14.e.2 **Economic Development** September 21, 2023

To: David Creery, Chief Administrative Officer

From: Len Magyar, Development Commissioner

Re: Proposed Sale of City-Owned Industrial Land to 2499364 Ontario Inc. (DLH Carriers Inc.)

PAIM

To seek Council's approval for a proposed sale of two parcels of land approximating 0.69 hectares (1.70 acres) and 0.0254 hectares (0.06 acres) to 2499364 Ontario Inc. (DLH Carriers Inc.).

BACKGROUND

City staff have received an offer from DLH Carriers Inc. who are interested in purchasing 0.69 hectares and 0.0254 hectares of City-owned industrial land adjoining Griffin Way (as shown on Exhibit 1). DLH Carriers Inc. is proposing to build a truck terminal approximating 22,000 square feet on lands immediately east of the proposed property. The sale of city-owned industrial land on the east side of Griffin Way will help to facilitate fuller utilization of a combined larger site.

Part "A" was originally contemplated to be for a future road which is no longer required and Part "B" is a notch from a berm on the edge of a municipally constructed storm water pond. The notch (Part "B") concept arose from some preliminary lot layouts provided by the client that demonstrate enhanced turning capability for transport trucks with this portion of land. Engineering have reviewed this proposal and have no issues with the sale of the properties including the sale of the property abutting the storm pond as it will not interfere with the ongoing operation of the swim pond facility.

As Council is aware, the construction of Griffin Way was recently completed making this potential sale easier to facilitate and providing the opportunity to DLH Carriers Inc. to enhance traffic safety both on the site and in the area.

COMMENTS

DLH Carriers Inc. owns the adjoining 12-acre industrial lot (to the east of the subject site) and plan to construct a truck terminal on the lands. During the design process it became apparent that the two parcels the City is proposing to sell would be beneficial to their development plans. The sale of the future road (part "A") potentially minimizes the number of vehicles that need to directly access County Road 4. This helps increase the overall site circulation for trucks and at the same time and in their opinion helps with overall traffic safety.

An agreement for the sale of the subject lands has been prepared by the City Solicitor. The agreement contains few conditions with the exception of a need to rezone the lands so that they are consistent with the existing property zoning that they will be absorbed into.

DLH Carriers Inc. has agreed to pay \$572,000 for the subject parcels based on a prorated price of \$325,000 per acre. If approved by Council this transaction is expected to close January 31, 2024. Staff feel that the price is reasonable given that the lands will be subject to a number of servicing easements, it relieves the municipality of the cost to construct this small portion of road and the number of other potential purchasers is limited.

RECOMMENDATION

That City Council authorize the Mayor and Clerk to sign an Agreement of Purchase and Sale with 2499364 Ontario Inc. (DLH Carriers Inc.) and that the necessary Bylaw be read.

Authored by: Len Magyar, Development Commissioner

Approved by: David Creery M.B.A., P. Eng., Chief Administrator Officer



