

**3. SALE OF SURPLUS PROPERTY  
ECHO DRIVE, OTTAWA**

**COMMITTEE RECOMMENDATIONS AS AMENDED**

**That Council approve the following:**

- 1. To afford the opportunity to Orelne Management Limited to repurchase the property municipally known as 163-165 Echo Drive, being part of Lots 27 through 30, Plan 27, formerly Township of Nepean, now City of Ottawa for the amount of \$600,000. being part of the property in the original recommendation and that the balance of the property be sold to Claridge Building Corporation for the amount of \$1,205,000;**
- 2. In the event that the former owner does not exercise its option, that the following original recommendation stand: 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 that has been received;**
- 3. That staff review the possibility to allocate the profit from the sale of this property to build affordable rental housing in Ottawa-Carleton should the property be sold to other than the previous owner, and a report return to Committee for consideration.**

**DOCUMENTATION**

- 1. Planning and Development Approvals Commissioner's reports dated 05 Oct 99 and 21 Sep 99 are immediately attached.**
- 2. Extract of Draft Corporate Services and Economic Development Committee Minute, 05 Oct 99, immediately follows the report and includes a record of all votes.**

REGION OF OTTAWA-CARLETON  
RÉGION D'OTTAWA-CARLETON

REPORT  
RAPPORT

Our File/N/Réf.           **12 18-98-90110-000**  
Your File/V/Réf.

DATE                        5 October 1999

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

FROM/EXP.                Planning and Development Approvals Commissioner

SUBJECT/OBJET           **SALE OF SURPLUS PROPERTY**  
**ECHO DRIVE, OTTAWA**  
**ADDENDUM REPORT - 05 OCT 99**

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**DEPARTMENTAL RECOMMENDATIONS**

**That the Corporate Services and Economic Development Committee and Council:**

- 1.     afford the opportunity to Orelina Management Limited to repurchase the property municipally known as 163-165 Echo Drive, being part of Lots 27 through 30, Plan 27, formerly Township of Nepean, now City of Ottawa for the amount of \$600,000. being part of the property in the original recommendation and that the balance of the property be sold to Claridge Building Corporation for the amount of \$1,205,000;**
- 2.     In the event that the former owner does not exercise its option, that the following original recommendation stand:     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 that has been received.**

**BACKGROUND**

Since the date of the preparation of the report dated 21 September, as circulated to members of Committee in the agenda, circumstances have arisen that necessitates the amending of the report and the report recommendation.

The property at 163-165 Echo Drive was expropriated from Orelina Management Limited. Although the Region attempted to afford the opportunity to the previous owner to repurchase the property in accordance with Section 42 of the Ontario Expropriations Act it was found out that the owner did not receive the Region's notice. Orelina Management Limited recently contacted the Region and expressed an interest in repurchasing the property. Staff has ascertained that the value of 163-165 Echo Drive based on the best offer received to be \$600,000.00.

It is therefore recommended that Orelina Management Limited be given the opportunity to purchase 163-165 Echo Drive for the amount of \$600,000.00. In the event of Orelina Management Limited declines the purchase, that the property be sold to Claridge Building Corporation as originally recommended .

*Approved by  
Rob Ennor on behalf of  
the P&DA Commissioner*

LJN/

REGION OF OTTAWA-CARLETON  
RÉGION D'OTTAWA-CARLETON

REPORT  
RAPPORT

Our File/N/Réf.	12 18-98-70110-000
DATE	21 September 1999
TO/DEST.	Co-ordinator Corporate Services and Economic Development Committee
FROM/EXP.	Planning and Development Approvals Commissioner
SUBJECT/OBJET	<b>SALE OF SURPLUS PROPERTY - ECHO DRIVE, OTTAWA</b>

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### **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 that has been received.**

### **BACKGROUND**

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 comprises 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 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 residential units are presently occupied. The sale is subject to assuming the existing tenancies.

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. The Region has attempted to afford the opportunity to the previous owner

to repurchase the property in accordance with Section 42 of the *Ontario Expropriations Act*. That Corporation is defunct and no interest was expressed in repurchasing the property.

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 the Real Estate Board of Ottawa-Carleton Multiple Listing Service at a price of \$1,599,000.

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

Claridge Building Corporation	<b>\$1,805,000</b>	- unconditional, closing in 90 days
Charlesfort Developments	<b>\$1,800,000</b>	- subject to minor conditions
Quadrelle Investments Inc.	<b>\$1,700,000</b>	- subject to conditions for site plan approval, etc.
Uniform Developments	<b>\$1,650,000</b>	- subject to conditions for rezoning, site plan approval, etc.

The property was appraised by an independent fee appraiser and the offers are in accordance with the appraisal report.

The offers have been reviewed and it is hereby recommended that Committee and Council approve the sale to Claridge Building Corporation - In Trust, in the amount of \$1,805,000.

### PUBLIC CONSULTATION

In accordance with existing policies, the availability of the property was circulated to all local governments and agencies including the Region, Social Housing Department. No interest was shown. The property was subsequently offered to the public through the Real Estate Board of Ottawa-Carleton Multiple Listing Service. No further public consultation is required.

### FINANCIAL STATEMENT

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

The offer is considered to be fair and reasonable and is recommended for acceptance.

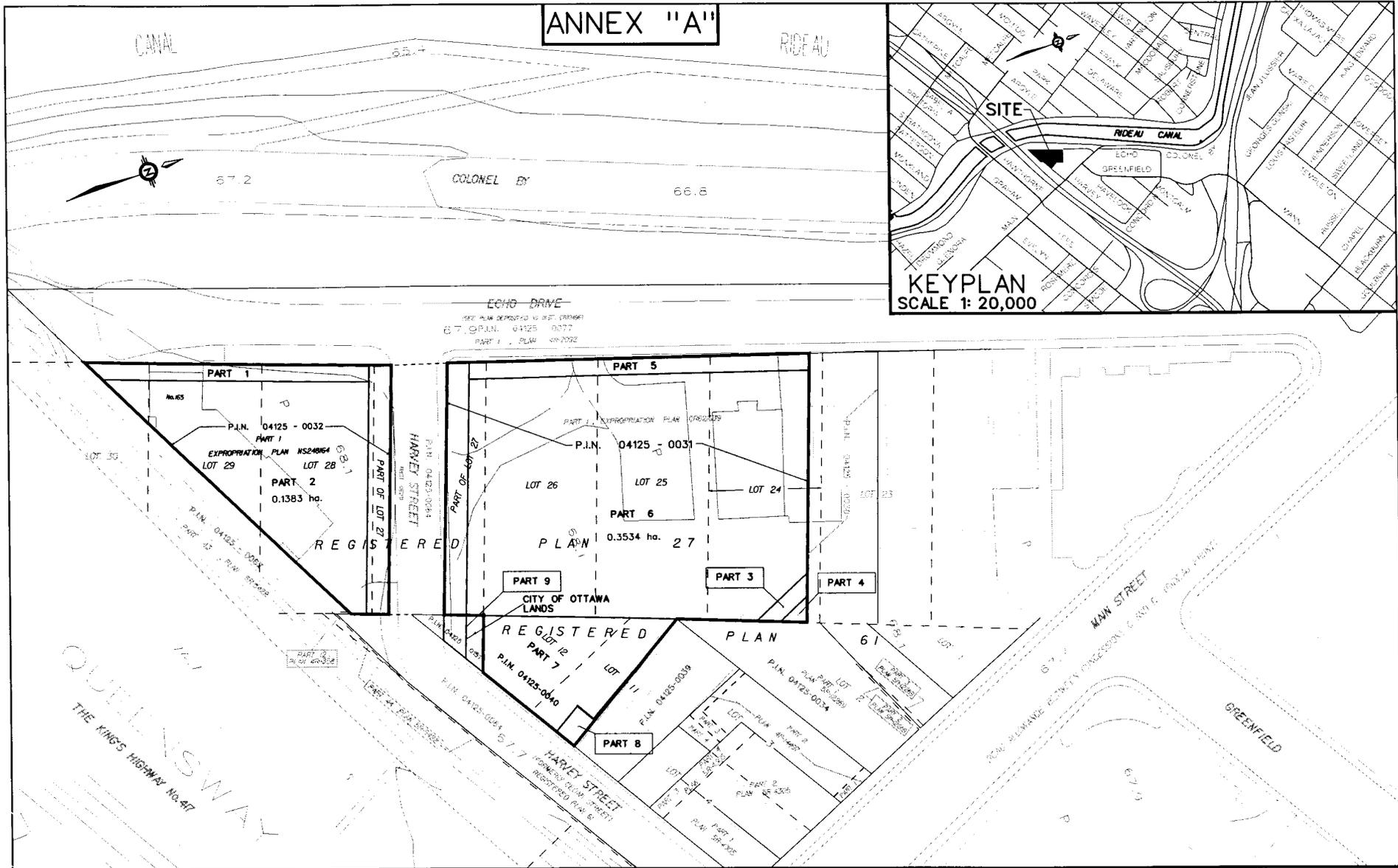
*Approved by Barry Edginton A/Commissioner*

*September 27, 1999*

FINANCE DEPARTMENT COMMENT

Proceeds from the sale of this property will be credited to Account No. 119909-519790 (Sale of Surplus Land).

*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	
3958KEY.DGN	

**SALE OF SURPLUS PROPERTY  
ECHO DRIVE, OTTAWA**

- Planning and Development Approvals Commissioner's report dated 21 Sep 99
- Planning and Development Approvals Commissioner's addendum report dated 05 Oct 99

*Ms. Laura Mayer, Tenant.* Ms. Mayer stated when she found herself homeless due to redevelopment of her previous residence four years ago, her family turned to City Living and the unit on Echo Drive was provided. This unit granted her with a sense of security knowing it was owned by the Region and managed by City Living. Ms. Mayer referenced another tenant whom had moved twice due to redevelopment and would again face the same fate. The speaker explained the residents had built their lives around their home, in that their children were involved in community events, local schools and day cares, and the parents worked downtown. She reported there was no affordable housing in the downtown core and if required to relocate, would involve great sacrifices. In closing, Ms. Mayer stated homelessness was defined as persons who are evicted or facing eviction, noting 22 people would be in this situation as a result of the sale. Ms. Mayer stated she hoped the Region would provide some protection and security for the tenants through the sale agreement, noting the current leases were month to month.

Councillor Cantin inquired about the status of the speaker's residence. Ms. Mayer confirmed the building was no longer operated by City Living since July 1999, at which time the Region reacquired it. She had resided there for over four years.

Councillor van den Ham noted the previous lease was month to month, thereby not changing circumstances. Ms. Mayer pointed out the probability for the purchaser to redevelop the entire area, thereby demolishing the building and threatening eviction after 120 days notice. Councillor van den Ham stated the same circumstances of possible eviction had existed for the past four years.

In response to a question from Councillor Cantin, J. Potter, Special Advisor on Social Housing, responded City Living still operated their properties independently. She believed it may be appropriate to approach City Living to determine if they may have a unit available, given this household formerly occupied a City Living dwelling for a long time. However, Ms. Potter noted the length waiting list.

Extract of Draft Minute  
Corporate Services and  
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Councillor Munter referenced the loss of rental units in a community where more were actually required. Speaking to the six-plex, Mr. Ennor referenced an Ontario Rental Housing Tribunal document entitled Conversions, Demolitions, Renovations. Mr. Ennor reported in buildings with more than five units, the landlord must pay compensation if the tenants are required to move due to demolition, or offered another unit. Councillor Munter pointed out Ms. Mayer was not covered by this provision as she occupied the single unit in the building above the body shop business.

Councillor Munter stated the issues revolved around the displacement of the residents and the need to replace the rental units that would be lost.

Councillor Doucet provided a history of the area located in his ward. The Councillor stated the entire edge of Echo Drive had been redeveloped into a series of expensive condominiums which had been developed in a community unfriendly way. Councillor Doucet referenced Regional Official Plan policies regarding the impact of development on the neighboring communities with respect to parking, traffic, open space and proposed uses. The Councillor did not support the sale of the properties as it did not respect the Official Plan or the wishes of the community. Councillor Doucet reiterated comments made by Councillor Munter regarding the destruction of rental units that were required in the community. In closing, he reviewed a Motion he hoped a Committee member would put forward requesting the residential units be severed and retained for housing.

Councillor Hunter inquired about the report declaring the properties surplus. Mr. Ennor confirmed Council approved thirteen properties, these included, on 28 October 1998.

Councillor Loney concurred with Councillor Hunter in that the appropriate time for this discussion would have been in October 1998, at which time other properties had been held from the process, such as those on Albert Street. He believed it was difficult to cancel the process so near completion; after listing the properties and accepting offers. However, in light of the situation, Councillor Loney suggested some of the sale proceeds could be directed into the housing fund previously discussed by Council. The Councillor referenced other worthy individuals that required social housing and were on the waiting list.

With respect to the addendum report dated 5 Oct 99 regarding the previous owner and revised staff recommendations, Councillor Loney requested clarification from staff. Mr. Ennor confirmed negotiations with the original owner would commence and a decision required shortly after Council's consideration of the report. Mr. Ennor also confirmed Claridge Building Corporation was prepared to purchase the remaining property at the indicated price, should the original owner choose to exercise his right to purchase the 163-165 Echo Drive property.

Extract of Draft Minute  
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Councillor van den Ham expressed his support for the staff recommendations. However, although social housing was an important issue, he was not sure if it was appropriate at this time to approve a Motion directing sale revenue toward rental housing. He suggested that debate should be considered later when considering social housing issues, such as to what extent it would be funded and how.

Councillor Hume referenced the compensation for tenants under the Rental Tribunal and wondered if it was possible to extend this compensation to the tenant occupying the one home. Mr. Ennor noted it was Provincial legislation. Councillor Beamish inquired who was responsible for paying the compensation. Mr. Ennor stated the landlord providing the eviction notice would be responsible, therefore making the purchaser responsible, not the Region.

Councillor Doucet noted the property was purchased for approximately \$1 million, and the Region would still receive an excellent profit even if the residential units were severed and retained. He stated this proposal would preserve seven required units.

The Committee heard from the following three public delegations.

*Mr. Nicholas Patterson, Ottawa-Carleton resident.* Mr. Patterson referenced the financial implications section of the report. He suggested the need to include the cost flow implications of proceeding with the proposal, or not. Mr. Patterson acknowledged the debate on social housing issues, however, stated a need for a fiscal evaluation on the revenue gain vs. the value of the tax levied on replacement housing. The speaker referenced the absence of fiscal clarity in most information provided to Committee.

*Mr. Paul Rothwell, Claridge Building Corporation.* Mr. Rothwell expressed his support for the addendum report and confirmed they were prepared to move forward. However, he believed once the land was declared surplus, it was their expectation the various options regarding the tenancies would have been explored and included in the Region's plans. Mr. Rothwell believed the Region should continue to be responsible for the tenants, rather than the purchaser, and the compensation cost remain with the Region. Mr. Rothwell stated the project was viable and would compliment the existing development in the community.

Extract of Draft Minute  
Corporate Services and  
Economic Development Committee  
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In response to questions from Chair Chiarelli, Mr. Rothwell reported 27 units were proposed on the entire site. He stated the format would be similar to the Kings Landing project.

Councillor Hunter pointed out the number of units proposed were less than permissible under the zoning, that being high rise apartment. Mr. Rothwell stated the proposal was a market driven decision as the ground oriented low rise townhouse suited better.

*Mr. Neil Cournoyer, Tenant.* Mr. Cournoyer stated he lived at 145 Echo Drive, the six-plex building. The speaker did not object to the neighboring development although they had taken away green space and were geared toward the high income owner. However, he questioned the rationale to demolish a sound and healthy building, when the need for low income housing was so high.

Councillor van den Ham explained the Region was responsible for providing infrastructure throughout Ottawa-Carleton and had originally acquired the property for transportation needs. However, due to a change in the Official Plan, it was no longer needed and now surplus to the Region's needs. The Councillor agreed the Region had a responsibility for affordable housing, however, that issue was separate from this disposal. He pointed out that perhaps the proceeds of this sale would generate more social housing options, but in a different location.

Councillor Hunter concurred with Councillor van den Ham in that the Region was not the all time stewards of land that was no longer needed for the purpose of which they were purchased. He stated there was a policy in the Official Plan entitled residential intensification, noting the redevelopment would assist in achieving that goal and increasing the overall housing stock in the Region.

Councillor Doucet acknowledged the subject units were not low end stock, but were affordable for a middle class person; however, were becoming a rare commodity. He supported the policy of intensification, however, did not agree with development that would eliminate affordable and reasonable housing.

Extract of Draft Minute  
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05 October 1999

Moved by Councillor Beamish

That the residential units contained in the surplus property sale described in the staff reports dated 21 Sep and 05 Oct be severed from the sale and be retained for housing.

LOST

NAYS: R. Cantin, P. Hume, G. Hunter, A. Loney, M. Meilleur, W. Stewart  
R. van den Ham, R. Chiarelli ... 8  
YEAS: D. Beamish, B. Hill ... 2

Councillor Hume moved a Motion regarding the compensation for the tenants. Councillor Meilleur moved an amendment to the Hume Motion directing the compensation be paid by the Region.

Councillor Stewart referenced the previous decision of the current Council to sale the property, referencing the excellent price offered. She did not support the requirement for the purchaser to pay the compensation referenced, noting the housing was not low rental housing.

Councillor Munter pointed out the rent on the unit was defined as affordable rental housing and the compensation referenced was \$2,250; 1/1000 of the purchase price.

Councillor van den Ham explained he was not concerned with the amount of the compensation, but referenced the principle involved. He stated the decision to sale the property was part of business, noting the development would generate money in taxes and in turn would fund programs and subsidized housing.

Councillor Beamish stated the compensation was an insignificant amount for the Corporation, and represented compassion to the family for the consequences of the sale. The Councillor referenced the unconditional offer from Claridge Corporation and did not believe it was appropriate they be required to cover the compensation at this date.

Councillor Cantin referenced the location of the units and stated the low rents for the accommodations received did represent a subsidy. He did not support the Motion regarding compensation.

Moved by Councillor Meilleur (Amendment)

**That the Hume Motion be amended to state the compensation for the additional unit not eligible under the Provincial directive be paid for by the Region.**

CARRIED  
(R. van den Ham dissented)

Moved by Councillor Hume (Main Motion)

That for the purpose of this sale, that *all* units be eligible for compensation as outlined in the Rental Housing Tribunal directive.

LOST

NAYS: R. Cantin, B. Hill, G. Hunter, W. Stewart, R. van den Ham ... 5  
YEAS: D. Beamish, P. Hume, A. Loney, M. Meilleur, R. Chiarelli .... 5

Moved by Councillor Meilleur

**That staff review the possibility to allocate the profit from the sale of this property to build affordable rental housing in Ottawa-Carleton should the property be sold to other than the previous owner, and a report return to Committee for consideration.**

CARRIED

The Committee then considered the staff recommendations, as amended.

**That the Corporate Services and Economic Development Committee and Council approve the following:**

- 1. To afford the opportunity to Oreline Management Limited to repurchase the property municipally known as 163-165 Echo Drive, being part of Lots 27 through 30, Plan 27, formerly Township of Nepean, now City of Ottawa for the amount of \$600,000. being part of the property in the original recommendation and that the balance of the property be sold to Claridge Building Corporation for the amount of \$1,205,000;**

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2. **In the event that the former owner does not exercise its option, that the following original recommendation stand: 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 that has been received;**
  
3. **That staff review the possibility to allocate the profit from the sale of this property to build affordable rental housing in Ottawa-Carleton should the property be sold to other than the previous owner, and a report return to Committee for consideration.**

CARRIED as amended