



Subject: Quit Claim Deed for PIN 64156-0305

To: Council

From: Office of the Chief Administrative Officer

Report Number: 2024-59

Meeting Date: March 12, 2024

Recommendation:

That Chief Administrative Office Report 2024-59 be received; and

That the Manager of Strategic Initiatives be directed to register a Quit Claim Deed for the lands legally described as PT PK LT 6 W/S CATHERINE ST PL 987-989; and

That the Mayor and Acting City Clerk be directed to execute the documents required to complete this transaction.

Purpose:

The purpose of this report is to seek the approval of Council regarding the registration of a Quit Claim Deed for the lands legally described as PT PK LT 6 W/S CATHERINE ST PL 987-989, being PIN 64156-0305, which is a parcel of land with no known owner that abuts City-owned railway lands on Catharine Street.

Background:

The owners of the vacant lot south of 292 Catharine Street, being the lands depicted in Appendix A, have submitted a development proposal for 16 residential purpose-built rental units. The owners intend on beginning the development in 2024. To construct a driveway that meets City engineering standards, an additional parcel of land is required.

PIN 64156-0305, as depicted in Appendix B, is a parcel of land with no known owner which abuts both the City-owned railway lands to the south, and a vacant lot on Catharine Street legally described as PT PK LT 6 W/S CATHERINE ST PL 987-989 to the north. A title search completed by the City Solicitor confirmed the existence of this parcel with no registered owner.

Based on an internal review, Economic Development and Tourism Services (EDTS) division staff have determined that these lands are not being occupied by the City and there is no information available that would indicate that the City has ever possessed the subject parcel.

Public Works staff have indicated that they have no current or future use for the lands described in PIN 64156-0305. The City-contracted short line rail operator GIO Rail also has no current or future needs for the property. The 15-metre required setback from the rail line will be maintained if this report is approved.

As the subject parcel has no known owner and abuts both the vacant lot Catharine Street and the City Rail, both properties have the right to lay claim to PIN 64156-0305. A Quit Claim Deed is called a “non-warranty Deed” as the transferor is not warranting that it owns or has an interest in the property but that, if it does, it releases that interest to the transferee. This process legally articulates that the City has no interest in these lands and allow the adjoining owner to assert title.

Discussion:

The City Solicitor presented three options for consideration:

1. If the City is reasonably certain that it has never possessed any part of the “gap lands” (i.e. PIN 64156-0305) and it does not want to claim any interest in those lands, it could register a Quit Claim Deed for \$2 wherein it would release any interest that it may have in those lands (if any) to the adjoining owner. The City would effectively be saying it has no interest in those lands and will leave it to the adjoining owner to assert title, if it wants to, after that is done.
2. If the City is occupying these “gap lands”, then it should advise the owner and perhaps a deal could be made to sell the lands for fair market value. The City would agree to register the Quit Claim Deed in exchange for an agreed amount.
3. If the City is uncertain as to whether it has ever occupied these lands and it feels uncertain about releasing its interest, it could just do nothing. If the adjoining owner wanted to assert ownership over the lands in a court application, then the City would likely have to respond if it disputed the claim of ownership.

EDTS staff recommend that the City relinquish any claim on the subject lands, as described in option 1, the Quit Claim Deed process, to allow the owners of the vacant lot on Catharine Street to assert ownership and facilitate the development of the 16 residential purpose-built rental units.

Internal Consultations:

Public Works staff and Planning Division staff were consulted and neither department have any concerns. GIO Rail, the City's short line rail operator, has indicated that they have no concerns with this proposal and no current or future need for the lands.

Financial Implications:

There are no financial implications and no value assigned to the transaction because there is no known owner of the subject parcel. All costs related to this transaction will be assumed by the owners of the vacant lot on Catharine Street.

Currently there is no known owner of the subject parcel, which means that there are no property taxes paid on the property. With title asserted by the owners of the vacant lot on Catharine Street, the multi-unit residential development will increase the City's tax base and bring more residents to the downtown core.

Strategic Plan Alignment:

The initiative contained within this report supports the following pillars of the strategic plan:

- Environment and Climate Change
 - Welcoming, Livable, Healthy Community
 - Economic Prosperity
 - Increased Housing Options
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Conclusion:

After consulting the City Solicitor, staff recommend that a Quit Claim Deed be registered for PIN 64156-0305 to facilitate the development of 16 residential purpose-built rental units in the City's downtown core. Relinquishing the City's claim on this parcel will expand the developable land for this development, thereby increasing future tax assessment and providing needed housing options.

Appendices:

- a. Property Map – VL Catharine Street
- b. Property Map – subject parcel (PIN 64156-0305)

Respectfully submitted,

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Report Approval:

All reports reviewed and approved by the Department Director and also the City Treasurer when relevant. Final review and approval by the Chief Administrative Officer.