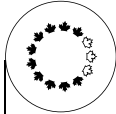


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NATIONAL CAPITAL COMMISSION
 COMMISSION DE LA CAPITALE NATIONALE

No. 2025-P306

To Board of Directors

For DECISION

Date 2025-01-23

Subject/Title

Federal real property transaction involving the transfer of an 8.9 ha parcel of the Asticou campus lands (residual parcel known as Parcel 2, 241, Cité-des-Jeunes Boulevard, Gatineau) from Public Services and Procurement Canada (PSPC) to the National Capital Commission (NCC).

Summary

- On June 19, 2024, an agreement was formalized between PSPC, the Government of Quebec and the NCC for the sale of the Asticou Centre, a 26.1 ha site.
- A 17.2 ha section (Parcel 1) will be transferred to the Province of Quebec for the construction of a “public health and social services establishment (hospital)”; this transfer is the subject of a separate submission.
- The remaining 8.9 ha section (Parcel 2), the subject of this submission, is to be transferred to the NCC for purposes of renaturalization.
- Parcel 2 encompasses lots 6 642 520¹ and 6 642 522 of the Cadastre du Québec.
- The property transfers are to be completed before December 31, 2025.
- The agreement also includes certain conditions that aim to mitigate any adverse impacts on conservation and the integrity of Gatineau Park.

Risk Summary

- No significant risks affecting the National Capital Commission (NCC) have been identified regarding the recommended project. However, approval is contingent on the sale of Parcel 1 to the Province of Quebec.
- Loss of a recognized heritage asset.

Recommendation

- That the Board of Directors:
 - Approve the federal land transaction for the transfer of a section of the Centre Asticou lands, known as the residual parcel (Parcel 2), with a surface area of 8.9 ha, to the NCC, pursuant to section 12.1 of the *National Capital Act*,

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- Delegate to the Vice-President, Capital Planning, the responsibility for preparing and signing the federal approval letter for the transfer of the subject lands;
- Authorize the CEO to enter into and carry out all agreements, documents and future amendments necessary to give effect to this property transaction.

Submitted by:

DocuSigned by:

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Alain Miguez,

Vice-president, Capital Planning Branch

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1. Strategic Priorities

- Budget 2024 (Canada)
- PSPC 2024–2025 Departmental Plan
- Treasury Board Policy – Directive on the Management of Real Property (2024)
- PSPC Office Portfolio Optimization Plan (2024)
- Canada’s Housing Plan (2024)
- National Housing Strategy (2020)
- Directive sur la gestion des projets majeurs d’infrastructure publique – Québec (2014, in French)
- Plan for Canada’s Capital, 2017 to 2067 (NCC, 2017)
- Gatineau Park Master Plan (NCC, 2021)

2. Authority

Section 12.1 of the *National Capital Act*.

3. Context

In July 2022, the Government of Canada declared the Asticou Centre, located at 241 Cité-des-Jeunes Boulevard, in Gatineau, Quebec, surplus to the Department of Public Services and Procurement (PSPC) program requirements.

The Asticou Centre, a complex of recognized heritage buildings, consists of 26 single-storey buildings linked by a network of wide corridors on a 26.1 ha site. It was built between 1963 and 1968. In 1976, the Federal Crown agreed to take over administration and control of the Asticou Centre lands. In 1977, PSPC retroactively acquired ownership of the buildings from the local school board. At the time, the Government of Quebec retained a right of preference (right of first refusal) in the property transaction process.

The Government of Quebec recently assessed a number of potential sites for the construction of a health and social services facility to serve the Outaouais region’s population. The Asticou Centre has been identified by the Government of Quebec as a potentially excellent site for this facility.

In early 2024, PSPC assessed four options for the future use of the Asticou Centre:

1. Sell the entire site to the Province of Quebec to build the new hospital. This scenario would entail the demolition of existing buildings to make way for new construction.

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2. Sell or transfer the entire site to the National Capital Commission. As a precise future use remains uncertain at this time, operations and activities of existing tenants will be able to continue.
3. Sell part of the site to the Province of Quebec and the remaining property to the NCC. This scenario would involve the demolition of existing buildings to make way for the new hospital, and the land sold to the NCC would be renaturalized.
4. Sell the entire site to the Quebec Ministry of Education. The general intended use of the buildings would remain the same, possibly with modifications.

In June 2024, PSPC decided to pursue Option 3. On June 19, 2024, an agreement was reached between PSPC, the Government of Quebec and the NCC for the transfer of the Asticou Centre. The transfer involves two distinct parcels, one to be transferred to the Province, and the other to the NCC. The transfer of the property title is to be completed before December 31, 2025. The agreement also includes certain conditions that have to be respected in order to maintain access to NCC properties and mitigate impacts harmful to the conservation and integrity of Gatineau Park, including:

- A right of preference in favour of the NCC for Parcel 1, should the Government of Quebec ultimately decide to dispose of that property.
- The establishment of a permanent easement over Parcel 1 in favour of the NCC, to provide a perpetual right-of-way to NCC lands via Cité-des-Jeunes Boulevard.
- An undertaking by the Government of Quebec to establish a permanent easement on Parcel 1 in favour of the existing CFPO vocational training centre and the NCC for an access road to be built by the Government of Quebec.
- The Government of Quebec's acknowledgement that, in order to prevent fragmentation of surrounding protected habitats, the construction of any additional road access serving the facility will be not authorized on NCC lands, including any right-of-way on Parcel 2.

The agreement also provides that, following construction of the health facility, the Government of Quebec will, at the NCC's request, demolish the buildings on Parcel 2 at its own expense. The Government of Quebec has also agreed to participate in the creation of a working group to find a complete and definitive solution to the issues related to the 1972 and 1973 agreements and to examine the matter of the proposed highway through Gatineau Park.

The purpose and intent of this submission is the transfer of the residual parcel, Parcel 2, which covers a surface area of 8.9 ha, to the NCC. This area will be added to the designated perimeter of Gatineau Park.

4. Options Analysis

Planning Framework

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In their review of the proposal, NCC staff responsible for federal approvals (“the Regulatory Advisor”) considered the following:

- The proposal is located on federal land owned by PSPC in Gatineau Park.
- The Government of Quebec holds a right of first refusal on the sale of the land.
- All lands within Gatineau Park boundaries are part of the National Interest Land Mass (NILM), and this includes the Asticou Centre. As such, the subject lands are deemed of greatest long-term importance for their contribution to the unique character of Canada’s Capital.
- The NILM designation of the subject lands is not subject to change.
- Permitted land uses in Gatineau Park’s designated institutional areas are set forth in the Gatineau Park Master Plan (2021).
- In June 2024, the Gatineau Park Master Plan was amended to allow public health and social service institutions in a designated area within the Asticou Centre campus.
- The subject parcel is shown as an “institutional area” in the Gatineau Park Master Plan (2021) land use designations map. This designation specifically permits “hospital” uses, as well as ecosystem and habitat conservation and restoration.
- The Gatineau Park Master Plan (GPMP) states that “should the land be put up for sale, the NCC should consider acquiring it in order to protect the natural landscapes and environmental features that are beneficial to the park.” Even though the land granted for the hospital will be used for a purpose outside the park’s general mission, it nevertheless remains within the park’s boundaries and contributes to the park’s mission, due to the vast spaces surrounding the buildings, by preserving the landscape and maintaining a protected zone for natural habitats. A vegetation buffer zone at least 30 metres wide will be required between the wooded or wetland areas and the built-up areas.
- Acquisition of this parcel by the NCC will make it possible to eliminate all or part of the existing parking lot and part of the Asticou Centre buildings. Once the hospital is built, 8.9 ha of land will be added to the park for conservation.
- The proposal therefore aligns with the Gatineau Park Master Plan (2021).
- As owner of the Asticou Centre, PSPC has determined that this property is surplus to its real estate portfolio, meaning that it is no longer required to support department programs.
- A “best efforts” process subject to review by the Federal Heritage Review Office (FHRO) was carried out by PSPC.

5. Financial Details

Not applicable.

6. Opportunities and Expected Results

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This disposal will increase the surface area of NCC-owned lands within Gatineau Park boundaries. The 8.9 ha will be added to the existing Gatineau Park land mass.

7. Alignment with Government and NCC Policies

PSPC Real Property Disposal Powers and Initiatives

- In response to the housing crisis, Canada's Budget 2024 included a directive mandating PSPC to reduce the Government of Canada's real property office portfolio (GC-OPRP) by 50% over the next 10 years and find ways to reuse surplus properties and assets to meet housing and other community needs, including hospitals and other infrastructure.
- By way of the Treasury Board *Directive on Management of Real Property and Policy on Management of Real Property*, PSPC has been given the authority to dispose of surplus real property.

PSPC Real Property Disposal Decision

- On July 24, 2022, PSPC used its powers under section 4.2.7 of the *Directive on the Management of Real Property* to declare the Asticou Centre assets as surplus.
- The decision was based on the following considerations:
 - Current operations have been grouped together with other assets available in the federal government's inventory, improving the efficiency of the portfolio.
 - The disposal of 38,054 square metres of floor space is a significant contribution to the GC-OPRP initiative.
 - The disposal of the asset supports the objectives of the 2024 Budget. The site will be redeveloped to meet the "needs of the community" by building a 600-bed hospital with services available to the entire population of the Outaouais region, as well as contributing additional green space.
 - Building maintenance and lifecycle upkeep for this asset would require significant investment over the next 10 years. Current estimates put that cost at approximately \$48M.
 - The disposal of older assets requiring significant investment contributes to the real property portfolio carbon neutrality objectives.
 - The removal of the Asticou Centre will help reduce approximately 276 tonnes of CO₂ per year (averaged over 5 years). The phase-out will contribute to the green government strategy and the overall goal of achieving net-zero emissions by 2050.
 - Tenants are being housed in more modern, carbon-neutral and accessible spaces, equipped with the technology required to provide services to Canadians.
 - In order to ensure the long-term protection of the natural landscape and environmental features beneficial to Gatineau Park, the remaining portion of the Asticou Centre lands will be transferred by the PSPC to the NCC.

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Alignment with NCC policies

Plan for Canada’s Capital 2017–2067 (NCC, 2017)

- The Plan for Canada’s Capital identifies Gatineau Park as the location for two (2) of 17 milestone projects proposed by Canadians for the National Capital Region.

Gatineau Park Master Plan (NCC, 2021)

- In the Gatineau Park Master Plan, the sector’s primary function remains to offer educational, cultural and recreational activities. Although part of the subject lands will be used for purposes outside the park’s general mission, they will nevertheless remain within the park’s boundaries, and the extensive land areas surrounding the buildings will help preserve the landscape and maintain a buffer zone for natural habitats. These lands will also continue to be starting points for the park’s recreational pathway network and will provide access to nearby parking facilities. In addition to the prescribed educational and cultural functions, the sector will continue to accommodate a range of recreational uses associated with nearby sports facilities, with a particular focus on non-motorized recreational activities.

The negative impact on the environment and sustainable development has yet to be determined. The site currently encompasses 26 buildings and a large parking lot. A significant part of the Asticou Centre lands will be transferred to the NCC for renaturalization, a significant environmental gain.

The disposal of this asset does not involve any GBA Plus issues of concern.

8. Risks and Mitigation Measures

Risk	Likelihood	Impact	Mitigation Measure
1. This approval is subject to the sale of Parcel 1 to the Government of Quebec.	Low	Moderate	<ul style="list-style-type: none"> • The proposed disposal of Parcel 1 has been analyzed by NCC staff and its approval is recommended in a separate submission.

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<p>2. Loss of a recognized heritage asset</p>	<p>High</p>	<p>Moderate</p>	<ul style="list-style-type: none"> • A “best efforts” report was submitted to the Federal Heritage Review Office (FHRO) in September 2024. • The FHRO recommendations have been incorporated and followed. The FHRO will be informed of the planned timing of the demolition (part of the 100–1100 block of the building).
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9. Public Engagement and Communications

Duty to consult

PSPC has determined that the transfer of ownership to the NCC does not create a duty to consult.

10. Next Steps

- Subject to approval by the Board of Directors, issuance of the federal approval letter.
- The target transfer date is December 31, 2025, at the latest.

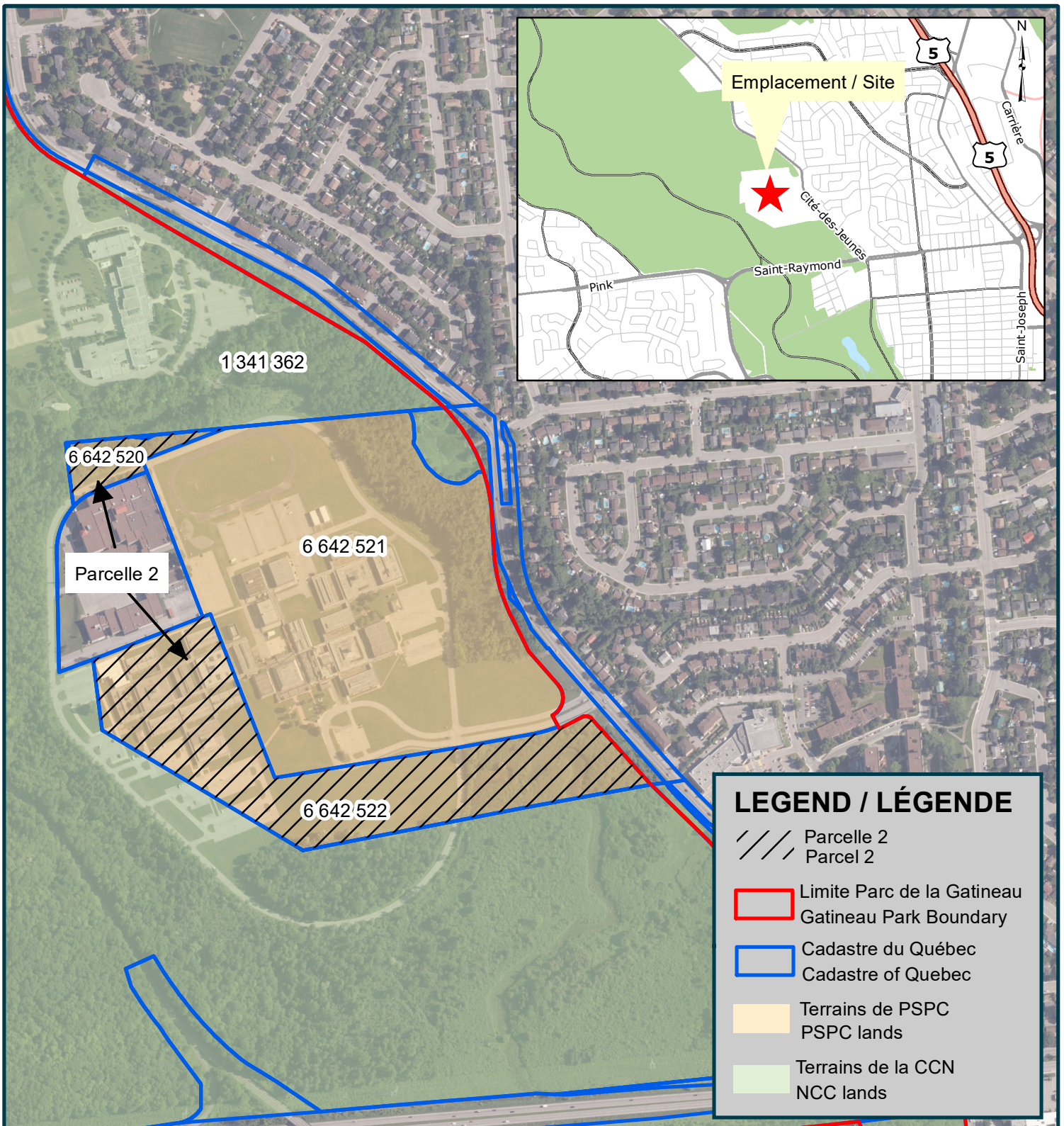
11. List of Appendices

- Appendix A: Location Map of Parcel 2
- Appendix B: Plan of Parcel 2 for disposal






12. Authors of the Submission

- Alain Miguelez, Vice-President, Capital Planning Branch (CP)
- Isabel Barrios, Director, Federal Approvals, Heritage and Archaeology Programs (CP)
- Kate-Issima Francin, Chief, Land Use and Transactions (CP)
- Gaëlle Grangien, Senior Planner, Land Use and Transactions (CP)

Annexe A/Appendix A - Carte de localisation/Location Map



LEGEND / LÉGENDE

-  Parcelle 2 / Parcel 2
-  Limite Parc de la Gatineau / Gatineau Park Boundary
-  Cadastre du Québec / Cadastre of Quebec
-  Terrains de PSPC / PSPC lands
-  Terrains de la CCN / NCC lands



COMMISSION DE LA CAPITALE NATIONALE
NATIONAL CAPITAL COMMISSION

Canada

Subject - Objet

Land Disposal - Centre Asticou Parcel 2
Aliénation de terrain - Centre Asticou Parcelle 2

Submitted by - Soumis par

A. Miguelez, Vice-President / Vice-président

Branch - Direction

CP / AC

Date

2024-10-07

Scale - Échelle

1:7,000

Parcel - Parcelle





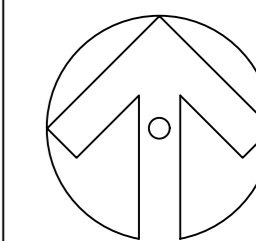
LÉGENDE / LEGEND

- Limite de propriété de SPAC /
PSPC ownership boundary —
- Vente de terrains à la Commission de
la capitale nationale /
Sale of lands to the National Capital
Commission ▨

Échelle / Scale 1 : 2000



Rev.	Description	Date
Seal	Seau North	Nord



Projet

Site Centre Asticou
241, boulevard de la
Cité-des-Jeunes,
Gatineau, Qc

Transaction avec la
Commission de la
capitale nationale /
Transaction with the
National Capital
Commission

Dessiné par I.F.-Lafrance Drawn By
Date 2024-10-03

Examiné par Abéné Rissikatou Reviewed By
Date 2024-10-03

No. du dessin Drawing no. Rev #:
PRS-24-0108