



REPORT

REPORT TO: Mayor Richard Bonnette and Members of Council

REPORT FROM: Warren Harris, Manager of Parks and Open Space

DATE: April 14, 2008

REPORT NO.: R-2008-0026

RE: Acquisition of Tolton Property, 11134, 22 Side Road, Part W
½ Lot 22& 23, Concession 6
File: L07 LA

RECOMMENDATION:

That Report R-2008-0026 regarding the Tolton property located at 11134, 22 Side Road (Part W1/2 Lot 22 & 23 Concession 6 and part of the road allowance between Lots 22 and 23, Concession 6 of the former Esquesing Township) be received;

AND FURTHER THAT staff be authorized to bring forward a By-law to authorize the Mayor and Clerk to execute: 1) a Property Purchase Agreement with Frederick Thomas Tolton and Margaret Rose Tolton and such other documents as may be necessary to effect the acquisition of 11134, 22 Side Road, for a consideration of \$500,000.00, and 2) a License Agreement with Frederick Thomas Tolton and Margaret Rose Tolton, for the purpose of removing salvage from the property for a period of two years;

AND FURTHER THAT staff be directed to hold a public information centre in Limehouse to update the public on the acquisition of the Tolton Property and the potential site development options.

BACKGROUND:

The subject property is located at 11134, 22 Side Road, Limehouse and is owned and operated by Fred and Margaret Tolton as a licensed salvage yard. The Toltons have offered the Town the option to acquire the 0.93 ha (2.28 acre) site and the associated salvage license. The property is of heritage and environmental interest as it contains a preserved horse mill facility: its significance to the former lime industry was outlined in the Limehouse Kilns Master Plan approved by Council in 2002. The property is located on the Niagara Escarpment and is adjacent to the Limehouse Conservation Area, an

Environmentally Significant Area containing a section of the Bruce Trail and the historic lime kilns.

COMMENTS:

The purpose of this report is to obtain Council approval for the Mayor and Clerk to execute a Purchase Agreement to acquire the property at 11134, 22nd Side Road, and enter into a corresponding License Agreement to facilitate the removal of salvage and structures on the property

The value of the property has been assessed at \$500,000 being the agreed upon value of the purchase. An amount equal to \$400,000 including \$275,000 cash and \$125,000 tax receipt will be paid when the property purchase closes. The remaining balance of \$100,000 cash will be held by the Town as a performance provision, and will be payable once the property is cleared of all salvage and structures.

The Agreement recognizes three restrictions regarding the current owners' ownership and use of the property: firstly, they own (and can convey to the municipality) only the surface rights, since the rock rights and quarries in, upon and under the property are owned by Domtar Inc.; secondly, CN holds a right to draw water from springs located on the property; and thirdly, the use of the property as a salvage yard has raised environmental concerns. Regarding the first two restrictions, the municipality's solicitor is pursuing both Domtar Inc. and CN to obtain releases of those parties' rights in the property. Regarding the environmental concerns, the municipality commissioned Phase 1 and Phase 2 Environmental Site Assessments for the property.

The License Agreement provides for a two-year period for the current owners to remove the "Salvage" and related structures. The Purchase Agreement and the License Agreement define "Salvage" to include all salvage, vehicles, fencing, structures (excluding the horse mill, kiln foundation remains and other historical/heritage features) and surface debris. The Town has the right to extend this period based on performance at the end of the 2 year period, or at its sole discretion can use the \$100,000 hold-back (or any part thereof) to commission the remaining works. The provisions of the agreement specifically protect the horse mill, foundations of lime kilns, and any other heritage features. Lastly it calls for the removal of all structures including the fence and any buildings on the site, which addresses the major clean-up of the existing salvage operation. This work will be done in compliance with the Phase 1 and Phase 2 Environmental Site Assessment for the property that were completed by Terraprobe Limited.

Staff recommend that once the property purchase agreement is executed, a public information session be held in Limehouse to update the local residents on the terms of the acquisition and potential redevelopment options. Input will also be sought from the Limehouse Kiln Society, Bruce Trail, Niagara Escarpment Commission and Credit Valley Conservation as partners in the review of the important historic and natural features of the site.

RELATIONSHIP TO STRATEGIC PLAN:

The acquisition of this property responds to a number of Council’s Strategic Objectives, including;

E.3 – To recognize, protect, and enhance the established network of rural settlement areas that support and contribute to the countryside character of the Town.

D.2 – To encourage the preservation and enhancement of the historical character of the Town’s distinctive neighborhoods, districts, hamlets and rural settlement areas.

D.4 – To use the conservation of built heritage and cultural heritage landscape resources to enhance the character and vitality of neighborhoods, and provide opportunities for economic development and tourism.

A.8 – To recognize that a healthy community is made up of an interconnected system of open spaces, and natural heritage features.

B.3 – To preserve, protect, enhance, and where possible, restore, a Natural Heritage System of significant natural heritage features and areas, and their related ecological functions.

FINANCIAL IMPACT:

The financial impact related to this report is summarized in the following phases;

Expenditure	Timing	Amount	Source
Initial Purchase Payment	April 2008	\$275,000	Cash in Lieu Reserve
Charitable Tax Receipt	April 2008	\$125,000	Receipt
Holdback	April 2010	\$100,000	Cash in Lieu Reserve

COMMUNICATIONS IMPACT:

Upon execution of the Property Purchase Agreement, staff will hold a public information centre in Limehouse to update the public on the terms of the acquisition and discuss the potential development options.

ENVIRONMENTAL IMPACT:

Acquiring the property will eliminate any potential environmental degradation in the future and contribute positively to the surrounding Niagara Escarpment context.

CONSULTATION:

This report has been prepared in consultation with the CAO, and the Town's lawyer – Mr. John Schaljo.

CONCLUSION:

This report recommends the purchase of the Tolton Property in Limehouse and the corresponding license agreement to facilitate the removal of salvage for a period of 2 years. The property has been historically used as a salvage yard. The Town's interest in this property is multi-faceted including the decommissioning of a salvage operation in the centre of Limehouse, bringing historically and nationally significant lime production features into public ownership, and its strategic location to facilitate the alignment of the Bruce Trail.

Respectfully submitted,

Warren Harris, O.A.L.A.
Manager of Parks and Open Space

Dennis Y. Perlin
Chief Administrative Officer

Terry Alyman
Director of Recreation and Parks