



**City of Kingston
Report to Council
Report Number 21-021**

To: Mayor and Members of Council
From: Lanie Hurdle, Chief Administrative Officer
Resource Staff: Peter Huigenbos
Paige Agnew
Date of Meeting: December 1, 2020
Subject: Cataraqui Business Estate – Process to Remove Lot

Council Strategic Plan Alignment:

Theme: Regulatory & compliance

Goal: See above

Executive Summary:

On October 27th, City Council directed staff to continue the work on developing existing and future business parks as described in [Report Number 20-220](#), except for lot 452 of the Cataraqui Estates Business Park. Furthermore, on November 17th, Council directed staff to report back on the process to remove and change the land designation for lot 452 of the Cataraqui Business Park.

This report provides Council with steps as it relates to process including direction already provided by Council and as well upcoming decision points. It is important to note that the direction to remove lot 452 of the Cataraqui Estates Business Park from the active employment land inventory has already been provided to staff.

Council will have a second decision point to amend the land use designation in the Official Plan from Business Park Industrial to Open Space through a Planning Act process. This land use change could be directed to occur as soon as possible, which would result in a comprehensive report to Planning Committee in June 2021, or incorporated within the next Official Plan update which is planned to occur within the next 3 years. Lot 452 is zoned Business Park 'BP-8-H'. A

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zoning by-law amendment will also be undertaken to amend the 'BP-8-H' zoning to an Open Space 'OS' Zone. The existing 'EPA' Zone adjacent to Lot 452 would remain unchanged.

Recommendation:

That Council direct staff to initiate a planning process to amend the land use designation of Lot 452 of the Cataraqui Estate Business Park, from Business Park Industrial to Open Space, and amend the zoning from the 'BP-8-H' Zone to the Open Space 'OS' Zone as soon as possible with an anticipated final planning recommendation in 2021; or

That Council direct staff to include the amendment of the land use designation of Lot 452 of the Cataraqui Estate Business Park, from Business Park Industrial to Open Space, into the next Official Plan update, and subsequently amend the zoning from the current 'BP-8-H' Zone to the Open Space 'OS' Zone.

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Authorizing Signatures:

ORIGINAL SIGNED BY CHIEF
ADMINISTRATIVE OFFICER

**Lanie Hurdle, Chief
Administrative Officer**

Consultation with the following Members of the Corporate Management Team:

Paige Agnew, Commissioner, Community Services

Peter Huigenbos, Commissioner, Business, Environment & Projects

Brad Joyce, Commissioner, Corporate Services Not required

Jim Keech, President & CEO, Utilities Kingston Not required

Desirée Kennedy, Chief Financial Officer & City Treasurer

Sheila Kidd, Commissioner, Transportation & Public Works Not required

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Options/Discussion:**Cataraqui Business Estate Park & Lot 452**

The Cataraqui Estates Business Park is located in Kingston West, approximately 1km south of Highway 401. Phase 3 of the business park includes a number of small, medium and large sized businesses including manufacturing and assembling operations, food processing plants, warehousing and distribution facilities, and some complementary commercial uses such as a hotel. Previous phases of the business park included additional complementary uses such as restaurants and the City's INVISTA Centre. Vacant lots available in phase 3 ranged in size from 0.5 acre to 14.5 acres. In 2015 there were 126 acres available for sale. With several large lot sales completed or soon to be completed pending site approval, the inventory of available serviced vacant lands is 38.4 acres as of October 2020.

Lot 452 is approximately 3.7 acres in size and is considered an irregularly shaped lot having a generally triangular configuration due to the setback provided from the adjacent lands that are part of the 'EPA' Zone. The lot has approximately 144 feet of frontage on Resource Road and could likely accommodate a building of approximately 30,000 square feet in size if developed. Based on the size and configuration of Lot 452, staff does not believe that it would be beneficial to try to divide the lot and try to maintain an employment use. The lot presently has a water service available but would require electric, gas, and sanitary services to be fully developable. The size and location of the services is determined at the time of the sale of the lot based on the needs of the buyer. At the current asking price of \$130,000/acre, the lot would be sold for \$481,000. The City's cost to bring the remaining necessary services to the lot is estimated at \$200,000 and would be paid by the City from the proceeds of the sale of the lot. Therefore, the net revenue to the City of the lot is estimated at approximately \$281,000. This net amount would recover the City's previous investments in developing this lot, through purchasing the land, achieving land use approvals, and constructing the road and water service.

October 27th – Council Motion

On October 27th, Council held a special meeting to discuss rural business parks options and discuss options for existing and future business parks. At this meeting, Council approved the following resolution:

That Council reconfirms its commitment to continue to prioritize the development of employment lands to support job growth through the ongoing development of existing city business parks and future city business parks as described in Report 20-220 with the exception of Lot 452 in the Cataraqui Estates Business Park which may be considered at a future meeting of Council.

Furthermore, Council approved the following motion at its November 17th meeting:

Whereas the City of Kingston developed the Cataraqui Estates Business Park several years ago and there are lots still for sale; and

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Whereas Lot 452 is a heavily treed coniferous forest which abuts EAP lands to the west and the section of the K&P Trail between Centennial Drive and Sydenham Road to the north; and

Whereas the wildlife in the two wetlands bisecting the K&P Trail along this stretch would benefit from additional treed buffer lands, especially once Lot 438, adjacent to Lot 452, is fully developed; and

Whereas in the City of Kingston's Strategic Plan 2019-2022, one objective is to enhance and expand green spaces, protect wetlands, and increase the tree canopy through greening initiatives; and

Whereas Kingston City Council unanimously declared a climate emergency on March 5, 2019 and urban trees, such as those on Lot 452, provide numerous ecosystem goods and services by providing shade, habitat for wildlife, removal of air pollutants and the removal and storage of atmospheric CO₂;

Therefore Be It Resolved That staff be directed to report back to Council with details of the process to remove and change the land designation of Lot 452 in the Cataraqui Estates Business Park from the employment lands inventory.

Based on these two (2) motions, staff will be taking the following steps in the next few weeks:

1. Review the employment land inventory and remove lot 452 from the Cataraqui Estate Business Park vacant land available for sale. Staff will inform key stakeholders, actively involved with the marketing of employment land, of this change to the Cataraqui Estates Business Park.
2. Adjust pricing per acre for the remaining lands within Cataraqui Estates Business Park to ensure a break-even model for the business park is maintained. Removing 3.7 acres of land inventory from the existing 38.4 acres of supply results in a new supply of approximately 35 acres of available land in the business park. The loss of up to \$281,000 of potential revenue must therefore be recovered in the sale of the remaining acres of available lots. Therefore, asking prices for the remaining lots will be increased by \$8,000/acre, starting at 138,000/acre. Staff believe that the new pricing is still within the range of fair market value for industrial land in Kingston.

The steps described above will be sufficient to immediately remove Lot 452 from the employment land inventory for sale. The last step to secure a long term change in the use of the land is for the City to proceed with a land use designation and zone change through the formal Planning Act process. Lot 452 is currently designated as Business Park Industrial land in the City of Kingston's Official Plan and zoned a special Business Park 'BP-8-H' Zone. In order to make the change of land use more permanent, the City could amend the land use designation from Business Park Industrial to Open Space, and rezone the lot to an Open Space 'OS' Zone. This process could be undertaken by City staff as soon as possible or included in the Official Plan update which will take place over the next 3 years.

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If Council chooses to have the process undertaken as soon as possible, staff can initiate the Planning Act process to amend the Official Plan and the Zoning By-law in early 2021, in advance of the next five-year update to the Official Plan. The *Planning Act* application will be considered through the Planning Committee following the preparation of a comprehensive report by staff, followed by consideration by Council, and will be subject to the standard appeal process in accordance with the provisions of *Planning Act*. It is anticipated that a comprehensive report can be presented to the Planning Committee in June 2021.

Existing Policy/By-Law:

Provincial Policy Statement, 2020

City of Kingston Official Plan

Zoning By-Law Number 76-26

Notice Provisions:

None

Accessibility Considerations:

None

Financial Considerations:

The asking price of land per acre in the Cataraqui Estates Business Park starts at \$130,000 based on the cost recovery model to cover expenses related to the development of the business park. Based on the removal of Lot 452 which is 3.7 acres and a net value of \$281,000, the remainder of the land will increase from starting at \$130,000/acre to \$138,000/acre in order to recover all costs.

Contacts:

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Other City of Kingston Staff Consulted:

Sukriti Agarwal, Manager, Service Standards & Data Management, Planning Services

Lana Foulds, Director, Financial Services

Heather Scrannage, Land Development Specialist, Business, Real Estate & Environment

Exhibits Attached:

None