



Committee of the Whole Report

Report Number: RS2023-007

Meeting Date: January 10, 2023

Title: **Proposed Surplus Declaration, Closure, and Sale of a Portion of Road Allowance adjacent to 251 Shadow Lake Road 4, Norland**

Description: Proposed Surplus Declaration, Closure, and Sale of a Portion of Road Allowance legally described as Part of the Road Allowance between Lot 72 and Lot 73, Concession Front Range, Lying West of Highway 503, in the Geographic Township of Somerville, City of Kawartha Lakes, designated as Parts 1 and 2 on Plan 57R-4985, being Part of PIN: 63120-1286 (LT)

Author and Title: Laura Carnochan, Law Clerk – Realty Services

Recommendations:

That Report RS2023-007, **Proposed Surplus Declaration, Closure, and Sale of a Portion of Road Allowance adjacent to 251 Shadow Lake Road 4, Norland**, be received;

That, notwithstanding Section 8.01 of By-Law 2018-020, as amended, the subject property, being a portion of road allowance adjacent to 251 Shadow Lake Road 4, Norland and legally described as Part of the Road Allowance between Lot 72 and Lot 73, Concession Front Range, Lying West of Highway 503, in the Geographic Township of Somerville, City of Kawartha Lakes, designated as Parts 1 and 2 on Plan 57R-4985, being Part of PIN: 63120-1286 (LT), be declared surplus to municipal needs;

That the closure and sale of the portion of road allowance to the adjoining landowner be supported, in principle, in accordance with the provisions of By-Law 2018-020, as amended, and the Municipal Act, 2001, and subject to the parties entering into a conditional Agreement of Purchase and Sale (including a condition that the subject portion of road allowance merge with the purchaser's adjacent property on closing);

Department Head: _____

Financial/Legal/HR/Other: _____

Chief Administrative Officer: _____

That Council set the value of the land at the higher of the appraised value or the minimum set price of \$15.00 per linear foot of interior road allowance;

That staff be directed to commence the process to stop up and close the said portion of road allowance;

That a by-law (with any amendments deemed necessary) to close the road and authorize its disposition shall be passed, if appropriate;

That a deeming by-law be passed contemporaneously with the disposition by-law, if required;

That the Mayor and Clerk be authorized to sign all documents to facilitate the road closing and conveyance of the lands; and

That this recommendation be brought forward to Council for consideration at the next Regular Council Meeting.

Background:

The Land Management Team received a request from the owner of the property municipally known as 251 Shadow Lake Road 4, Norland to purchase the portion of road allowance that is adjacent to their property.

The Land Management Team reviewed this request at its meeting on July 11, 2022 and had no objections to the request.

A historical records search revealed that this request came before Council for the former Township of Somerville in or about 1988 and Council were initially supportive of the road closure and sale. However, in August 1988, several persons spoke in opposition to the sale, noting that their access to Shadow Lake would be cut off if the sale were to proceed. It was later determined that the objectors were, in fact, using the applicant's property to access the lake as opposed to the road allowance (see Appendix E for excerpts from the Township of Somerville Council Minutes of August 2, 1988 and September 6, 1988).

A title search confirmed that Shadow Lake Road 4, which leads to the subject road allowance, is a private road, therefore there is no public access to the subject road allowance from the south. While the subject road allowance is unbroken to the east, the topography appears to make public passage unlikely. Accordingly, the Land Management Team felt that there is limited public access to the subject portion of road allowance.

Public Notice advertising the potential surplus declaration and sale of the subject portion of road allowance was completed by newspaper circulation in the Kawartha Lakes This Week on the 8th, 15th, and 22nd days of December, 2022. During this three-week advertising period, notice was also posted on the City's website. Realty Services received notice of one concern from a property which also abuts the subject portion of road allowance, with their concern being that the new lot line would be directly abutting their property, taking away the buffer that the road allowance currently provides. Staff continue to recommend the sale of the road allowance as both properties have residential zoning and a buffer is not required.

The purpose of this report is to advise Council that the Land Management Team recommends that the subject property be declared surplus to municipal needs and that approval be given, in principle, for the closure and sale of the requested portion of the road allowance to the adjoining landowner.

Rationale:

The Land Management Team has determined that this portion of the road allowance is not required for municipal purposes.

The interested party owns property which borders the subject portion of road allowance. As a result, pursuant to the City's By-Law to Regulate the Disposition of Municipal Real Property (By-Law 2018-020, as amended) that portion of the road allowance can be conveyed to the adjoining landowner.

The subject road allowance does lead to water, however, as noted above, there is limited public access to the subject portion of road allowance.

The Agreement of Purchase and Sale will specify that the subject portion of road allowance merge with the purchaser's adjacent property upon closing. This will prevent a separately conveyable parcel of land, with no development potential, from being created.

As per section 4.04 of By-Law 2018-020, as amended, an appraisal is not required for closed road allowances being sold to an adjacent landowner, as long as the minimum price set out in Schedule C of By-Law 2018-020 is recovered. However, in order to net a higher return for the taxpayer, the Land Management Team recommends setting the value of the subject property at the higher of the appraised value or the minimum set price of \$15.00 per linear foot of interior road allowance.

Other Alternatives Considered:

Council may decide not to sell the road allowance and derive no financial benefit whatsoever. That would be inconsistent with past practice and is not recommended in this circumstance.

Council could decide not to require an appraisal and dispose of the subject portion of shoreline road allowance for the minimum price of \$15.00 per linear foot of interior road allowance. Should Council decide to proceed to dispose of the property using the price of \$15.00 per linear foot, consideration for the subject portion of road allowance is calculated as \$2,854.65. This is not recommended in this circumstance, given that Council has expressed the City is not capitalizing on the disposal of surplus land. Requiring an appraisal will ensure that the City is obtaining the best price for the land and creates a transaction that, while still advantageous to the purchaser, is more beneficial to the general taxpayer.

Alignment to Strategic Priorities:

The recommendations set out in this Report align with the following strategic priority:

- Good Government
 - Effective management of the municipal building and land portfolio

Financial Impacts:

The party will be asked to enter into a conditional Agreement of Purchase and Sale with a non-refundable \$1,000.00 deposit to cover initial road closing costs. All costs of the transaction, plus a \$1,500.00 fee to cover the City's staff time expenses will be paid for by the purchaser.

If Council set the value of the land at the higher of the appraised value or the minimum set price of \$15.00 per linear foot of interior road allowance, the City will receive a minimum net revenue of approximately \$2,854.65, which will be placed in the Property Development Reserve.

Consultations:

Land Management Team

Attachments:

Appendix A – General Location Map



Appendix A -
General Location Map

Appendix B – Aerial Map



Appendix B - Aerial
Map.pdf

Appendix C – Map



Appendix C -
Map.pdf

Appendix D – Reference Plan 57R-4985



Appendix D -
Reference Plan 57R-

Appendix E – Excerpts from August 2, 1988 and September 6, 1988 Council Minutes (Township of Somerville)



Appendix E -
Excerpts from August

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Department File: L06-22-RS024