

**7. ACQUISITION OF THE STONEBRIDGE GOLF COURSE THROUGH THE
INTRODUCTION OF A SPECIAL AREA LEVY**

**ACQUISITION DU TERRAIN DE GOLF DE STONEBRIDGE APRÈS LA MISE
EN PLACE D'UN PRÉLÈVEMENT PROPRE AU SECTEUR**

COMMITTEE RECOMMENDATIONS, AS AMENDED

That Council;

- 1. Approve a special area levy in the Stonebridge Community for the purchase of the Stonebridge Golf Course from the owner, Mattamy Homes.**
- 2. Direct the Deputy City Treasurer, Revenue and Deputy City Treasurer, Corporate Finance to administer the special levy for the amount of \$7,000,000 from 2021 through 2029, for the area identified in Document 2.**
- 3. Approve the City's acquisition of the Stonebridge Golf Course through the use of funds collected from the special area levy and delegate authority to the General Manager of Planning, Infrastructure and Economic Development Department to finalize and execute a Tri-Partite Purchase and Sale Agreement in the general form attached as Document 3, in accordance with the terms and conditions detailed in this report.**
- 4. Approve the execution of an agreement between the City and the Stonebridge Community Association governing the use of the subject lands and delegate authority to the General Manager of Planning, Infrastructure and Economic Development Department to finalize and execute the Stonebridge Community Association Agreement in the general form attached as Document 4, in accordance with the terms and conditions detailed in this report.**

RECOMMANDATIONS DU COMITÉ, TELLES QUE MODIFIÉES

Que le Conseil :

1. **Approuve un prélèvement spécial propre au secteur dans la collectivité de Stonebridge, en vue d'acheter le terrain de golf de Stonebridge de son propriétaire actuel, Mattamy Homes.**
2. **Enjoint à la trésorier municipal adjointe, Recettes, et trésorière municipale adjointe, Finances municipales d'assurer la gestion du prélèvement spécial visant le secteur indiqué au document 2, pour un montant de 7 000 000 \$ de 2021 à 2029.**
3. **Approuve l'acquisition par la Ville du terrain de golf de Stonebridge à l'aide de fonds provenant du prélèvement spécial propre au secteur, et déléguer au directeur général de Planification, Infrastructure et Développement économique le pouvoir de conclure et de signer une entente tripartite d'achat et de vente dans la forme générale jointe en tant que document 3, conformément aux modalités décrites dans le présent rapport.**
4. **Approuve la conclusion entre la Ville et l'Association communautaire de Stonebridge d'une entente régissant l'utilisation du terrain visé, et déléguer au directeur général de Planification, Infrastructure et Développement économique le pouvoir de conclure et de signer l'entente avec l'Association communautaire de Stonebridge dans la forme générale jointe en tant que document 4, conformément aux modalités décrites dans le présent rapport.**

DOCUMENTATION/DOCUMENTATION

1. Director's report, Corporate Real Estate Office, Planning, Infrastructure and Economic Development dated 25 September 2020 (ACS2020-PIE-CRO-0014).

Rapport du Directeur, Bureau des biens immobiliers municipal, Services de la planification, de l'infrastructure et du développement économique daté le 25 septembre 2020 (ACS2020-PIE-CRO-0014).

2. Extract of draft Minutes, Finance and Economic Development Committee, 6 October 2020

Extrait de l'ébauche du procès-verbal, Comité des finances et du développement économique, le 6 octobre 2020

**Report to
Rapport au:**

**Finance and Economic Development Committee / Comité des finances et du
développement économique
October 6, 2020 / 6 octobre 2020**

**and Council / et au Conseil
October 14, 2020 / 14 octobre 2020**

**Submitted on September 25, 2020
Soumis le 25 septembre 2020**

**Submitted by
Soumis par:
Derrick Moodie
Director / Directeur**

**Corporate Real Estate Office / Bureau des biens immobiliers municipal, Planning,
Infrastructure and Economic Development / Services de la planification, de
l'infrastructure et du développement économique**

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Ward: BARRHAVEN (3),

File Number: ACS2020-PIE-CRO-0014

**RIDEAU-GOULBOURN (21),
GLOUCESTER-SOUTH NEPEAN (22) /
GLOUCESTER-NEPEAN SUD (22)**

SUBJECT: Acquisition of the Stonebridge Golf Course through the introduction of a Special Area Levy

OBJET: Acquisition du terrain de golf de Stonebridge après la mise en place d'un prélèvement propre au secteur

REPORT RECOMMENDATIONS

That the Finance and Economic Development Committee recommend Council;

- 1. Approve a special area levy in the Stonebridge Community for the purchase of the Stonebridge Golf Course from the owner, Mattamy Homes.**
- 2. Direct the Chief Financial Officer to administer the special levy for the amount of \$7,000,000 from 2021 through 2029, for the area identified in Document 2.**
- 3. Approve the City's acquisition of the Stonebridge Golf Course through the use of funds collected from the special area levy and delegate authority to the General Manager of Planning, Infrastructure and Economic Development Department to finalize and execute a Tri-Partite Purchase and Sale Agreement in the general form attached as Document 3, in accordance with the terms and conditions detailed in this report.**
- 4. Approve the execution of an agreement between the City and the Stonebridge Community Association governing the use of the subject lands and delegate authority to the General Manager of Planning, Infrastructure and Economic Development Department to finalize and execute the Stonebridge Community Association Agreement in the general form attached as Document 4, in accordance with the terms and conditions detailed in this report.**

RECOMMANDATIONS DU RAPPORT

Que le Comité des finances et du développement économique recommande ce qui suit au Conseil :

- 1. Approuver un prélèvement spécial propre au secteur dans la collectivité de Stonebridge, en vue d'acheter le terrain de golf de Stonebridge de son propriétaire actuel, Mattamy Homes.**
- 2. Enjoindre à la cheffe des finances d'assurer la gestion du prélèvement spécial visant le secteur indiqué au document 2, pour un montant de 7 000 000 \$ de 2021 à 2029.**

- 3. Approuver l'acquisition par la Ville du terrain de golf de Stonebridge à l'aide de fonds provenant du prélèvement spécial propre au secteur, et déléguer au directeur général de Planification, Infrastructure et Développement économique le pouvoir de conclure et de signer une entente tripartite d'achat et de vente dans la forme générale jointe en tant que document 3, conformément aux modalités décrites dans le présent rapport.**
- 4. Approuver la conclusion entre la Ville et l'Association communautaire de Stonebridge d'une entente régissant l'utilisation du terrain visé, et déléguer au directeur général de Planification, Infrastructure et Développement économique le pouvoir de conclure et de signer l'entente avec l'Association communautaire de Stonebridge dans la forme générale jointe en tant que document 4, conformément aux modalités décrites dans le présent rapport.**

BACKGROUND

Stonebridge Golf Course is a 5,944-metre (6,500 yards) championship golf course meandering through the residential community of Stonebridge in the southern part of Barrhaven. The land is comprised of all or part of 18 Property Identification Numbers (PINs), listed on Document 1 attached. The golf course lands are bordered by Riverstone Drive to the north, the Jock River and Golflinks Drive to the east, Kilbirnie Drive to the south and Greenbank Road and Kilbirnie Drive to the west.

The course is owned by Mattamy (Monarch) Limited who has recently indicated a desire to develop a portion of these lands with an additional 183 residential units. This will require an application for a Plan of Subdivision and a Zoning By-law amendment and is known as "Mattamy's Phase 16 Development Application" on part of PIN 04591-2115. This proposed development will be analogous to the planning rationale prepared by the owner's planning consultant, dated June 21, 2018. A formal application was submitted to the City on May 4, 2020.

After the announcement of Mattamy's intentions in June 2018, a working group of community residents from the Stonebridge Community Association (SCA) organized the Stonebridge Working Group (SWG) to present an alternative to this development. The focus of the opposition is a desire to preserve the Open Space / Green Space in the present form, as a golf course, or as passive parkland for residents to enjoy.

An independent consultant was engaged by the City's Planning, Infrastructure and Economic Development (PIED) department to act as facilitator to find a mutually

agreeable solution for both parties. This group has been working since April 2019 toward reaching a resolution.

An agreement in principle was reached which entailed two components: the purchase of the golf course lands and a means to fund this purchase.

The details of the agreement in principle were shared with the community through in-person and live streamed public meetings, multiple open houses as well as the SCA website, social media channels and newsletters. Feedback from the community was received through a survey conducted by the SWG between July 30, 2019 and August 20, 2019. Based on the feedback, the SWG recommended a community wide ballot be held to determine support for a financial levy added to the individual residents' annual property tax bill to purchase the golf course lands.

The SWG's recommendations were presented to the Ward Councillors (Jan Harder, Scott Moffatt and Carol Anne Meehan) and reflected in the Councillors' report number [ACS2019-OCC-GEN-0007](#), which went to Council on October 9, 2019 whereby Council approved the levy voting process. The community wide ballot to vote on the levy was held between October 10, 2019 and November 9, 2019. There were 3,385 eligible (property) votes based on the residences in the levy area shown on the map, attached as Document 2. The result of the vote was that 1,470 voted YES, 741 voted NO, and there were six spoiled ballots. The total voter turnout was 65 per cent of those eligible.

DISCUSSION

The recommendations described above have been requested and supported by the SWG, the SCA and the residents of the Stonebridge Community through a positive result of a public ballot on the intended funding for this acquisition.

The financing for this proposed acquisition will be a community levy over the benefitting area shown on the map, attached as Document 2. The levy is deemed as a way for a community to fund a project that has not been planned or budgeted for within the City's finances. In this instance, the community of Stonebridge has demonstrated a desire to follow through with a financial commitment in addition to their regular property tax contributions. This was confirmed through a public vote in October and November of 2019.

With regards to ballot results, the majority voted in favour of the proposed levy. Upon Council approval of Recommendation 1 in this report, the levy will be added to the annual property tax bill over nine years beginning in 2021 and continuing until 2029. The levy is based on a total of 7 million dollars of which 6 million dollars is for the direct purchase of the golf course land, and the remaining 1 million dollars is reserved for legal

fees, land transfer tax, appraisal costs, environmental due diligence and other expenses associated with the future real estate transaction.

The levy is estimated to be \$48 per \$100,000 of 2019 residential assessed value and will be based on the assessed value of the property as determined by the Municipal Property Assessment Corporation. Residents can expect a range from approximately \$166 to \$460 on their tax bill. This [levy will impact 3,431 households](#) and one commercial property.

A Tri-Partite Purchase and Sale agreement (PSA) agreement has been drafted and all three parties have had input into the PSA. Following are the terms that have been negotiated.

In exchange for \$6,000,000, payable upon closing (October 30, 2029), the City will acquire the Stonebridge golf course, less the approximate 9.5 hectares (23.5 acres) Mattamy intends to develop as Phase 16 of their residential development plan. The remaining lands are comprised of approximately 77 hectares (190 acres) inclusive of the Maintenance Facility and the Clubhouse.

The PSA states that Mattamy will continue to operate the golf course “as an 18-hole Golf Course (minimum Par 70, no less than 5,486 metres (6,000 yards)) and also to maintain it to its high historical standards including Audubon International Certification, until at least October 30, 2029.”

City staff and the SCA have negotiated a second agreement (SCA Agreement) that outlines the relationship between the SCA and the City regarding the future use of the subject lands. The SCA Agreement provides options to the City and SCA for future ownership, use and roles. As part of this second agreement, the SCA can request the City provide a long-term lease or to transfer ownership to the SCA at nominal value with the sole intent of continuing the golf course operation. Alternatively, the SCA can request that the City take over the operation and maintenance of the lands with the intent of providing open space parkland with the golf course use being discontinued. Operation of the golf course would be at the cost of the SCA. The details of the future arrangement between the City and the SCA will be the subject of a future report to Committee and Council prior to acquisition of the subject lands.

Mattamy will terminate the employment of all employees employed by it working at the property before the closing date and pay them all severance, vacation and all other monetary and non-monetary benefits accrued to closing date.

In the event the golf course use is discontinued and the lands designated as open space public parkland, Mattamy Homes will have the option to purchase the Clubhouse

land (PIN 04732-1013, 04732-2067 and 04732-2074) and Maintenance Facility land (PIN 04591-1087) for the nominal sum of one (\$1) dollar. A 20-metre wide pathway will be retained by the City at the most northwesterly boundary of the clubhouse land extending to the northeasterly boundary for the purpose of a linkage between PIN 04732-5015 and 04732-1637 to maintain continuity.

If any part of the golf course land ceases to be used as either a golf course or open space / green space (passive parkland), Mattamy Homes will have the option to re-purchase the entire property for 6 million dollars.

It is also agreed that a stormwater management pond and related drainage infrastructure will be constructed by Mattamy on PIN 04591-2115 within the remaining golf course lands to accommodate the nearby residential development referred to as Phase 16.

If the Purchase and Sale transaction is terminated or if the transaction fails to be completed through no fault of Mattamy, Mattamy shall immediately be released of its obligation to operate the Stonebridge Golf Course and shall be free to submit any development application with respect to the property.

The figure of \$6,000,000, as the remuneration for the acquisition of the golf course land, was negotiated by SWG and Mattamy with the assistance of the facilitator. Both sides recognized that should Mattamy pursue development on the balance of the golf course, the value of the remainder was in the \$400,000 to \$450,000 per acre range as residential development land. The resulting agreement at 6 million dollars is less than the raw land value and is considered good value for the community and the City.

The purchase price was validated by the City's Corporate Real Estate Office (CREO)'s valuation unit through two appraisals, indicating that the \$6,000,000 is an acceptable value both at the present time and into the anticipated future closing date of October 30, 2029 or such other date as may be agreed by the parties not to exceed October 31, 2039. The appraisals were based upon a golf course use, reinforced by an Open Space / Green Space use indicating values over and above the agreed upon \$6,000,000.

In accordance with the City's property acquisition policy, the Environmental Remediation Unit within CREO was tasked with completing in-house environmental screening for the subject lands. A qualified consultant has also been retained for completion of a Phase I Environmental Site Assessment and Phase II Environmental Site Assessment which are now in progress (as of July 2020).

If the lands are no longer used as a golf course and revert to Open Space / Green Space owned by the City, these lands will become the responsibility of the City under

the management of the Department of Public Works and Environmental Services (PWES). This group understands their responsibility in this matter and will be prepared to oversee maintenance of this property which will result in budget implications at that time.

In the event that the lands revert to public open space / green space, the Recreation, Cultural and Facility Services Department (RCFS) would prepare and implement a park naturalization and pathway plan for the former golf course lands following a natural regeneration and managed old field succession process to transform the manicured golf course landscape over time, into a forested public open space network with an informal, non-illuminated pedestrian pathway system. The cost of capital improvements would be identified at the time of acceptance of lands and would be brought forward to Council as part of the annual budget process.

There are existing water features within the golf course, of which three have a Storm Water Management function. These water features (ponds) would need to be retained to service the existing development and any new development would require expanded or new ponds to function as Storm Water Management.

Revenue Services will administer the collection of the levy starting in 2021 for the purpose of funding disbursements for this acquisition.

The Corporate Real Estate Office will oversee the PSA and the SCA Agreement moving forward in anticipation of securing the golf course land through the execution and finalization of the transfer agreement as presented within the above noted Tri-Partite Purchase and Sale agreement. The two agreements are currently being finalized and are expected to be executed at the time of Mattamy's draft Plan of Subdivision approval in early October.

Staff recommend that Council approve the creation of a Special Area Levy and the use of its funds for the purchase of the Stonebridge Golf Course lands in 2029.

RURAL IMPLICATIONS

There are no rural implications related to this report.

CONSULTATION

As indicated within the Background Section of this report, consultation with the community was conducted as follows:

The details of the agreement in principle were shared with the community through in-person and live streamed public meetings, multiple open houses and the SCA website, social media channels and newsletter. Feedback from the community was received

through a survey conducted between July 30, 2019 and August 20, 2019. Based upon the feedback the SWG recommended a community wide ballot be held to determine support for a financial levy added to the individual residents' annual property tax bill to purchase the golf course lands.

The recommendations put forth by the SWG were presented to the Ward Councillors and reflected in the Councillors' report on September 20, 2019. The community wide ballot was held between October 10, 2019 and November 9, 2019.

COMMENTS BY THE WARD COUNCILLOR(S)

The Ward Councillors: Carol Anne Meehan, Scott Moffatt, and Jan Harder have received a copy of this report and are in support of the staff recommendations. In addition, Councillor Meehan commented that this provides a solution to a problem that would have resulted in irreparable harm to a beautiful community.

LEGAL IMPLICATIONS

As stated in the report seeking approval of the consultation through a vote in the Stonebridge Community, subsequent to any Council approval of the levy but prior to its imposition, an agreement is required to be signed with respect to the acquisition of a golf course by the City. The execution of the Tri-Partite Agreement will meet this requirement. The consultations with the community have allowed for the possibility that the Community Association, or a corporation created by it, would take over ownership of the golf course after it has been acquired by the City. As the Community Association is, and a new corporation would be required to be, a non-profit corporation, the City would be legally entitled to convey the lands in either case. The two-party agreement between the City and the Stonebridge Community Association will govern this relationship. There are no legal impediments to the adoption of the recommendations in this report.

RISK MANAGEMENT IMPLICATIONS

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

ASSET MANAGEMENT IMPLICATIONS

The recommendations documented in this report are consistent with the City's [Comprehensive Asset Management \(CAM\) Program](#) objectives. The implementation of the Comprehensive Asset Management program enables the City to effectively manage existing and new infrastructure to maximize benefits, reduce risk, and provide safe and reliable levels of service to community users. This is done in a socially, culturally, environmentally, and economically conscious manner.

FINANCIAL IMPLICATIONS

There are no financial implications associated with this report. The acquisition of the Stonebridge Golf Course will be funded entirely through a special area levy over the benefitting community.

ACCESSIBILITY IMPACTS

There are no accessibility implications associated with the recommendations of this report.

ENVIRONMENTAL IMPLICATIONS

The Environmental Remediation Unit within CREO was tasked with completing in-house environmental screening for the subject lands in accordance with the City's property acquisition policy. A qualified consultant has also been retained for completion of a Phase I ESA and Phase II ESA which are now in progress (as of July 2020). Upon completion of the studies, further comments will be provided prior to closing if any environmental liabilities are identified for the subject lands.

TERM OF COUNCIL PRIORITIES

This project addresses the following Term of Council Priorities:

- Governance, Planning and Decision Making, Environmental Stewardship, and Financial Sustainability.

SUPPORTING DOCUMENTATION

Document 1 Draft Property Sketch and List of Property Identification Numbers

Document 2 Special Levy Area Map

Document 3 Draft Tri-Partite Purchase and Sale Agreement

Document 4 Draft Stonebridge Community Association Agreement

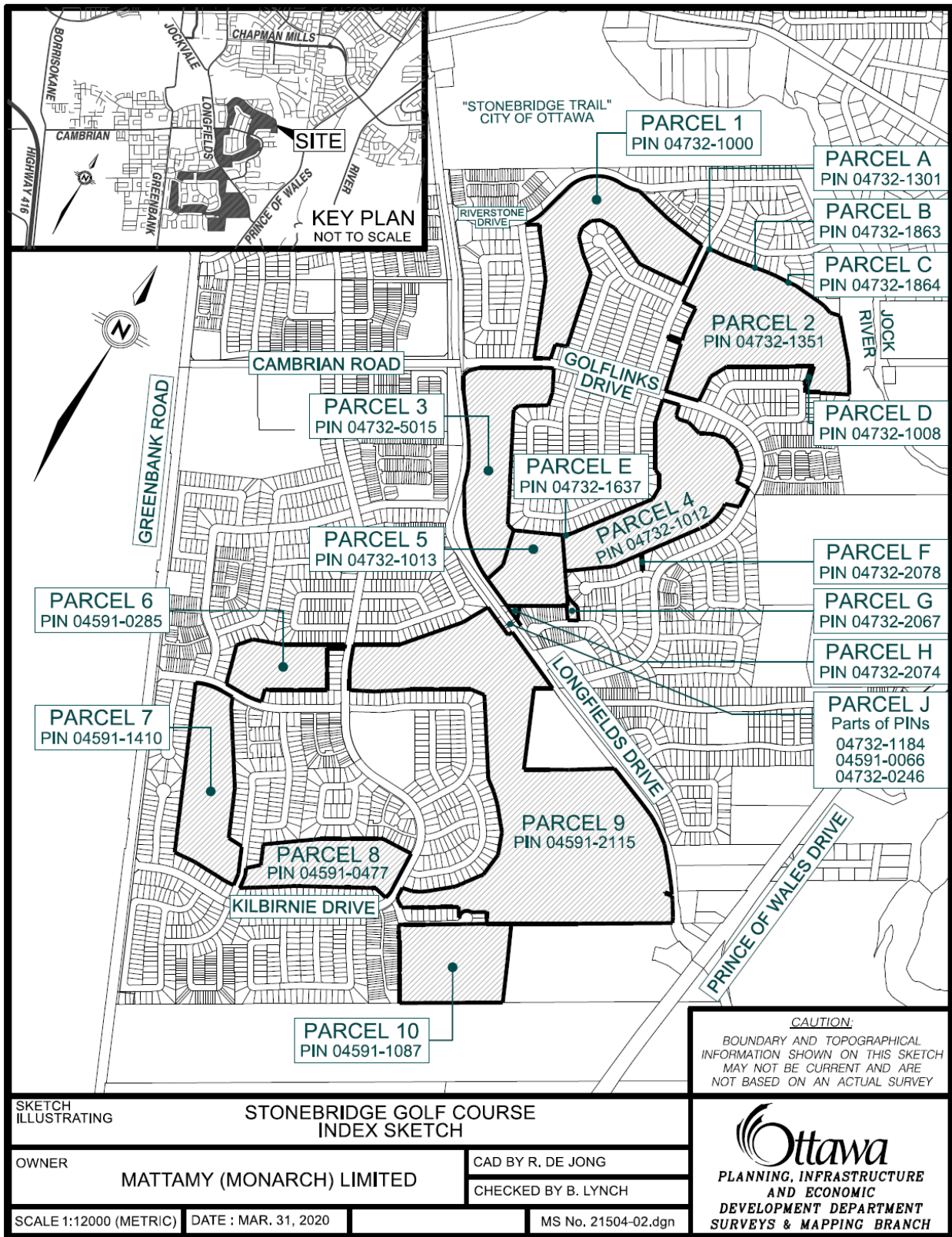
DISPOSITION

Following approval by Council, Legal Services, Revenue Services and Corporate Real Estate Office staff will implement the recommendations in this report.

Revenue Services will work with the Office of the City Clerk to prepare the required by-laws on the Council Agenda. Revenue Services will also administer the collection of the levy as outlined in this report.

The Corporate Real Estate Office will oversee the PSA and the SCA Agreement in consultation with Legal Services moving forward in anticipation of securing the golf course land through the execution and finalization of the agreements.

Document 1 – Draft Property Sketch and List of Property Identification Numbers



Stonebridge Golf Course – 18 Property Identification Numbers (PINs)

Property Identification Number (PIN)	Use
04591-0285	Golf Course
04591-0477	Golf Course
04591-1087	Maintenance Area (Part of)
04591-1410	Golf Course
04591-2115	Golf Course (future stormwater management pond)
04732-1000	Golf Course
04732-1008	Golf Course
04732-1012	Golf Course
04732-1013	Clubhouse
04732-1301	Golf Course
04732-1351	Golf Course
04732-1637	Golf Course
04732-1863	Golf Course
04732-1864	Golf Course
04732-2067	Clubhouse
04732-2074	Clubhouse
04732-2078	Golf Course
04732-5015	Golf Course

