

REPORT

Council

Meeting Date: December 16, 2024

FROM: Legal Department

DATE: December 3, 2024

SUBJECT: Acquisition of the Oakville and Milton Humane Society Lands at 445 Cornwall Road

LOCATION: 445 Cornwall Road

WARD: Ward 3

Page 1

RECOMMENDATION:

1. That staff be authorized to purchase the lands municipally known as 445 Cornwall Road (the "**Property**") from the Oakville & Milton Humane Society ("**OMHS**").
2. That the purchase agreement be executed in accordance with By-law 2023-021 and the Town Solicitor be authorized to execute all other documentation required to complete the purchase of the Property and any minor amendments to the purchase agreement.
3. That staff be authorized to incur costs associated with normal due diligence activities required to complete the purchase of the Property.
4. That staff be authorized to negotiate a reduction in price, satisfactory to the CAO and Town Solicitor, if the Town's due diligence discovers any material concerns that warrant a price reduction such as environmental, archeological, lease, or legal issues.
5. That staff be authorized to negotiate a lease of the Property back to OMHS, so they can continue to operate while they search for a new location.
6. That staff be authorized to negotiate an agreement with the Regional Municipality of Halton to ensure the Town is appropriately compensated if the future road through the Property is transferred to the Region for a Regional road.

KEY FACTS:

The following are key points for consideration with respect to this report:

- Oakville & Milton Humane Society owns the lands at 445 Cornwall Road.
- OMHS is planning to relocate and wishes to sell the Property to have the funds available to search for a new location.
- The current planning for the future Midtown Road network anticipates a future road may be required through the Property.
- Staff are recommending acquiring the Property from OMHS to assist OMHS with its relocation efforts and to secure a potentially important future piece of the road network.
- OMHS would be given a lease to remain on the Property until they find a new location and are ready to move.
- A companion confidential report on this agenda discusses the proposed purchase price and terms of the lease.

BACKGROUND:

Oakville & Milton Humane Society currently operate from the site at 445 Cornwall Road. The Property is approximately 1.93 acres and shown outlined on Appendix A. The Property has a building currently used for an animal shelter and OMHS offices that is approximately 11,974 square feet. OMHS is planning to relocate their operations to a new location because they have outgrown the Property. OMHS would like to have certainty on the amount of funds available to them to assist with their search for a new location and their fundraising, so they are planning to sell the Property.

OMHS has started to prepare the Property for sale and has completed the removal of the pet cemetery that was previously located on the Property. They would like to remain in the Property after the sale under a lease to continue their operations until they are ready to move to their new location.

It is anticipated that a future arterial road may be required through this Property when the flyover road over the QEW highway is completed. This road is not currently in the OP, but the current Midtown planning shows a road in this location. The road alignment is not final, but the preliminary drawings suggest the majority of this Property would be required for the road and there would not be a viable parcel leftover.

The original alignment of this future road was identified through the Town's 2014 Midtown Oakville Transportation and Stormwater Class EA. However, at its meeting of November 12, 2015, in consideration of report PW-32-15 – Road Rationalization Review, Regional Council approved the following additional recommendation:

6. THAT Regional staff, with the assistance of Oakville staff, report back to the Planning and Public Works Committee on an expedited work plan to examine the need and justification for inclusion in the Regional Road network the future crossings of Wyecroft Road over Bronte Creek and the Trafalgar/Midtown Link over the QEW. The work plan should examine the earliest opportunity available to undertake the necessary transportation planning and the earliest opportunity available for inclusion of the projects in the Region's Transportation Development Charge By-law.

Therefore, the future ownership of the road is still to be confirmed through ongoing discussions between the Town and the Region.

COMMENT/OPTIONS:

Staff are recommending acquiring the Property and leasing it back to OMHS on the terms set out in the companion confidential report on this agenda. The acquisition will assist OMHS in their relocation search by providing certainty on the funds available to them and the ability to move quickly if an opportunity arises. The Property is likely important for the future road network in Midtown and staff believe this is a good opportunity to secure the Property under public ownership to avoid the need for a future expropriation if OMHS were to sell to a private owner. After OMHS relocates and the Property is vacant waiting for the future road, the Town could also benefit from using the Property on an interim basis for additional parkland since it is located beside Cornwall Road Sports Park.

If Council approves the recommendations, staff will work with OMHS to complete a purchase agreement and lease on the terms set out in the companion confidential report. The purchase price will be at fair market value as determined by an independent appraisal. The rent will also be at fair market value determined by the appraisal. The initial term will be five years with the option for OMHS to extend if they require more time to relocate. OMHS will be entitled to terminate the lease at any time when they are ready to relocate. After OMHS vacates, staff will seek Council direction on whether there are future uses for the building or whether it should be demolished and the Property used as parkland until the road is ready.

Staff will seek a 90-day due diligence period to obtain a building condition assessment and environmental assessments of the Property. Should the due diligence uncover any material issues that warrant a price reduction, such as environmental, lease, or legal issues, staff are seeking authority to negotiate a price reduction on terms satisfactory to the CAO and Town Solicitor.

At this time, it is not yet known whether the future road through the Property will be a Town or Regional road. Staff are recommending entering into an agreement with the Region to agree on appropriate compensation to be reimbursed to the Town if the Region acquires the Property from the Town for a future Regional road. The terms

of this agreement are discussed further in the confidential companion report. The acquisition of the Property will be conditional on Regional Council approving this agreement.

CONSIDERATIONS:

(A) PUBLIC

The public will be aware of this report due to its inclusion on the public agenda.

(B) FINANCIAL

This acquisition will be funded by the capital reserve, with future lease payments to be directed to the capital reserve. It is anticipated that in the future the ultimate use of the land will be for growth-related infrastructure and staff will review the funding of the acquisition and consider the ability to utilize the town's growth funding tools.

(C) IMPACT ON OTHER DEPARTMENTS & USERS

The Parks and Open Space and Transportation and Engineering Departments were consulted in the preparation of this report.

(D) COUNCIL STRATEGIC PRIORITIES

This report addresses the corporate strategic goal to be the most livable town in Canada.

(E) CLIMATE CHANGE/ACTION

N/A

APPENDICES:

Appendix A – Location Map

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