

Municipality Of Chatham-Kent

CAO Office

Legal Services

To: Mayor and Members of Council
From: David Taylor, Director, Legal Services
Date: February 17, 2021
Subject: Purchase of Part of Lots 20 and 21, Concession 2, PIN 00526-0046

Recommendation

It is recommended that:

1. Council approve the acquisition of approximately 2.197 acres of land, being Part of Lots 20 and 21, Concession 2, PIN 00526-0046, for a purchase price of \$105,456.00, and the Director, Legal Services be authorized to sign the necessary agreement and related documents.

Background

The extension of Keil Dr. South from Tweedsmuir Ave. to Indian Creek Road W. has been identified as a high priority in the Transportation Master Plan as well as in the Municipal Capital Budget.

This approval relates to acquisition of 2.197 acres of land necessary for the south-east end of the proposed Keil Dr. South extension.

Comments

Based on comparable sales in the area, and increasing property values in general, the owners of the property have sought \$48,000 per acre for these lands. Based on the estimated amount of lands needed (2.197 acres) the total purchase price is anticipated to be \$105,456.00. However, the exact acreage will need to be determined upon completion of a reference plan to depict the lands being acquired. Administration is supportive of this purchase price for the reasons that the owners have advanced.

Additionally, administration has agreed to cover the owner's reasonable legal fees related to this transaction. Paying these fees is typical for a transaction of this type.

The owners have also asked for some contractual assurances regarding existing farm drainage, specifically ensuring that the drainage system is adjusted due to the future road design and installation. This is a reasonable request and something that

administration is recommending. The assessment of the existing farm drainage and installation of new infrastructure to address this will form a part of the ultimate road construction project.

Areas of Strategic Focus and Critical Success Factors

The recommendation in this report supports the following areas of strategic focus:

Economic Prosperity:

Chatham-Kent is an innovative and thriving community with a diversified economy

A Healthy and Safe Community:

Chatham-Kent is a healthy and safe community with sustainable population growth

People and Culture:

Chatham-Kent is recognized as a culturally vibrant, dynamic, and creative community

Environmental Sustainability:

Chatham-Kent is a community that is environmentally sustainable and promotes stewardship of our natural resources

The recommendation in this report supports the following critical success factors:

Financial Sustainability:

The Corporation of the Municipality of Chatham-Kent is financially sustainable

Open, Transparent and Effective Governance:

The Corporation of the Municipality of Chatham-Kent is open, transparent and effectively governed with efficient and bold, visionary leadership

Has the potential to support all areas of strategic focus & critical success factors

Neutral issues (does not support negatively or positively)

Consultation

The General Manager, Community Development and the Director, Engineering Services, were consulted regarding this land acquisition and support the recommendation.

Financial Implications

The cost to this acquisition is anticipated to be \$105,456.00, plus the legal costs of the seller's lawyer in completing this transaction. There will also be some costs related to adjusting existing farm drainage on the property. The design and construction of Keil Drive South, including estimated land acquisition costs, has been factored into the existing capital budget for the project.

Prepared by:

David Taylor
Director, Legal Services

Consulted and confirmed the content of the consultation section of the report by:

Bruce McAllister, General Manger, Community Development

Chris Thibert, Director, Engineering Services

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