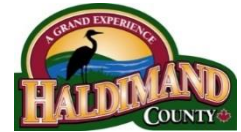


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# HALDIMAND COUNTY

## Report CS-SS-13-2018 Unsolicited Offers – Old Hines Road and Aikens Road Area, Dunnville



For Consideration by Council in Committee on May 15, 2018

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### OBJECTIVE:

To provide details of unsolicited offers to purchase vacant surplus County property in the Aikens Road and Old Hines Road area, Dunnville, in response to a motion of deferral and further direction provided to staff at the November 20, 2017 Council meeting.

### RECOMMENDATIONS:

1. THAT Report CS-SS-13-2018 Unsolicited Offers – Old Hines Road and Aikens Road Area, Dunnville be received;
2. AND THAT Memorandum CS-SS-M05-2018 Additional Information Related to Report CS-SS-13-2018 be received as information and remain confidential;
3. AND THAT the following lands be declared surplus to the needs of the municipality:
  - PIN # 38134-0201 (LT), Part Lot 7, Concession 2, north of Dover Road, being Part 7 on 18R9, Dunn, now Haldimand County;
  - PIN # 38134-0212 (LT), Part Lot 7, Concession 2, north of Dover Road, being Part 18 on 18R9, Dunn, now Haldimand County;
  - PIN # 38134-0214 (LT), Part Lot 7, Concession 2, north of Dover Road, being Part 20 on 18R9, Dunn, now Haldimand County;
  - PIN # 38134-0227 (LT), Part Lot 7, Concession 2, north of Dover Road, being Part 33 on 18R9, Dunn, now Haldimand County;
  - PIN # 38134-0228 (LT), Part Lot 7, Concession 2, north of Dover Road, being Part 34 on 18R9, Dunn, now Haldimand County;
  - PIN # 38134-0244 (LT), Part Lot 7, Concession 2, north of Dover Road, being Part 50 on 18R9, Dunn, now Haldimand County;
  - PIN # 38134-0248 (LT), Part Lot 7, Concession 2, north of Dover Road, being Part 54 on 18R9, Dunn, now Haldimand County;
4. AND THAT staff be authorized to negotiate the sale of the above subject properties, as well as the following previously declared surplus properties:
  - PIN # 38134-0214(LT), Part Lot 7, Concession 2, north of Dover Road, being Part 23 on 18R9, Dunn, now Haldimand County, and
  - PIN # 38134-0219(LT), Part Lot 7, Concession 2, north of Dover Road, being Part 25 on 18R9, Dunn, now Haldimand County,in accordance with Option \_\_\_\_ as outlined in Memorandum CS-SS-M05-2018;

5. AND THAT public notice of the pending sale be published in the local newspaper;
6. AND THAT the Mayor and Clerk be authorized to execute all necessary documents;
7. AND THAT once a final sale agreement has been reached, a by-law be presented to authorize the sale.

**Prepared by:** Sandra Marsh, Property Coordinator

**Reviewed by:** Dana McLean, Risk Management and Insurance Coordinator

**Respectfully submitted:** Karen General, CPA, CGA, General Manager of Corporate Services

**Approved:** Donald G. Boyle, Chief Administrative Officer

## **EXECUTIVE SUMMARY:**

The purpose of this report is to advise of the receipt of offers to purchase vacant County-owned property in the Old Hines Road and Aikens Road area in Dunnville, and receive Council direction, via closed session discussion, in regards to the options available.

## **BACKGROUND:**

Report CS-SS-31-2017, Unsolicited Offers to Purchase Vacant Land – Aikens Road, Dunnville, and Private and Confidential Memorandum CS-SS-M12-2017 were presented to Council in Committee (CIC) on Tuesday, November 14, 2017. The report and memorandum dealt with two unsolicited offers for a property in the same geographic area as the subject of this report. After a deferral to allow staff to gather more information from the parties offering to purchase, subsequently Council authorized the sale of the properties to 1541189 Ontario Inc. (Ron Ticchiarelli) via follow up Report CS-SS-03-2018 and Private and Confidential Memorandum CS-SS-M01-2018). Staff were also directed to look at other County owned properties in this area to determine third party interest in acquiring more parcels.

This report will address offers to purchase that have been received for nine properties located in the same area - Old Hines Road and Aikens Road in Dunnville. The offers received are from Galina Tarnopolski and 1541189 Ontario Inc. (Ron Ticchiarelli). A map of the area, identifying the subject properties cross hatched in yellow, is included as Attachment #1, with further details included in the table below:

Property	Legal Description	Acreage	Surplus (Yes/No)
50 Old Hines Road	PIN # 38134-00201(LT), Part Lot 7, Concession 2, north of Dover Road, being <b>Part 7</b> on 18R9, Dunn, now Haldimand County	0.43 acres	No
28 Old Hines Road	PIN # 38134-0212(LT), Part Lot 7, Concession 2, north of Dover Road, being <b>Part 18</b> on 18R9, Dunn, now Haldimand County	0.38 acres	No
21 Old Hines Road	PIN # 38134-0214(LT), Part Lot 7, Concession 2, north of Dover Road, being <b>Part 20</b> on 18R9, Dunn, now Haldimand County	0.65 acres	No
27 Old Hines Road	PIN # 38134-0217(LT), Part Lot 7, Concession 2, north of Dover Road, being <b>Part 23</b> on 18R9, Dunn, now Haldimand County	0.68 acres	Yes

Property	Legal Description	Acreage	Surplus (Yes/No)
31 Old Hines Road	PIN # 38134-0219(LT), Part Lot 7, Concession 2, north of Dover Road, being <b>Part 25</b> on 18R9, Dunn, now Haldimand County	0.86 acres	Yes
47 Old Hines Road	PIN # 38134-0227(LT), Part Lot 7, Concession 2, north of Dover Road, being <b>Part 33</b> on 18R9, Dunn, now Haldimand County	0.58 acres	No
49 Old Hines Road	PIN # 38134-0228(LT), Part Lot 7, Concession 2, north of Dover Road, being <b>Part 34</b> on 18R9, Dunn, now Haldimand County	0.58 acres	No
0 Aikens Road	PIN # 38134-0244(LT), Part Lot 7, Concession 2, north of Dover Road, being <b>Part 50</b> on 18R9, Dunn, now Haldimand County	0.53 acres	No
4521 Haldimand Road 20	PIN # 38134-0248(LT), Part Lot 7, Concession 2, north of Dover Road, being <b>Part 54</b> on 18R9, Dunn, now Haldimand County	0.35 acres	No

For the two properties listed above that are not currently surplus, all relevant County Divisions were contacted and have confirmed the County does not require these lands for municipal purposes and the lands can be formally declared surplus. Those properties that have previously been declared surplus, were done so via a Council resolution in 2004.

Under the County's current Land Disposal Policy, Council has discretion as to selling land directly to a buyer, marketing property openly, listing the property with a realtor, conducting a sealed bid process using internal resources or retaining the property. Details that need to remain confidential, such as land values and negotiating parameters, are provided to Council through closed session memorandums.

## ANALYSIS:

Offers have been received from Galina Tarnopolski for the purchase of two parcels: 50 Old Hines Road (Part 7 on 18R9), in the amount of \$11,000 plus HST (Attachment #2); and 4521 Haldimand Road 20 (Part 54 on 18R9), in the amount of \$6,000 plus HST (Attachment #4). Both offers have a closing date of July 9, 2018. Ms. Tarnopolski indicated that she intends to hold both properties for future

development and may do some gardening on the lands. The combined offered purchase price for both properties is \$17,000, plus HST.

Another offer has been received from 1541189 Ontario Inc. (Ron Ticchiarelli) for the purchase of nine County-owned lots, including the two parcels also being sought by Ms. Tarnopolski (Attachment #3). This offer is to purchase all of the nine parcels cross hatched in yellow in Attachment #1 (specifically, Parts 7, 18, 20, 23, 25, 33, 34, 50 & 54 on 18R9) for a total amount of \$54,780 plus HST, with a closing date of August 31, 2018. Mr. Ticchiarelli advises that he would like to purchase the lands for future development purposes. He intends to reduce the number of lots in the area, complete the required studies and work with County Planning staff and other land owners in order to achieve this goal. Mr. Ticchiarelli is in the process of contacting other land owners in the area to see if they can all work together in order to provide better development opportunities for this area. If successful, Mr. Ticchiarelli hopes to reduce the number of lots in the area from 60 down to 20, in order to aid in the development potential of these lands. If all required studies are accepted and development approvals are obtained, Mr. Ticchiarelli hopes to create several viable building lots. Mr. Ticchiarelli is aware that there are several requirements that need to be met in order to achieve this goal.

In order to determine the feasibility of the sale of this property, staff contacted all County Divisions to determine if there is a municipal need to retain the lands (even though Parts 23 and 25 on 18R9 were previously declared surplus in 2004), or if there are certain restrictions or provisions that should be placed on the sale. All comments received supported the sale, with the Planning & Development Division providing the following comments regarding future development:

*Properties in this area are subject to special provision 37.2 in the Town of Dunnville Zoning By-law 1-DU 80 which prohibits the construction of a one family dwelling house which would otherwise be a permitted use in the A zone. The other uses of the A zone are permitted for this property. There are Grand River Conservation Authority regulation limits that affect the property. Any development of the lands will need to conform to the GRCA's regulations.*

*In the future if a re-zoning application is submitted it will need to be accompanied by additional studies such as: hydro-geological assessment to determine if there is a suitable location for a septic system, grading and drainage plan, any other work that would otherwise be required through the subdivision process. The subject property, and those in the vicinity were created through a process referred to as checker boarding, rather than the subdivision process. Checker boarding was an approach that was used to accelerate development in some cases, but this left opportunities for aspects of the development to be overlooked (e.g. servicing the lots). This practice has since been stopped through changes to the Provincial Planning Act and local policies, but the reality is that these properties exist and so in an effort to ensure that development occurs in an appropriate fashion, development potential has been removed subject to the owners completing the necessary work to satisfy the County that a dwelling and its servicing can be located on the lands.*

*It should be noted as well that a number of lots within this area have been subject to planning applications in the past and in each case the applications were refused due to the lack of supporting information and comprehensive area analysis as described above. In both cases the applicants brought the matter to the Ontario Municipal Board (OMB) and in both cases the OMB fully endorsed the County's position and agreed that due to the density and area characteristics (low lying, regularly wet conditions) that a comprehensive assessment of development potential is required.*

Both parties that submitted offers are aware that the lands are currently not able to be developed and have indicated they would still like to proceed with their offers to purchase. All County-owned lots in this area also have the same development restrictions. All County land is sold on an as-is where-is basis with no warranty given related to future use.

Staff have reviewed the offers and have prepared confidential Memorandum CS-SS-M05-2018, which provides additional information regarding negotiations for the sales, for discussion during the Closed session of the Council in Committee meeting of May 15, 2018.

### **FINANCIAL/LEGAL IMPLICATIONS:**

The County related costs are for title searching and registration, which are estimated at approximately \$600 for all of the subject properties.

If the properties are sold, net revenue generated from the sale of the property would be placed in the Land Sales Reserve in accordance with County Policy. Disposal of this surplus property would also provide ongoing future benefits through annual property tax revenue and would no longer be the responsibility or liability of the County.

### **STAKEHOLDER IMPACTS:**

The Planning & Development Division has provided comments on the proposed sale. These comments have been included in the body of this report.

### **REPORT IMPACTS:**

Agreement: Yes

By-law: Yes

Budget Amendment: No

Policy: No

### **ATTACHMENTS:**

1. Map of the Area
2. Tarnopolski Offer Part 7
3. 1541189 Offer Parts 7, 18, 20, 23, 25, 33, 34, 50, 54
4. Tarnopolski Offer Part 54