



**City of Kingston
Information Report to Council
Report Number 19-030**

To:	Mayor and Members of Council
From:	Lanie Hurdle, Commissioner, Community Services
Resource Staff:	Sheldon Laidman, Director, Housing & Social Services
Date of Meeting:	January 22, 2019
Subject:	Update on 7 Wright Crescent Negotiations

Executive Summary:

In June 2016, the City was advised that Town Homes Kingston (THK) was withdrawing from the purchase and sale agreement for the development of the City owned property at 7 Wright Crescent. The sale had been approved by Council on September 9, 2014, through [Report Number 14-290](#) and included a joint agreement with both THK and CJM Property Management Ltd. (CJM). Due to the time invested in this original agreement and the interest of CJM to continue with the project, Council passed a resolution at its July 10, 2018 meeting through [Report Number 18-214](#) to direct staff to negotiate a different proposal with CJM which was to consider a review of the property value, inclusion of more affordability initiatives to support the Rideau Heights Regeneration Strategy, and the possibility of including another not-for-profit housing provider. Council further directed that staff report back to Council by January 2019 with an amended proposal.

The purpose of this report is to advise Council that the negotiations with CJM are proceeding and staff expect to bring a report to Council in February on the outcome of these negotiations and input from a neighbourhood public meeting to be held on January 23, 2019.

Recommendation:

This report is for information purposes only.

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Authorizing Signatures:

ORIGINAL SIGNED BY COMMISSIONER

Lanie Hurdle, Commissioner, Community Services

ORIGINAL SIGNED BY CHIEF ADMINISTRATIVE OFFICER

Gerard Hunt, Chief Administrative Officer

Consultation with the following Members of the Corporate Management Team:

Jim Keech, President & CEO, Utilities Kingston	Not required
Desirée Kennedy, Chief Financial Officer & City Treasurer	Not required
Commissioner, Corporate & Emergency Services	Not required

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Options/Discussion:

On September 9, 2014, through [Report Number 14-290](#), City Council approved the sale of the City owned 7 Wright Crescent property to a partnership consisting of THK and CJM. This agreement was to consist of 215 residential units between two approximately 10 storey buildings with 38 affordable housing units included. 7 Wright Crescent was purchased by the City through its Affordable Housing Land Acquisition Program. The property consists of a former convent located at the corner of Wright Crescent and Palace Road.

In June 2018, THK informed the City that they would be withdrawing from the agreement. CJM indicated its continued interest in continuing to develop the project on its own. Through [Report Number 18-214](#), Council passed the following resolution:

That Council direct staff to advise and negotiate a different proposal with CJM Property Management Ltd. for the property located at 7 Wright Crescent which will include, but not be limited to, a review of the property value and the inclusion of more affordability through initiatives that will support the Rideau Heights regeneration and that may include another not-for-profit housing provider; and

That Council authorize the Mayor and Clerk to execute such amending agreements as required to allow the parties to negotiate revised terms and conditions for Council approval, to the satisfaction of the Commissioner of Community Services and the Director of Legal Services; and

That Council direct staff to report back by January 2019 with an amended proposal for 7 Wright Crescent.

Staff's negotiations with CJM have progressed and they expect to report back to Council in February. The purpose of this report is to advise Council that the January date to report back will not be met in order to ensure that neighbourhood input is received on the latest proposal from CJM. A neighbourhood meeting will be held on January 23, 2019 and the input received at that meeting will be included in the February Council report. CJM is agreeable to extending the timeline to February.

Existing Policy/By-Law:

Not applicable

Notice Provisions:

Not applicable

Accessibility Considerations:

Not applicable

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Financial Considerations:

There are no financial considerations for this report. The expected February report will include financial details for any proposed new agreement to sell and develop this property for residential use including affordable housing.

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Other City of Kingston Staff Consulted:

Mary Rae, Senior Legal Counsel, Legal Services

Peter Huigenbos, Director, Real Estate & Environmental Initiatives

Exhibits Attached:

Not applicable