

Appendix A – City-Owned Surplus Land Disposition Framework

City-Owned Surplus Lands Disposition Framework

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Part 1: Overview

1.1 Background

As Barrie continues to grow, the strategic management and disposition of City-owned surplus lands is essential to support community needs and advance key priorities like affordable living. This document outlines a Land Disposition Framework that provides Council with a structured, and strategically aligned approach to direct staff in disposing of surplus municipal lands specifically for the purpose of enabling housing development, with a focus on affordable options.

Over the years, Council has taken meaningful steps to support housing development by making surplus municipal lands available for residential projects. These past efforts have helped lay the foundation for a proactive, strategic approach to land use that aligns with the City's broader housing goals. The Land Disposition Framework builds on this history by formalizing the process Council has already led, creating a clear structure that ensures surplus lands continue to be used as powerful tools to address Barrie's housing needs. This framework reflects and reinforces the visionary work of Council, adding long-term value by guiding future land disposition decisions in a way that is coordinated and impactful.

1.2 What is the Land Disposition Framework?

This framework is a key initiative under the [Housing Accelerator Fund \(HAF\) Action Plan](#), a federal program designed to help municipalities rapidly increase housing supply. As part of Barrie's HAF Action Plan, the City is committed to accelerating housing construction through the disposition of surplus municipal land, contributing to the target of 6,825 new housing starts by 2027 under Initiative 6.

The Framework provides a clear and consistent process for disposing municipal lands for housing development in alignment with the City's priorities. Specifically, it is:

- an initiative through the HAF action plan to evaluate land opportunities for affordable housing;
- a structured decision-making guide for Council to direct staff in the disposal of surplus lands;
- a flexible mechanism for disposing of lands over time, with the understanding that it may need to be updated periodically to reflect evolving Council priorities.

The City of Barrie's [Housing Community Improvement Plan \(CIP\)](#) plays a critical enabling role in supporting the disposition of surplus municipal lands for affordable housing. Section 3.6 (Surplus Municipal Lands for Affordable Housing Program) of the CIP provides Council with the authority and flexibility to actively facilitate housing development by allowing for the sale, lease, or transfer of City-owned lands in alignment with affordable housing goals. Together, the HAF and CIP provide the financial tools and legal authority necessary to implement this framework and support Barrie's long-term housing objectives.

1.3 Key Objectives

The City owns parcels of land that play a vital role in delivering community services such as parks, recreation, infrastructure, and transportation. Some of these lands are underutilized and hold potential for future housing development to help accommodate population growth and provide housing options. By leveraging these parcels, the Land Disposition Framework provides Council with an opportunity to achieve the following strategic objectives:

Objective #1 - Manage City-owned lands as an asset portfolio

The City of Barrie should manage its land holdings as a strategic asset portfolio, focusing on a balanced approach to both land dispositions and acquisitions. This ensures a consistent and flexible supply of land to support current priorities while preparing for future community needs.

Key considerations in this approach include balancing short-term development opportunities with long-term land requirements, reinvesting a portion of land sale proceeds into future acquisitions, and weighing community benefit against potential revenue generation. This helps maintain a robust portfolio that supports both civic goals and strategic investments.

Managing lands as a portfolio allows Council to proactively respond to emerging needs, direct staff effectively, and make decisions that align with Barrie's long-term growth. Ultimately, this strategic, long-term approach moves beyond site-specific decisions and ensures the City's land assets are used efficiently to deliver lasting value for residents.

Objective #2 – Ensure interdepartmental collaboration and centralized oversight of the land portfolio

Interdepartmental collaboration especially between Development Services and Legal Services, is essential to making informed decisions around surplus land evaluation and disposition. This model reduces duplication, improves accountability, and allows Council to prioritize parcels that will generate the most public benefit.

The Development Services Department provides the policy lens and land use expertise needed to guide strategic land decisions.

Key Responsibilities of Development Services:

- Evaluate development potential based on the Official Plan, zoning by-laws, and planning policy.
- Align land disposition with long-term city-building goals (e.g. intensification, housing diversity, infrastructure readiness).
- Identify strategic opportunities for affordable housing, mixed-use development, and transit-oriented projects.

A central governance model oversighted by the Legal Services Department ensures consistent management of the City's land portfolio, guided by Council priorities and legal compliance.

Key Responsibilities of Legal Services:

- Lead portfolio oversight, including tracking inventory and coordinating disposition processes.
- Ensure legal and policy compliance through collaboration with Legal Services.
- Coordinate departmental input for efficient, unified decision-making.
- Prioritize strategic parcels that deliver the greatest value for community benefit and financial sustainability.

Objective #3 – Advancing Council’s strategic priorities of affordable living and responsible governance

The disposition of surplus City-owned lands should directly support Council’s strategic priorities, particularly affordable living and responsible governance, as outlined in the City’s [2022-2026 Strategic Plan](#), Official Plan, Community Improvement Plan (CIP), and other guiding documents.

Priority should be given to dispositions that:

- Facilitate the development of affordable housing;
- Enable collaborative partnerships with private and non-profit housing providers; and
- Generate revenue that can be reinvested into long-term community infrastructure and services.

Adopting a structured, policy-aligned approach to land disposition ensures decisions are made in the public interest, while reinforcing accountability and long-term community impact. Each disposition should be evaluated not solely on financial return, but on its ability to advance Council’s vision for a more inclusive, livable, and fiscally responsible city.

Part 2: Legislative and Strategic Foundations for Land Disposition

Section 28 of the Planning Act grants municipalities the authority to acquire, prepare, and dispose of land within designated Community Improvement Project Areas, while Section 106 of the Municipal Act provides municipalities the ability to offer financial incentives, such as grants or loans, in alignment with an approved Community Improvement Plan (CIP).

In Ontario, Section 270(1) of the Municipal Act requires municipalities to have policies for selling or otherwise disposing of land. To meet this requirement, the City of Barrie adopted the Sale of Real Property By-law (By-law 95-104), which outlines how municipal land, including surplus property, can be sold or transferred.

The Community Improvement Project Area for Barrie’s Housing CIP encompasses all lands within the Barrie’s municipal boundary, providing the foundation for comprehensive housing development across the area. Specifically, Section 3.6 Surplus Municipal Lands for Affordable Housing Program of the Housing CIP, enables Council to leverage the City’s land holdings to accelerate affordable housing development. Under this program, the Council has the flexibility to:

- Acquire, prepare, and improve lands to support affordable housing development;
- Dispose of surplus lands potentially at below-market value or no cost, facilitating partnerships with private and non-profit developers to meet housing needs;
- Exempt certain land dispositions from the Sale of Real Property By-law (By-law 95-104), allowing for more streamlined and responsive land sales processes;
- Partner with private and non-profit organizations to advance affordable housing projects, enhancing collaboration for greater impact.

Additionally, the Land disposition Framework aligns with the Official Plan, which sets specific affordable housing targets, and supports the Council’s 2022–2026 Strategic Plan, which aims to provide a range of attainable housing options for all residents.

Part 3: City-Owned Land Disposition Framework

The following process outlines the principles, processes, and key considerations that will guide the prioritization of land for affordable housing.

3.1 Guiding Principles for Land Disposition for Affordable Housing

The disposition of City-owned land for affordable housing must be guided by clear principles to ensure that outcomes are equitable, aligned with long-term planning objectives, and deliver lasting community benefit.

Guiding Principles	Details
1. Strategic Alignment with Housing Goals and Policy Direction	<ul style="list-style-type: none"> - Prioritize sites that support Barrie’s housing targets, particularly in Urban Intensification Areas and Major Transit Station Areas (MTSAs). - Consider strategic locations with proximity to transit, employment areas, schools, parks, and essential community services to foster complete communities. - Support opportunities for land assembly or grouped property evaluation to enable higher-density, mixed-use, or public-private housing initiatives.
2. Advancing Affordable Housing as a Primary Objective	<ul style="list-style-type: none"> - Position affordable housing as a key outcome in land disposition processes where applicable. - Enable collaboration with non-profit, private, and public housing partners to deliver a range of affordable housing options. - Consider tools such as below-market land sales, long-term leases, or other supportive mechanisms, aligned with Council direction and existing policy.
3. Confirmed Absence of Competing Municipal Uses	<ul style="list-style-type: none"> - Evaluate each parcel to ensure it is not needed for current or anticipated municipal functions, such as parks, infrastructure, public amenities, or strategic initiatives.

Guiding Principles	Details
	<ul style="list-style-type: none"> - Undertake internal departmental reviews to confirm no operational or long-term civic use is planned for the site.
4. Prioritization of Underutilized or High-Potential Sites	<ul style="list-style-type: none"> - Give preference to parcels that are vacant, underutilized (e.g., surface parking), or located in areas identified for growth and intensification. - Recognize sites with capacity to support medium- or high-density residential development as key opportunities to advance housing goals.
5. Responsible Stewardship of Sensitive or Heritage Properties	<ul style="list-style-type: none"> - Identify and consider heritage structures, cultural assets, and environmentally sensitive features when evaluating sites for disposition. - Approach development opportunities with a balance between housing delivery and protection of community values, including ecological and cultural considerations. - Engage planning, environmental, and heritage staff early in the process to ensure regulatory compliance and context-sensitive outcomes.

3.2 Process for Prioritizing Land for Affordable Housing

The City of Barrie already has a process in place for the disposition of municipal lands ([Road Closing or Purchase Surplus Land](#)). Through the Legal Services Department's Real Estate section, the City manages real property acquisition and disposal, expropriation, market valuation, and overall real property asset management.

Historically, this process has focused on smaller parcels of land, such as closed road allowances or other minor holdings. When a road or parcel is deemed surplus to the public's needs, the Real Estate section formally declares it surplus and proceeds with its sale in accordance with the City's Sale of Real Property By-law (By-law 95-104).

For larger parcels intended to facilitate housing development, the following outlines the process to guide decision-making by City Council and staff when considering the disposition and acquisition of City-owned land.

3.2.1 Initiation of Land Disposition or Acquisition

The disposition or acquisition of City-owned land is an ongoing process, typically initiated when there is potential to support strategic priorities such as housing development, civic infrastructure, or other community needs. It generally begins at the direction of Council when opportunities align with the City's long-term goals.

The process may be initiated under the following circumstances:

- Direction from a Council-approved plan;
- Instruction from the Mayor and/or Council to staff;

- Identification of an opportunity by staff, with subsequent Council direction to proceed;
- Request from an interested party to acquire City property;

3.2.2 Valuation and Prioritization

City Council may direct staff to prioritize the following aspects when considering land disposition for affordable housing:

- Prioritize land value based on affordable housing potential rather than traditional financial return. This may include negotiating below-market sales or leveraging land value to support partnerships with affordable housing developers.
- Assess whether rezoning is required to accommodate higher-density, mixed-use development that includes affordable housing. Where possible, provide flexibility in zoning to ensure that development can meet the City's housing needs.
- Evaluate project readiness and feasibility, giving priority to sites with minimal development constraints or those that can be brought to market quickly to accelerate housing delivery.
- Support partnerships with experienced affordable housing providers, including non-profits and developers with a track record of delivering and managing long-term, sustainable affordable housing.

3.2.3 Disposition Methods

City Council may direct staff to adopt the following disposition methods, where applicable:

1. Competitive Sale (Request for Proposals): For large or significant parcels where multiple offers are expected, the City may undertake a competitive process led by Procurement Services. Council will identify a vision, objectives, and/or criteria to inform the evaluation of bids.
2. Competitive Sale (Simple Land Sale): For properties where, multiple offers are expected but no strategic objective can be advanced, the City may undertake a competitive process led by Legal Services to achieve the highest sale price on an 'as is, where is' basis.
3. Direct Sale (Public Entity): When partnering with another public entity to advance a strategic objective or facilitate community infrastructure, a non-competitive process may be utilized.
4. Direct Sale (Land Assembly or Adjacent Property Owner): When a surplus parcel is unlikely to receive multiple offers or can best be utilized through land assembly, a non-competitive process may be utilized. Similarly, if a surplus parcel cannot reasonably be developed and incurs maintenance costs, the City may consider a direct sale to an adjacent property owner.
5. Long-Term Land Lease: Prior to initiating a sale process, the City can consider the appropriateness of a long-term land lease, especially when involving public entities or long-standing community organizations such as not-for-profit affordable housing providers.
6. Retention of a Public Asset: Before initiating a sale, the City may consider retaining assets for public use, such as parks or community spaces, to serve future needs.
7. Conditional Sales: When selling land to facilitate development, the City may include conditions in the Purchase-and-Sale Agreement that the land will not transfer until all planning approvals and building permits are obtained.

8. Consideration of Land Leases: Where full ownership transfer is not desirable, long-term land leases may be considered to facilitate affordable housing development. These leases ensure continued public ownership while enabling affordable housing projects by not-for-profit organizations.

3.3 Key Considerations

3.3.1 Financial Tools

When City Council deems land to be surplus to the City's needs and approves its sale, Council will determine where the proceeds are to be directed. Typically, land sale proceeds should be allocated to the Tax Capital Reserve, unless otherwise directed at Council's discretion.

Additionally, the City may offer financial incentives, such as discounted land prices or reduced development charges, to encourage the development of affordable housing. Partnerships with federal and provincial governments should also be explored to secure additional funding and policy support for these initiatives.

Where Council wishes to acquire land that is not tied to an existing funding source or reserve, the General Land Reserve shall be the preferred funding source. Council may also choose to allocate funding through the Community Improvement Plan (CIP), specifically under Section 3.6, as referenced above.

3.3.2 Public Notification

Public notification is a key element in ensuring accountability in the disposition of City-owned surplus land. As required by Section 270(1) of the Municipal Act, municipalities must maintain policies on when and how to provide notice. In Barrie, the Real Estate By-law (Section 4.2) requires the City Clerk to give public notice at least 7 days before Council considers a land sale. This allows residents to stay informed and engaged in decisions involving public assets.

If the City initiates a planning application, such as a rezoning or Official Plan Amendment, additional public consultation is required under the Planning Act. This includes providing notice and hosting neighbourhood meetings to gather community input and address concerns early in the process.

For complex or high-impact projects, Council may also engage a third-party consultant to support public engagement. This may be done on a case-by-case basis to ensure inclusive, meaningful consultation and to strengthen trust in the City's land disposition process.

3.4.2 Review and Update of the Land Disposition Framework

The Land Disposition Framework should be reviewed periodically to remain aligned with the City's strategic goals and evolving housing priorities. A formal review should occur following the conclusion of the HAF program, or sooner if new Council directions or strategic plans are introduced.

As part of this review, the City should revisit the Framework and associated decision-making processes to ensure they remain relevant, efficient, and responsive to current housing and community development needs.

3.4 Summary

The City-Owned Land Disposition Framework is intended to provide Council and staff with a long-term, structured approach to managing the City's land assets.

Dispositions and acquisitions are expected to take place over time, as opportunities arise that align with Barrie's strategic priorities, especially those related to housing development and city-building goals.

The principles and processes outlined in this framework ensure a consistent, transparent, and coordinated approach as the City stewards its land assets. This helps maximize the value and impact of City-owned land to support affordable housing, community growth, and the creation of complete communities.