

THE MUNICIPALITY OF LAMBTON SHORES

Report CAO 07-2024

Council Meeting Date: July 16, 2024

TO: Mayor Cook and Members of Council

FROM: Steve McAuley, CAO

RE: Property Purchase of 33 and 35 King Street West, Forest

RECOMMENDATION:

THAT Report CAO 07-2024 regarding the “Property Purchase of 33 and 35 King Street West, Forest” be received; and

THAT the Mayor and Clerk be authorized to execute the attached Agreements of Purchase and Sale, and any related documents for the purchase of 35 King Street West and 35 King Street West at an agreed purchase price of \$100,000 each; and

THAT the purchase of 33 and 35 King Street and related costs be funded from the Cash in-lieu of Parkland Reserve Fund.

SUMMARY

This report presents Council with two (2) Agreements of Purchase and Sale for the properties located at 33 and 35 King Street West in Forest.

BACKGROUND

In 2021, the former RBC bank and adjacent building in downtown Forest were demolished after they were damaged by a structure fire. The buildings were situated on two separate lots. The lot at 33 King Street West is currently listed for sale at \$159,900 and staff have recently learned through the municipality’s legal counsel that the second vacant lot located at 35 King Street West is available for \$100,000. The lot located at 35 King Street West is directly adjacent to the municipally owned parkette. The lots are shown below in Figure 1 and 2.

With Council’s direction, staff have been actively seeking opportunities to improve the downtown core in Forest. As Council may recall, in 2022/23, Sarnia Lambton Economic Partnership (SLEP) led a downtown revitalization program in Forest with the support of an OMAFRA Downtown Revitalization grant. The program was largely community-driven and involved the efforts of a project coordinator and a volunteer community advisory committee. One of the key outcomes identified in their final report was repurposing an existing underutilized parkette in downtown Forest and transforming it into a dynamic public space for community activities.

Funding for the revitalization of the parkette was sought through the My Main Street Community Activator Grant. Staff have received confirmation that the application was unsuccessful.

Staff are aware of a group of representatives from the Forest BIA, Forest Garden Club, Kiwanis Club of Forest and the Forest Collective that has been meeting to discuss common interests in the downtown core. Specifically, the group is considering opportunities for improvements to downtown Forest to bolster economic development and attraction to the downtown area. Staff have been working with the same goal in mind, and although staff has not been invited to the table by the group, some discussions have occurred regarding downtown improvements both formally and informally with many of the same groups listed above.

Council's Strategic Priorities includes Growth and Economic Development. Although property acquisition is not a specific initiative, staff believe that the opportunities afforded through the acquisition of these two properties will help to facilitate growth and development of downtown Forest by transforming a currently unusable space into a vibrant community space.

There are numerous uses that could be considered for the space, including covered market space, performance space, community events and more. If Council is agreeable to the lot purchases, and once the purchases have been finalized, staff can arrange for round table discussions with relevant stakeholders to ensure design and uses are supported by the community. Design and construction considerations would need to be included in future budget years.

Based on recent direction from Council, staff, through our solicitor, have been successful in negotiating with the current owners to purchase the lots for \$100,000 each. The Agreements of Purchase and Sale have been executed by the owners and are attached for Council's review. The agreements are drafted in such a way that the agreements are being offered to Council by the seller, as such if Council is not interested in purchasing one or both lots, no actions need be taken and the offers will expire on the July 17th. Both offers stipulate a closing date of August 1, 2024.

ALTERNATIVES TO CONSIDER

The two lots in downtown Forest have been vacant since 2021. Staff are not aware of any other interests or potential development opportunities of the lots. Council may decide to do nothing and leave the lots as is with the potential of a private purchase and development in the future.

Staff is recommending the purchase of both lots.

RECOMMENDED ACTIONS

IT is recommended that Council approve the purchase of the lots located at 33 and 35 King Street West in Forest and that the Clerk and Mayor be authorized to execute the Agreement of Purchase and Sale and any other documents required to complete the sale.

FINANCIAL IMPACT

The total cost of both lots will be \$200,000. In addition to this, there will be land transfer taxes and legal fees associated with the work our solicitor did to facilitate the purchase. Staff are suggesting that the funds required are taken from the Cash in-lieu of Parkland Reserve Fund. The Planning Act allows Lambton Shores to collect these contributions from developers in place of dedicating land for parks or recreational spaces within new developments. These funds can then be used to acquire, develop, or improve existing parkland, ensuring there are adequate green spaces and amenities for the community to enjoy. The purpose of purchasing these lots is certainly in keeping with the intent of the fund. The fund balance as of the end of 2023 was of \$378,048.79.

CONSULTATION

Ashley Farr, Director of Community Services
Susan A. Carlyle – Carlyle Peterson Lawyers LLP



Figure 1

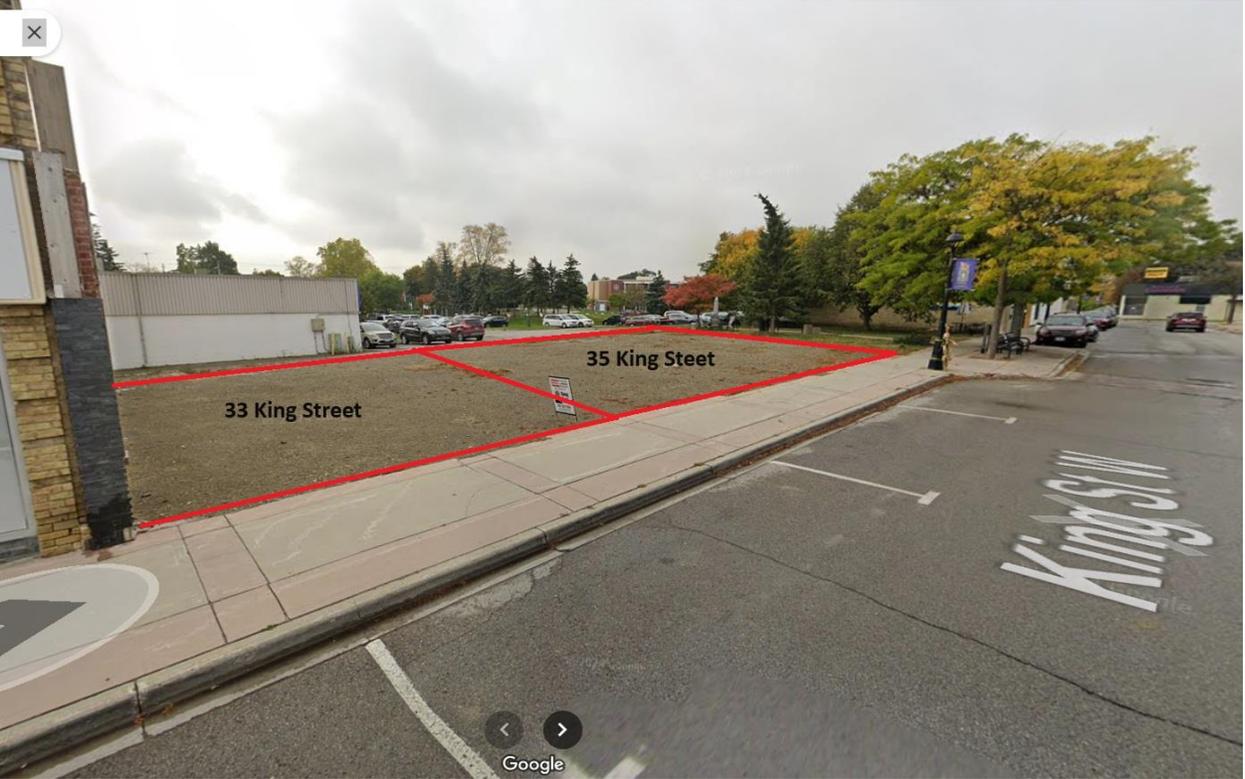


Figure 2