

Memorandum to the Council of Corporation of the Municipality of Temagami

Subject: Disposal of Surplus Lands – 7 Hillcrest Drive and 14 Hillcrest Drive

Memo No: 2025-M-144

Date: June 12, 2025

Attachment: By-law 14-1171 and By-law 17-1374

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Recommendation

BE IT RESOLVED THAT Council approve the listing and sale of municipally-owned surplus lands located at 7 Hillcrest Drive and 14 Hillcrest Drive, Temagami, Ontario, at a negotiated sale price between \$19,000 and \$25,000 per lot, in accordance with the Municipality's Real Property Disposal By-law as amended;

AND FURTHER THAT Council authorize the Municipality's Realtor of Record to proceed with the marketing and conditional sale of these properties, as outlined in this report;

AND FURTHER THAT staff be directed to seek legal advice on the inclusion of a condition requiring the commencement of construction within two (2) years and occupancy within three (3) years of the closing date, failing which the property shall revert to the Municipality, with reimbursement of the original purchase price;

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Background

The Municipality of Temagami vested (attained ownership of) 7 Hillcrest Drive and 14 Hillcrest Drive after these properties remained unsold through the municipal tax sale process. As part of the Municipality’s ongoing efforts to manage its property portfolio efficiently and promote local development, Council had previously declared these properties surplus to municipal needs, in compliance with the requirements set out in the Real Property Disposal By-law 14-1171, as amended.

Property Valuation

As per Section 5 of the By-law, an opinion of value is required prior to disposal. The Realtor of Record conducted site visits of both properties and has determined a market value of approximately \$25,000 per lot. To allow flexibility during negotiations, they are recommended that Council approve a listing between \$19,000 and \$25,000 per property.

Proposed Sale Conditions

To ensure timely development and prevent speculative acquisition, the sale of these properties will include a condition that the purchaser must:

- Commence building on the property within two (2) years of closing; and
- Obtain an occupancy permit within three (3) years of closing.

Failure to meet these conditions will result in the property reverting to municipal ownership with reimbursement of the original purchase price. Legal counsel will be consulted to ensure enforceability, and the Realtor has agreed to include these provisions as a schedule in the Agreement of Purchase and Sale.

Process Requirements Under the By-law

In accordance with the disposal process outlined in By-law 14-1171 and amended by By-law 17-1374, the following steps are required and are being followed:

- Council has declared the lands surplus.
- An opinion of value has been obtained.
- Council approval of the sale price range is now being sought.
- Public notice of intent to dispose will be issued.
- A by-law authorizing the sale will be brought forward for adoption once a conditional sale is secured.

Next Steps and Broader Land Strategy

The Realtors of Record and Staff will be reviewing other municipally-owned lands to assess their suitability for sale or development. A report and recommended action plan will be brought forward to Council in the coming months for further direction on surplus property management.

Conclusion

The proposed sale of 7 Hillcrest Drive and 14 Hillcrest Drive represents an opportunity to convert unused assets into active residential development while supporting municipal growth objectives. Staff recommend proceeding with the sales within the proposed price range and including conditions to ensure timely development.