



# Town of Georgina Invest / Divest Land Strategy

October 21<sup>st</sup>, 2024

20  
years

urban  
Metrics



# Table of Contents

urban  
Metrics

<b>Purpose &amp; Background</b>	<b>3</b>
<b>The Town's Current Real Estate Administration and Inventory</b>	<b>5</b>
<b>Invest / Divest Framework</b>	<b>9</b>
[1] Designate a Town Real Estate AMS	11
[2] Establish the Current State of the Real Estate Portfolio (the "Supply" Side)	13
[3] Town-Wide Real Estate Needs (the "Demand" Side)	19
[4] Guiding Principles for Town-Real Estate	24
[5] Invest / Divest Processes	26
[6] Implement and On-Going Monitoring and Benchmarking	28
<b>Conclusions</b>	<b>30</b>
<b>Appendix A: Land Database Example – Data Fields &amp; Sources</b>	<b>32</b>

# Purpose & Background

---



# Purpose & Background

The Town of Georgina (the “Town” or “Georgina”) retained urbanMetrics inc. to review the municipality’s real estate acquisition and divesture processes, with the intention of developing a framework for the Town to advance towards a more effective and systematic Invest / Divest (Land Holdings Inventory) Strategy. This initial “strategy” is envisioned to support the Town’s decision-making processes, as it relates to the management of its’ existing land holdings and associated facilities, in addition to facilitating its’ future real estate acquisition and/or divesture transactions. Ultimately, this framework is a primary step towards establishing a foundation to build on the Town’s existing internal policies and procedures, while identifying the necessary tools and resources needed, to actively improve on the management of the Town’s individual real estate holdings, in a more informed, interactive context. Through this primary foundation, further adaptation and refinements will be necessary in the future for subsequent strategies to implement a more comprehensive land asset management program - one better tailored to addressing the ongoing needs and distinct challenges associated with the management of the Town’s real estate portfolio.

One of primary goals of Georgina’s 2023-2027 Corporate Strategic Plan (“2023-27 CSP”) is to proactively manage its infrastructure and assets to ensure its’ service continuity. In speaking to this goal, the 2023-27 CSP identifies that a review and improvement of its’ existing land / facility management processes are a high priority objective of the Town. To meet this objective, one of the core action items identified from the 2023-27 CSP, is for the Town to complete a Non-Core Asset Management Plan (“Non-Core AMP”). Further, to complement the development of a Non-Core AMP, the 2023-27 CSP also identifies the Town’s ambition to develop an Invest / Divest Strategy for its’ vacant land inventory.

Earlier in 2024, the Town succeeded with the completion of its Non-Core AMP. However, it is important to note that this plan only provides a framework for making strategic decisions relating to its’ management of Town-owned facilities. To transition towards developing a broader Invest / Divest Strategy for the Town’s real estate holdings inventory (i.e. those assets predominantly consisting of vacant land), and to fulfill its directive to improve the management of these real estate assets, requires that a series of pre-emptive action items and recommended changes be first introduced. These initial undertakings represent an important first step for the Town to establish the necessary elements needed to effectively execute independent and tangible acquisition and divestment decisions intended to improve and enhance the management of its’ real estate portfolio. Furthermore, these undertakings are fundamental to developing a forward-looking strategic framework for its’ Invest / Divest process that can effectively align with the objectives of the Town’s new Non-Core AMP.

The framework developed for this initial Invest / Divest Strategy is based on a preliminary desktop review of the Town’s current real estate holdings inventory as well as the administrative processes influencing its’ current operations. In addition, the research program used to develop this framework also included an engagement with various Town Departmental stakeholders, through an interactive workshop, to better understand the current processes, opportunities and challenges associated with the Town’s current management of its’ real estate portfolio. The path to developing this framework, its’ initial action items, and recommended changes needed to established a foundation for developing an introductory Invest / Divest Strategy for the Town, is laid out in the pages to follow.

# **The Town's Current Real Estate Administration & Inventory**

---

# Town's Approach to Real Estate Administration

Georgina's 2023-2027 CSP identifies that "Land / Facility Portfolio Management" are a high priority item for review and improvement. It also recognizes that defining an Invest / Divest Strategy for the Town's vacant land holdings will have a role in contributing to its' ongoing service continuity. In developing this strategy framework, urbanMetrics started this process with a review of the Town's current real estate administration policies and their implementation, to outline the current state of the Town's real estate management functions. This review forms a vital component of the Invest / Divest Strategy in the context of the ongoing management of the Town's land asset inventory as well as its future alignment with supporting the directions of Town's Non-Core AMP.

## Who Manages the Town's Real Estate Portfolio?

The Town currently does not have a dedicated staff resource to coordinate and provide oversight of the strategic use of Town-owned lands nor the coordination of any subsequent real estate acquisition or disposition processes.

A variety of Departments and Town-wide internal stakeholders play a significant role in executing various real estate activities including:

- CAO's Office – Acquisitions
- Clerk's – Dispositions
- Community Services – Maintenance of facilities and parks
- Finance – Reporting on Real Estate Assets
- Operations & Infrastructure – Asset Management

## Which Departments use Town Real Estate?

Based on a review of the Town's real estate and facilities assets, the Town has five primary Departments that predominately use Town-owned real estate to deliver programs and services to the community. The five Departments include:

- Community Services
- Operations & Infrastructure
- Fire and Rescue Services
- Public Library
- Strategic Initiatives

In essence, every Town Department utilizes the Town's Facilities / Real Estate to some degree, including as a place of work. However, not every Department has a direct influence on the management and coordination of these uses within the Town's broader real estate portfolio.

## Town's Sale of Surplus Land Policy

The Town Clerk Division oversees the disposition of Town owned land. Currently, this process is executed through the '*sale of surplus land policy*' which is required under the *Municipal Act, S.O. 2021 c. 25*.

The *sale of surplus land policy* provides a consistent and transparent manner to dispose of Town owned lands once the decision has been made to initiate the disposition of a land parcel. This policy however does not encourage or mandate any active management of the Town's real estate inventory. Therefore, the onus for initiating a land parcel disposal lies solely with the Department who oversees the identified property. Based on the review of the Town's current real estate inventory it currently has amassed a significantly large inventory of potential surplus lands.

## Acquisition / Invest Policy

The Town currently has no acquisition policy / by-law in place. However, the Town's Official Plan ("OP") does address land dedication needs, acquisition and securement requirements, generally with respect to the Greenlands System defined in OP Section 11.7. The Official Plan further states:

*11.7.9 "The Town shall generally acquire other lands required to implement the policies of this Plan in accordance with the provisions of the Planning Act, the Municipal Act, the Development Charges Act or any other statute."*

In addition, through the Capital Budget process, the Town also allocates \$250,000 annually into a land acquisition reserve fund to support future required land acquisitions. Proceeds from the sale of surplus lands are also allocated and held in the land acquisition reserve fund.

# Data Sources Used to Define the Town's Current Real Estate Inventory

The Town has a real estate inventory of approximately 420 properties totaling over 1,900 acres (176.5 hectares) including various properties containing facilities on these parcels.

## Town's Tangible Capital Asset (TCA) List

The Town's real estate inventory is administered through the Town's Tangible Capital Asset (TCA) list, managed by the Town's Financial Strategy and Planning Division. This database tracks each of the Town's real estate assets/holdings (incl. those with and without facilities). The recent completion of the Town's Non-Core AMP reviewed a segment of the Town's inventory relating to the current state of condition of various assets comprised of the Town's facilities, parks and active transportation holdings.

The TCA reports the Town has a land inventory of approximately 420 properties totaling over 1,900 acres (176.5 hectares).

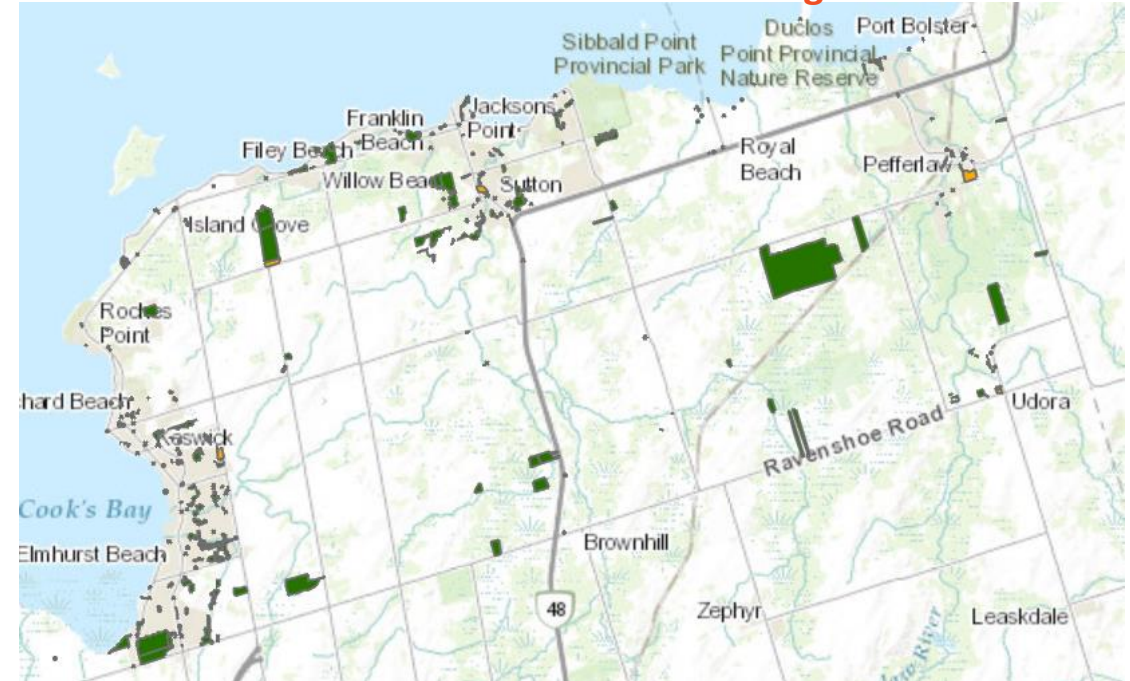
Based on a review of the TCA list:

- 75% of properties listed, are currently catalogued under the 'General Government' category to conform with the Town's Financial Information Return (FIR) reporting purposes. This suggests these lands currently do not have any mandated function for the Town.
- 'General Government' listed properties total over 760 acres and many of which could be considered as potential surplus land for disposal. However, to effectively dispose of any of these land holdings, urbanMetrics would strongly recommend the Town first complete a detailed assessment of these properties using the Framework outlined in this Strategy and in alignment with the framework for strategic decision-making, as it relates to the management of the Town's Non-Core AMP.

## uMi Observation

The challenge with relying on the TCA list for the tracking of the Town's land inventory is the TCA list has been specifically designed for accounting purposes, not for the strategic management of real estate assets. Also, there are various limitations to using this list for these purposes: including data deficiency, a limited range of data fields and the absence of key parcel information that are critical to managing these assets.

## Location of Town-Owned Real Estate Holdings



Source: Town of Georgina's TCA List, mapped by urbanMetrics inc.

# What We Heard – Town Staff Workshop

urbanMetrics conducted an interactive workshop with Town Staff from across various Town Departments to understand how Georgina currently manages its real estate, the current processes in place and the challenges and opportunities in trying to optimize the economic value of its real estate assets while balancing the needs of the Town.

## What We Heard in the Workshop

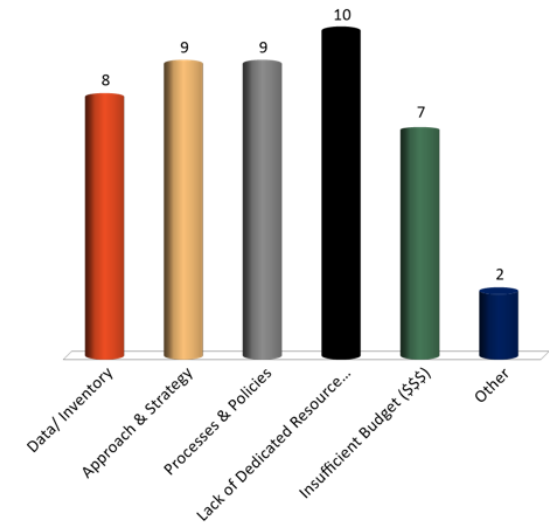
- Several Departmental Stakeholders were only somewhat familiar with the Town's overall real estate inventory (i.e. indicating a lack of communication relating to the inventory was identified as part of the issue).
- Town staff put equal weight to the following challenges related to the Town's current land / facilities portfolio management:
  - Data/inventory;
  - Approach & Strategy;
  - Processes & Policies;
  - Lack of Dedicated Resources (staffing); and
  - Insufficient Budget.
- Town staff believed, by optimizing the Town's real estate management process it could better serve their Department by:
  - Delivering on strategic initiatives requiring real estate;
  - Consolidation and carrying less redundant properties;
  - Free up cash to manage and upgrade other Town holdings;
  - Keep up with the pace of the state of good repair; and
  - Support the delivery of desired levels of service.
- Town Staff were positive that optimizing the Town's current real estate portfolio could better support the Town in delivering on strategic initiatives by the Town and their respective Departments.

## Interactive Workshop Polling Slide

### What are the current challenges with the Town's Land/ Facilities Portfolio Management? (Pick all that apply)

- A. Data/ Inventory
- B. Approach & Strategy
- C. Processes & Policies
- D. Lack of Dedicated Resources (Staff)
- E. Insufficient Budget (\$\$\$)
- F. Other

\*Other Included: Political Will & All of the Above





# Invest / Divest Framework



# Path to Implementing an Invest / Divest Framework

The development framework of an Invest / Divest Land Strategy is closely associated with the adoption of a Town-wide Real Estate management approach. A Town wide approach aligns the Town's real estate portfolio with the Town's strategic objectives and mandate. Further, incremental refinements and subsequent adaptations of this strategy employing a town-wide approach over time will contribute to synchronizing the context of Invest / Divest decisions with framework objectives of the Town's Non-Core AMP. A town-wide approach, when actively managed, can assist in overcoming one-dimensional real estate functions and develop synergies, creating greater optimization of the portfolio, while reducing unnecessary excess holdings.

Before the Town can proceed in executing individual Invest / Divest property decisions, it requires a framework to ensure it has the right resources, data, principles and processes in place. Below is a six-stage path to implementing an Invest / Divest Framework. Note the sequence of these six-stages are a constant on-going process.



# [1] Define a Town Real Estate Asset Management Specialist (AMS)

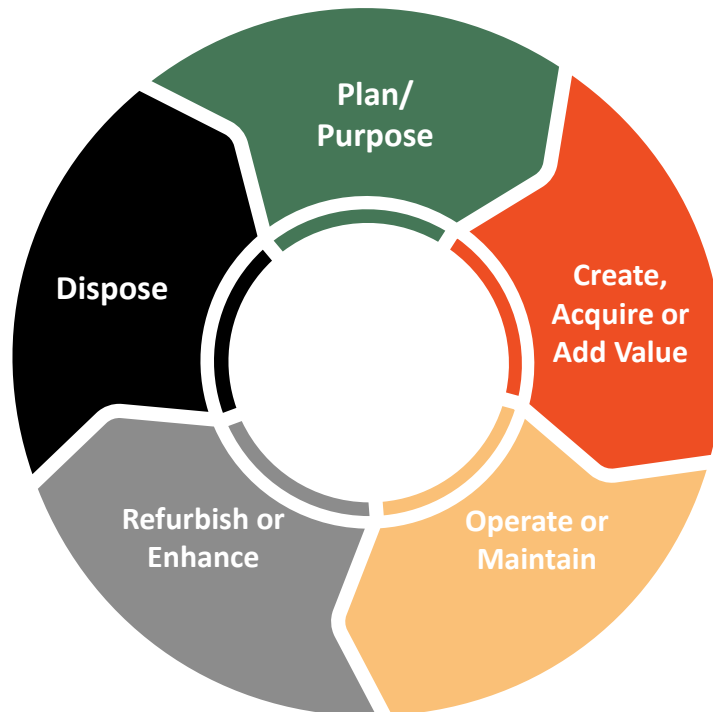
**Action Item 1:** Designate a Town Resource as the Town's Real Estate Asset Management Specialist (AMS) to oversee the Invest / Divest framework and other core real estate activities.

# 1. Define a Town Real Estate Asset Management Specialist

The Town is in the early stages of implementing a town-wide real estate management approach. The Town's current approach to real estate management can be largely characterized as being siloed. Employing a designated Real Estate Asset Management Specialist (AMS), whose role would be as a point person accountable to overseeing and coordinating the management of real estate assets, is essential to optimizing the value of the Town's real estate portfolio and should be a requirement to oversee the activities presented in this Invest / Divest Framework.

The responsibility of the Real Estate AMS would be to oversee the real property life cycle of each property within the Town's real estate portfolio and to help facilitate real estate decisions in collaboration with other Town Department stakeholders in order to optimize the value of the portfolio. Every property goes through a life cycle, often over multiple reiterations, which must require a plan, on-going monitoring and decisions to ensure the asset fulfills the needs of the municipality. During different stages of the cycle, the Real Estate AMS is a vital conduit for effectively executing engagement and communication protocols with the appropriate Town Departmental Stakeholders. A Real Estate AMS is also required for the overall management and oversight of the process in optimizing the asset over the duration of its life cycle.

## Real Property Asset Life Cycle



- **Plan/Purpose** – Every property requires a purpose and/or a plan/process to execute this purpose as well as to justify its function/role within the Town's real estate portfolio.
- **Create, Acquire or Add Value** – In order to execute on the real estate need (plan), potential first options for consideration would include:
  - Purchase an existing facility/ property
  - Purchase a vacant site
  - Redevelop or repurpose an existing Town owned site
  - Lease as an interim use
- **Operate or Maintain** – Day-to-day maintenance and management is undertaken. Reporting and monitoring is also a key undertaking to continue to (re)evaluate the asset.
- **Refurbish or Enhance** – Review of the property and its' alignment with Town objectives. Decision outcomes may include:
  - Maintain status quo
  - Potential change in use (highest and best use)
  - Modernization / reinvestment
  - Transition towards the ultimate disposition of the asset
- **Dispose** – The disposal process has been initiated based on the previous review and determination.



## [2] Establish the Current State of the Real Estate Portfolio ( the “Supply” Side)

**Action Item 2:** Establish a comprehensive real estate database for managing the Town’s real estate portfolio

**Action Item 3:** Assign each Town property to a Town ‘Client Department’

**Action Item 4:** Implement a categorization of Town properties determining non-surplus and potential surplus properties

# Establish the Current State of the Town's Real Estate Portfolio

A complete review of the Town's real estate portfolio is required. This review identifies the crucial baseline standards of the Town's real estate assets for the AMS to actively manage its Real Estate portfolio. This exercise will also be able to inform the future "State of the Infrastructure" section of the Town's Non-Core AMP. Data accuracy and various measures of key site attributes are an essential component for making informed and strategic decisions related to the Town's real estate portfolio. Below is a three-step process to distinguish the baseline status of the Town's real estate assets.

## Process to Strategically Evaluate the Town's Real Estate Portfolio

Step 1: Establish A Comprehensive Real Estate Database



Step 2: Assign Each Property to a Town 'Client Department'



Step 3: Categorize Standard Key Attributes of each Property within the Town's Portfolio

In order to make informed Invest / Divest decisions, the Town requires an accurate and detailed account of its real estate holdings. This requires a dedicated and comprehensive real estate database that is assembled, managed and administered by a designated Real Estate AMS who would be responsible for the active management of the Town's Real Estate portfolio.

A comprehensive Real Estate Database is fundamental to identify the various Town Departments using real estate and their associated real estate inventories. The Real Estate AMS should look to form a "client-like" relationship with the Departmental users of the real estate asset to help facilitate and optimize the purpose/function of the Town's real estate assets.

Each property within the Town's real estate database needs to be categorized by several key attributes to understand what purpose the property has from a municipal function standpoint and ultimately determine whether the property is surplus or not. Many of these key attributes are identified in the slide to follow.

# Step 1: Establish A “New” Comprehensive Real Estate Database

The Tangible Capital Asset (TCA) list is the Town’s only inclusive database currently available to track its Real Estate portfolio. This database was developed specifically for accounting purposes and is not designed, populated with the appropriate data fields or maintained with the intended purpose of being used for routine real estate management tasks and informing strategic real estate decisions. A major milestone, in being able to develop a framework and initiate the execution of an Invest / Divest land strategy, is first establishing a comprehensive real estate database for the purposes of managing the Town’s real estate assets with accurate and relevant data. This comprehensive Real Estate Database needs to be assembled, managed and administered by a defined Real Estate AMS overseeing the management of the Town’s real estate activities. Also, this database should also be compatible for use in Geographic Information System (“GIS”) platform. A sample of a property profile representative of the depth of information categorized in this database is provided in Appendix A.

## Suggested Data Fields\* Should Include:

- Municipal Address
- Land area and boundary details (location map)
- MPAC property classification
- Official Plan designation
- Zoning
- Building improvements on the land
- Other Town assets located on the property
- Date of acquisition
- Last date of market valuation
- Known encumbrances
- Potential known liabilities and risks
- Purpose and Use (Asset Type)
- Other notable features
- Town Department responsible for the property
- Category Status (Current Service Delivery, Surplus, etc.)

\*Properties associated with facilities should also be harmonized with the Non-Core Asset Management Plan, including in terms of municipal Levels of Service (LOS).

The development of a comprehensive Real Estate Database would become not only a critical resource to the Real Estate AMS but also a valuable resource to be made accessible to a range of Departmental users across the Town Corporation.

Access to the database needs to be shared across the Corporation to inform the various Town real estate users. Through the background document review and Town Staff workshop, it was identified that the Town’s land inventory is currently poorly understood and not well communicated to other Departments. The acquisition of an EAM (Enterprise Asset Management) software solution, also identified in the 2022 Core Asset Management Plan could support overcome these challenges.

Also, there are multiple current Town initiatives / projects that require a clearer understanding of the Town’s real estate inventory including:

- Affordable Housing and Homelessness Initiative (Strategic Initiatives)
- Lake Dr Shoreline Action Plan (Development Services Department)
- Health and wellness facility / services expansion (Strategic Initiatives)

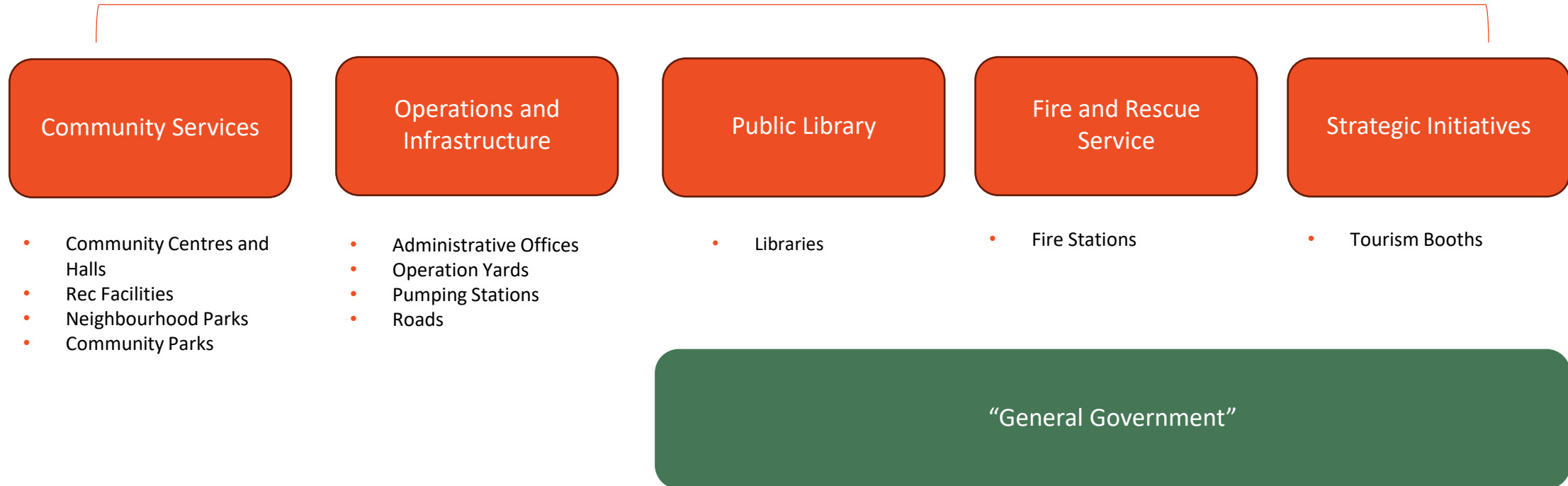
The establishment of this database would benefit the above identified initiatives and projects immediately and provide crucial intel towards finding potential solutions using the Town’s Real Estate.

## Step 2: Assign Each Property to a Town ‘Client Department’

Once the comprehensive Real Estate Database is established, each property in the portfolio should be associated to a Town Department as it relates to their municipal function. The purpose of this exercise is to understand the extent of each Department’s real estate inventory and to better understand what properties are relied on to deliver municipal services. This task will be further analyzed in Step 3 to follow. Each property can generally be assigned to one of five departments which have been identified as the primary active users of Town-owned real estate. The number of facilities identified in the Town’s Non-Core AMP are highlighted below. It is anticipated that a sixth category will also be required for properties that have been identified as “General Government” in the TCA list which currently sit in the Town’s inventory and cannot be assigned to one of the five identified Departments.

The Real Estate AMS should view these Departments as internal Real Estate “Clients” or divisional / departmental stakeholders. The Real Estate AMS role is to effectively engage and communicate with each Department in an effort to optimize the Department’s real estate allocations through coordination and collaboration across all Departments, to determine Town-wide real estate needs and solutions.

### The Town’s Real Estate “Divisional / Departmental Stakeholders”

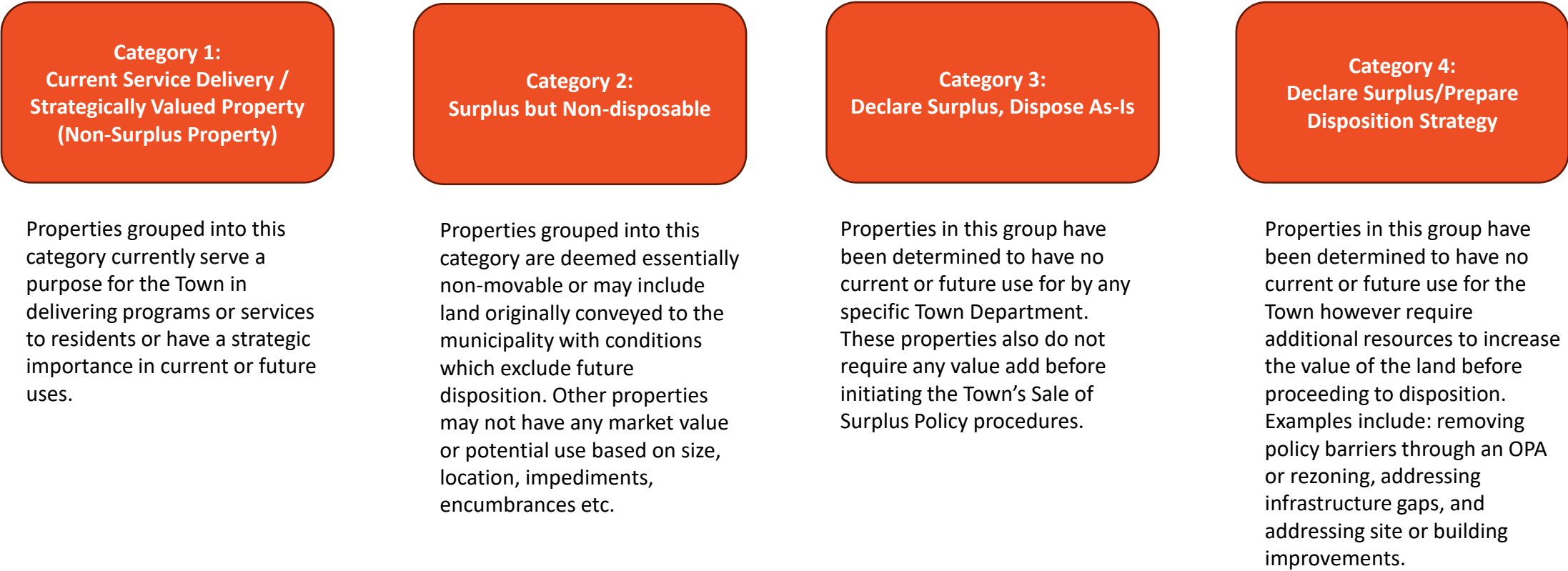




# Step 3: Categorize Standard Key Attributes of each Property within the Town’s Portfolio

Following the completion of Steps 1 and 2, the Real Estate AMS, in collaboration with the “Client” Department’s key stakeholders, can begin reviewing each assigned/allocated property within the Town’s database to determine whether the property has a current or strategic purpose in the portfolio or is potentially surplus. This exercise is the starting point for any divesture process. Properties that are identified in Category 3 or 4, described below, before proceeding to initiate the Town’s sale of surplus land policy/process, will require circulation among all primary Departments to ensure no other Town uses or any future anticipated projects may require the property.

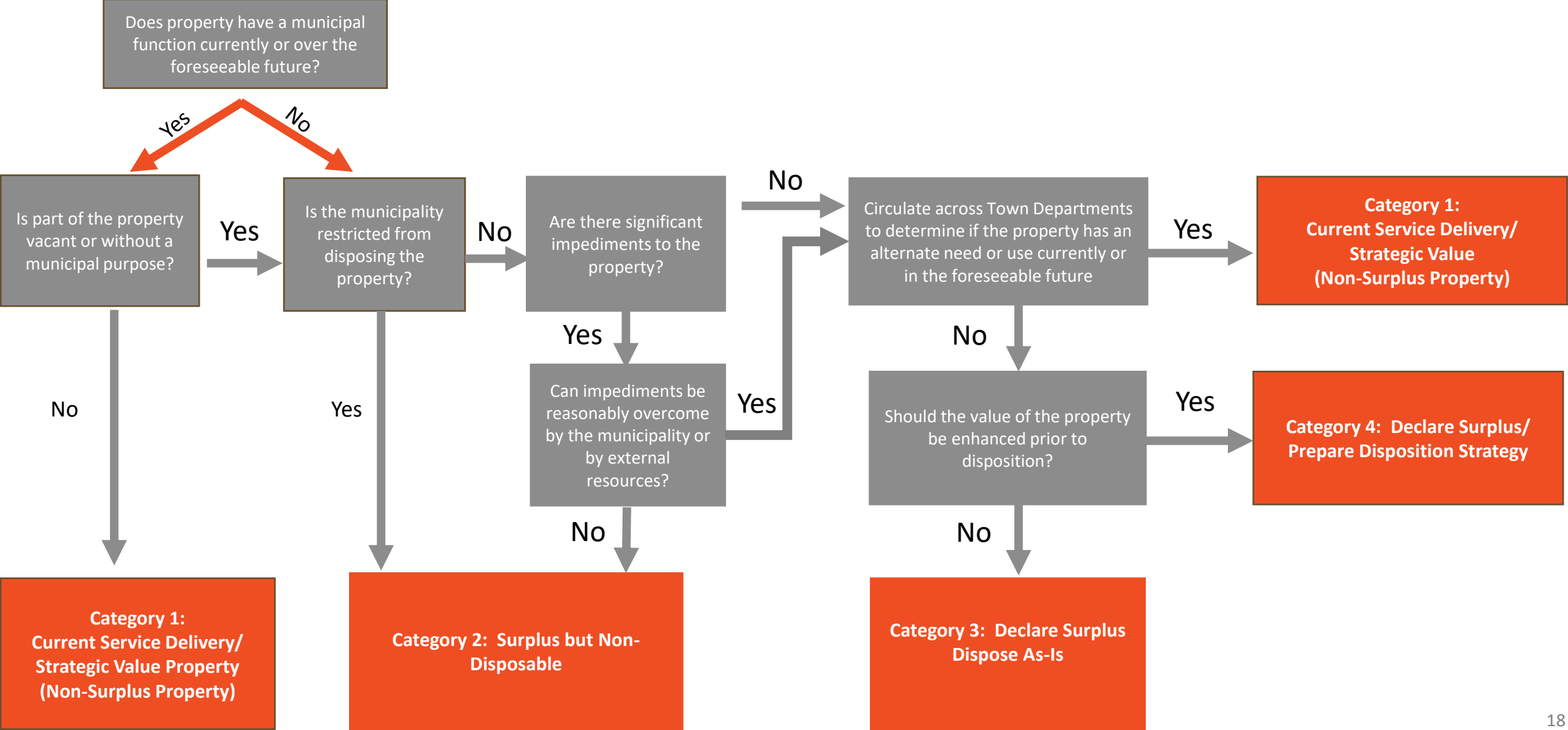
Provided below, are a description or “scale” of four (4) levels of measurement to be used to categorize the significance of real estate assets for departmental uses. This scale is followed by a property categorization flowchart on the next page.



# Step 3 (continued) Property Categorization Decision Process



The following flow chart provides a process to evaluate each property within the Town’s real estate inventory and determine which of the four (4) categories the property belongs in.



## [3] Town Wide Real Estate Needs (the “Demand” Side)

---

**Action Item 5:** Develop a Real Estate Needs Master Plan to prioritize and coordinate identified real estate needs across Town Departments

# Town Wide Real Estate Needs (the Demand Side)

The Town’s demand for real estate is generated by the programs and services delivered by the various Town Departments and their respective master plans and other guiding documents. In addition, the Town has strategic supporting documents such as the Official Plan, DC Background Study, etc. which forecast growth and the need for associated future Town facilities and minimum servicing/infrastructure level standards which also impact the Town’s real estate.

The chart below summarizes the Town’s various Departmental and Strategic Directives which create a demand for Real Estate. The Real Estate AMS should develop a **Real Estate Needs Master Plan** to manage and coordinate the Town’s future facilities and land needs. This will ensure opportunities are identified where the Town can leverage its current real estate portfolio and provides a tool to ensure these opportunities are thoroughly examined and optimized before exploring costly acquisition options.

<b>Town Departments that use real estate to deliver services and programs to the Town</b>	<div> <div>Community Services</div> <ul style="list-style-type: none"> <li>Parks and Trails Master Plan (in development)</li> <li>Waterfront Parks Master Plan</li> <li>Trails &amp; Active Transportation (AT) Master Plan, 2014</li> </ul> </div> <div> <div>Fire and Rescue Services</div> <ul style="list-style-type: none"> <li>Refreshed Fire Mater Plan, 2023</li> <li>Innovation and Modernization of the Fire Services for the Town of Georgina, 2023</li> </ul> </div> <div> <div>Operations and Infrastructure</div> <ul style="list-style-type: none"> <li>Water / Roads / Operation Services</li> </ul> </div> <div> <div>Public Library</div> <ul style="list-style-type: none"> <li>Library Services and Facility Master Plan, 2016</li> </ul> </div>		
<b>Town’s Real Estate that can potentially support Departmental initiatives through Acquisition or Disposition of Town-owned Real Estate</b>	<div> <div>Strategic Initiatives (Corporate Strategy and Transformation)</div> <ul style="list-style-type: none"> <li>Affordable Housing and Homelessness Initiative</li> <li>Health and wellness facility/services expansion</li> <li>Wireless Telecommunications Installations on Municipal Policy, 2021</li> <li>Economic Development and Tourism initiatives</li> </ul> </div>		
<b>Other Town Directives that guide and support the Town’s real estate needs</b>	<div> <div>Planning Frameworks</div> <ul style="list-style-type: none"> <li>Official Plan</li> <li>Secondary Plans</li> <li>DC Background Study</li> </ul> </div>	<div> <div>Corporate Strategies</div> <ul style="list-style-type: none"> <li>Corporate Strategic Plan</li> <li>Core &amp; Non-Core Asset Management Plans</li> </ul> </div>	<div> <div>Economic, Environmental &amp; Social Directions</div> <ul style="list-style-type: none"> <li>Climate Change Action Plan</li> </ul> </div>



# Four Primary Policy Drivers

Unlike private real estate investment, which focuses primarily on a financial Return on Investment (“ROI”), municipal real estate management requires the balancing of four primary pillars in determining whether a property within the Town’s portfolio should be held, disposed, leveraged or acquired.

## Economic

Opportunities that support the economic well-being of the Town (job creation, new investment, etc.)

## Environmental

Opportunities that support the Town’s climate action, environmental and sustainability objectives



## Social

Opportunities that support the Town’s quality of life (i.e. parks, trails, recreation, safety, etc.)

## Fiscal

Opportunities that support the fiscal management and operation of Town owned assets.

# How Can Town-Owned Land Resources Contribute to the Town's Objectives?

Based on our document review and the interactive workshop with Town Staff, urbanMetrics has identified various economic and social policy drivers in which the Town's real estate holdings could potentially be put to use and should be considered when looking to acquire, hold, leverage or divest Town owned land.

## Economic Policy Drivers

Economic Policy Drivers are opportunities that support the economic well-being of the Town

**Economic Development & Tourism:** Municipally owned lands can be harnessed to support economic development efforts including:

- Job Creation
- Development of employment lands
- Commercial space (Leasing and/or divesting)
- Enable the delivery of new infrastructure to support economic development
- Investing in key Downtown locations (Revitalization)
- Providing incubator space for business start-ups

**Town's Waterfront Master Plan:** The Town's Waterfront Master Plan identifies economic development opportunities (e.g. lease revenue from pop-up commercial space) along the waterfront.

**Broadband Expansion:** Supporting third-party wireless telecommunications equipment on the Town's buildings and lands.

## Social Policy Drivers

There is an expectation on the Town to deliver on various social drivers to support the Town's quality of life.

**Demographics:** The Town's changing demographics may impact the needs of residents including real estate uses and facilities.

**Affordable Housing and Homelessness Initiative:** Continue to review the provision of Town-owned land for the development of purpose-built rental and deeply affordable units.

**Health and Wellness Facility / Services Expansion MOU:** Increase health-oriented service capacity through the development of new facilities and resources in Georgina, as well as the expanded use of existing spaces to increase access to care.

**Parks and Trails Master Plan:** Recommendations for parkland acquisitions for new parks and trails to improve connectivity for the entire parks and trails system.

**Preservation of Heritage Assets:** The Town has a role to play in preserving built heritage. Town currently has an asset base with the Pioneer Village.

**Waterfront Master Plan:** The plan recommends acquiring property on the north side of the Maskinonge River to accommodate public waterfront access and enjoyment.

**Library Master Plan:** Town growth and facility life cycle management will dictate the needs for this service area.

**Fire Master Plan:** Town growth and facility life cycle management will dictate the needs for this service area.

# How Can Town-Owned Land Resources Contribute to the Town's Objectives? (continued)

## Environmental Policy Drivers

Opportunities that support the Town's climate action, environmental and sustainability objectives

**Climate Action:** The Town is currently developing its Climate Change Action Plan and is anticipated to have an impact relating to the Town's real estate holdings.

**Conservation Authority (local watershed management):** Alignment with Lake Simcoe Region Conservation Authority's (LSRCA) mandate to conserving, restoring and managing the Lake Simcoe watershed.

**Tree Preservation and Tree Planting / Restoration:** Preserving the Town's tree canopy and coverage through the Town's land portfolio.

**Greening of York Strategy:** the Town is committed to actively participating in the Region's efforts to preserving and restoring forest resources (Official Plan 11.7.10).

## Fiscal Policy Drivers

Opportunities that support the fiscal management and operation of Town owned real estate assets.

### Real Estate Portfolio Management:

- Generate saving through efficiencies
- Real Estate acquisition avoidance
  - Identifying co-location solutions for municipal services
- Provincial reporting regulations including O.REG 588/17
- Reduce property tax burden

### Disposing Surplus Lands

- Generate revenue from the sale of lands
- Generate new property tax dollars
- Reduce liabilities and expenses for maintaining surplus lands

## [4] Guiding Principles for Town-wide Real Estate Approach



**Action Item 6:** Adopt guiding principles to manage the Town's real estate portfolio in alignment with the Town's Non-Core AMP and Strategic Asset Management Policy

# Guiding Principles for a Town-wide Real Estate Approach

A set of guiding principles are required to inform Town-wide real estate decision-making to optimize the economic value of Town's real estate assets while protecting the interest of residents.

The following guiding principles are common municipal real estate management principles for the Town to consider.

## Guiding Principles:

- Prioritize the Town's real estate portfolio to contain only properties that serve a core function or have strategic value for the Town.
- Seek opportunities that maximize / optimize the Town's current real estate portfolio in delivering future planned real estate needs.
- Ensure the real estate portfolio balances economic, social, environmental and fiscal benefits.
- Collaborate across Town Departments to enable synergistic real estate strategies to deliver Town programs and services for residents.

More detailed principles will need to be developed for the various Real Estate "Client" Departments once a better understanding and evaluation of the portfolio has been completed.

Town owned real estate is a strategic asset that provides various benefits and value to the Town. These assets and their values require balance between the Town's objectives, servicing requirements and financial realities.


## Types of Value Derived from Town-Owned Real Estate

- **Operational Value** – Meets the Town's servicing requirements and provides programs and services to residents and visitors.
- **Financial Value** – Real estate assets are managed cost effectively and optimized. Opportunities to divest surplus lands are used to reallocate capital back into the municipality.
- **Strategic Value** – Real Estate assets are leveraged to support broader economic, social, and environmental goals (i.e. affordable housing, natural preservation, etc.)

## What Can the Town Do With its Real Estate to Create Value?

- Acquire land and/or facilities
- Dispose of land and/or facilities
- Manage its portfolio of land and facilities
- Lease land and/or facilities
- Develop land
- Partner and develop
- Land bank for current or future identified strategic initiatives / projects
- Swap land with other landholders to fulfill a strategic objective

## [5] Invest / Divest Processes



**Action Item 7:** *Ensure any future land needs identified are fully reconciled against the Town's available land inventory (database) before acquiring any additional new land supply and activate the surplus land disposition policy through proactively identifying sources of surplus lands.*

# Invest / Divest Processes

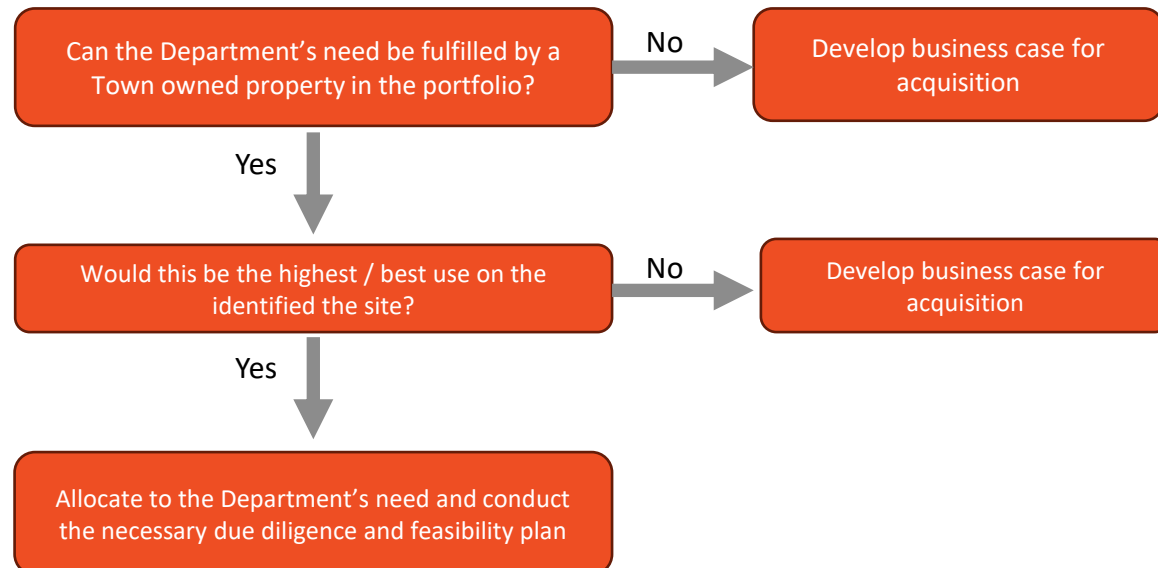
The resources, data and guiding principles/recommendations in the preceding stages of this framework are intended to support the Town's Invest / Divest processes that are currently in place. urbanMetrics has reviewed these current policies and consider them to be effective. However, employing these policies do require enhancements to be further utilized for the purpose of generating value from the Town's real estate portfolio.

## Invest (Acquisition) Process

The Town's Official Plan enables Georgina to acquire land for the purposes of implementing the policies of the OP and other identified Town projects. The Town currently does not have any formal documented invest or acquisition policy and undertakes acquisition on an "as needed", project-by-project basis.

To better align the Town's real estate portfolio with the Town's real estate needs every effort should be made to utilize Town-owned land before the option to acquiring new land is made.

When a Department requires land to fulfill a need, the Town should conduct an initial internal site identification and review process in line with the process as shown below.



## Divest Process

As previously identified, the Town's sale of surplus land policy does not have a specific and defined procedure to identify redundant land assets within the Town's real estate inventory. The Town's current approach, is largely contingent upon the objectives of the Department with whom the asset is currently allocated/assigned to, to initiate a process to determine whether the asset is potentially surplus (and ultimately put forth as a candidate for divestiture). Also, the Town currently does not have a specific, defined guidelines to determine what land assets should or should not be held under a stakeholder Department's administration nor even under the Town's broader land holdings inventory. In many cases, divestiture of land assets is administered through more of responsive means than through a preemptive strategically defined process.


The development of a comprehensive real estate database and categorization process of the Town's real estate portfolio as outlined previously in Stage 2 of the framework (pages 13-18 previous), is intended to provide a systematic approach that leads to the Town actively managing its entire real estate profile. This approach provides the Town with two category sources of potential surplus lands that can then be directed to disposal as surplus land using the Town's defined *sale of surplus land* policy which ultimately requires Council approval.

urbanMetrics has reviewed the Town's *sale of surplus land* policy and considers the policy to be an effective process/tool in disposing surplus lands by providing a transparent and competitive process to ensuring the best interests of the Town are met.

The Town can benefit by disposing surplus lands as proceeds from the sale of any surplus lands are directly allocated to the Town's land acquisition reserve fund. This will become strategically important as future real estate demands are identified, and future funding sources are required in order to realize new projects.



## [6]Implement an On-Going Monitoring and Benchmarking Process



**Action Item 8:** Define key performance measurements to track and evaluate the Town's real estate portfolio activity on an annual basis.

# Implement and On-Going Monitoring and Benchmarking

The Town's Real Estate Portfolio requires active, ongoing management to realize economic value of the Town's real estate assets. The preceding five stages have laid out actions for the Town to implement in order to make informed and strategic decisions on its real estate holdings. Without establishing the necessary resources, data, processes and principles, the Town will continue to face challenges in the ongoing management of its real estate portfolio as characterized in the workshop with Town Staff.

## Implementation

The implementation of the Invest / Divest framework requires a designated staff resource, in a Real Estate AMS role, to oversee the stages presented in the framework as well as to execute on-going monitoring and management once initiated. The Town already has a sizeable real estate inventory (approx. 420 properties) to manage. This framework is intended for the Town to first establish a basis for managing, tracking and administering its real estate assets. This is a continuous process as eventual acquisitions and dispositions will change the composition of its land inventory.

Considerable data collection and analysis is required as part of Stages 2 and 3 of the framework which looks at both the supply and demand for Town owned lands. These are critical for making any future Invest / Divest decisions.

Stages 4 and 5 provide the Town with guiding principles and improvements to its process that should be taken into consideration in order to realize economic value while balancing the needs of residents.

The implementation of the Invest / Divest framework will require collaboration across all Town Departments who use real estate and support real estate processes. Continuous monitoring to ensure that the Town's real estate holding are meeting the Town's objectives is required.

## Key Performance Measurements

A set of key performance measurements should be established to assess and inform the current LOS being achieved through the Town's real estate activities and portfolio. These measurements should be reported annually and tracked to compare activities year over year and communicate and identify challenges in the process to ensure refinement. Suggested measurements may include:

- Total number of properties within the Town's Real Estate Portfolio
- Total number of surplus land parcels
  - Total Market value of Category 3 & 4 surplus lands
- Number of properties divested
  - Revenue generated from individual sales
- Number of properties acquired
- List of Town projects with potential real estate needs
  - Immediate
  - Mid-term
  - Long-term

As the Town Inventory Database and Invest / Divest process become established, other key KPI are expected to become more relevant to the management and ultimately Invest / Divest decision making process.

# Conclusions



# Conclusions

**The Invest / Divest Land Strategy is intended to provide the Town with a high-level framework to enable a more “strategic” and “deliberate” approach to managing its real estate portfolio. The implementation of this primary strategy hinges on the Town designating a staff resource in the role of a Town Real Estate Asset Management Specialist (AMS) to oversee the framework and to administer routine real estate activities on behalf of Town’s departmental “clients” on a going forward basis.**

The strategy provides a review of the Town’s current real estate administration approach and available real estate data. An interactive workshop with key Town Department stakeholders was also conducted to gain insights on the opportunities and challenges with the Town’s current portfolio and processes. As a result, a six-stage Invest / Divest framework is presented for the Town to develop a Town-wide real estate approach to better harness its assets.

## **Eight (8) Key Action Items Highlighted In This Strategy:**

1. Define and employ a staff resource as the Town’s Real Estate Asset Management Specialist (AMS) to oversee the Invest / Divest framework and other core real estate activities.
2. Establish a comprehensive real estate database for managing the Town’s real estate portfolio.
3. Assign each Town property to a Town ‘Client Department’.
4. Implement a categorization of Town properties determining non-surplus and potential surplus properties.
5. Develop a Real Estate Needs Master Plan to prioritize and coordinate identified real estate needs across Town Departments.
6. Adopt guiding principles to manage the Town’s real estate portfolio in alignment with the Town’s Non-Core AMP and Strategic Asset Management Policy
7. Ensure any future land needs identified are fully reconciled against the Town’s available land inventory (database) before acquiring any additional new land supply and activate the surplus land disposition policy through proactively identifying surplus lands.
8. Define key performance measurements to track and evaluate the Town’s real estate portfolio activity on an annual basis.

# Appendix A



## Appendix A: Land Database Example - Data Fields & Sources

Below is an example of a range of data fields, potential data sources and a brief overview of suggested tasks involved with gathering and assembling a property profile for just one (1) of the Town's vacant land parcels included in its inventory. This example is provided for the benefit of the Town to better understand some of the resources required to establishing a Comprehensive Real Estate Database as outlined on page 15 of this Invest / Divest Land Framework. Note: This example may not be representative of the entire range of information needed for each land parcel.

For the purposes of this example, we have selected a property from the Town's Tangible Capital Asset (TCA) list located on the corner of Sulevi Avenue and Kalevi Road in Udora with no municipal address. The MPAC assessment roll number of this land parcel is 197000002111500 as provided in the TCA.

### Task 1 – Validate and refine the data on the property found on the TCA List

Information currently available within the TCA list:

**Asset Name:** N/S Sulevi Avenue (no municipal address)

**Roll Number:** 197000002111500

**Legal Description:** Plan 544 BLK J

**Size in Area (acres):** 6.04 acres

**FIR Function Category:** General Government

**FIR Functional Sub-category:** Governance

**Department:** Corporate Services

**Asset Type:** Residential Land

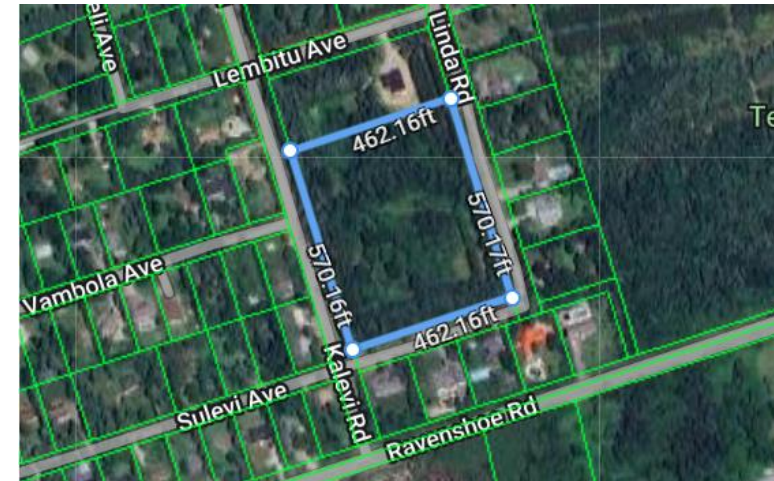
**Year added:** When TCA was established in 2008

**Book Value:** \$126,250.00

### Questions to find out

- Where or if any documents exist on the property?
- When and why does the Town own this property?
- Does the property currently serve any Town function?

### Task 2 – Verify property location and ownership on MPAC



Source: Geowarehouse

Information obtained from MPAC

**Area:** 6.049 ac (matches TCA list)

**Frontage:** 462.00 ft

**Depth:** 570.00 ft

**Property Description:** Vacant residential land not on water

**Current Assessed Value:** \$272,000

## Official Plan Designation

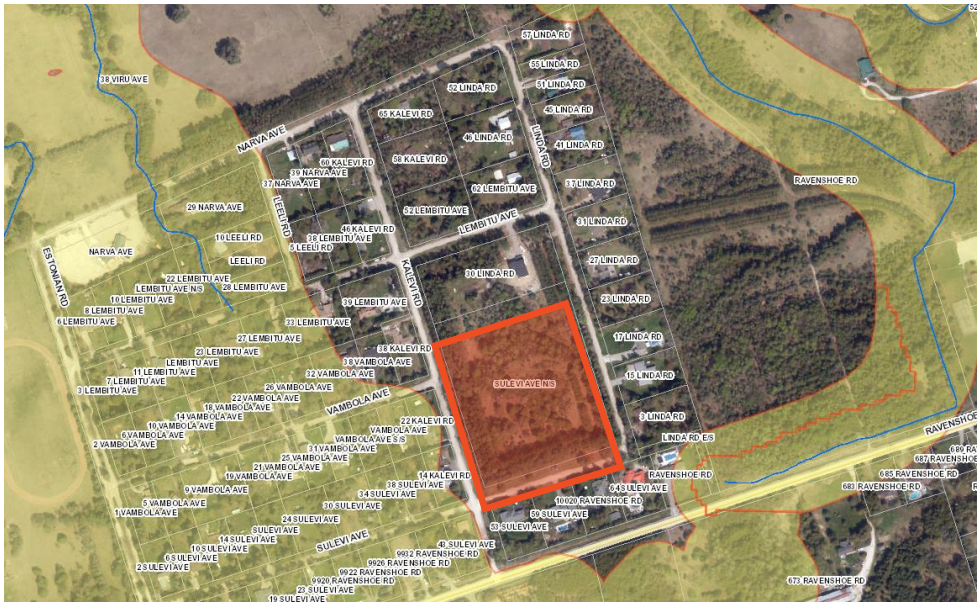




# Appendix – A (continued)

## Task 4 – Determine any known encumbrances

Search the Lake Simcoe Regional Conservation Authority’s Regulation Area Property Search portal to determine whether there any known environmental protection requirements influencing the use of the property .



Based on the LSRCA’s Regulation Property Search map the subject property is outside the regulation area (shaded in yellow) indicating no LSRCA regulation.

## Task 5 – Establish profile of the property

The preceding four steps represent the types of parcel data that the Town’s Real Estate AMS would gather in developing a parcel profile for a subject property. These sources of information are representative of some of the key site attributes that are recommended to be catalogued and used to assess and categorize the purpose / function of the Town’s land holdings and provide an indicator as to whether they have a purpose for a particular need, they are strategically significant in the long term or surplus.

- Municipal Address
- Land area and boundary details (location map)
- MPAC property classification
- Official Plan designation
- Zoning
- Building improvements on the land
- Other Town assets located on the property
- Date of acquisition
- Last date of market valuation
- Known encumbrances
- Potential known liabilities and risks
- Purpose and Use (Asset Type)
- Other notable features
- Town Department responsible for the property
- Category Status (Current Service Delivery, Surplus, etc.)





20  
years

**urban  
Metrics**



**urbanMetrics**  
602 - 15 Toronto Street  
Toronto, Ontario, Canada  
M5C2E3  
[urbanMetrics.ca](http://urbanMetrics.ca)