

REGION OF OTTAWA-CARLETON
RÉGION D'OTTAWA-CARLETON

REPORT
RAPPORT

Our File/N/Réf. **12 18-98-70110-000**

DATE 23 November 1999

TO/DEST. Co-ordinator
 Corporate Services and Economic Development Committee

FROM/EXP. Commissioner
 Planning and Development Approvals Department

SUBJECT/OBJET **SALE OF SURPLUS PROPERTY**
ECHO DRIVE, OTTAWA

DEPARTMENTAL RECOMMENDATION

That the Corporate Services and Economic Development Committee recommend Council approve the sale of property municipally known as 145, 159, 163-165 Echo Drive and 23-25 Harvey Street being part of Lots 11 and 12, Plan 61 and part of Lots 24 thru 30, Plan 27, former Township of Nepean, now City of Ottawa, to Claridge Building Corporation In Trust, for the amount of \$1,805,000 pursuant to an agreement of Purchase and Sale signed by the Purchaser.

INTRODUCTION

At its meeting of October 13, 1999, Regional Council resolved that Item 3 of Corporate Services and Economic Development Committee Report No. 48 - Sale of Surplus Property, Echo Drive, Ottawa be referred back to staff with a direction to arrange a sale for the same selling price or better and still preserve or replace the existing rental units. The following is in response to that direction.

BACKGROUND/RECAP

As part of its Official Plan, Regional Council identified a collector distributor road system adjacent to the Queensway. Properties were acquired to protect them for the future "Downtown Queensway Corridor".

The subject property consists of a group of properties that are located at Echo Drive and Harvey Street in the City of Ottawa. It consists of approximately 53,230 square feet of land on which is situated a six unit apartment building at 145 Echo Drive; a single family residence and a 2,790 square foot garage, formerly used as an automotive body shop at 163-165 Echo Drive. The seven (7) residential units are presently occupied. The current zoning on the properties pursuant to the new City of Ottawa " Zoning by-law 1998" is 6B H(13.8) - High Rise Apartment Zone. A height restriction of 13.8 metres applies.

The Downtown Queensway Corridor project has been deleted from the Regional Official Plan. The subject property was declared as surplus to the Region's needs on October 28, 1998 (Parcels 8, 9 & 10). In the case of 145-159 Echo, the property was expropriated from Thomas C. Assaly Corporation Limited. This Company is now defunct. The property known as 163-165 Echo was expropriated from Orelina Management Ltd., and it has waived its' right to repurchase.

The availability of the property was circulated to local government bodies, agencies and public utilities. No interest was expressed. The property was then listed for sale through a Commercial Real Estate Broker at a price of \$1,599,000. The property was appraised by an independent fee appraiser and the listing price was in accordance with the appraisal report.

The listing resulted in four (4) offers being received. They are as follows:

Claridge Building Corporation **\$1,805,000** - unconditional, closing in 90 days

Charlesfort Developments **\$1,800,000** - subject to satisfaction that residential tenancies are month-to-month, that the land size, dimension and locations of buildings are satisfactory for its purposes, carrying out physical inspections of Real Property and finding same to be to its complete satisfaction and that the Region will not enter into or renew any leases or tenancy agreements without the prior consent of the purchaser.

Quadrelle Investments Inc. **\$1,700,000** - subject to conditions for site plan approval, providing all particulars regarding the tenancies, copies of building plans, environmental reports, appraisal reports and physical inspection of the residential units.

Uniform Developments **\$1,650,000** - subject to conditions for rezoning, site plan approval, providing particulars of all tenancies and environmental testing and copies of environmental reports.

A subsequent offer was received as follows:

Ashcroft Homes Inc.	\$1,300,000	- subject to site plan approval and contamination removal.
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At its meeting of October 5, 1999, Corporate Services and Economic Development Committee recommended to Regional Council that the surplus property located at Echo Drive and Harvey Street be sold to Claridge Building Corporation for the total amount of \$1,805,000.

The ensuing discussion at Regional Council centered around the ability to save and protect the existing residential units and maintain their affordability, while still receiving the anticipated revenue.

Staff has gone back to the successful bidder and has achieved Council's direction.

The sale has been arranged based on the following terms:

- Purchase price \$1,805,000
- Purchaser agrees to save and protect the existing six (6) unit apartment at 145 Echo Drive and 2 storey dwelling at 163-165 Echo Drive for the period referred to below.
- The Purchaser acknowledges that the Region will be entering into a lease agreement with the existing residential tenants for a term of one (1) year, with two one year options to renew, and that the Purchaser agrees to adopt and abide by the terms of the Lease agreements entered into by the Region.
- The Purchaser further agrees not to demolish the residential buildings for a term of five (5) years from the date of the transfer by the Region.

So that any subsequent purchasers of the property are fully aware of this agreement the purchaser agrees that the transfer document shall include a restrictive covenant acknowledging the lease agreement and the above terms and that the covenant shall run with the land and be binding in any subsequent transfers.

FINANCIAL STATEMENT

This transaction represents a revenue of \$1,805,000 to the Corporation.

CONCLUSION

The arranged sale with Claridge Building Corporation achieves Councils direction and is considered to be fair and reasonable and is recommended for acceptance.

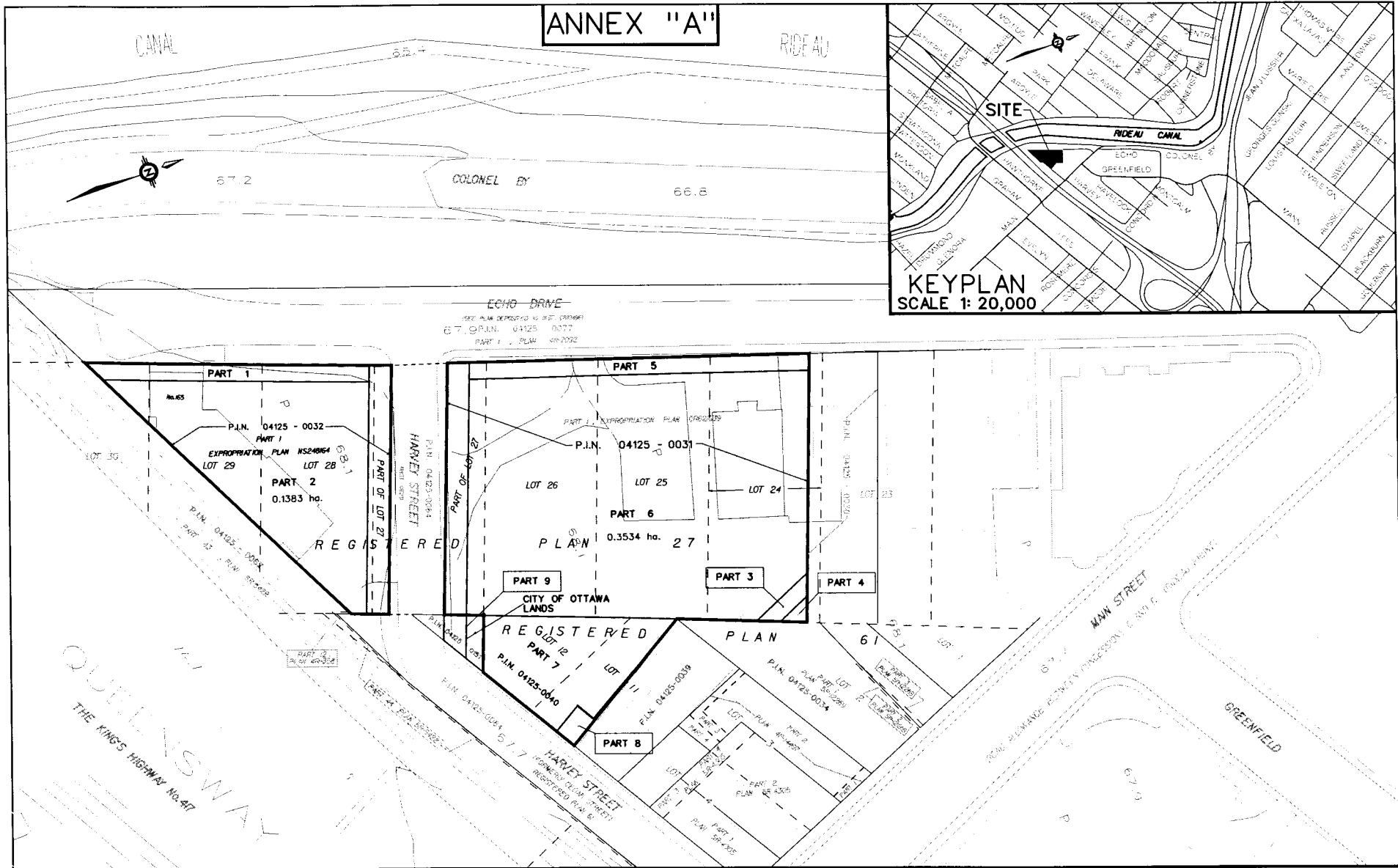
Approved by Nick Tunnacliffe, MCIP RPP

LJN/

FINANCE DEPARTMENT COMMENT

Proceeds from the sale of this property will be credited to Account No. 119909-519790

*Approved by T. Fedec
on behalf of the Finance Commissioner*



ECHO DRIVE AND HARVEY STREET SURPLUS LANDS

OWNER R.M.O.C.	AREA (AS SHOWN ABOVE)
SCALE 1:1000	DATE SEPTEMBER 9, 1999
FILE 18-98-70142, 70094, 70108	

REGION OF OTTAWA-CARLETON
INFORMATION TECHNOLOGY OFFICE

SURVEYS AND MAPPING BRANCH

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