



CITY OF HAMILTON
PLANNING AND ECONOMIC DEVELOPMENT DEPARTMENT
Economic Development Division

TO:	Mayor and Members General Issues Committee
COMMITTEE DATE:	August 8, 2016
SUBJECT/REPORT NO:	Sale of Part of 1603 Rymal Road East and Part of 655 Pritchard Road to Multi-Area Developments Inc. (PED16173) (Ward 6)
WARD(S) AFFECTED:	Ward 6
PREPARED BY:	Darlene Cole (905) 546-2424 Ext. 7910
SUBMITTED BY:	Jason Thorne General Manager Planning and Economic Development Department
SIGNATURE:	

Discussion of Confidential Appendix “B” to this Report in closed session is subject to the following requirement(s) of the City of Hamilton’s Procedural By-law and the *Ontario Municipal Act, 2001*:

- ◆ A proposed or pending acquisition or disposition of land for City purposes.

RECOMMENDATION

- (a) That an Option to Purchase, for the sale of City-owned land, executed by Multi-Area Developments Inc. on June 24, 2016 and scheduled to close on or before August 24, 2016, for lands forming part of Lot 34, Concession 8, former Township of Saltfleet, municipally known as part of 655 Pritchard Road, being all of PIN 16932-0012(LT), and lands municipally known as part of 1603 Rymal Road East, described as Part 1, Plan 62R-18085, more fully described in Appendix “A” attached to Report PED16173 be approved and completed on terms and conditions set out in Appendix “B” to Report PED16173, and the net proceeds be credited to Account No. 47702-5160507001 (North Glanbrook Industrial Business Park Servicing);
- (b) That the sum of \$28,723 from the proceeds of the sale be credited to Account No. 45408-3560150200 (Property Sales and Purchases) for recovery of expenses including Real Estate and Legal administration fees;
- (c) That Appendix “B” attached to Report PED16173 remains confidential and not be released as a public document until final completion of the real estate transaction;

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- (d) That the Mayor and City Clerk be authorized to execute any necessary documents in a form satisfactory to the City Solicitor.

EXECUTIVE SUMMARY

Multi-Area Developments Inc. has proposed an industrial plan of subdivision on 23.6 acres (9.57 ha) in the north-east quadrant of Rymal Road East and Pritchard Road.

This development application (25T-201402) encloses City land at the south-west limit of Block 5, between the Hydro corridor and Upper Red Hill Parkway, as shown on Appendix "A" attached to Report PED16173. The City's parcel comprises an area of 3.86 acres (1.56 ha) of residual land from acquisitions of 1603 Rymal Road East and 655 Pritchard Road for the Upper Red Hill Parkway. With no direct access to Rymal Road East due to restrictive points of access, and being separated from Pritchard Road by the Hydro corridor, the subject parcel is essentially landlocked.

Growth Management Division has directed Real Estate Section to convey the subject property to Multi-Area Developments Inc., thereby ensuring this landlocked parcel is included in Development Application 25T-201402.

Council approval is being sought to convey the subject property to Multi-Area Developments Inc. for inclusion in Development Application 25T-201402.

Alternatives for Consideration – See Page 4

FINANCIAL – STAFFING – LEGAL IMPLICATIONS

Financial: The property will be sold at fair market value in accordance with "Procedural By-Law for the Sale of Land", being By-Law No. 14-204. Proceeds of the sale, net of all costs, will be deposited in Account No.47702-5160507001 (North Glanbrook Industrial Business Park Servicing).

The sum of \$28,723 from the proceeds of the sale be credited to Account No. 45408-3560150200 (Property Sales and Purchases) for recovery of expenses including Real Estate and Legal administration fees.

Staffing: N/A

Legal: Legal Services Division will be required to assist in the preparation of the necessary closing documents.

HISTORICAL BACKGROUND

Requirements for the Upper Red Hill Parkway extension included acquisitions of 1603 Rymal Road East and 655 Pritchard Road which took place in 2012. From these parcels, land residual to the City's requirements for road infrastructure amounts to a total area of 3.86 acres (1.56 ha), landlocked, in two zoning categories. The northerly lands (1.38 ac / 0.55 ha), known municipally as 655 Pritchard Road, are zoned Prestige Business Park (M-3) according to By-law No. 05-200. The southerly parcel (2.48 ac / 1.0 ha), known municipally as 1603 Rymal Road East, is zoned Prestige Industrial (M-11) according to By-law No. 6593.

Applications for rezoning and Draft Plan of Subdivision approval have been submitted by Multi-Area Developments Inc. to permit a range of industrial and commercial uses including financial establishments, a medical clinic, personal services, retail uses as well as modifications to the regulations for restaurants and showrooms.

The Draft Plan of Subdivision shows two blocks as employment land, one block for a multi-use corridor containing a storm water management facility and one new street. Inclusion of the City's parcel in this proposed development will add two additional developable blocks for employment use.

POLICY IMPLICATIONS AND LEGISLATED REQUIREMENTS

In accordance with By-law 14-202, property no longer required for municipal programs is declared surplus by Council and disposed of, in accordance with the City's Portfolio Management Strategy.

RELEVANT CONSULTATION

- Legal Services Division, City Manager's Office;
- Growth Management Division, Planning and Economic Development Department; and,
- Ward Councillor.

ANALYSIS AND RATIONALE FOR RECOMMENDATION

The subject property is landlocked, in that it is separated from Pritchard Road by the Hydro corridor and although the southerly portion of this parcel does have limited frontage on Rymal Road East, vehicular access is not possible due to restrictions placed on access points to a controlled access highway, being the Upper Red Hill Parkway. Accordingly, there is no potential for the subject to have direct access to either Rymal Road East or the Upper Red Hill Parkway, and it could only be developed internally by Multi-Area Developments Inc. Furthermore, conveyance of this landlocked parcel will facilitate orderly development and access to employment lands.

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Real Estate staff considers the terms and conditions of this sale to be fair, reasonable and reflective of market value. The Ward Councillor is aware of this proposed sale.

ALTERNATIVES FOR CONSIDERATION

Conveyance of the subject lands will create 3.86 acres (1.56 ha) of employment land to Draft Plan of Subdivision 25T-201402 and absorb what would otherwise have become a vacant, undevelopable parcel for its lack of sufficient frontage on a public highway.

ALIGNMENT TO THE 2012 – 2015 STRATEGIC PLAN

Strategic Priority #1

A Prosperous & Healthy Community

WE enhance our image, economy and well-being by demonstrating that Hamilton is a great place to live, work, play and learn.

Strategic Objective

- 1.1 Continue to grow the non-residential tax base.
- 1.6 Enhance Overall Sustainability (financial, economic, social and environmental).

Strategic Priority #2

Valued & Sustainable Services

WE deliver high quality services that meet citizen needs and expectations, in a cost effective and responsible manner.

Strategic Objective

- 2.1 Implement processes to improve services, leverage technology and validate cost effectiveness and efficiencies across the Corporation.

Strategic Priority #3

Leadership & Governance

WE work together to ensure we are a government that is respectful towards each other and that the community has confidence and trust in.

Strategic Objective

- 3.4 Enhance opportunities for administrative and operational efficiencies.

APPENDICES AND SCHEDULES ATTACHED

Appendix "A" to Report PED16173 – Location Map
Appendix "B" to Report PED16173 – Terms of Sale

DC/lm