

MINUTES

CORPORATE SERVICES AND ECONOMIC DEVELOPMENT COMMITTEE

REGIONAL MUNICIPALITY OF OTTAWA-CARLETON

CHAMPLAIN ROOM

05 OCTOBER 1999

3:00 P.M.

PRESENT

Chair: R. Chiarelli

Members: D. Beamish, R. Cantin, B. Hill, P. Hume, G. Hunter, A. Loney,
M. Meilleur, W. Stewart and R. van den Ham

CONFIRMATION OF MINUTES

That the Corporate Services and Economic Development Committee confirm the Regular and Confidential Minutes of the 21 September 1999 meeting and 16 September 1999 Joint Committee Meeting.

CARRIED

DECLARATIONS OF INTEREST

No declarations of interest were filed.

REGULAR ITEMS

LEGAL

1. SUBDIVISION - CONVEYANCE OF RESERVES TO
MANCHESTER DEVELOPMENT CORPORATION
PART LOTS 1 TO 12 AND PART LOT 14 ON PLAN 4M-1044
- A/Regional Solicitor's report dated 22 Sep 99

That the Corporate Services and Economic Development Committee and Council approve that Parts 1 to 6, 8 to 12, 14 to 16 and 18 on Reference Plan 4R-14858 being Parts of Lots 1 to 12 and 14 on Plan 4M-1044 be declared surplus.

CARRIED

Notes: 1. Underlining indicates new or amended recommendations approved by Committee.
2. Reports requiring Council consideration will be presented to Council on 13 October 1999 in Corporate Services and Economic Development Committee Report Number 48.

2. PROVINCIAL OFFENCES ACT TRANSFER
- A/Regional Solicitor's report dated 24 Sep 99

Councillor van den Ham inquired why the Cities of Ottawa and Kanata had not provided their endorsement. A/Regional Solicitor, E. Johnston, reported that nine of the eleven area Councils had endorsed the Resolution calling for the Region to assume *Provincial Offences Act* (POA) responsibilities. However, recently the City of Ottawa Chief Administrative Officer had sent written correspondence to the area municipalities and the Region, explaining the City had deferred any decision pending resolution of the governance debate. With respect to the City of Kanata, Mr. Johnston reported they had not received an official response as to why their Council had not dealt with the matter.

Councillor van den Ham referenced the creation of a Provincial Offences Advisory Committee and inquired why the membership proposal was restricted to a staff committee without political representation. He noted public concern regarding too much delegation and not enough political involvement. D. White, Solicitor, explained the Provincial Offences Advisory Committee would address operational issues, such as how charges were being processed, timelines within which notices were being issued, and collection efforts. He believed the enforcement personnel or those staff responsible for administering tickets and by-laws in their own municipalities would be able to bring the issues to the table.

Chair Chiarelli referenced the letter from the City of Ottawa. Mr. Johnston reviewed the letter (*included in report to Council and on file with the Regional Clerk*). The Chair referenced other inter-municipal issues that continued to be addressed, despite the questions around restructuring.

Councillor Loney inquired about the consequences of not obtaining consensus with respect to receiving provincial funding. Mr. Johnston explained the consistent Provincial position was that funds would flow once the Memorandum of Understanding was executed. He added it was not a matter of losing the funds, but a matter of timing when they would be forthcoming. Mr. Johnston stated it was anticipated the submission to the Province would take place before the end of 1999.

Chair Chiarelli pointed out the Region and area municipalities continue to be deprived of the funding for budget purposes. Mr. Johnston confirmed, as he understood it, the money was allocated by the Province, however, interest continued to be lost as it was physically still with the Province.

Councillor Loney inquired if the City of Ottawa had originally participated in the discussions around the agreement and operational issues. Mr. White reported Ottawa had participated, however, reminded Committee it was originally intended to be a competitive bid process.

Mr. White further explained more recently provincial announcements required all parties to work together. As a result, an ad hoc committee of representatives of the Region and the Cities of Nepean, Gloucester and Ottawa was formed to examine the available alternatives for the implementation of the transfer. Mr. White reported there were two components to the transfer. Firstly, the provincial-municipal component, which is Bill 108, in which he understood the City endorsed. The second component involved agreements between the Region and municipalities regarding the administration and prosecution of their own by-laws, an area where some of the concerns may exist.

Councillor Munter referenced the \$4 million in revenue that had been budgeted from this source. J. LeBelle, Finance Commissioner, confirmed funds had been budgeted in 1998, 1999 and would be budgeted in 2000 as there was the full expectation the Province would be turning the money over. He reiterated the lack of payment was also costing the Region in lost interest. Chair Chiarelli pointed out the incomplete process regarding unanimous agreement also resulted in the lower tier municipalities not benefiting from the funds.

Councillor Munter stated this was one area of the provincial downloading exercise where revenue would come from the Province. He stated it was incumbent on the Region to take strong action as it was a serious issue that was costing the administration and taxpayer a great deal of money. Councillor Munter suggested requesting the Province to amend their process and the rules.

Councillor Hunter expressed surprise at the hold-out position until he heard the body of the letter. He believed the City of Ottawa seemed to have a valid point with respect to the establishment of an office to take over and manage this function when the Region currently did not have this administration (noting it was in place at the Provincial and area municipal levels.) The Councillor believed to proceed quickly may create more difficulties in achieving efficiencies when restructuring was implemented.

Mr. Johnston stated he was not in the position to comment on the inference in the letter, but the clear position was deferral pending a governance decision. He added it was his understanding that the individuals currently carrying out this function were mainly provincial employees, and the proposal was that there would be an office of administration and prosecution carried out at the Regional level. Mr. Johnston added there were currently prosecutions conducted by the area municipalities, and the proposal would have the Regional Corporation administer most of those prosecutions. Councillor Hunter believed the City of Ottawa may have a valid point, and it was not municipal sparring as implied.

Chair Chiarelli stated the bottom line was that the Province wanted to turn money over to this geographical area. He did not understand any reason why the steps could not be completed to enable access to the money at this time.

Mr. LeBelle reiterated the consequences to the Region, lower tier municipalities and taxpayer by not proceeding. The Finance Commissioner did not believe the Province would pay any additional interest since they were not the cause for the delay in the process.

The Committee heard from the following public delegation.

Nicholas Patterson, Ottawa-Carleton resident. Mr. Patterson commented on the lack of financial information in the report and the lack of planning. He inquired if more information was available to enable Committee to make an informed and rationale decision.

Councillor Cantin pointed out Council had received previous documentation on the issue as it had been ongoing. He stated the revenues lost were substantial.

Councillor Hunter wanted to ensure that the City of Ottawa position was not dismissed out of hand. He wondered if they felt, with regard to efficiencies, that some of their employees could be applied to this function, without requiring new employees and without taking on provincial employees.

The Committee then considered the staff recommendations.

That the Corporate Services and Economic Development Committee recommend Council:

- 1. endorse the resolution attached as Appendix A;**
- 2. authorize staff to execute an Inter-Municipal Service Agreement with all area municipalities, in accordance with the terms set out in this report.**

CARRIED

PLANNING AND DEVELOPMENT APPROVALS

3. LEASE - 111 LISGAR STREET, OTTAWA
- Planning and Development Approvals Commissioner's report dated 20 Sep 99

That the Corporate Services and Economic Development Committee approve the lease of 512 ft² at 111 Lisgar Street, to the Ottawa Carleton Credit Union Limited, for a period of five years from December 1, 1999 to November 30, 2004, at annual rent of \$ 5,120. plus GST.

CARRIED

4. LEASE TO CITY OF OTTAWA
RIVERSIDE DRIVE "DRUMMOND PIT"
- Planning and Development Approvals Commissioner's report dated 20 Sep 99

Councillor Stewart reported the Region had previously expropriated the "Drummond Pit" property as it was required for the Hunt Club Road Bridge and reconstruction of Riverside Drive. She stated that adjacent to this property and fronting Riverside Drive, there was a property owned by a private individual that was intended for industrial-commercial development.

Councillor Stewart explained discussions had been ongoing with the City Councillor, Jim Bickford, and the community association regarding land required for park purposes. The Councillor stated clarity was required regarding access to the property owned by the Region and the report recommendation regarding the lease to the City of Ottawa for the purpose to develop and manage a public park, noting the other development came between the community and the proposed park.

Councillor Stewart suggested it may be more appropriate to locate the community park next to the community as opposed to next to the busy corner of Hunt Club Road and Riverside Drive. She referenced the agreement of the community and City and Regional Councillors and staff. In addition, Councillor Stewart reported the private land owner, Mr. Taggart, had indicated a willingness to exchange land with the Region so the park was located in a more appropriate space.

In response to questions from Councillor Stewart, R. Ennor, Property Services Director, stated at the time the report was prepared, it was staff's understanding Mr. Taggart was not interested in a land exchange. However, Mr. Ennor added if there was an opportunity from a land use point of view to locate the park next to the residential area, rather than a busy corner, the option should be explored before proceeding farther.

Councillor Stewart moved a Motion, to replace the staff recommendation, to direct staff to explore opportunities as noted with the City of Ottawa and the adjacent land owner.

Councillor Cantin inquired under this scenario, if a portion of the land would be retained for future corridor requirements along the Rideau River, as in Gloucester. Mr. Ennor stated a portion may have to be retained and it was a matter of exploring the entire proposal further.

Councillor Loney referenced the process and wondered if it would include establishing values for the two properties prior to negotiations, noting additional compensation may be required and not just a straight exchange of the two properties. Mr. Ennor confirmed that would also be explored.

Councillor Hunter pointed out there were mechanisms under development subdivision agreements that land be retained for community park purposes. He referenced the proposed neighboring development and stated the Regional property, being 13+ acres, was too large to consider for park purposes. The Councillor also pointed out the land was designated in the Official Plan as Waterfront Open Space and was to be a gateway vista to the western part of the community from the Airport. Councillor Hunter stated it was necessary to seriously consider factors such as the Official Plan amendment process and review the reasons why the property was in public ownership, and not previously placed on the market. The Councillor acknowledged the Motion only requested exploration of opportunities, however, he stated the exchange proposal may be complicated.

J. Bickford, Ottawa City Councillor, reported the land beside the Hunt Club Bridge had always been considered for a park site, however, acknowledged it was going to be a park to support an area not just a community. He stated the community that would most benefit was the Quinterra community as it was only one property over and the Taggart property was in between along Riverside Drive.

City Councillor Bickford stated the City of Ottawa Recreation Department had previously expressed difficulties due to problems around the direct access between the park and the community, providing the question of which came first, the park or the access. Mr. Bickford stated during this process, Mr. Taggart indicated his agreement to exchange properties to have a similar piece of land turned over to the City in return for this property and allow the park to proceed; he was not aware the City did not own the land. The speaker stated the offer for a lease, and subject of the report, would allow the City clear title for the lease and the opportunity to negotiate with Mr. Taggart for the exchange in which case the issue would return to the Region. In closing, he stated the bottom line was whether it made more sense to proceed through the Region or the City, and a park was needed and budgeted for in the City budget, whether it be located beside the Hunt Club Bridge or the community.

Councillor Hunter stated he was aware of the reasoning, however, suggested there was land available to the North for park purposes. He wished to reinforce the fact that the subject property was designed Waterfront Open Space for good reasons and the other land held another designation. In closing, Councillor Hunter did not advise making any commitments without recognizing the importance of the Official Plan and zoning changes that would be required to achieve this option.

That the Corporate Services and Economic Development Committee direct staff to explore opportunities with the City of Ottawa and adjacent landowner to develop a more appropriate land use configuration with respect to the future park.

CARRIED
(G. Hunter dissented)

5. LAND ACQUISITION
1118 ALENMEDE CRESCENT, OTTAWA

- Planning and Development Approvals Commissioner's report dated 17 Sep 99

That the Corporate Services and Economic Development Committee approve the acquisition of 1118 Alenmede Crescent, City of Ottawa, from Jim Christos Tsoutis and Paulette Tsoutis for the construction of the West Transitway Extension between Pinecrest Road and Acres Road, for a consideration of \$116,450.

CARRIED

6. 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 were evicted or facing eviction, noting 22 people would be in this situation as a result of the sale. Ms. Mayer 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.

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 previous 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.

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.

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.

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, noting the excellent price offered. She did not support the requirement for the purchaser to pay the compensation referenced, and noted 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 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

(The Meilleur amendment Motion above subsequently lost as the Hume main Motion lost.)

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;**

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

7. GRANT OF EASEMENT
SOUTH INNES ROAD AT BELCOURT AVENUE

- Planning and Development Approvals Commissioner's report dated 22 Sep 99

That the Corporate Services and Economic Development Committee approve the granting of a permanent easement over 1146.8 square metres of land described as part of Lot 2, Concession 3, O.F. shown as Part 1 on Plan 4R-12991, to Gloucester Hydro for a consideration of \$1.00, plus GST.

CARRIED

INFORMATION PREVIOUSLY DISTRIBUTED

CHIEF ADMINISTRATIVE OFFICER

Delegated Authority Monthly Report
July and August 1999 (As per Corporate Policy Manual Section 4.6.7.4)
- Chief Administrative Officer's memorandum dated 9 Sep 99

Councillor Cantin referenced the numerous contracts for the resurfacing program. The Councillor stated one project, Orleans Boulevard - between St. Joseph Boulevard and Innes Road, was poorly completed using a different process other than grinding and repaving. He stated it was not included in the monthly report and inquired how much the contract cost and when remedial work would begin.

ADJOURNMENT

The meeting adjourned at 4:50 p.m.

NEXT MEETING

19 October 1999

CO-ORDINATOR

CHAIR