

Council Report

Report Number: RS2025-029

Meeting Date: July 22, 2025

Title: **Proposed Surplus Declaration, Closure and Sale of a Portion of Road Allowance known as Eldon Station Road**

Description: Proposed Surplus Declaration, Closure, and Sale of a Portion of Road Allowance known as Eldon Station Road and Legally Described as Part of the Road Allowance Between Lots 20 and 21, Concession 6, Eldon; Kawartha Lakes, designated as Part 3 on 57R-11266 (Being Part of PIN: 63167-0052 (LT))

Author and Title: Christine Oliver, Law Clerk – Realty Services

Recommendations:

That Report RS2025-029, **Proposed Surplus Declaration, Closure, and Sale of a Portion of Road Allowance known as Eldon Station Road**, be received;

That the subject property, being a portion of road allowance known as Eldon Station Road and legally described as Part of the Road Allowance Between Lots 20 and 21, Concession 6, Eldon; Kawartha Lakes, designated as Part 3 on 57R-11266 (being part of PIN: 63167-0052 (LT)), be declared surplus to municipal needs;

That the sale of the portion of road allowance to the adjacent landowner be supported, in principle, in accordance with the provisions of By-Law 2018-020, as amended, and the Municipal Act, 2001, and conditional upon the parties entering into a conditional Agreement of Purchase and Sale;

That the subject land be conveyed for nominal consideration in accordance with Section 66 of the Municipal Act, 2001, and in exchange for the City acquiring a portion

Department Head: _____

Financial/Legal/HR/Other: _____

Chief Administrative Officer: _____

of the forced section of Eldon Station Road which is located on the purchaser's property;

That the City pay for all costs associated with the transaction;

That the corresponding by-law (with any amendments necessary) attached as Appendix F to stop up, close, and convey the said portion of road allowance be passed;

That the corresponding by-law (with any amendments necessary) attached as Appendix G to authorize the acquisition of the travelled portion of Eldon Station Road be passed; and

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

Background:

At the Council Meeting of July 23, 2024, Council provided direction in closed session regarding a proposed acquisition of land to resolve a title issue where the travelled portion of Eldon Station Road deviated from the original road allowance.

Council made the following statement in Open Session:

Staff provided Council with information regarding a proposed acquisition of land to acquire title to a portion of travelled road encroaching on private property. Council provided direction to Staff.

In accordance with that direction, Realty Services entered into negotiations with the affected property owner to acquire title to the portion of land currently used for road purposes but situated on private property. Once a draft reference plan was prepared, the property owner proposed that, in lieu of financial compensation, the City consider transferring a portion of the original, unused road allowance – creating a lot with development potential – in exchange for the portion currently occupied by the traveled road.

To assess the viability of this land exchange, the City requested the property owner's planner to provide a concept sketch demonstrating that the subject portion of original road allowance could result in a developable parcel. While Public Works could not confirm entrance viability without a formal application, no immediate concerns were raised.

To comply with public notice requirement of By-Law 2018-020, as amended, Realty Services posted notice of the proposed surplus declaration and sale of the unused portion of road allowance on the City's website beginning May 29, 2025. As of the date this report was drafted, Realty Services did not receive any public comments or concerns with regards to the proposed closure and sale of the subject lands.

This report provides Council with an overview of the necessary steps to complete the exchange of lands and authorize both the acquisition and disposition of the affected lands.

Rationale:

Section 66 of the Municipal Act, 2001 requires that, where a highway was opened before January 1, 2003 on private land instead of an original road allowance and compensation was not paid, the owner of the appropriated land (or their successor in

title) is entitled to compensation or a conveyance of the portion of road allowance abutting their land. In this case, the travelled portion of Eldon Station Road, which has been assumed by service, was constructed outside of the road allowance and across private property without formal transfer to the City or reflection of an encumbrance on title. To secure title to the land upon which municipal infrastructure sits, the City is legally required to provide an exchange or compensation to the affected landowner.

Rather than compensate the property owner in full for the land occupied by the travelled road, the owner has agreed to accept an equal or near equal portion of the original road allowance in exchange. This portion has no current or future municipal use and creates a naturally severed parcel that can reasonably be developed. To prevent the creation of an orphaned or unusable remnant parcel, and avoid unnecessary costs to the City, staff support the proposed land exchange.

Given that the exchange involves no net loss of municipal road function and that the land being disposed of does not serve any strategic municipal purpose, staff recommend that Council authorize the transaction for nominal consideration.

This approach represents a cost effective, equitable, and administratively efficient resolution that supports good governance and the proper alignment of municipal infrastructure with legal land ownership.

Other Alternatives Considered:

Council could decide not to proceed with the land exchange and instead direct staff to acquire the portion of travelled road located on private property through a traditional purchase at fair market value. This alternative is not recommended, as it would require the City to obtain an appraisal and pay the appraised value for the land, resulting in additional financial costs and delays. The proposed land exchange achieves the same outcomes – securing title to the travelled road – without incurring unnecessary expenditures and meets the City's legal obligation per section 66 of the Municipal Act, 2001, as amended.

Alignment to Strategic Priorities

This report aligns with the City's strategic priority Good Government, specifically the objective to provide accountable government and responsible management of resources by ensuring municipal assets are well maintained and well managed. By securing legal ownership of the travelled portion of the road for Eldon Station Road and disposing of the original road allowance for Eldon Station Road through a land exchange, the City is formalizing its infrastructure footprint in a cost-effective and practical manner. This

approach supports the effective management of municipal assets while reducing unnecessary expenditures.

Financial/Operation Impacts:

If Council approves the staff recommendation to proceed with the land exchange, the City will be responsible for the cost of the reference plan in the amount of \$9,831.00, the City's legal fees (estimated at \$2,500.00 +/-), and the vendor's legal fees (not to exceed \$2,000.00, inclusive of HST). These costs will be funded from the Realty Services operating budget.

Should Council choose not to proceed with the land exchange and instead direct staff to acquire the travelled portion of Eldon Station Road at fair market value, the City would incur additional costs. These would include an appraisal (estimated at \$2,825.00), the purchase price of the land based on its appraised value, and the same legal and survey costs as noted above. This alternative would result in higher overall expenditures for the City without providing any additional benefit compared to the proposed land exchange.

Consultations:

City Solicitor

Public Works

Attachments:

Appendix A – Location Map



Appendix A –
Location Map

Appendix B – Aerial Map



Appendix B – Aerial
Map

Appendix C – Map



Appendix C – Map

Appendix D – Deposited Reference Plan 57R-11266



Appendix D –
Deposited Reference

Appendix E – Conceptual Parcel Development



Appendix E –
Conceptual Parcel De

Appendix F - Proposed By-Law to Stop Up and Close a Portion of Road Allowance known as Eldon Station Road and Authorize its Conveyance to the Abutting Owner



Appendix F -
Proposed By-Law to

Appendix G – Proposed By-Law to Authorize the Acquisition of Part of the North Half of Lot 20, Concession 6, Eldon, for Road Purposes



Appendix G -
Proposed By-law to

Department Head email: rcarlson@kawarthalakes.ca

Department Head: Robyn Carlson

Department File: L25-23-RS012