

Report to Corporate Services Committee

To: Chair and Members
Corporate Services Committee

From: Anna Lisa Barbon, Deputy City Manager, Finance Supports

Subject: Declare Surplus - City Owned Property
Part of Berkshire Park - 510 Berkshire Drive

Date: October 23, 2023

Recommendation

That, on the recommendation of the Deputy City Manager, Finance Supports, on the advice of the Director, Realty Services, with respect to City owned property, the following actions be taken:

- a) the subject property being a portion of Berkshire Park located at 510 Berkshire Drive, in the City of London, legally described as Parts of Block P, Plan 932, London / Westminster, being Parts of PIN 084050053, to be described in a reference plan to be deposited, **BE DECLARED SURPLUS**; and
- b) the subject property (“Surplus Lands”) **BE TRANSFERRED** to the abutting property owner in accordance with the City’s Sale and Other Disposition of Land Policy.

Executive Summary

This report presents a formal recommendation for the surplus declaration of a portion of Berkshire Park, a City owned property situated at 510 Berkshire Drive, to resolve a decades long encroachment issue. The proposal is in alignment with the City’s Sale and Other Disposition of Land Policy and will facilitate an appropriate disposal of portions of the subject property. The decision to declare this portion of Berkshire Park as surplus is based on a thorough assessment, which indicates that retention of the land is not deemed necessary for municipal purposes.

One of the primary factors influencing this recommendation is the ongoing encroachment by Sifton Properties Limited (Sifton), located to the east and north of the subject property. Sifton has offered a solution to address this encroachment issue by proposing to purchase the affected areas. In addition to this, Sifton is also completing improvements within their private property to help minimize operational overlap in the park and improve overall park safety. This coordination supports our goal to resolve the encroachment issue. Furthermore, it establishes a collaborative approach in line with the Corporate Strategic Plan emphasizing efficient land management and ensuring the safety and well-being of our community.

Linkage to the Corporate Strategic Plan

Municipal Council’s 2023-2027 Strategic Plan identifies “Well-Run City” and “Economic Growth, Culture, and Prosperity” as strategic areas of focus.

Economic Growth, Culture, and Prosperity: As part of the surplus declaration process, the City can collaborate with private partners, such as Sifton to explore resolving a long-standing encroachment issue to benefit of both Sifton and the City

Well-Run City: The surplus declaration reflects the City's efficient and responsible management of its assets. The decision to declare surplus land indicates a proactive approach to resource optimization, demonstrating the City's commitment to being a well-run and fiscally responsible municipality.

A property inquiry liaison was completed and responses are further detailed in this report.

The land will be disposed of in accordance with the City's Sale and Other Disposition of Land Policy.

Analysis

1.0 Background Information

1.1 Previous Reports Related to this Matter

None

1.2 Summary

The subject property is a portion of the Berkshire Park located 510 Berkshire Drive, legally described as Parts of Block P, Plan 932, in the City of London, being Parts of PIN 084050053, to be described in a reference plan to be deposited.

The subject property consists of three different portions of Berkshire Park all being irregular shapes, totalling approximately 7,965 square feet in size. The land is currently zoned as Open Space.

The Civic Administration recommends the surplus declaration of a portion of Berkshire Park in accordance with the City's Sale and Other Disposition of Land Policy. The decision is founded on an assessment that indicates the subject property is no longer required for municipal purposes.

Declaring the specified portion of Berkshire Park as surplus aligns with prudent land management practices allowing the City to resolve the encroachment matter while effectively utilizing the land to serve the best interests of the community.

Sifton Properties Limited, the abutting owner, reached out to Realty Services stating an interest in solving its encroachment issue by purchasing the subject City owned property. Some of the subject lands were previously considered in the context of a Licence Agreement.

The subject land will be transferred to the abutting owner at fair market value in accordance with the City's Sale of Other Disposition of Land Policy.

2.0 Discussion

The primary driver for this recommendation is the ongoing encroachment by Sifton on the east and north side of the subject property. To address this issue, Sifton has proposed the purchase of the encroached areas, offering an efficient solution that enables the City to optimize land usage and potentially generate revenue through the disposal of surplus land.

A liaison process was circulated in 2023.

In the circulation, the following was determined:

- No documented objections to the sale of municipally owned subject lands

- It was noted that there is archaeological potential for lands in the area and any existing development agreements impacts by the transfer of the lands may need to be updated

The City Sale and Other Disposition of Land policy under Section 4 Methods of Sale allows for the disposition of lands to abutting property owners through direct negotiation.

Any future land transfer will be subject to the above considerations which have been shared in their entirety with the proponent's representative.

The disposition of these small parcels of parkland is not expected to impact current or future design and public use of Berkshire Park.

3.0 Benefits to the City

Resolution of Encroachment: The surplus declaration offers a practical solution to address the ongoing encroachment issue by Sifton Properties. By selling the encroached portions to the adjacent property owner, the City can efficiently resolve the matter while maintaining a cooperative relationship with neighboring stakeholders.

Enhanced Safety and Operational Efficiency: The transfer of the triangular portion in the southeast quadrant will also facilitate a turn around being constructed at Sifton's expense to improve the efficiency of garbage collection from the site. Additionally, planned improvements to Berkshire Park will ensure that long-standing operating arrangements between Sifton and the City are more appropriately observed, further enhancing safety and operational efficiency within the park environment.

While there may be some financial gain through the sale of the surplus land, it's important to emphasize that this gain is minimal and not the primary motivation behind this decision. Our main focus is on resolving encroachment issues, improving safety, and enhancing the overall operations within Berkshire Park. These benefits align with our commitment to serving the community's best interests and maintaining a harmonious neighborhood environment.

4.0 Financial Impact

There are no significant cost implications to the City to declare this property surplus and transfer ownership to Sifton Properties Inc. in accordance with the City's Sale and Other Disposition of Land Policy. Clauses within the license agreement effectively distribute financial responsibilities to the Purchaser, allowing the City of London to minimize its financial exposure to costs associated with the conveyance. By ensuring that legal expenses, and reference plan costs related to the property are borne by the Purchaser, the City can safeguard its financial interests.

Conclusion

The benefits of declaring the subject land as surplus are twofold: releasing the City from liability and maintenance responsibilities and resolution of a decades old encroachment issue.

By declaring the land as surplus and transferring it to Sifton Properties Limited in accordance with the City's Sale and Other Disposition of Land Policy, the City can efficiently relinquish ownership and associated liabilities. This strategic decision allows the City to focus on its core functions and responsibilities while maximizing the potential of the surplus property.

Considering these advantages, it is recommended that the subject property be declared surplus and transferred to Sifton Properties Limited.

A Location Map of the subject property is shown as Appendix A.

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Submitted by: **Bill Warner, Director, Realty Services**

Recommended by: **Anna Lisa Barbon, Deputy City Manager, Finance
Supports**

cc: Gary Irwin, Division Manager and Chief Surveyor, Geomatics
 Sachit Tatavarti, Solicitor
 Paul Yeoman, Director, Parks & Forestry
 Jeff Bruin, Manager, Parks Design and Construction, Environment and Infrastructure

October 10, 2023

Appendix A - Location Map – Area to be Declared Surplus

The Subject land is shaded White

