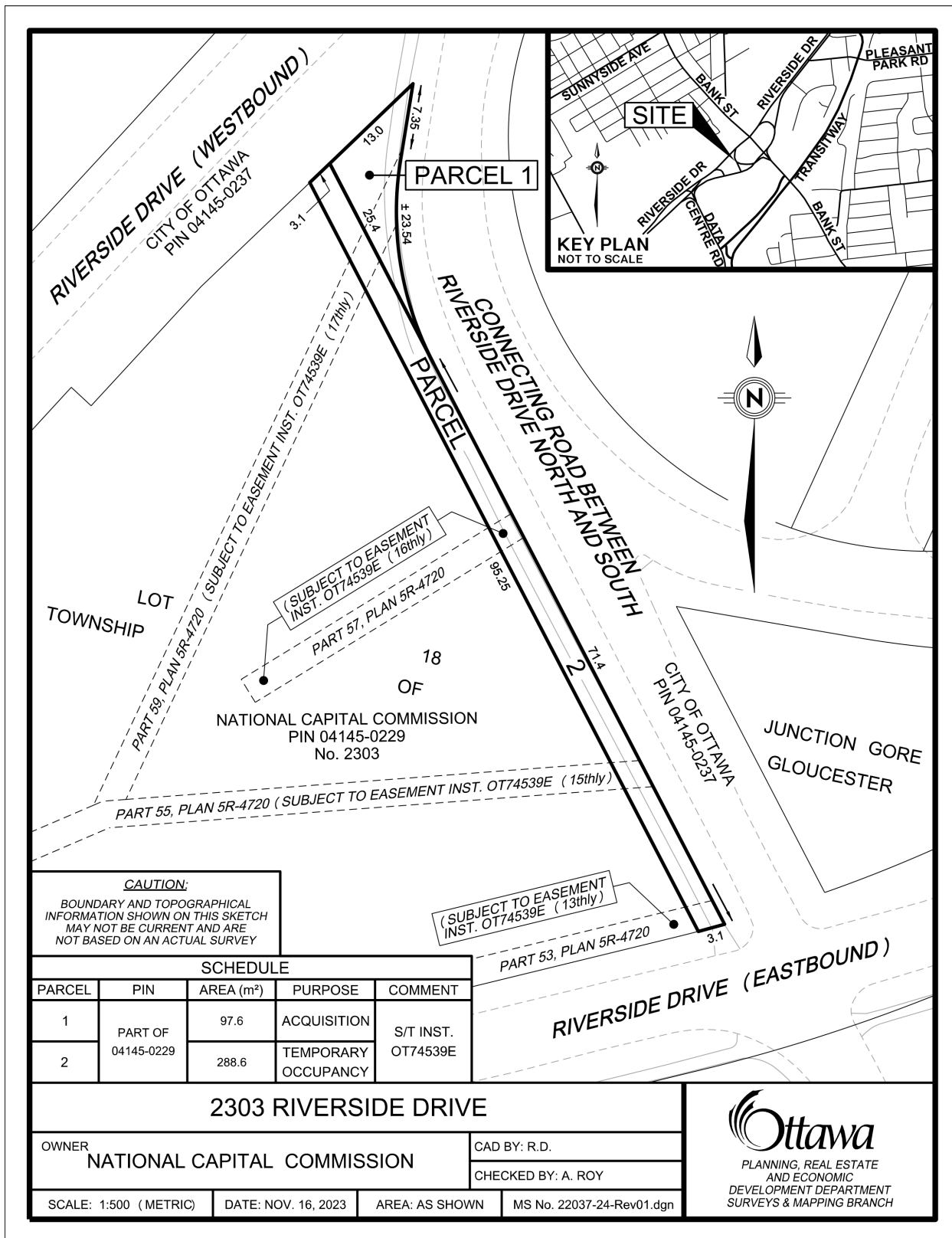
PART 33 PLAN SR-4720
SUBJECT TO EASEMENT INST. OT74539E
IN FAVOUR OF THE CITY OF OTTAWA

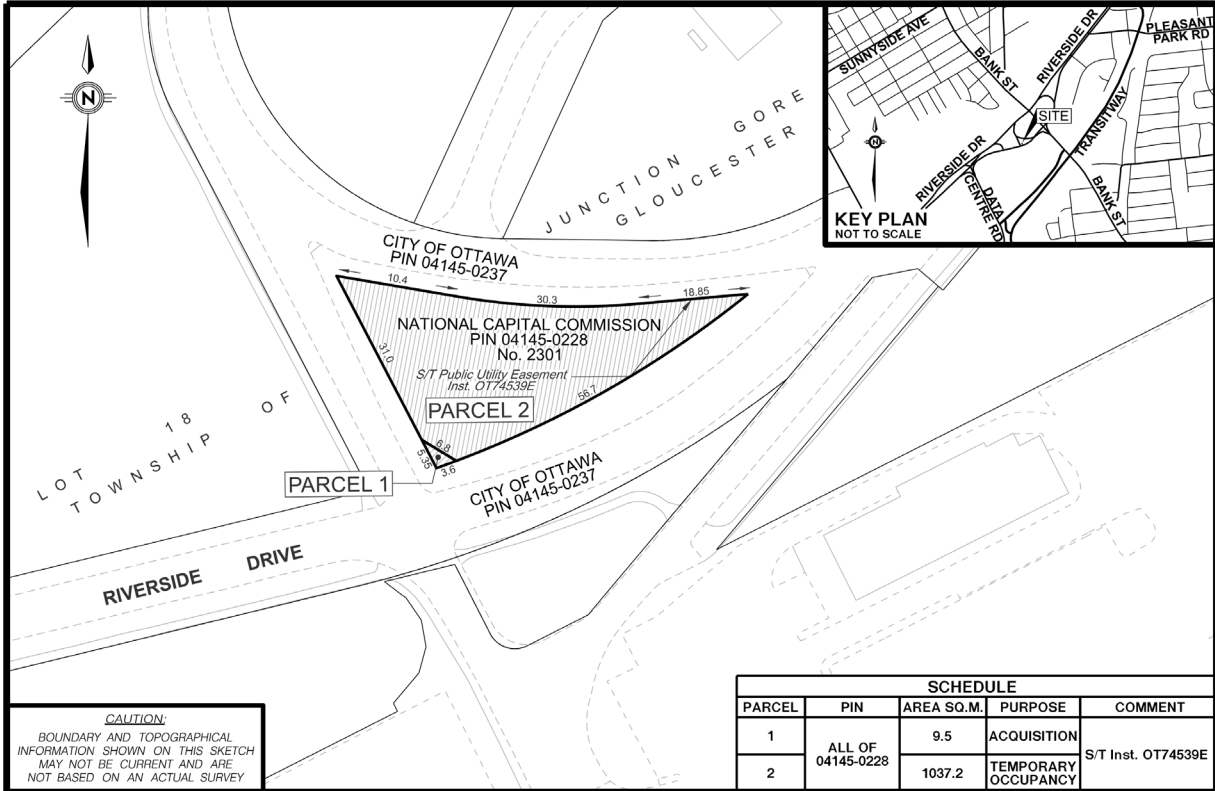
CAUTION:
BOUNDARY AND TOPOGRAPHICAL
INFORMATION SHOWN ON THIS SKETCH
MAY NOT BE CURRENT AND ARE
NOT BASED ON AN ACTUAL SURVEY

SCHEDULE				
PARCEL	PIN	AREA SQ.M.	PURPOSE	COMMENT
1	PART OF 04145-0227	18.7	ACQUISITION	N/A
2		134.0	TEMPORARY OCCUPANCY	S/T INST. OT74539E

2300 RIVERSIDE DRIVE				
OWNER NATIONAL CAPITAL COMMISSION		CAD BY: R. DE JONG		
		CHECKED BY: A. ROY		
SCALE: 1:750 (METRIC)	DATE: NOV. 22, 2024	AREA: AS SHOWN	MS No. 22037-20-Rev01.dgn	

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CAUTION:
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NOT BASED ON AN ACTUAL SURVEY

SCHEDULE				
PARCEL	PIN	AREA SQ.M.	PURPOSE	COMMENT
1	ALL OF 04145-0228	9.5	ACQUISITION	S/T Inst. OT74539E
2		1037.2	TEMPORARY OCCUPANCY	

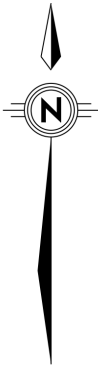
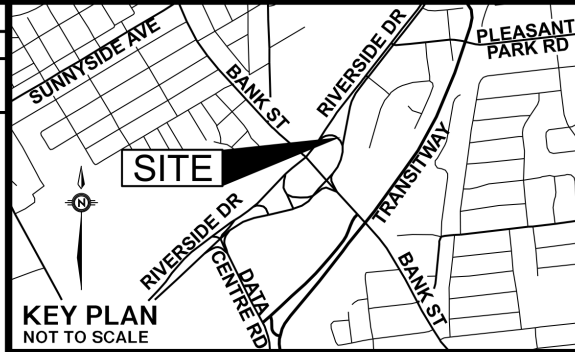
2301 RIVERSIDE DRIVE

OWNER		CAD BY: R.D.	
NATIONAL CAPITAL COMMISSION		CHECKED BY: A. ROY	
SCALE 1:750(METRIC)	DATE: NOV. 16, 2023	AREA AS SHOWN	MS No. 22037-06A-Rev02.dgn

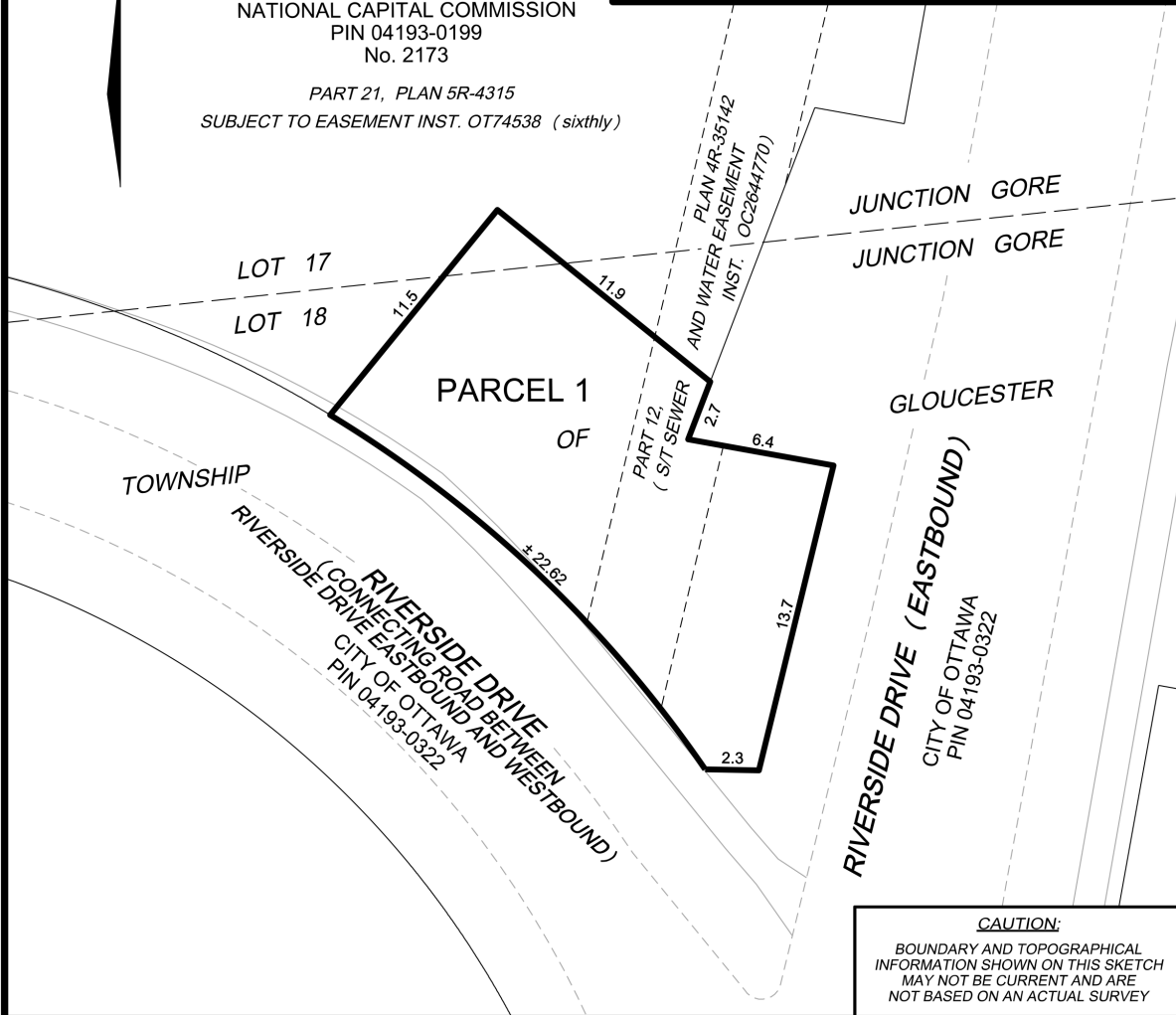


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ECONOMIC DEVELOPMENT
DEPARTMENT
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SCHEDULE				
PARCEL	PIN	AREA (m ²)	PURPOSE	COMMENT
1	PART OF 04193-0199	242.8	TEMPORARY OCCUPANCY	S/T INST. OT74538 & OC2644770



NATIONAL CAPITAL COMMISSION
 PIN 04193-0199
 No. 2173
 PART 21, PLAN 5R-4315
 SUBJECT TO EASEMENT INST. OT74538 (sixthly)



CAUTION:
 BOUNDARY AND TOPOGRAPHICAL
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 NOT BASED ON AN ACTUAL SURVEY

2173 RIVERSIDE DRIVE

OWNER
 NATIONAL CAPITAL COMMISSION

CAD BY: R.D.

CHECKED BY: A. ROY

SCALE: 1:250 (METRIC)

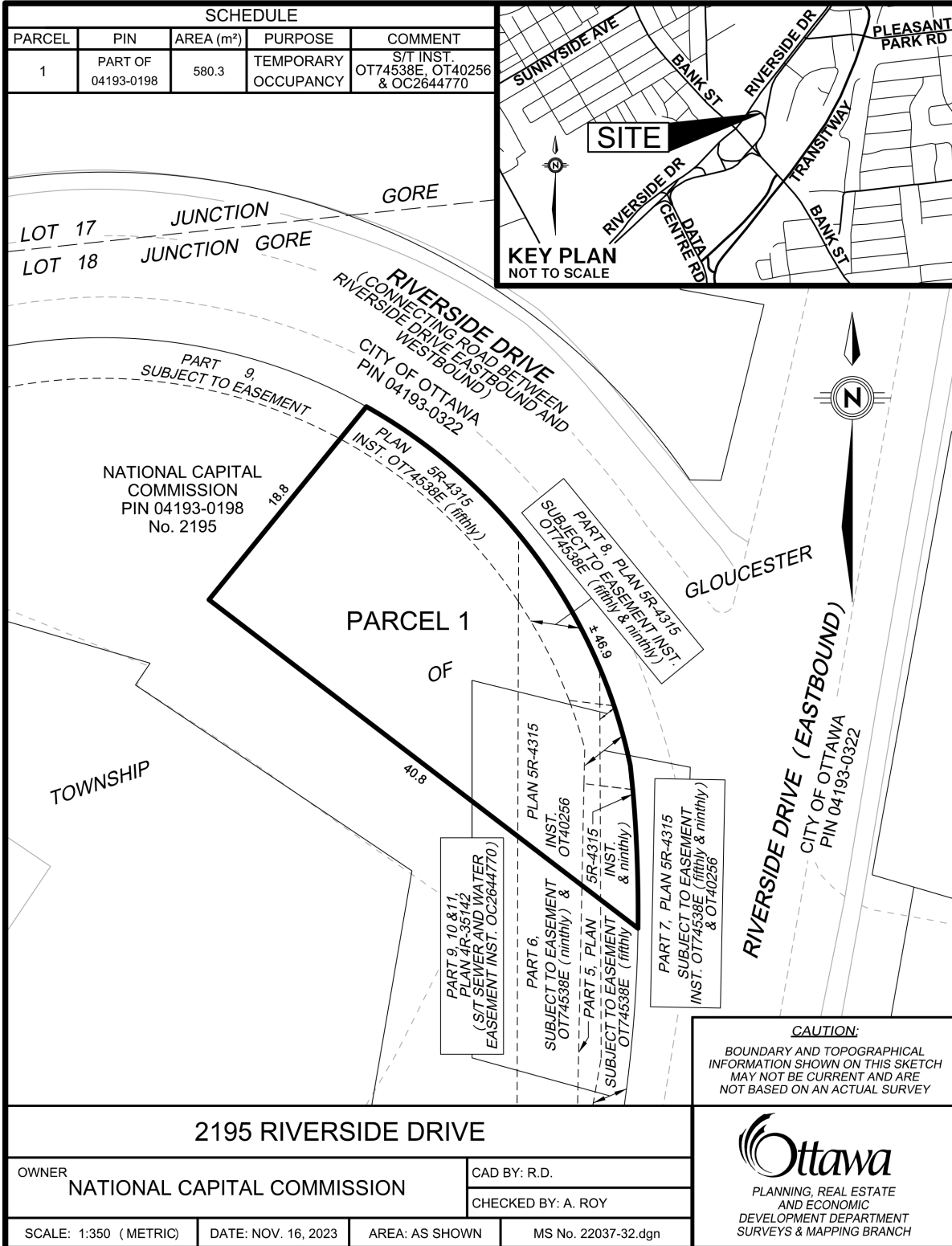
DATE: NOV. 16, 2023

AREA: AS SHOWN

22037-26.dgn



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 AND ECONOMIC
 DEVELOPMENT DEPARTMENT
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2195 RIVERSIDE DRIVE

OWNER
NATIONAL CAPITAL COMMISSION

CAD BY: R.D.

CHECKED BY: A. ROY

SCALE: 1:350 (METRIC)

DATE: NOV. 16, 2023

AREA: AS SHOWN

MS No. 22037-32.dgn

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AND ECONOMIC
DEVELOPMENT DEPARTMENT
SURVEYS & MAPPING BRANCH

