



City of
Peterborough

To: Members of the Committee of the Whole

From: Malcolm Hunt, Director, Planning and Development Services

Meeting Date: September 6, 2016

Subject: PLPD16-069
Purchase of 220 King Street in Support of the Urban Park Project

Purpose

A report to recommend the purchase of 220 King Street.

Recommendations

That Council approve the recommendations outlined in Report PLPD16-069 dated September 6, 2016, of the Director, Planning and Development Services, as follows:

- a) That a by-law be passed to authorize the purchase of 220 King Street for a purchase price of \$385,000 plus Land Transfer Tax pursuant to an agreement of Purchase and Sale negotiated by Seven Hills Developments Inc. that would be assigned to the City of Peterborough.
- b) That the Purchase and Sale Agreement for 225 Charlotte Street negotiated by the City of Peterborough, but not endorsed by City Council, be assigned to Seven Hills Developments Inc. as consideration for the assignment outlined in recommendation a) and that a by-law be passed to give effect to this assignment.

Budget and Financial Implications

This purchase can be funded from a \$385,000 draw from the General Property Reserve.

Background

220 King Street abuts the planned location of the Urban Park. The property is small at 1,800 sq ft and is occupied by a building of similar size. The property enjoys a right of way 4 feet in width over the City's Urban Park property on its north and east sides. The single story, slab-on-grade building is presently a restaurant.

The acquisition of the property would be to support the development of the urban park. The park will require dedicated program space for washrooms, change room facilities and storage and the subject building should be able to be repurposed for these uses without the need to occupy any of the park space with a new structure. The purchase price essentially replicates the shell building cost the capital project would be required to support whether or not the property was acquired. As such it represents sound value without impact on the physical use of the space reserved for the urban park. On the assumption that compatible adjacent development will introduce food service uses in close proximity to the Urban Park there will be no need for the park building to accommodate concession uses.

The opportunity to acquire the property became available to the City on Friday September 2, 2016. The City has focused its interests on the former Shopper's Drug Mart property at 225 Charlotte Street, largely because of the overall size of the property, the opportunity to extend the park to the intersection of Aylmer Street and Charlotte Street, and the opportunity to re-purpose approximately 3,500 sq ft of the existing building for program space. Staff had negotiated the purchase of the property for \$2.35 million with vacant possession subject to the approval by Council. Council has determined that it is not prepared to support the negotiated purchase at this time.

Seven Hills Developments Inc. have recently advised staff that they have had a long-standing interest in the acquisition of this property but were unable to purchase it with vacant possession. Seven Hills has expressed an interest, should the City not proceed with the purchase, in having the City assign the deal negotiated by staff to them and as consideration for that Seven Hills is prepared to assign the transaction it has negotiated for 220 King Street to the City of Peterborough.

While 220 King Street does not have the effect of making the Urban Park larger, it does provide the location and structure needed for park-specific program space. It is therefore in the City's interest to purchase 220 King Street given that Council is not prepared to proceed with the purchase of 225 Charlotte Street at a price of \$2.35 million.

Submitted by,

A handwritten signature in black ink, appearing to read 'Malcolm Hunt', with a long horizontal stroke extending to the right.

Malcolm Hunt, MCIP, RPP
Director, Planning and Development Services

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Attachments:

Exhibit A – Survey of 220 King Street
Exhibit B – Site Photographs

Exhibit A

Property Survey

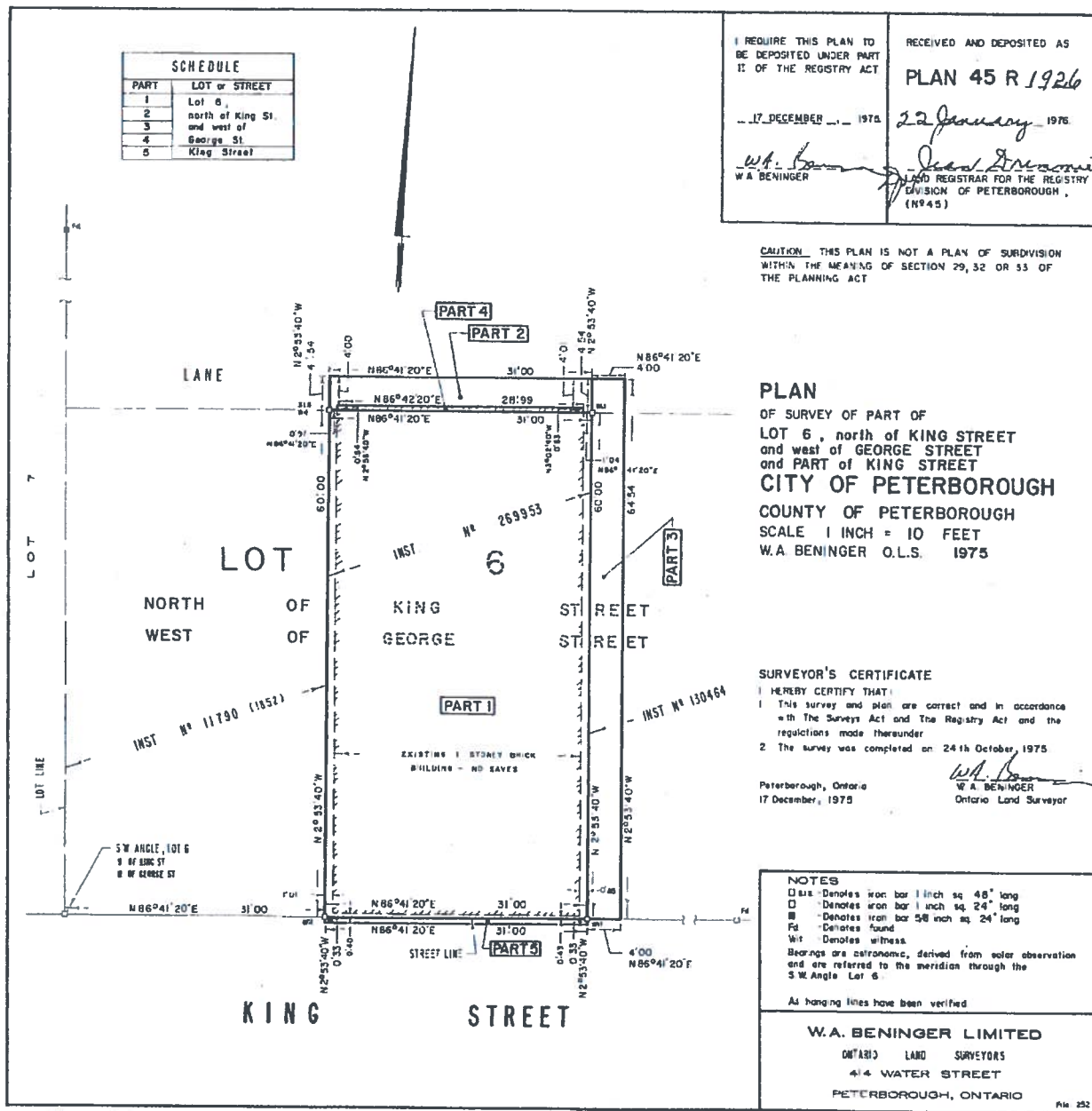


Exhibit B Site Photographs

