

- 3. MEMORANDUM OF UNDERSTANDING WITH CRT DEVELOPMENTS INC. RESPECTING THE ACQUISITION OF SHEA ROAD WOODS THROUGH PARKLAND DEDICATION AND CASH**
- PROTOCOLE D'ENTENTE AVEC CRT DEVELOPMENTS INC. AU SUJET DE L'ACQUISITION DU BOISÉ DU CHEMIN SHEA EN ÉCHANGE D'ARGENT ET DE LA RÉSERVATION DU TERRAIN À VOCATION DE PARC**

COMMITTEE RECOMMENDATIONS

That Council:

- 1. approve the Memorandum of Understanding with CRT Developments Inc. respecting the acquisition of Shea Road Woods through parkland dedication and funding from the Environmental Resource Area Acquisition Reserve Fund;**
- 2. delegate authority to the General Manager of Planning, Infrastructure, and Economic Development to finalize and execute the required agreements with CRT Developments Inc. and Hydro One for the acquisition of Shea Road Woods and the location of park facilities within the Hydro One easement; and**
- 3. approve the allocation of \$1,647,573 from the Environmental Resource Area Acquisition Reserve Fund for the cost of the acquisition.**

RECOMMANDATIONS DU COMITÉ

Que le Conseil :

- 1. approuve le protocole d'entente conclu avec CRT Developments inc. pour l'acquisition du boisé du chemin Shea, qui prévoit la réservation d'une parcelle pour l'aménagement d'un parc et le financement de l'achat à même le Fonds de réserve municipal d'acquisition de zones de ressources environnementales ;**
- 2. délègue au directeur général de la Planification, de l'Infrastructure**

et du Développement économique le pouvoir de conclure et de signer les accords nécessaires avec CRT Developments inc. et Hydro One pour l'acquisition du boisé du chemin Shea et l'implantation des installations de parc sur la servitude de Hydro One ;

3. approuve l'affectation de 1 647 573 \$ prélevés du Fonds de réserve municipal d'acquisition de zones de ressources environnementales à l'acquisition du dit terrain.

DOCUMENTATION/DOCUMENTATION

1. Director's report, Economic Development and Long Range Planning, dated 12 October 2017 (ACS2017-PIE-EDP-0033)

Rapport du Directeur, Planification, infrastructure et développement économique daté le 12 octobre 2017 (ACS2017-PIE-EDP-0033)
2. Extract of draft Minutes, Planning Committee, 24 October 2017

Extrait de l'ébauche du procès-verbal, Comité de l'urbanisme, le 24 octobre 2017

**Report to
Rapport au:**

**Planning Committee
Comité de l'urbanisme
24 October 2017 / 24 octobre 2017**

**and Council
et au Conseil
8 November 2017 / 8 novembre 2017**

**Submitted on September 5, 2017
Soumis le 5 septembre 2017**

**Submitted by
Soumis par:
John Smit,**

**Economic Development and Long Range Planning / Développement
économique et Planification à long terme Planning, Infrastructure and
Economic Development/ Direction générale de la planification, de
l'infrastructure et du développement économique**

Contact Person

Personne ressource:

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Ward: STITTSVILLE (6)

File Number: ACS2017-PIE-EDP-0033

**SUBJECT: Memorandum of Understanding with CRT Developments Inc.
respecting the acquisition of Shea Road Woods through parkland
dedication and cash**

**OBJET: Protocole d'entente avec CRT Developments Inc. au sujet de
l'acquisition du boisé du chemin Shea en échange d'argent et de la
réservation du terrain à vocation de parc**

REPORT RECOMMENDATIONS

That Planning Committee recommend that Council:

- 1. approve the Memorandum of Understanding with CRT Developments Inc. respecting the acquisition of Shea Road Woods through parkland dedication and funding from the Environmental Resource Area Acquisition Reserve Fund;**
- 2. delegate authority to the General Manager of Planning, Infrastructure, and Economic Development to finalize and execute the required agreements with CRT Developments Inc. and Hydro One for the acquisition of Shea Road Woods and the location of park facilities within the Hydro One easement; and**
- 3. approve the allocation of \$1,647,573 from the Environmental Resource Area Acquisition Reserve Fund for the cost of the acquisition.**

RECOMMANDATIONS DU RAPPORT

Que le Comité de l'urbaniste recommande au Conseil :

- 1. d'approuver le protocole d'entente conclu avec CRT Developments inc. pour l'acquisition du boisé du chemin Shea, qui prévoit la réservation d'une parcelle pour l'aménagement d'un parc et le financement de l'achat à même le Fonds de réserve municipal d'acquisition de zones de ressources environnementales;**
- 2. de déléguer au directeur général de la Planification, de l'Infrastructure et du Développement économique le pouvoir de conclure et de signer les accords nécessaires avec CRT Developments inc. et Hydro One pour l'acquisition du boisé du chemin Shea et l'implantation des installations de parc sur la servitude de Hydro One;**
- 3. d'approuver l'affectation de 1 647 573 \$ prélevés du Fonds de réserve municipal d'acquisition de zones de ressources environnementales à l'acquisition du dit terrain.**

BACKGROUND

Council approved the Fernbank Community Design Plan (CDP) on 24 May 2009. The CDP identified the City's intention to acquire and to protect a portion of Urban Natural

Feature 193 – Shea Road Woods, subject to agreement between the property owner and the City. In the event that the City and the property owner could not reach agreement on the acquisition of the woodlot, then the area would be developed as low density residential housing.

On 23 October 2013, Council approved an update to the Urban Natural Features Strategy, which reaffirmed its commitment to acquiring Shea Road Woods, if possible.

In order to facilitate the protection and acquisition of Urban Natural Features and other areas, Council has established and funded the Environmental Resource Area Acquisition Reserve Fund. As of August 2017, the Reserve Fund stood at \$1,766,366.

DISCUSSION

The City has reached agreement-in-principle with CRT Developments Inc. for the fee-simple acquisition of approximately 5 hectares of UNA 193 – Shea Road Woods through a combination of 3.28 hectares of parkland dedication and cash purchase. A Memorandum of Understanding (MOU) was signed between CRT Developments Inc. and the General Manager of Planning Infrastructure and Economic Development on 4 October 2017, subject to approval by Council within 90 days (Document 1). The MOU contains provisions to ensure no net loss of recreational park facilities within the Fernbank Community. The agreement will protect important urban greenspace, improve land use efficiency in the community, and ensure continuing access by residents to high quality, active and passive, outdoor recreational space.

Under the Memorandum of Understanding, CRT Developments Inc. would be permitted to develop low density residential housing in a block currently identified for a 3.28-hectare Community Park (Block 312 on the draft plan of subdivision, as shown in Schedule A of Document 1). The parkland dedication would be applied to the acquisition of approximately 5 hectares of Shea Road Woods, with the final boundaries and area of the woodlot to be determined through a detailed land survey. The remaining area of Shea Road Woods, approximately 1.72 hectares, would be acquired through cash purchase at an agreed price of \$350,000 per acre (\$864,868 per hectare), for a total consideration of \$1,487,573.

Negotiations with respect to the property acquisition were supported by an independent appraisal completed on behalf of the City for the subject property, as well as a second appraisal completed by the Realty Services Branch - Valuation Unit, in order to provide an estimate of market value attributable to the subject lands in its highest and best use. The appraisers relied on the Direct Comparison Approach wherein the subject property

was compared with similar type properties that have recently been sold, or had been offered for sale at the valuation date. The financial considerations associated with the transaction identified in the agreement is deemed to be fair and reasonable and falls within the range of expected market value. Realty Services estimates applicable taxes and legal fees associated with the transaction to be approximately \$90,000.

Studies associated with the relocation of proposed park facilities will cost approximately \$70,000, bringing the total acquisition cost to \$1,647,573. The funds for the purchase would be drawn from the Environmental Resource Area Acquisition Reserve Fund, which had a balance of \$1,766,366 as of August 2017.

Shea Road Woods is one of three Urban Natural Features identified for acquisition in the 2013 Urban Natural Features Strategy Update for their environmental and social significance within their communities. Of the other two features, the core area of UNA 100 - Armstrong Road South Woods (Ward 22) has been secured through a land exchange with the Riverside South Development Corporation. UNA 95 – Nantes Woods (Rock Knoll Park, Ward 19) remains mostly in private ownership. Staff will be meeting in October 2018 to consider options for securement of that woodlot.

Through the MOU, CRT Developments Inc. remains responsible for the cost of the facilities associated with the 3.28 hectares of parkland dedication (\$504,865 per hectare as of August 1, 2017, indexed yearly). Parks and Facilities Planning Services has prepared a conceptual plan showing the relocation of these facilities to a nearby neighbourhood park and hydro corridor (see Document 2). CRT currently owns the hydro corridor, with an easement to Hydro One for its transmission lines. Final ownership of the hydro corridor will reside with the City. City staff have met with Hydro One, which has raised no objections to the location of the proposed facilities within the hydro corridor, subject to final review and agreement on the park design, maintenance, and access requirements. Parks, Forestry, and Stormwater Services will be responsible for the incremental operational and maintenance costs associated with the woodland, which is proposed to contain an accessible trail loop and small, active play area.

If the City is unable to come to a final agreement with Hydro One on the placement of park facilities within the hydro corridor, then the MOU between the City and CRT Developments Inc. says that the Community Park will return to its original location in Block 312. In that case, the City will need to consider other options for the protection of Shea Road Woods.

The MOU between the City and CRT Developments Inc. outlines the way in which the acquisition will be coordinated with registration of the current Plan 4M-XXXX and the future draft plan for the area containing Shea Road Woods. In summary, Block 312 will be retained in the current plan of subdivision with a 30 cm reserve to prevent development. The block will then be included in the future draft plan for the lands immediately to the west, with provision for low density residential development.

The proposed land use changes are consistent with the objectives of the Fernbank Community Design Plan. They do not affect any landowners other than CRT Developments Inc. As a City-initiated revision, with agreement by the affected property owners, the proposed changes to the Fernbank Community Design Plan may be made at the discretion of the General Manager of Planning Infrastructure and Economic Development (Fernbank Community Design Plan, Section 7.1).

RURAL IMPLICATIONS

There are no rural implications associated with this report.

CONSULTATION

There are no mandatory public consultation requirements associated with the proposed Memorandum of Understanding or delegation of authority. The proposed changes to the Fernbank CDP can be made at the discretion of the General Manager of Planning, Infrastructure, and Economic Development.

COMMENTS BY THE WARD COUNCILLOR

Councillor Qadri supports the report recommendations.

LEGAL IMPLICATIONS

There are no legal impediments to adopting the recommendations in the report.

RISK MANAGEMENT IMPLICATIONS

Final agreement with Hydro One will require technical studies and mitigation related to the location of park facilities under transmission lines.

Should the City be unable to reach a final agreement with CRT Developments Inc. or Hydro One, then acquisition of the full woodlot would only be possible through cash purchase.

ASSET MANAGEMENT IMPLICATIONS

The increased number of residential units resulting from the changes in land use will require a size increase in one stormwater pipe. The proponent has incorporated the change into their engineering drawings.

Recreation, Cultural and Facility Services generally supports the recommendations in this report noting that at this time approval for the development of parks facilities within the Hydro Corridor has not been received from the Hydro utility at this time. Parks and Facilities Planning estimates the cost of additional studies required by Hydro One at \$70,000. These costs are represented in the overall acquisition cost.

Any increase in the number of residential units that results from the changes in land use, above what is shown in the Fernbank CDP, will result in an increase in the total parkland obligation, and the individual Owner of such lands shall be responsible for such increased Parkland requirements and shall make arrangements with the City to satisfy the increased requirement either by way of additional land dedication or a cash-in-lieu of Parkland payment.

FINANCIAL IMPLICATIONS

The total estimated acquisition costs are \$1,647,573, including the purchase cost, legal fees, taxes, and the studies associated with the relocation of proposed park facilities.

Funds are available within the Environmental Resource Area Acquisition Reserve Fund. Pending Council's approval, a new internal order will be established with the required budget authority, funded by the Environmental Resource Area Acquisition Reserve.

ACCESSIBILITY IMPACTS

There are no accessibility impacts associated with the Memorandum of Understanding or the proposed changes in land use. All park and recreational facilities will be compliant with accessibility standards.

ENVIRONMENTAL IMPLICATIONS

Retention of Shea Road Woods will provide environmental benefits and services to the surrounding community in terms of access to urban greenspace, recreational opportunities, urban heat island mitigation, and air quality improvement.

In accordance with the Real Property Acquisition Policy the appropriate level of Environmental Site Assessment will be completed on behalf of the City as part of the due diligence prior to completion of the property transaction.

TERM OF COUNCIL PRIORITIES

Acquisition of UNA 193 – Shea Road Woods directly supports the Sustainable Environmental Services (ES) Strategic Priority, specifically Strategic Initiative 25a: “acquire 100% of the three priority urban natural features areas recommended for acquisition (UNA 193, UNA 95, UNA 100) by Q4 2018.”

SUPPORTING DOCUMENTATION

Document 1 Memorandum of Understanding

Document 2 Fernbank CRT Developments: Park Amenities within Hydro Easement (distributed previously and held on file)

Document 3 Plan 4M – XXXX (distributed previously and held on file)

DISPOSITION

Planning, Infrastructure and Economic Development will finalize the agreement with CRT Developments Inc. with respect to the acquisition of Shea Road Woods and the required changes to land uses in the Fernbank Community

Planning, Infrastructure and Economic Development will obtain final agreement with Hydro One on the location of park facilities within the hydro easement.

Planning, Infrastructure and Economic Development will work with the City Clerk and Solicitor Department to approve and execute the agreements with CRT Developments and Hydro One.

Realty Services Branch will complete the acquisition of Shea Road Woods.

Document 1 – Memorandum of Understanding

MEMORANDUM OF UNDERSTANDING

BETWEEN

CITY OF OTTAWA

(the "City")

-AND-

CRT Developments Inc.

("CRT")

General Provisions

The City and CRT will refine and come to a consensus agreement on the final woodlot boundaries for Urban Natural Area 193 – Shea Road Woods ("Shea Woods") owned by CRT. Upon execution of the agreement, staff of the City will submit a report to Committee and Council for approval such that Committee and Council can consider the subject report within 90 days of the date of execution.

The City and CRT agree that:

- The City will acquire Shea Woods from CRT through a combination of parkland dedication and cash purchase within two years following Council approval of this agreement.
- The parkland dedication for Shea Woods will replace dedication of Block 312 on Plan 4M-XXXX (attached as Schedule A)
- All lands will be valued at a price of \$864,868 per hectare, for a period of two years following Council approval of this agreement.

Where parkland dedication is used for the acquisition of Shea Woods, CRT will remain financially responsible for the cost of the park infrastructure and facilities associated with the original parkland area of 3.28 ha (\$504,865 per hectare as of August 1, 2017, indexed annually), provided that the infrastructure and facilities are constructed within the Fembank Community Design Plan area.

The City will seek agreement from Hydro One for the location of park facilities within its easement on the lands to the west (Concession 10, Part Lot 26).

Block 312 will remain identified as a separate block on Plan 4M-XXXX.

When CRT or its successors bring forward a new subdivision application for the lands encompassing Shea Woods (Concession 10, Part Lot 26), the subdivision application will also include and replace Block 312 on Plan 4M-XXXX, which will be developed as low density residential.

Community Park, Block 312, Plan 4M-XXXX

- Block 312 will not be developed as a community park, conditional upon the fulfillment of the provisions of this agreement. Otherwise, the land uses in the approved Plan of Subdivision will prevail.
- CRT will revise the Plan 4M-XXXX to include a 30 cm reserve around Block 312 to prevent development of the lands until such time as development is approved through a new Plan of Subdivision application.
- For any lots adjacent to Block 312 on Plan 4M-XXXX, CRT will include on Notice on title acknowledging that Block 312 is intended for future, low density, residential development.

Shea Woods, Part Lot 26, Concession 10

- The City will acquire Shea Woods from CRT or its successors for a combination of parkland dedication and cash purchase.
 - The City and CRT will agree on the final boundaries of Shea Woods.
 - CRT will commission a survey of the final boundaries of Shea Woods, subject to the City agreement.
 - The cash purchase price for Shea Woods will be based on the difference in total area between the surveyed boundary and Block 312 on Plan 4M-XXXX.
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Concluding Provisions

- The parties agree that this MOU will be subject to minor adjustments to be mutually agreed upon after consultation with the Mayor, Ward Councillor and appropriate City staff.
- The parties further agree that this MOU will only be final and binding agreement after ratification by Ottawa City Council.

Revised 19 September, 2017

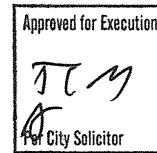
Dated at Ottawa this 4th day of Oct, 2017

City of Ottawa

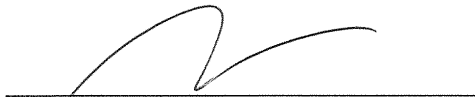
Per:



Stephen Willis, General Manager, Planning Infrastructure and Economic Development



CRT Developments Inc.



Name: Sharon McElhine

Title: COO

Schedule "A"
Plan 4M – XXXX

