Staff Report

Presented By: Mark Paoli, Project Manager, Special Projects

Meeting Date: August 10, 2026

Subject: Bluewater Lands Housing and Park Development - Project Update

Attachment(s): Property Survey- Part of Lots 35 And 36, Lake Range and Blocks 106 and 107 Registered Plan 3M-246

Recommendation

That Council declares the lands described as Parts 4 and 5, Part of Lot 35, Lake Range and Block 107, Registered Plan 3M-246, as surplus to the needs of the municipality; and,

That Council direct staff to provide public notice of its intent to dispose of the lands; and,

That Council authorize the disposition of land without a valuation.

Report Summary

The Bluewater Lands Housing and Park Development is a complex project with inter-related processes, requirements and timelines. This report provides an overview update on the main project components as well as specific recommendations to activate key next steps.

Background/Analysis

On June 22, 2026, Council adopted By-law 66-2026 being a by-law authorizing a Letter of Intent with Margaret Laurence Housing Co-operative (MLHC) in support of an affordable housing development on Town-owned lands located on Bruce Street in Port Elgin. At the same meeting, Council passed a Zoning By-law Amendment to rezone the lands from Residential First Density (R1) to Open Space (OS) and Residential Fourth Density (R4) to permit a neighbourhood park and a mix of housing types.

In Council's deliberations on these matters, the following key points were noted:

- An opportunity to learn more about MLHC would be an important step;
- The stormwater management pond should not encroach into the park;
- Sensitivity to adjacent land uses should be incorporated into the design;
- Advance notice of the Council meeting at which Council will review and comment on the Site Plan should be provided to the neighbourhood;
- Off-site traffic calming needs to be addressed; and,

The project timelines, to achieve the goal of construction start in Q4 of 2026, will require a series of decisions over the coming meetings. This report provides an overview update on the main project components as well as specific recommendations to activate key next steps.

Margaret Laurence Housing Co-operative

In preparing its response to the Town's Request for Proposal for this project, Tim Welch Consulting included MLHC as a project partner. This was based on a combination of MLHC's 30-year track record in professional operation of a Housing Co-Operative and their alignment with the project goal of providing long-term affordable housing.

A delegation by MLHC to offer background on its role in the project and to answer Council questions is on the agenda for this Council meeting.

Property Survey Parts and Areas

The property survey (attached) has 5 Parts which are listed below with their respective areas, for reference in consideration of area descriptions later in this report.

Part 1:	1.5 acres
Part 2:	2.2 acres
Part 3:	0.09 acres
Part 4:	5.1 acres
Part 5:	0.04 acres
TOTAL:	**8.9 acres**

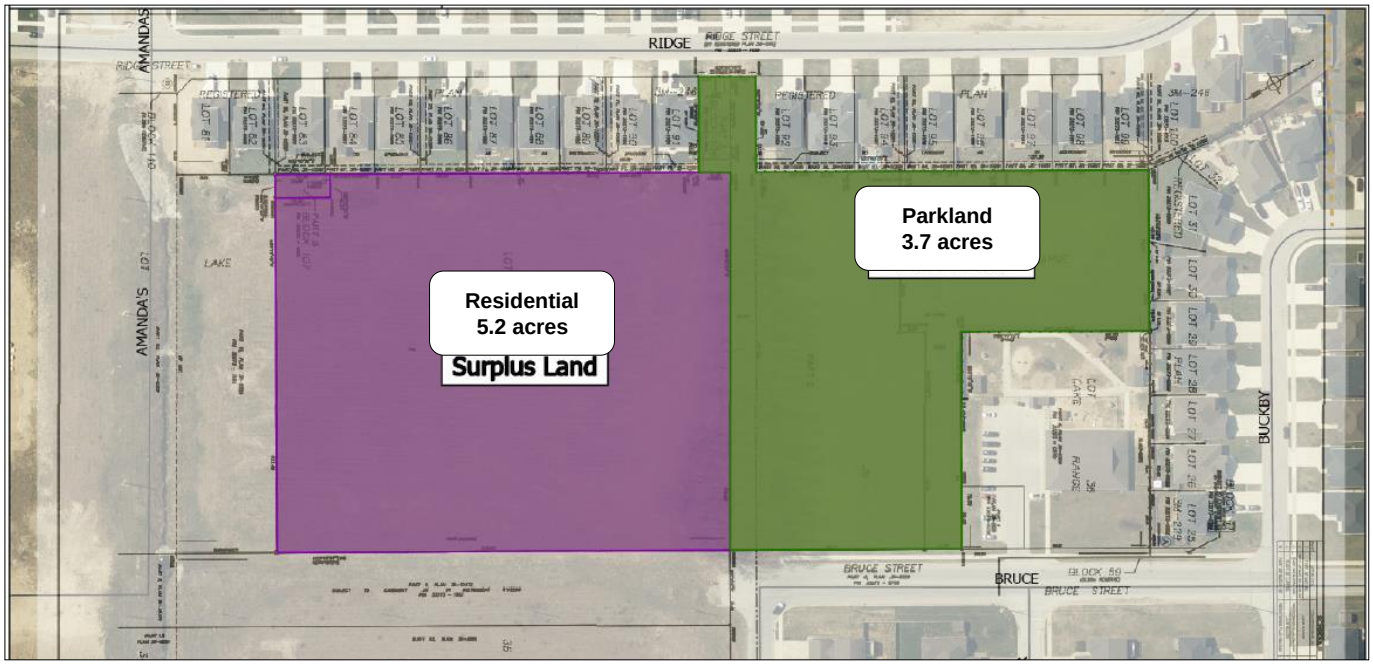
Conceptual Design Changes

Presented through the Rezoning application was a conceptual design of the project. Reflecting on Council's comments, the Tim Welch Consortium is working on a revised Site Plan that will be presented to Council for comments on September 21st. While the revised Site Plan is not yet available, it will have the following changes:

- The part of the property that was previously shown with an access road and 16 townhouses (Part 1 on the Survey) will no longer be included in the residential development; rather, the intent is for this area to be added to the neighbourhood park (Parts 2 and 3) as passive open space – as a result, the total area of parkland would increase from 2.3 acres to 3.7 acres;
- The stormwater management pond will be located entirely within Part 4 and will therefore not encroach into the park area;
- There will be more separation between the residential parking area and neighbouring properties to the west which will also enable the landscape buffering on the west side to be continuous (was previously limited by the parking area); and,
- The total number of units on the property will be reduced to159 (vs 183 previously proposed).

The change in the plan for Part 1 to be parkland, as noted above, means that only the lands south of the tree line (i.e. Parts 4 and 5) will be for residential development, as shown in Figure 1 below.

Figure 1: Residential and Parkland Areas



The green area consists of Parts 1, 2 and 3 and would be for parkland. The area in purple consists of Parts 4 and 5 and would be for residential development, including the stormwater management facility.

Site Plan – Council and Public Comment Process

Municipal Councils in Ontario are not authorized to approve Site Plans. The *Planning Act, 1990* requires that an officer, employee or agent of the municipality be authorized by By-law to approve Site Plans.

At Saugeen Shores, the Town Chief Administrative Officer (CAO) has been authorized to approve Site Plans. In terms of Council's role, the Site Plan process at the Town includes an opportunity for Council comments to be provided through discussion of a Staff Report. Council's comments are taken into consideration in finalizing the Site Plan. Approval includes the CAO executing a Development Agreement.

The Planning Act does not require public notice and / or comment on Site Plans. If a decision is not made within 60 days of receiving a complete application, the applicant has the right to appeal the failure to make a decision to the Ontario Land Tribunal.

As the Town is the proponent of the Site Plan application, this eliminates the potential for appeal. Accordingly, a public notice and comment process is proposed in this project. More specifically, the plan is to do a direct mailing to properties within 120m of the site, as well as email / mail to anyone who has provided comments with their contact information. The notice will show the revised site plan and describe the main changes; include a web link to the plan; provide an opportunity for input with a deadline for written comments; and, note the date of the future meeting at which Council will be providing its comments.

The staff report which would attach and summarize written comments from neighbours is scheduled to be on the September 21st Regular Council-Planning Agenda.

Disposal of Town Land – Policy Analysis

The Town "Sale and Other Disposal of Land Policy" includes the following relevant points:

- Definition of Surplus: Surplus "means Land that the Town no longer requires to meet its current or anticipated needs".
- Definition of Disposal: Disposal "means the sale, transfer, conveyance or exchange of the fee simple interest in land or the granting of a lease by the Town for a term of more than 21 years".
- Value or Valuation: Under Section 3, where the value of the Land needs to be determined, it will be valued by a method determined to be satisfactory to Council.
- Methods of Sale or Disposition: Under Section 7, Council has the discretion to select the method of sale or disposal of land.

In accordance with the above-noted policy, the lands were already reviewed and recommended to Council for declaration of surplus relative to the Town's long-term municipal needs. The analysis is included in Appendix A for information.

Next Steps for Disposal

The parties have advanced the project and the Town is now in a position to formalize an agreement with Margaret Laurence Housing Co-operative. In accordance with the Town's Sale and Other Disposal of Land Policy, and as noted above, Parts 4 and 5 on the property survey are to be declared as surplus by Council Resolution. The declaration enables the execution of an agreement with the Margaret Laurence Housing Co-operative for an affordable housing project that aligns with the Town's strategic goals and priorities as well as CMHC Housing Accelerator Fund commitments. The final Agreement will return to Council for adoption by By-law.

The order of the steps in this process, in accordance with the above-noted policy, would be to:

1. Declare the land surplus by resolution in open Council meeting (as Recommended in this report);
2. Waive the requirement to obtain a valuation of the land;
3. Provide public notice of Council's intent to dispose of the land;
4. Pass a By-law confirming the land was declared surplus, that public notice was given as required, and authorizing the Mayor and Clerk to sign an Agreement with the Margaret Laurence Housing Co-operative (to be provided at a future Council meeting); and
5. Pass a Deeming By-law under the Planning Act to merge Parts 4 and 5 into one parcel (a technical step to simplify the transfer that could be concurrent with Step 4).

The recommendations of this report would fulfill Steps 1 and 2. Staff will circulate the Public Notice (Step 3) in accordance with Town requirements.

Project Timing Overview

The timeline chart below is provided to assist Council and the community in understanding the relationship between the various planning, development and legal processes that this project entails over the coming months.

Key Task	Jul 2026	Aug 2026	Sep 2026	Oct 2026	Nov 2026
Build Canada Grant Application					
Council August 10 - Declare that the Residential Part of Property is Surplus to Needs of the Municipality					
Site Plan - Revision and Application Submission					
Site Plan - Neighbourhood Notice and Comments					
Council September 14 or 21 – By-law to authorize disposal agreement					
Council September 21 - Site Plan Report for Comment					
Site Plan – CAO Approval					
Building Permit Application and Review					

The tasks shown in dark highlight Council's role and timing within the process. The other tasks (light) are for the project team and staff.

Linkages

- Strategic Plan Alignment: Pillar 1: Meeting the Needs of a Growing Community
- Business Plan Alignment: Development Services Division Highlight

Financial Impacts/Source of Funding

Costs associated with this program are contained within the existing budget.

Prepared By: Jessica Rodgers, Asset Management Supervisor
Mark Paoli, Project Manager - Special Projects

Reviewed By: Dwayne Evans, Director, Development Services

Approved By: Kara Van Myall, Chief Administrative Officer

Appendix ‘A’ – Previous Needs Analysis

Parks Classification

The Saugeen Shores Parks Master Plan establishes a parkland classification system that distinguishes parks by their intended function, service area, accessibility, and amenity mix rather than solely by acreage. The difference between a 2-acre park, a 3-acre park, and a 7-acre park is not merely a matter of scale. As park size increases, the park's role transitions from serving the immediate neighbourhood to supporting broader community recreation needs. The Master Plan identifies neighbourhood parks as facilities intended to serve local residents within approximately an 800-metre walking distance, whereas community and regional parks are expected to serve much larger catchment areas and support increasingly specialized recreation opportunities.

A park in the range of approximately 2 acres (0.8 hectares) aligns most closely with the Master Plan's Neighbourhood Park classification. Parks of this size are intended to provide convenient access to everyday recreation opportunities for nearby residents and are generally reached on foot. Typical amenities include playground equipment, passive open space, seating areas, informal play opportunities, and potentially a basketball court or junior play area. Due to their limited size, neighbourhood parks are generally not expected to accommodate large-scale organized sports, significant parking facilities, washroom buildings, or community-wide recreation destinations.

As park size increases to approximately 3 acres (1.2 hectares), the park remains within the Neighbourhood Park classification but gains greater flexibility in terms of programming and infrastructure. The additional land area allows for a more diverse range of amenities, including larger playgrounds, informal sports fields, courts, picnicking facilities, pathways, and gathering spaces. The Master Plan's recommendations for neighbourhood-level parks demonstrate that larger neighbourhood parks may also support features such as gazebos, outdoor gathering areas, gardens, and washroom facilities where warranted. These parks continue to function primarily as local neighbourhood amenities but are capable of serving a broader range of recreational needs than smaller neighbourhood parks.

At approximately 7 acres (2.8 hectares), a park begins to transition beyond a traditional Neighbourhood Park and aligns more closely with the Community Park classification identified in the Master Plan. Community Parks serve a broader portion of the municipality and are intended to support organized recreational activities and community events. The Master Plan identifies an ideal Community Park size range of approximately 3 to 8 hectares (7.4 to 19.8 acres), placing a 7-acre park at the lower threshold of this category. Parks of this scale are capable of accommodating organized sports fields, sports courts, parking facilities, washrooms, pavilions, and other community-oriented amenities that are generally not achievable within smaller neighbourhood parks.

From a parks planning perspective, a Regional Park should not be viewed as a larger version of a Neighbourhood Park. Rather, it represents a distinct level of service within the municipal park hierarchy. While Neighbourhood Parks focus on local accessibility and daily recreation opportunities, Regional Parks are intended to support tourism, major recreation destinations, waterfront experiences, and specialized facilities serving the broader community.

Comparative Summary

Park Size	Classification	Service Area	Typical Amenity Expectations
2 acres (0.8 ha)	Neighbourhood Park	Immediate neighbourhood (walkable catchment)	Playground, passive open space, seating, informal play areas
3 acres (1.2 ha)	Large Neighbourhood Park	Immediate and surrounding neighbourhood	Expanded play amenities, informal park uses, pathways, shelters, picnic facilities.
7 acres (2.8 ha)	Community Park	Community-wide service area	Organized sports fields, washrooms, parking, pavilions, community gathering spaces

Davey Park and Summerside Park are examples of Neighbourhood Parks that are approximately 2.5 acres.

Parkland Need Implications

In considering parkland dedication and park design proposals, it is important to recognize that a 2-acre or 3-acre park can effectively satisfy the intent of a neighbourhood park by providing convenient local recreation opportunities for nearby residents. However, parks approaching 7 acres begin to support a materially different level of service and can accommodate organized sports, larger community gatherings, and supporting infrastructure that are generally not desirable within residential neighbourhood park sites.

In conclusion, the proposed parkland of 3.7 acres in the revised concept noted above is aligned with the “Large Neighbourhood Park” classification and is a valuable addition to the Town Parks System.

Summary of Policy Analysis

It was determined that there are no long-term Town infrastructure plans or operational considerations that would benefit from continued Town ownership. In addition, it was determined that the Town does not require Parts 4 and 5 of this property for municipal purposes, including parks and recreation, or facilities.