


TO: GENERAL COMMITTEE

SUBJECT: SURPLUSING OF REPURCHASED CITY INDUSTRIAL LAND.

WARD: WARDS 7 & 8

PREPARED BY AND SUBMITTED BY: P.DYCK, BUSINESS DEVELOPMENT OFFICER, EXT 5228 

CHIEF ADMINISTRATIVE OFFICER APPROVAL: C. LADD, CHIEF ADMINISTRATIVE OFFICER 

RECOMMENDED MOTION

1. That the following policy be approved for the declaration of former City owned industrial lands, having been repurchased, as surplus to the needs of the City:
 - a) That the Director of Business Development be delegated the authority to declare former City-owned industrial lands repurchased by the City, as surplus to the needs of the City, subject to confirmation by the appropriate City departments that the lands are not required by the municipality.
 - b) That repurchased former City-owned industrial lands be advertised as soon as feasible, as available for purchase through the City's communications tools (signs, website, etc) upon being deemed surplus.
 - c) That funding in the amount of \$8,000 be withdrawn from the Industrial Land Reserve for the purpose of conducting property appraisals on industrial lands re-purchased in 2013.

PURPOSE & BACKGROUND

Report Overview

2. This staff report has been prepared to address the need to declare former City owned industrial lands, that have been repurchased, surplus to the City's needs. The terms and conditions under which the property may be sold would be subject to negotiation and subject to approval of General Committee and Council at a future date.

Background

3. By-Law 95-104 as amended requires that any real property to be sold by the City be declared surplus by Council and public notice be given of the City's intention to sell the lands. Notice may be given several ways; by placing an advertisement in the newspaper, posting a For Sale sign on the property or listing the property with a broker or MLS Service.
4. By-laws & Policies drafted over the years have further defined stipulations on how City industrial lands should be sold, including the covenants to build, buy-back and the need for appraisals. Motion 97-G-125, as a requirement via by-law 95-104, declared surplus much of the City's remaining Industrial land's at the time.
5. As sales of City industrial land have occurred, staff have monitored the development of the lands as the owners were in most cases required to develop/build on these lands. Failure to build or wishing to resell the lands meant the City had the option to buy back the land at 90% of the

original purchase price. In some of these instances, the City has made use of the 90% buy-back provision and has repurchased the lots.

6. In most cases the lots had been in private ownership for several years and the land would have been considered off the market by the general public. It is the opinion of staff that since the lots had been transferred to private ownership, these parcels should once again be 'surplussed' in order to make it known to the public that the lands are in City ownership and available for sale as per the appropriate by-law and policies for industrial land sales.

ANALYSIS

7. There are currently two industrial lots which have been re-purchased by the City: 44 Hooper Road and 625 Welham Road. Several parties have expressed interest in purchasing these properties but as it is staff's opinion that the lots again need to be declared surplus, no further negotiations have been completed. Additionally there are other lots which staff are monitoring and the potential exists to repurchase these as well. Any repurchase will need Councils approval.
8. Rather than attempting to seek Council approval to re-surplus each individual lot as may be needed, this report is seeking to obtain authorization that all City owned industrial lots that have been repurchased are to be considered surplus to the needs of the City.
9. Prior to being declared surplus, staff will ensure that relevant City departments have been circulated as to the intended sale of the lands, and obtain a third party appraisal that has been completed within approximately the last year.

ENVIRONMENTAL MATTERS

10. There are no environmental matters related to the recommendation.

ALTERNATIVES

11. The following alternative is available for consideration by General Committee:

Alternative #1

General Committee could maintain the existing procedure whereby each property must be brought before Council and declared surplus.

This alternative is not recommended as the motion will save both staff and Council's time and help ensure that a quicker turn around time is possible for lands that have generated some interest from potential buyers.

Alternative #2

General Committee may choose not to approve funding from the Industrial Land Reserve at this time.

This alternative is not recommended as all withdrawals from reserves require Council approval, therefore staff's ability to initiate property appraisals on a timely basis and respond to interest in the properties would be compromised.

FINANCIAL

12. It is anticipated that up to \$8,000 would be required in 2013 to conduct appraisals on re-purchased lands. Staff recommend that this amount be funded from the Industrial Land Reserve, (#13-04-0430).

13. In order to allow for greater flexibility in conducting appraisals on industrial lands that have been repurchased, staff will be recommending as part of the 2014 Business Plan, that a property appraisal budget be established with funding from the Industrial Land Reserve with the understanding that any unused funds be returned to the reserve at year end.

LINKAGE TO 2010-2014 COUNCIL STRATEGIC PLAN

14. The recommendation included in this Staff Report support the following goals identified in the 2010-2014 City Council Strategic Plan:
- Direct and Manage Economic Development