

# Grand River Conservation Authority

**Report number:** GM-12-23-99

**Date:** December 15, 2023

**To:** Members of the Grand River Conservation Authority

**Subject:** Residential Program Wind-down: Status Update

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## **Recommendation:**

THAT Report GM-12-23-99 – Residential Program Wind-down: Status Update be received as information.

## **Summary:**

Not applicable.

## **Report:**

Properties owned by the Grand River Conservation Authority (GRCA) were acquired as part of various land acquisition projects, most often for flood control. The residences that were not immediately demolished for the construction of the projects were held for future assessment and rented to tenants.

The Strategic Plan identifies that one of the challenges facing the GRCA is the number of assets it owns and limited funding available for maintenance of these assets. As such, in 2013, staff began a comprehensive review of the GRCA's residential tenancy program. The review concluded that rural rental properties represented a poor business model and the program as a whole was projected to represent a net loss to the GRCA.

A framework for the wind-down was proposed, consisting of four stages: Stage 1 properties representing the most imminent potential safety and financial liabilities, Stage 2 properties representing current financial liabilities, future financial liabilities or both; Stage 3 properties are a hybrid between Stage 2 and Stage 4; and Stage 4 properties will be held for a period of time and re-evaluated once properties/residences from the first three stages have been removed from the inventory. The General Membership approved the recommendation to wind-down the residential program and the proposed four-stage approach on July 22, 2016 (Resolution No. 2016-118).

At the beginning of the wind-down, the GRCA owned 42 residential houses of which 34 were leased to tenants. An evaluation of options for each residence was undertaken to determine if the building should be retained for GRCA's own use (alternative business use) or be disposed of by either selling the parcel as a whole, severing and selling the residence, or demolishing the structure. The GRCA was advised by legal counsel when the wind-down of the residential program began that the key to successfully winding-down the program would be to undertake the implementation consistently and objectively.

The following sections provide a status update on the wind-down of the program and Table 1 provides a summary of the wind-down progression.

### **Stage 1**

All Residential buildings have been vacated and demolished, transferred to the parks as assets, or sold.

## **Stage 2**

Two residential buildings were demolished in 2021. The remaining residence has been severed and will be prepared for sale in 2024.

Preparing for potential disposition in 2024:

- 5500 Jones Baseline
- 5245 Wellington Road

Other properties that will be reviewed for possible disposition/demolition:

- 6741 Lakeview Rd

## **Stage 3**

One property was sold in 2022 and four residences were demolished in 2021. Two residences remain and are both occupied by a tenant.

Building Condition Assessment

- Conservation Lands staff will undertake building condition reports to determine next steps for disposition/demolition.

## **Stage 4**

One property was sold in 2022, and nine houses remain. Six of those are occupied.

6366 8<sup>th</sup> Line West is not part of the Residential Wind Down program. The building is vacant and Conservation Lands staff will be proceeding with demolition in 2024.

Staff will continue to transition the remaining properties out of the residential program.

## **Financial Implications:**

The 2023 budget includes residential rental income of \$110,000 and expenses of \$141,000 for a forecasted deficit of \$31,500.

## **Other Department Considerations:**

Central Services staff provide assistance with maintenance and securement of the properties, and Conservation Area staff assist with security checks.

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### **Approved by:**

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Chief Administrative Officer

**Table 1: Summary of Stage 1, 2, 3 and 4 Wind-down Progression**

**Stage 1**

Status: 100% Complete

(9 Properties / 0 Remain in program)

Status		Demolished		Disposition		
Vacant	Occupied	Planned/ In Progress	Complete	Transferred To Park	Listing Pending	Sold
0	0	0	7	1	0	1

**Stage 2**

Status: 90% Complete

(10 Properties / 1 Remain in program)

Status		Demolished		Disposition		
Vacant	Occupied	Planned/ In Progress	Complete	Transferred To Park	Listing Pending	Sold
1	0	0	7	1	1	1

**Stage 3**

Status: 83% Complete

(12 Properties / 2 Remain in program)

Status		Demolished		Disposition		
Vacant	Occupied	Planned/ In Progress	Complete	Transferred To Park	Listing Pending	Sold
0	2	1	8	0	1	02

**Stage 4**

Status: 18% Complete

(11 Properties / 9 Remain in program)

Status		TBD	Demolished		Disposition		
Vacant	Occupied	Under Review	Planned/ In Progress	Complete	Transferred To Park	Listing Pending	Sold
3	6	2	2	0	0	6	0