

Report to/Rapport au :
Transportation Committee
Comité des transports
and Council / et au Conseil

June 21, 2012
21 juin 2012

Submitted by/Soumis par : Nancy Schepers, Deputy City Manager/Directrice municipale adjointe, Planning and Infrastructure / Urbanisme et Infrastructure

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Kanata North /Nord (4)

Ref N°: ACS2012-PAI-REP-0019

SUBJECT: PROPERTY ACQUISITION – 5025 INNOVATION DRIVE – NORTHTECH LAND DEVELOPMENT INC.

OBJET : ACQUISITION DE TERRAIN – 5025, PROMENADE INNOVATION – NORTHTECH LAND DEVELOPMENT INC.

REPORT RECOMMENDATIONS

That Transportation Committee recommend Council approve:

- 1) The fee simple acquisition of a vacant parcel of land required for a Park and Ride facility consisting of approximately 4.91 hectares (12.1285 acres) owned by Northtech Land Development Inc., described as Part of Block 4, Registered Plan 4M-1104, geographic Township of March, City of Ottawa, shown as Parcels 1 and 2 on attached Document 1, for the consideration of \$5,700,000, plus applicable taxes related to the transaction subject to final survey and adjustments on closing;**
- 2) A three (3) year option to purchase back part of the lands as outlined in Recommendation 1, to Northtech Land Development Inc., as set forth in the Discussion section of this report;**
- 3) Should Northtech Land Development Inc. exercise its proposed option to purchase back land as provided for in Recommendation 2, all monies from the sale should be credit back into the appropriate Park and Ride account.**

RECOMMANDATIONS DU RAPPORT

Que le Comité des transports recommande au Conseil d'approuver :

- 1) l'acquisition en fief simple d'une parcelle vacante d'une superficie approximative de 4,91 hectares (12,1285 acres) appartenant à Northtech Land Development Inc. pour l'aménagement d'un parc de stationnement pour le transport en commun. La propriété est décrite comme faisant partie du bloc 4 du plan enregistré 4M-1104, canton géographique de March, ville d'Ottawa, composée des parcelles 1 et 2 selon le document 1 ci-joint, moyennant une contrepartie de 5 700 000 \$, taxes en sus, sous réserve de l'arpentage final et de rectifications à la signature;**
- 2) une option de rachat d'une durée de trois (3) ans d'une partie des terrains cités dans la recommandation 1 à Northtech Land Development Inc. comme expliqué dans la section discussion de ce rapport;**
- 3) que, si Northtech Land Development Inc. se prévaut de l'option de rachat proposée, telle qu'elle est décrite dans la recommandation 2, tous les produits de la vente soient portés au compte approprié du parc-o-bus.**

BACKGROUND

The Transportation Master Plan (TMP) and Official Plan (OP) both indicate a new Park and Ride lot is needed to serve Kanata North in the March Road corridor along a future Bus Rapid Transit extension. The OP has a specific note that states that "Locations shown are approximate for many of the not yet built future transit stations, Park and Ride lots and potential rail yards."

As part of the TMP update, a background study was undertaken producing the policy document "Park and Ride Facilities for Ottawa - Part 2: Identification of Need, Evaluation and Implementation of Lots." The study looked at demand for Park and Ride lots for urban communities outside of the Greenbelt. For Kanata North, two (2) general site areas were identified: a preferred location along March Road near the Terry Fox Drive intersection and an alternative site also long March Road near the Old Carp Road intersection. The Transit Services Department, the Realty Services Branch and Planning and Growth Management Department, Transportation Planning Branch, have been recently working to identify a property at a central location and funding to permit an advance purchase.

Lack of suitably sized sites and pricing have lead to the expansion of the search area for the southern Park and Ride lot and the resulting identification of the Innovation Drive site as being a suitable candidate. Although not directly on March Road, the site is about six hundred and fifty (650) metres to the west. Transit Services have indicated that the location is suitable for their needs to serve both local residents and providing bus service to employment lands south Terry Fox Drive. The twelve (12) acre site could accommodate a bus facility and approximately 1,000 stalls.

As noted under the Consultation section, a Highway 417/Eagleson Road to Old Carp Road Environmental Assessment Study (EA) is being completed and preliminary results have identified candidate Park and Ride locations as the Innovation Road site and one further to the north in the area of Old Carp Road. The City would in the long term plan have need for both sites to serve the growing communities, including expansion lands from OPA #76. Due however to the timing of this land purchase, public consultation on the location at Innovation Drive of this Park and Ride would only be known for the first time as part of the June 26th, Public Open House 3 for the EA.

DISCUSSION

The site is positioned at the northerly entrance to the NorthTech campus of the Kanata North Business Park. It is situated approximately six hundred and fifty (650) metres west of March Road and is currently serviced by OC Transpo. The site is irregular in shape, however, does provide for a large rectangular development area. The site is encumbered by a hydro easement on approximately 1.44 hectares (3.565 acres). Parking, storm water management and landscaping features can be accommodated within the hydro corridor. The site is adjacent to existing pathway connections within the Trillium Woods natural environment area and also adjacent to a site purchased by the City in 2009 for construction of the Kanata North Recreation Complex. The site is fully serviced including an oversized sidewalk along Innovation Drive. The proposed Park and Ride use is easily accessible to existing and future residential uses, and is considered to be compatible with the predominantly daytime office uses that exist today within the business park as well as the recreational uses of the adjacent Trillium Woods and the Kanata North Recreation Complex which is currently under construction and expected to be open by fall, 2013. After hours use of parking spaces at the park and ride facility could supplement those of the Kanata North Recreation Complex.

At the request of the Planning and Growth Management Department, Transportation Planning Branch, negotiations with Northtech Land Development Inc. were undertaken to acquire a 4.91 hectares (12.1285 acres) parcel of vacant land located at the southwest corner of Terry Fox Drive and Innovation Drive and shown as Parcels 1 and 2 on the attached Document 1. The parcel is currently designated General Urban Area in the City's Official Plan and zoned General Industrial.

Independent appraisals completed on behalf of the City and Northtech Land Development Inc., each concluded that the highest and best use of the site was for a mixed use development with residential, office and retail components. The appraisal completed on behalf of the City resulted in an estimated market value of \$5,525,000 (blended rate of \$455,539/acre), whereas the appraisal completed on behalf of Northtech Land Development Inc. resulted in an estimated market value of \$5,980,000 (blended rate of \$493,054/acre). Negotiations resulted in a settlement being reached at \$5,700,000 (blended rate of \$469,967/acre) subject to final survey and adjustments on closing for the 4.91 hectares (12.1285 acres) site.

As a condition of the acquisition agreement of the site for a Park and Ride Facility, Northtech Land Development Inc. requested an irrevocable option to purchase all or any portion of up to 0.81 hectares (2.0 acres) of land located within the area at the north east corner of the site as indicated on Document 2 for future commercial retail development. It is understood that the final location, size and configuration of the option lands will be determined at the time the option is exercised.

The option to purchase is for a duration of three (3) years with a consideration (i) during the first twenty-four (24) months of the option period, based on \$600,000 per acre, subject to final survey and adjustments on closing, and (ii) during final months twenty-five to thirty-six (25 to 36) of the option period, based on \$600,000 per acre, subject to final survey and adjustments on closing, plus an amount equal to the estimated prorated monthly share of lost tax revenue to the City of Ottawa.

The option price of \$600,000 per acre agreed to is based on the upper end of the value range for the retail component estimated in the two (2) independent appraisals completed for the valuation of the subject lands.

This acquisition and option to purchase is recommended for approval.

RURAL IMPLICATIONS

The proposed Park and Ride facility would accommodate transit users from both urban North Kanata ward and rural West Carleton-March ward.

CONSULTATION

The 2008 Transportation Master Plan and Official Plan (OPA #76) update included extensive consultation. Both plans indicate the need for a Park and Ride to serve Kanata North with it being shown along March Road.

The City is currently working on the West Transitway Connections with the segment for Kanata North called the Highway 417/Eagleson Road to Old Carp Road Environmental Assessment Study. A third Public Open House for this EA will be held on June 26th. As part of the EA public consultation there will be a presentation on the maps of likely at least two possible candidate sites for Park and Ride lots that being the current Innovation Drive site and one at the north end of the Transitway corridor nearer to Old Carp Road.

COMMENTS BY THE WARD COUNCILLOR(S)

The subject property is located in Ward 4. The Ward Councillor, Marianne Wilkinson, has received a copy of this report and is in support of the staff recommendations therein.

LEGAL IMPLICATIONS

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

RISK MANAGEMENT IMPLICATIONS

There are no Risk Management impediments to the implementation of this report's recommendations.

FINANCIAL IMPLICATIONS

The funds required for the acquisition of the land are available under 905190 (Transit Corridor Protection 2009) and 906429 (2012 Park and Ride Facilities).

ACCESSIBILITY IMPACTS

The construction of a future Park and Ride lot that will follow from this land acquisition will meet accessibility requirements.

ENVIRONMENTAL IMPLICATIONS

The acquisition of this property is conditional on a Phase 1 Environmental Site Assessment Report being completed to the satisfaction of the City.

TECHNOLOGY IMPLICATIONS

There are no technical implications to implementing the recommendations in this report.

TERM OF COUNCIL PRIORITIES

This land purchase would be supportive of the following Term of Council Priorities:

- TM1 - Ensure sustainable transit services;
- TM3 - Provide infrastructure to support mobility choices;
- TM4 - Promote alternative mobility choices.

SUPPORTING DOCUMENTATION

Document 1: Northtech Land Development Inc. lands to be conveyed to the City

Document 2: Lands subject to Option to Purchase by Northtech Land Development Inc. after completion of Recommendation 1

DISPOSITION

Following Council's approval, the Real Estate Partnerships and Development Office and Legal Services Branch will finalize this transaction.



