

Staff Report



Development Services Department

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REPORT TO: Finance and Corporate Services Committee

DATE OF MEETING: January 29, 2024

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WARD(S) INVOLVED: All

DATE OF REPORT: January 18, 2024

REPORT NO.: DSD-2024-044

SUBJECT: City-Owned Land Disposition Framework

RECOMMENDATION:

That the City-Owned Land Disposition Framework, as attached to report DSD-2024-044, be adopted by Council to guide the future disposition and acquisition of surplus City-owned lands; and,

That City staff be directed to manage existing and future surplus City-owned lands as an asset portfolio in accordance with report DSD-2024-044; and further,

That City staff be directed to present disposition and acquisition options to Council, for consideration at the appropriate time, to advance the strategic priorities contained in Part 2 of the City Owned Land Disposition Framework, as attached to report DSD-2024-044.

REPORT HIGHLIGHTS:

- The purpose of this report is to establish a framework to guide Council and staff when considering the disposition and acquisition of land.
- The key finding of this report is that surplus and underutilized City-owned lands provide opportunities to advance Council's strategic objectives and are best managed as an asset portfolio with administrative oversight.
- The financial implications are to be considered as specific parcels of land are considered for disposition or acquisition.
- Community engagement included posting of this report to the City's website. Community engagement is expected to occur prior to the disposition of key City-owned

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lands. Recommendations of this report align with community engagement that was undertaken as part of the development of the Housing For All and Make It Kitchener 2.0 strategies.

- This report supports multiple 2023-2026 Strategic Plan Goal Areas.

BACKGROUND:

The City owns more than 2,000 parcels of land which provide service to the community through the use of parks, recreation facilities, community centres, trails, natural areas, and the delivery of infrastructure, stormwater management, transportation and administrative services. A small number of City-owned parcels currently, or in the future, do not serve such purposes, are underutilized or may not represent the highest and best use of land. These parcels provide Council with an opportunity to establish a new portfolio of properties which can be comprehensively managed as asset to achieve strategic objectives.

As part of the 2019-2022 Strategic Plan, Council directed staff to undertake a City-owned property review.

REPORT:

Surplus and underutilized parcels of City-owned land provide City Council with opportunities to advance strategic objectives. This could take many forms, such as:

- Conversion to a new use;
- Partnership opportunities;
- Disposition to achieve a desired new use; and/or,
- Sale to generate funding to support a strategic initiative.

However, as land is a finite public asset, it is critical that the City steward surplus lands in a strategic, well-managed manner that considers both short and long-term needs as well as disposition and acquisition opportunities.

Managed as an Asset Portfolio

To ensure the careful management of the City's surplus and underutilized land inventory, staff recommend Realty Services be tasked with oversight of a new City-Owned Land Disposition Framework, as described in the appendix to this report. The framework includes:

- Objectives of the portfolio;
- Strategic areas of focus (to be determined by Council in alignment with City Strategic Plans); and,
- A decision making framework (including principles, processes, methods, etc.).

The role of Realty Services is to ensure a consistent approach to land disposition and acquisition while ensuring the overall health of the City's surplus and underutilized land inventory. They would support Council and staff teams to ensure proper processes are followed, adding an important level of rigour, insight, and due diligence to every transaction.

Realty Services would work in partnership with those teams mandated to advance City-owned lands for strategic purposes. For example, Economic Development staff would

continue to provide strategic direction on land parcels that advance the objectives of Make It Kitchener (ex: Bramm lands, Charles Street Terminal lands). Parks & Cemeteries would continue to lead the advancement of new parkland and Planning would continue to lead work on affordable housing. Realty Services would ensure consistency and continuity between these various teams by providing administrative oversight to the portfolio.

Land Portfolio

The number of parcels which could be considered for strategic purposes will evolve over time as community needs change. For example, lands which currently accommodate parking may not be required in the future as transportation habits change. Likewise, community needs will change over time. For example, while the need for land to support affordable housing is currently high, this may not be the case in 10 to 25 years, should economic conditions change.

As a result, rather than identify a fulsome set of parcels for the portfolio, staff recommend presenting Council with subsets of options that correlate directly to an emerging opportunity/need or a strategic area of focus. For example, should Council seek to bring a parcel of land to market for affordable housing, staff would provide Council with potential options to consider. The City's Realty Services will be responsible for monitoring the overall supply of lands to ensure sufficient opportunities exist for both current and future use.

STRATEGIC PLAN ALIGNMENT:

This report supports **Building a Connected City Together: Focuses on neighbourhoods; housing and ensuring secure, affordable homes; getting around easily, sustainably and safely to the places and spaces that matter.**

This report supports **Cultivating a Green City Together: Focuses a sustainable path to a greener, healthier city; enhancing & protecting parks & natural environment while transitioning to a low-carbon future; supporting businesses & residents to make climate-positive choices.**

This report supports **Creating an Economically-Thriving City Together: Focuses on growing an agile, diverse local economy powered by talented entrepreneurs, workers & artists; creating opportunities for everyone and a resilient future that propels our city forward.**

In alignment with the 2023-2026 Strategic Plan, staff have identified 3 initial areas of focus that the strategic disposition and acquisition of land would support. These include lands to support affordable housing (Building a Connected City Together), lands to support new parkland (Cultivating a Green City Together), and lands to support economic development (Creating an Economically-Thriving City Together). Doing so supports the advancement of these key Council approved strategies:

- Housing for All
- Places & Spaces
- Make It Kitchener 2.0

FINANCIAL IMPLICATIONS:

Capital Budget – The recommendation has no impact on the Capital Budget. As land is considered for disposition or acquisition, financial implications will be presented at that time.

Operating Budget – The recommendation has no impact on the Operating Budget. As land is considered for disposition or acquisition, impacts to the operating budget will be presented at that time.

COMMUNITY ENGAGEMENT:

INFORM – This report has been posted to the City’s website with the agenda in advance of the council / committee meeting.

PREVIOUS REPORTS/AUTHORITIES:

There are no previous reports/authorities related to this matter. The City’s ability to acquire and dispose of land is informed by:

- *Municipal Act, 2001*
- *Planning Act*

APPROVED BY: Dan Chapman, Chief Administrative Officer

ATTACHMENTS:

Attachment A – City-Owned Land Disposition Framework