

CLOSED SESSION

Council-in-Committee Meeting
January 12, 2021

Closed Session Information Memo
Normandale Crown Land

Mr. Chairman,

Staff has a considerable update to provide to Council since the writing of the original memo in regards to this proposed property acquisition.

Given the significant valuation difference between the ministry appraisal of the property (\$230,000) and that of the appraisal provided to the County (\$25,000).

Staff reached out to the ministry representative to question how the appraiser arrived at their appraised value. Staff also requested that the ministry share their appraisal with staff since for the County's appraisal to be considered it had to be submitted to the ministry. The ministry will not share their appraisal, however, did provide information on how their valuation was arrived at.

The ministry appraiser identified that there is the possibility of a buildable lot off the north end of the property fronting on Van Norman Street of an approximate size of 0.26 acres, and this lot adds significant value to the property overall.

With regards to this information provided to staff, the possibility of a buildable lot at the location indicated by the ministry was discussed with the Director of Planning.

On review the Director commented that there would be significant challenges with establishing the lot under the current hamlet residential zoning.

The following concerns were expressed:

- minimum required area of 1 acre
- minimum frontage of 100 feet
- may require a Zoning Bylaw Amendment
- will require multiple studies ie. Environmental Impact Study for species at risk, Geotechnical, Hydrological
- a building permit would not be issued today for this lot
- will need a septic system
- is comprised on Significant Woodlands under the County's Official Plan

- within the sphere of the Conservation Area 100 year flood line

All of these issues were raised with the ministry representative with the response that the ministry stands by its appraised value of the property.

It was noted by the representative that the ministry is audited on its property sales and cannot leave any monies on the table. Staff then requested that the County appraiser speak with the ministry's appraiser to discuss the property and the appraised value.

After discussions the appraiser for the County provided an update to staff.

She notes that the ministry appraisal would be termed a "hypothetical appraisal", meaning the valuation is determined based on the fact that it is assumed that all requirements to make the lot a buildable lot can be met. The ministry appraiser indicated that the ministry can consider approaching abutting owners to the property to sell to. He also mentioned the ministry may not deal with the property immediately and may wait for 10 years before they move forward. This is in contrast as to what the ministry representative has said, which is, if not sold to Norfolk County the property will be put on the open market to be sold to the highest bidder, no time frame has however been given as to when this would occur.

The County appraiser has now provided her appraisal document. She has completed 2 appraisals, one based on the property as it exists today and she appraises it at \$25,000, and one completed based as a "hypothetical appraisal" acknowledging the buildable lot with all assumptions made with a valuation of \$175,000.

Staff have had many discussions and provided all of the outlined concerns to the ministry staff in an attempt to lower the proposed purchase price, however, the ministry has remained firm on the \$230,000 selling price.

Staff will take any questions Council has.