

**Subject: Land Exchange of 529 Tremblay Road and 530 Tremblay Road with
Her Majesty the Queen in Right of Canada**

File Number: ACS2022-PIE-CRO-0002

**Report to Finance and Economic Development Committee on 1 March 2022
and Council 9 March 2022**

**Submitted on February 17, 2022 by Peter Radke, Acting Director, Planning, Real
Estate and Economic Development Department**

**Contact Person: Peter Radke, Manager, Realty Initiatives and Development,
Corporate Real Estate Office**

613-580-2424,12551, Peter.Radke@ottawa.ca

Ward: Alta Vista (18)

**Objet : Échange de terrains (529, chemin Tremblay et 530, chemin
Tremblay), avec Sa Majesté la Reine du chef du Canada**

Dossier : ACS2022-PIE-CRO-0002

Rapport au Comité des finances et du développement économique

le 1er mars 2022

et au Conseil le 9 mars 2022

**Soumis le 17 février 2022 par Peter Radke, Directeur par interim, Direction
générale de la planification, de l'immobilier et du développement économique**

**Personne ressource : Peter Radke, Gestionnaire, Initiatives immobilières et
développement**

Bureau de l'immobilier de la Ville

613-580-2424,12551, Peter.Radke@ottawa.ca

Quartier : Alta Vista (18)

REPORT RECOMMENDATIONS

That the Finance and Economic Development Committee recommend Council approve the following:

- 1. Declare a portion of 529 Tremblay Road legally described as part Lot 11, concession Gore Junction, Part 1, 2 and 3, on 5R9226; part blocks K and M, Plan 84, Part Catherine Street, Plan 84, Part 4, 5R9226, Gloucester, now in the City of Ottawa, containing approximately 1.184 hectares (2.926 acres) subject to final survey and shown annexed as Location Map 1 on sketch as surplus to City's requirements;**
- 2. Approve the Memorandum of Agreement, attached as Document 2 dated January 2022 between the City, Public Works and Government Services Canada, and Canada Lands Company Limited; and**
- 3. Authorize and Delegate the Director Corporate Real Estate Office to negotiate, conclude, amend, and execute all documents incidental, necessary or desirable to give effect to the Memorandum of Agreement on behalf of the City, including the final documents to complete this transaction.**

RECOMMANDATIONS DU RAPPORT

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

- 1. Déclarer une partie du 529, chemin Tremblay légalement décrit comme étant une partie du lot 11, concession Gore Junction, les parties 1, 2 et 3 sur le plan 5R9226, une partie des îlots K et M, plan 84, une partie de la rue Catherine, plan 84, la partie 4 sur le plan 5R9226, Gloucester, maintenant sur le territoire de la Ville d'Ottawa, d'une superficie d'environ 1,184 hectare (2,926 acres), sous réserve d'un levé définitif et illustrées sur la carte de localisation 1 ci-jointe, comme étant excédentaires pour les besoins de la Ville;**
- 2. Approuver le protocole d'entente ci-joint en tant que document 2 et daté de janvier 2022, conclu entre la Ville, Travaux publics et Services gouvernementaux Canada et la Société immobilière du Canada; et**

- 3. Autoriser le directeur du Bureau des biens immobiliers municipaux, et lui conférer les pouvoirs en ce sens, à négocier, à conclure, à modifier et à signer tous les documents accessoires, nécessaires ou souhaitables pour donner effet au protocole d'entente au nom de la Ville, y compris les documents finaux nécessaires pour réaliser cette transaction.**

BACKGROUND

529 Tremblay Road- City Property

The subject property is a parcel of non-viable City owned land, comprised primarily of roadway, located adjacent to the 417 Highway and St. Laurent Boulevard. The property shown annexed as Location Map 1, is legally described as part of Lot 11, Concession Gore Junction, parts 1, 2 and 3, on plan 5R9226; part blocks K and M, Plan 84, part Catherine street, Plan 84, part 4, 5R9226, former Gloucester, now City of Ottawa, containing an area of 1.184 hectares (2.926 acres) subject to final survey. The site is zoned TD - Transit Orientated Development.

530 Tremblay Road- Public Works and Government Services Canada -Canada Lands Company Property

These lands are shown as parcels 1 and 2 annexed here as Location Map 2 , legally described as part of Block K, L, M, and N on Registered Plan 84 and part of Lots 11,12 Gore Junction, former Gloucester, now in City of Ottawa, containing approximately 1.683 hectares (4.159 acres) subject to final survey. The Site is Zoned TD-Transit Orientated Development.

PWGSC by transfer of Administration and Control became the owner February 2009 of the property municipally known as 530 Tremblay Road. The property consists of approximately 12 hectares (30 acres) of vacant land located at the southwest corner of Highway 417 and the St. Laurent Boulevard interchange.

The lands being exchanged by the parties are located within the Tremblay Road, Elmvale Gardens area and will be used for development of the PWGSC office building and as future roadway within the planned subdivision developments of CLC.

The City of Ottawa and Public Works and Government Services Canada (PWGSC) initially executed a Memorandum of Understanding (MOU) attached as Document 1 dated November 24, 2011. The intent of the MOU was to provide for an exchange of lands by the parties in order that PWGSC could build a major Federal office development and at its own expense; a permanent enclosed weather protected

pedestrian bridge funded by PWGSC between the property and the City's rapid transit station at St. Laurent Shopping Centre and dedicating said pedestrian link to the City of Ottawa.

Due to changes in policy within Public Services Procurement Canada (PSPC), the property at 530 Tremblay was identified as an underutilized asset. The Minister of PSPC set out as a priority and expectation of Canada Lands Company, Limited (CLC), to work with the department (PSPC) to take on innovative projects to deal with underutilized assets.

As a result of PWGSC's interest in acquiring portions of 529 Tremblay Road, an internal circulation was completed in February 2020 to determine if the property was surplus to City requirements.

DISCUSSION

Following the execution of the MOU in 2011 attached as Document 1, PWGSC reviewed and eventually scaled back portions of its initial plan due to new policy directives within PSPC, which involved providing any available lands to CLC. The two government agencies developed a plan whereby PWGSC continued to develop the office component and CLC was brought in to develop the commercial and residential components of the new project.

The new direction from PWGSC and CLC required drafting of a new Memorandum of Agreement (MOA) between PWGSC, CLC and the City. One of the main proposed changes to the MOA was the removal of the requirement for PWGSC to build the permanent weather enclosed pedestrian link from the property to St. Laurent rapid transit station.

The following are pertinent changes from the original MOU to the MOA:

- CLC now included as a signatory
- Project now to include a commercial and residential component
- CLC to apply for a Plan of Subdivision and Road Closing Application
- Pedestrian link no longer a proposed requirement
- City to grant a future easement to PWGSC for potential pedestrian link

Due to the changes to the original MOU, City staff renegotiated with PWGSC to ensure that if the pedestrian link is not built, PWGSC will compensate the City for the sale of lands located at 529 Tremblay Road. The values will be verified and agreed upon with third party appraisals at time of disposition.

Should the pedestrian link be built, the City is prepared to accept the asset, provided it is built to City standards, as a portion will be on City lands and PWGSC has requested reasonable open and safe ingress and egress easement to the retained lands via the pedestrian link.

The value of the parcel at 529 Tremblay Road is approximately \$ 7,600,000 and 530 Tremblay is \$12,500,000. The net result of this land exchange is that the city will be getting 1.683 hectares (4.159 acres) of land from PWGSC, and the city will be conveying 1.184 hectares (2.926 acres) of the closed Tremblay Road allowance to PWGSC. Even though more lands are being conveyed by PWGSC to the city and the area worth more than the Tremblay Road allowance lands, no exchange of monies is contemplated, as previously reported, unless PWGSC does not build the pedestrian link, then the City will be compensated.

Although PWGSC as a federal agency and higher level of government is not subject to provincial or municipal land use controls, PWGSC is prepared to enter into an agreement to address matters of mutual interest between itself, CLC and the City relating to the delivery and installation of servicing and transportation infrastructure and the overall planning and land uses for the subject lands.

Along with the exchange of lands, the City will also receive as part of the planning process lands referred to as Storm Water Management pond, Open Space annexed as Location Map 3.

The endorsement of the execution of the MOA in Recommendation 2 is recommended for approval within the details of this report shown attached as Document 2.

RURAL IMPLICATIONS

There are no rural implications as a result of this report.

COMMENTS BY THE WARD COUNCILLOR

The Ward Councillor is aware of this report.

LEGAL IMPLICATIONS

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

RISK MANAGEMENT IMPLICATIONS

There are no risk implications associated with this report.

ASSET MANAGEMENT IMPLICATIONS

There are no asset management implications associated with this report.

FINANCIAL IMPLICATIONS

No exchange of funds is contemplated with this report, unless PWGSC does not build the pedestrian link. Should the link not be built, the City will be compensated based on values verified and agreed upon with third party appraisals at time of disposition.

ACCESSIBILITY IMPACTS

There are no accessibility implications as a result of this report.

TERM OF COUNCIL PRIORITIES

This project addresses the following Term of Council Priorities:

- The recommendation in this report will support Economic Growth and Diversification, along with Sustainable Infrastructure and Thriving Workforce with the development of the project lands, the proposed new commercial and residential subdivision, Office building and associated infrastructure by the proponents.

SUPPORTING DOCUMENTATION

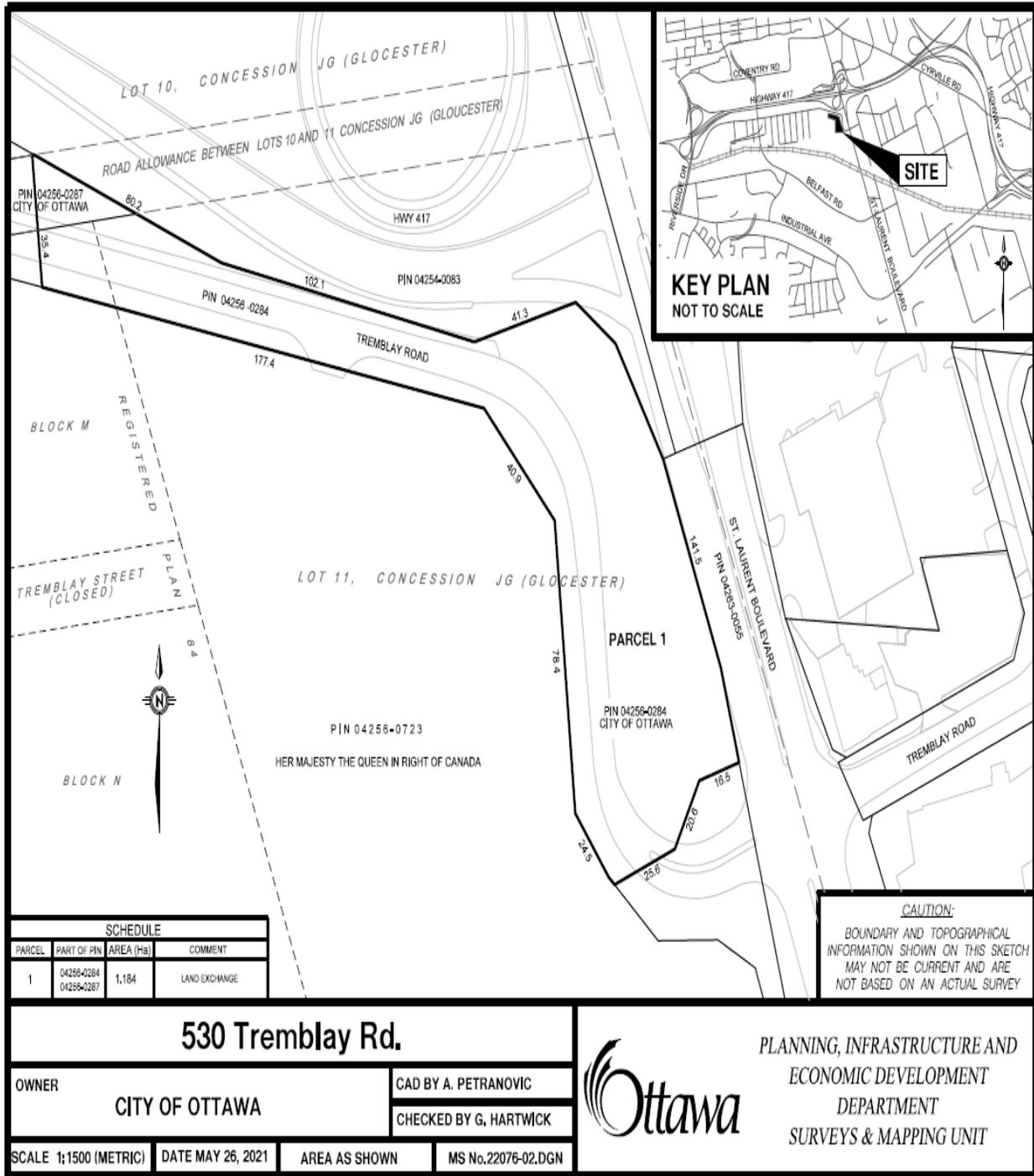
Document 1 Memorandum of Understanding Tremblay Road Complex.

Document 2 Memorandum of Agreement Land Exchange of Tremblay Road

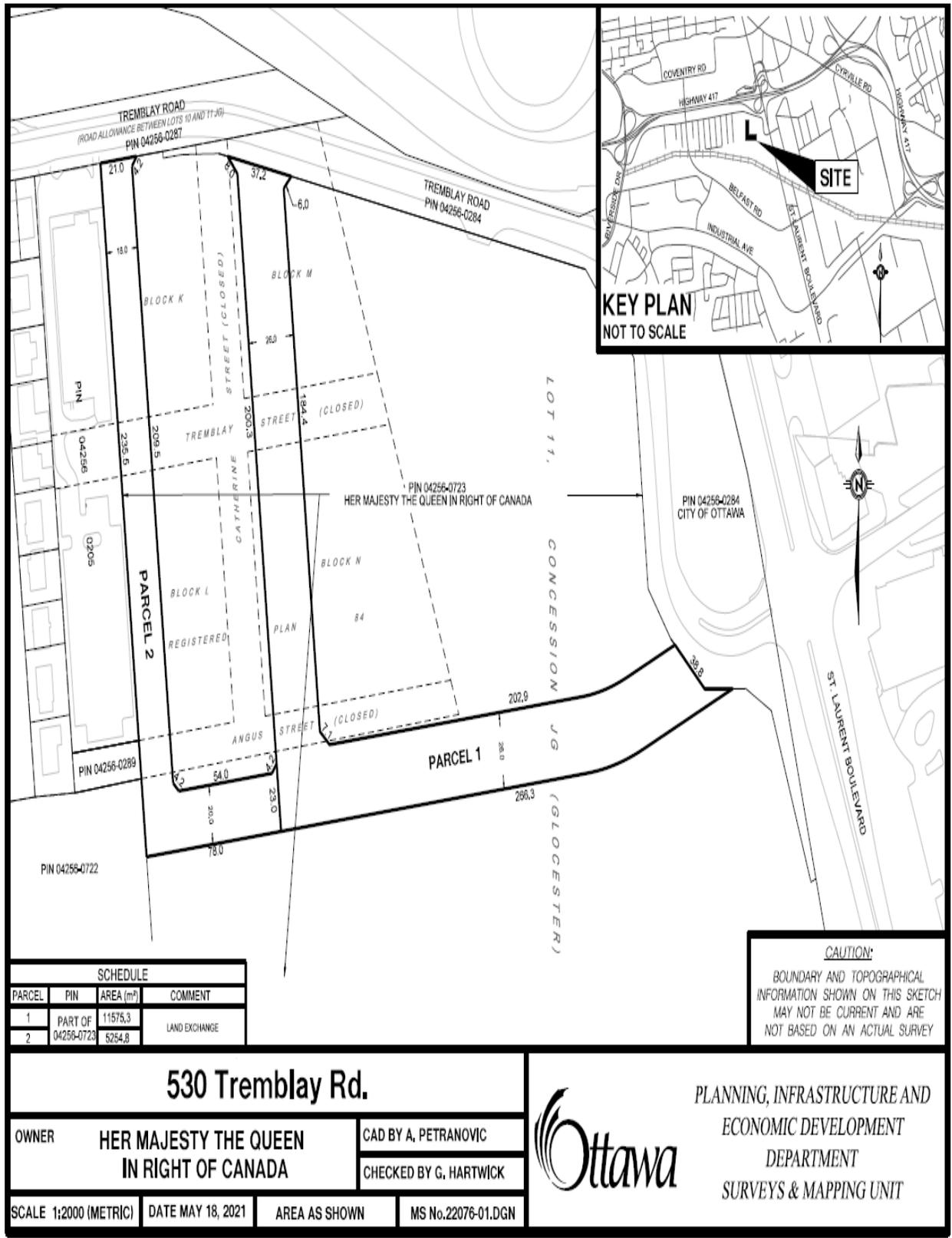
DISPOSITION

The disposition of this report will be completed by Corporate Real Estate Office, working in conjunction with Legal Services to complete an Agreement of Purchase and Sale. Planning Infrastructure Economic Development will complete the subdivision and related planning requirements with PWGSC and CLC.

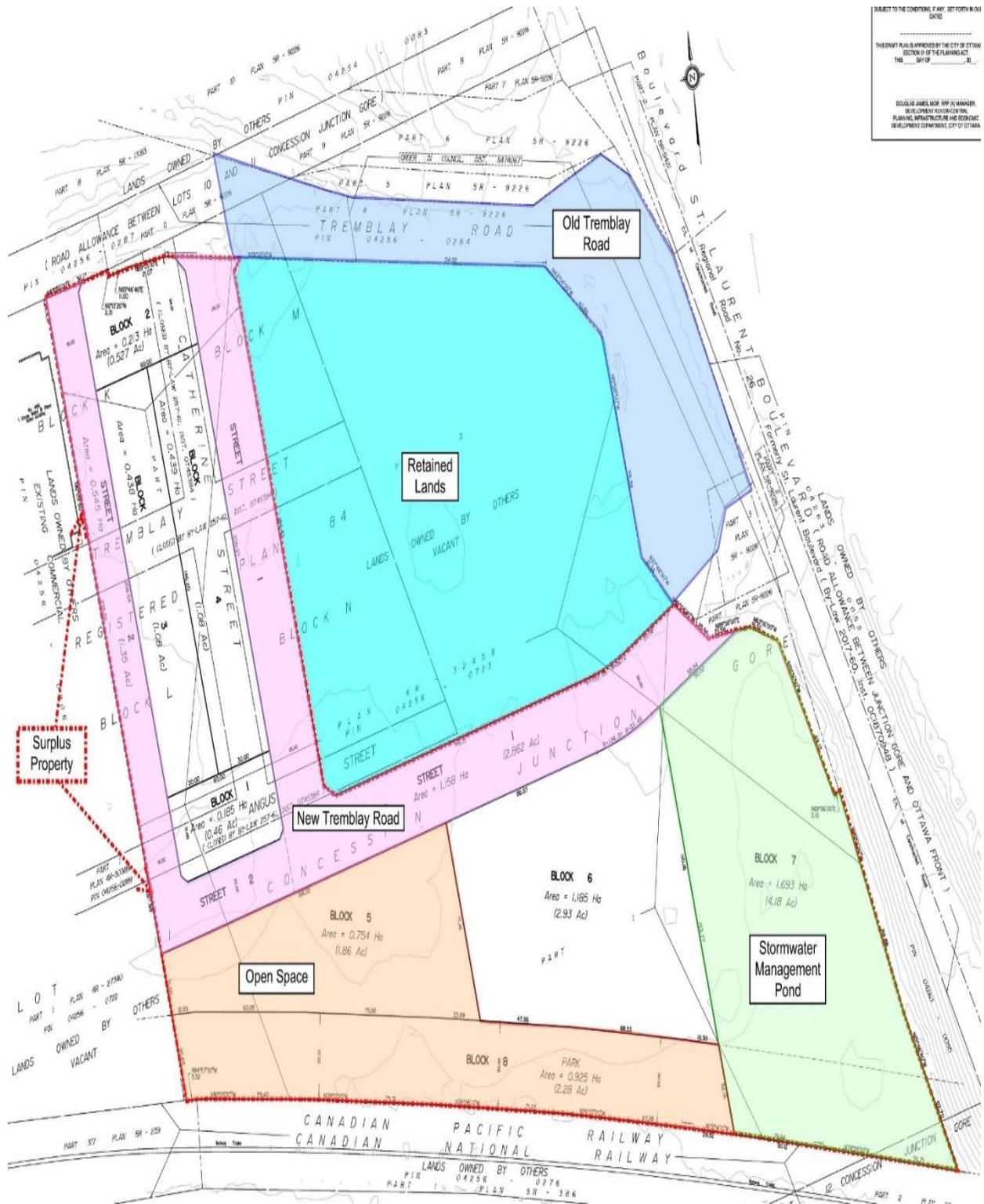
Annex – Location Map 1



Annex – Location Map 2



Annex – Location Map 3



SUBJECT TO THE CONDITIONS, IF ANY, SET FORTH IN THE DATES

THIS DRAFT PLAN IS APPROVED BY THE CITY OF OTTAWA SECTION 33 OF THE PLANNING ACT THIS 20th DAY OF...

DOUGLAS GIBBS, MPP (MANAGER, DEVELOPMENT TECHNOLOGICAL PLANNING, INFRASTRUCTURE AND ECONOMIC DEVELOPMENT DEPARTMENT, CITY OF OTTAWA)