



**Date:** June 12, 2024

**To:** Mayor and Council

**Author:** William Good, Manager of Legal Services

**RE:** Purchase of land for future expansion of Kratz Road

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## **RECOMMENDED ACTION**

That Council **APPROVE** entering into an Agreement of Purchase and Sale, on the terms described in this report, with the owner of a portion of land municipally known as 500 Road 2 East, Kingsville and direct Administration to execute any documentation required to acquire said lands; and,

That Council **APPROVE** funding the purchase from the Public Works Capital Reserve (03-000-032-39068) in the amount of approximately \$104,700.00.

## **BACKGROUND**

In 2020, Council approved SPA 10-20, a Site Plan Agreement related to Phases 3 and 4 of Boem Berry Farms. This Site Plan agreement identified a future Road Right of Way (ROW) as an extension of Kratz Road, and an easement over the proposed future road right of way for drainage and services. The identified ROW could not be secured at that time, as a portion of the lands needed were outside the site plan and would be identified in future phases of greenhouse development.

In 2023, Boem Berry Farms ("Owner") submitted a site plan application for Phases 5 and 6 that included the remaining lands needed for the ROW. The Site Plan was approved on April 15, 2024. As part of the approval of that agreement, the Owner and Administration negotiated the transfer of the lands directly to the north of the existing end of Kratz Road ("Lands") for the ROW.

The Lands have a total area of 3.49 acres and are more particularly described in the draft survey enclosed with this report. There are already several municipal services that occupy the Lands which would prohibit the construction of any structures on the same.

Kratz Road has been identified in the Town's Comprehensive Transportation Master Plan ("TMP") as a primary route to assist with the future transportation needs of the Town. The TMP identified this extension as a long-term project and would likely not be developed for ten or more years.

## **DISCUSSION**

Administration and the Owner held productive negotiations resulting in an agreement to purchase the Lands at a fixed price per acre for the Land based on appraised agricultural land values. The proposed purchase price is reflective of recent fair market values Administration has seen for other similar lands. The Owner will require an easement for services and access over the Land until such a time that a road is opened. The Owner also has laneways and drainage over the lands which they will need to maintain.

Though Kratz Road may not be developed for some time, it was determined that securing the lands today would be less expensive than having to acquire or expropriate lands at a likely higher value per acre in the future.

## **FINANCIAL CONSIDERATIONS**

The vendor has agreed to transfer the Lands for \$30,000 per acre for 3.49 acres. The property acquisition will cost approximately \$104,700.00.

It is reasonably expected that a future acquisition would require expropriation at a high fair market value per acre.

Administration recommends funding this land acquisition from the Public Works Capital Reserve (03-000-032-39068).

## **CONSULTATIONS**

Richard Wyma, Director, Planning and Development  
Tim Del Greco, Senior Manager, Capital Projects and Engineering  
Shaun Martinho, Director, Public Operations  
Ryan McLeod, Director of Finance and Corporate Services/Treasurer

**PREPARED BY:**

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**REVIEWED BY:**



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John Norton  
CAO