



Hamilton

**CITY OF HAMILTON**

**PLANNING AND ECONOMIC DEVELOPMENT DEPARTMENT  
Economic Development Division  
and  
Growth Management Division**

<b>TO:</b> Mayor and Members General Issues Committee	<b>WARD(S) AFFECTED:</b> WARD 11
<b>COMMITTEE DATE:</b> May 15, 2013	
<b>SUBJECT/REPORT NO:</b> Agreement of Purchase and Sale Between the City of Hamilton and Her Majesty the Queen in Right of Ontario as Represented by the Minister of Infrastructure, Being Part of Lots 14 and 15, Concession 1, Hamilton (Formerly Township of Glanford) for the Dartnall Road Extension (PED13089) (Ward 11)	
<b>SUBMITTED BY:</b> Tim McCabe General Manager Planning and Economic Development Department	<b>PREPARED BY:</b> Darlene Cole (905) 546-2424 Ext. 7910  Tony Sergi (905) 546-2424 Ext. 2274
<b>SIGNATURE:</b>	

**RECOMMENDATION:**

- (a) That an Agreement of Purchase and Sale between the City of Hamilton and Her Majesty the Queen in Right of Ontario as represented by the Minister of Infrastructure, to purchase Part of Lots 14 and 15, Concession 1, City of Hamilton (formerly Township of Glanford), described as Parts 1, 2, 3, 14, 15, 16, 17, 18 and 19, Plan 62R-17987, to facilitate the extension of Dartnall Road south to intersect with Twenty Road, as shown on Appendix "A" attached to Report PED13089, be approved and completed at the purchase price of \$576,250;
- (b) That the purchase price of \$576,250 be charged to Capital Project No. 59259-3620707003 (Dartnall Road Extension);
- (c) That the City of Hamilton compensate Hydro One Networks Inc. (HONI) an administration fee of \$1,250 for the preparation of documents in connection with

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this transaction and that said fee be charged to Capital Project No. 59259-3620707003 (Dartnall Road Extension);

- (d) That the costs incurred for Real Estate (inclusive of an appraisal) and legal expenses in the amount of \$27,084 be funded from Capital Project No. 3620707003 (Dartnall Road Extension) and credited to Account No. 45408-3560150200 (Property Purchases and Sales);
- (e) That should HST be applicable it be collected by the City, and credited to Account No. 22835-009000 (HST Payable);
- (f) That the Mayor and Clerk be authorized and directed to execute any necessary documents in a form satisfactory to the City Solicitor.

**EXECUTIVE SUMMARY:**

The Real Estate Section of the Economic Development Division is seeking City Council's approval to purchase lands described in Recommendation (a) of this Report from Her Majesty the Queen in Right of Ontario as represented by the Minister of Infrastructure of Ontario to facilitate construction of the Dartnall Road extension south. This important road linkage will connect the North and South Red Hill Business Parks which are presently separated by the 233 metre HONI corridor situated between Nebo and Glover Roads, south of Rymal Road. Upon completion, this extension will intersect with Twenty Road and then continue south for approximately 430 metres.

On behalf of the City, Dillon Consulting recently completed its detailed designs for this extension, requiring 2.305 acres from HONI. The City's construction plans are in place and crews will mobilize immediately following the closing of this transaction.

***Alternatives for Consideration- See Page 4***

**FINANCIAL / STAFFING / LEGAL IMPLICATIONS:**

**Financial:** Capital Project No. 3620707003 (Dartnall Road Extension) is budgeted at \$6.6 M, with expenditures as of March 31, 2013 at approximately \$1.8 M. The expenditures to date have supported the Hannon Creek relocation works from Twenty Road to approximately 370 m northerly. Funding for this project comes primarily from Development Charge revenues and Provincial Infrastructure subsidies (Red Hill Business Park Development).

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**Staffing:** There are no identified staffing implications arising out of this recommendation.

**Legal:** Legal Services Division will be required to assist in the preparation of the necessary documents required to complete the transaction as set out herein.

**HISTORICAL BACKGROUND:**

The east/west HONI corridor situated south of Rymal Road between Nebo and Glover Roads will be bisected by the extension of Dartnall Road south; construction will take place about 630 m west of Glover Road and 510 m east of Nebo Road. These corridor lands are now zoned M-3 – Industrial Business Park, which, if not for the HONI infrastructure, could be developed with office, manufacturing, and a range of complementary business park uses.

Staff has been working with HONI and Dillon Consulting in sorting out design issues related to this and other road infrastructure within this industrial park for several years. Land for the Dartnall extension, together with a drainage easement, are the final significant land requirements from the Province in this park.

Compensation for these lands at \$250,000 per acre is based on a valuation prepared by Antec Appraisals provided to the City on January 4, 2013, and recently confirmed by HONI as having met its compensation/valuation criteria for assignments. Specifically, HONI requires that when a property interest requirement is located within a hydro corridor or the Parkway Belt West Planning Area, (PBW), the valuation exercise will disregard the existence, and/or the “scheme” of the hydro corridor or PBW in its entirety, including any utilities and/or structures that may be located within or on its lands.

In this instance, valuation was determined in accordance with HONI’s Industrial Land Rate, or ILR, for urban areas defined as follows:

“**URBAN:** A two – five acre vacant industrial site for the nearest defined market area, assuming the land is serviced and is developable following site plan approval and building permit issuance.”

The ILR is intended to be reflective of a typical general industrial site for the defined market area - all public infrastructure requirements must employ the ILR method for value determination.

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**POLICY IMPLICATIONS/LEGISLATED REQUIREMENTS:**

- Real Estate Portfolio Strategy Plan;
- Growth Related Integrated Development Strategy;
- City's Corporate Priority Plan and Strategic Plan; and,
- Transportation Master Plan for Red Hill Industrial Park.

**RELEVANT CONSULTATION:**

- City Manager's Office, Legal Services Division; and,
- Ward Councillor.

**ANALYSIS / RATIONALE FOR RECOMMENDATION:**

Acquisition of this parcel is critical to completion of the Dartnall Road connection between the North and South Red Hill Business Parks. Further, this connection is listed as a committed network improvement in the City's Transportation Master Plan.

**ALTERNATIVES FOR CONSIDERATION:**

Not acquiring this land from the Province would prevent construction of the Dartnall Road extension, leaving the road network between the North and South Red Hill Business Parks disconnected.

**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.
- 1.2 Continue to prioritize capital infrastructure projects to support managed growth and optimize community benefit.
- 1.4 Improve the City's transportation system to support multi-modal mobility and encourage inter-regional connections.

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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.
- 2.3 Enhance customer service satisfaction.

**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**

- 3.1 Engage in a range of inter-governmental relations (IGR) work that will advance partnerships and projects that benefit the City of Hamilton.

**APPENDICES / SCHEDULES:**

Appendix "A" to Report PED13089 - Location Map

DC/sd



● Subject Property

## Location Map



Hamilton

PLANNING AND ECONOMIC DEVELOPMENT DEPARTMENT

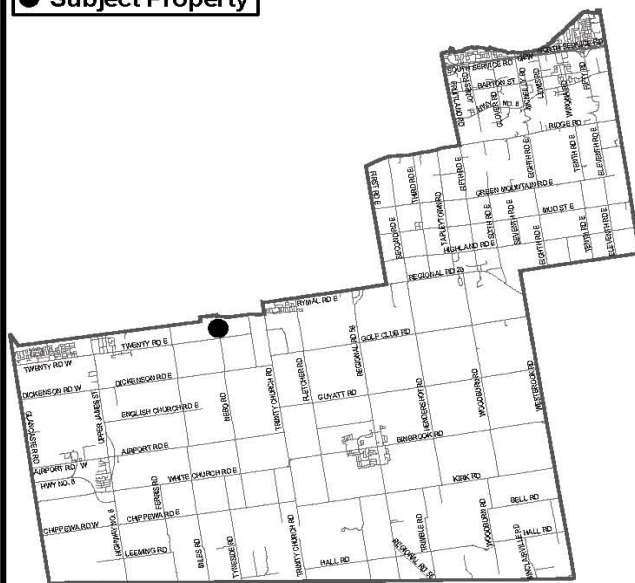
File Name/Number:  
2007-111

Date:  
April 5, 2013

Appendix "A"

Scale:  
N.T.S.

Planner/Technician:  
DC/AL



Ward 11 Key Map

N.T.S.

### Subject Property



Parts 1, 2, 3, 14, 15, 16, 17, 18 & 19,  
Plan 62R-17987