

Our File/N/Réf. 12 09-97-64001-001
Your File/V/Réf.

DATE 15 January 1998

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

FROM/EXP. Planning and Development Approvals Commissioner

SUBJECT/OBJET **PROPERTY ACQUISITION: RIVER CORRIDOR ACCESS LANDS
YMCA-YWCA CAMP -- 1730 SIXTH LINE ROAD, KANATA
OWNER: OTTAWA YOUNG MEN'S AND YOUNG WOMEN'S
CHRISTIAN ASSOCIATION**

DEPARTMENTAL RECOMMENDATIONS

That the Corporate Services and Economic Development Committee and Council;

- 1. Approve the acquisition, in partnership with the City of Kanata, of the 130 acre +/- YMCA-YWCA Camp, being all of Lots 16 and 17 Concession VII in the City of Kanata, from the Ottawa Young Men's and Young Women's Christian Association. The purchase price will be borne equally by the R. M. O. C. and the City of Kanata at \$500,000 each, plus G.S.T.**
- 2. Authorize the Chief Administrative Officer to finalize an Operation Agreement between the City of Kanata and the Region regarding the ongoing use, operation, maintenance and cost sharing of the jointly purchased property;**
- 3. Authorize the Chief Administrative Officer to finalize a Use Agreement, between the City of Kanata, the Region and the YMCA-YWCA, which details the terms and conditions of the YMCA-YWCA's continued use of the 30 acre Outdoor Centre area of the property, for recreational programs.**

BACKGROUND

The YMCA-YWCA (the Y) owns 130 acres of land with over 4,000 feet of shoreline on the Ottawa River situated immediately north west of the DND Shirley's Bay Firing range. The property has been identified in the Region's Official Plan as being significant in terms of the opportunity it provides for public access to the waterfront. This interest resulted in an attempt to purchase the site 5 years ago as part of a land exchange that would have involved the Beaver Barracks site.

In early 1997, the Y started the process of disposing of the North 100 acres of the site on the open market. The proceeds of the sale would be used to retire a \$1 million loan that was incurred in building the Gloucester - Cumberland YMCA-YWCA facility. Regional staff approached the Y to see if an agreement could be reached to purchase the entire 130 acre parcel. In an attempt to reach an agreement that staff were prepared to recommend to both the Y's Board of Directors and Regional Council, independent valuations of the property were obtained by the Y and Regional staff. Based on the reports, the value of the entire property was estimated at \$950K. The appraisal reports did not assign any contributory value to the structures on the site. The value estimates fell somewhat short of the funds required by the Y to extinguish the debt. This, in addition to other unresolved issues, prevented an agreement from being reached at that time.

In August 1997, the Y received an offer for the entire 130 acres from a private purchaser. That offer was accepted by the Y's Board in September 1997 but could not be finalized. The City of Kanata had just completed its Rural Parks and Open Space Master Plan which gave City staff the needed mandate to negotiate the public acquisition of the Y Camp property. This and the agreement by the City and the Region to jointly acquire the site resulted in a resumption of negotiations with the Y.

Discussions with the Y continued throughout the fall of 1997. In early December, an agreement in principle was reached for the purchase of the property. A formal Agreement of Purchase and Sale was subsequently drafted and executed by the Y on January 15th, 1998. The transfer of the property is scheduled for March 2, 1998, subject to approval of the agreement by both City of Kanata and Regional Councils.

DISCUSSION

The agreement is based on a purchase price of \$1,000,000 plus GST with the funds to be provided equally by the City and the Region. The following is a summary of the terms of sale:

- The purchase price is to be \$1 million for the entire 130 acre +/- parcel.
- The Purchasers shall pay all Land Transfer Taxes and GST with each party paying its own legal fees.
- The Purchasers shall reimburse the vendor for carrying costs from December 1, 1997 to the date of closing. These costs are based on the interest payable at the CIBC prime interest rate plus 3/4% on the Y's outstanding \$1,000,000 loan.

There are three conditions of sale:

- 1) The parties are to enter into a "Use Agreement" which will allow the Y to continue providing programming on the 30 acre Outdoor Centre at no cost and until such time as the Y is no longer either willing or able to run programs on the property. A schedule to the "Use Agreement" will define the limits of the Outdoor Centre.
- 2) The "Use Agreement" will ensure the following:
 - The Y is obliged to continue to provide programs on the Outdoor Centre property.
 - At such time as the Y is no longer willing or able to run programs on the property, the Y's use shall cease and all rights shall revert to the City and the Region.
 - The Y must maintain the property and its buildings and can add or remove buildings provided the buildings are used in accordance with the zoning By-law.
 - The Y must provide insurance for its purposes and name the City and the Region as additional insured.
 - The Y cannot assign the "use agreement" to another party unless it is a successor not for profit association that will enter into a similar agreement with the City and Region.
 - The City and the Region shall pay for a signage indicating that the property is owned by the City and region and that the Outdoor Centre is operated by the Y.
 - The Y shall make access available to the public and to the Kanata Sailing Club across the 30 acres so long as the Sailing Club remains a non- profit co-operative sailing club with the proviso to limit public access for security reasons.
 - The Kanata Sailing Club cannot alter the site or expand operations without the prior approval of the City and the Region.
- 3) The City and Region have until mid- February 1998 to obtain a Phase 1 Environmental Report confirming that the site is free from contamination.

In addition to the "Use Agreement," with the Y, an operating agreement is required between the City and the Region. This agreement will provide the details for the City of Kanata's ongoing park operation of the 100 acre portion of the property not occupied by the Y. The items to be covered in the agreement are as follows:

- Acquisition costs and any future realty taxes for the property are to be shared equally by the City and the Region
- The City shall operate and manage those portions of the property not occupied by the Y as a public park.
- The City shall be responsible for all costs associated with the operation of the park area.
- The City shall provide appropriate insurance coverage that names the Region as Co-Insured.
- The City shall indemnify and save harmless the Region from any claims resulting from the Cities use of the property as park.
- The City and the Region shall erect appropriate signage to indicate that the City operates the park and jointly owned.
- The City may erect structures for park purposes, at its expense.

PUBLIC CONSULTATION

The subject property has been identified in the Region's Official Plans for many years. The 1997 Official Plan which was approved by Regional Council on July 9th, 1997 involved extensive public consultation.

FINANCIAL IMPLICATIONS

The \$1million purchase price of the property Land Transfer Tax and GST are to be split equally by the City of Kanata and the Region.

FINANCIAL STATEMENT

Approved Budget to Date	\$9,526,000
Total Paid & Committed to Date	<u>(7,391,428)</u>
Balance Available	2,134,572
THIS REQUEST (including GST)	(<u>535,000</u>)
Balance Remaining	<u>\$1,609,572</u>

Funds have been provided in the 1997 Capital Budget, Account No. 912-62901, Environmental Areas Acquisition.

Approved by Nick Tunnacliffe

FINANCE DEPARTMENT COMMENT

Funds are available as indicated.

*Approved by C. Colaiacovo
on behalf of the Finance Commissioner*

