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 Pine Street

Date: June 17, 2024

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 Pine Street, in the City of London, legally described as part of Pine Street on Registered 433 being Parts 1 and 2 on Plan 33R-21849, **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 Cityowned property being a portion of Pine Street. The proposal aligns with the City's Sale and Other Disposition of Land Policy and aims to facilitate the appropriate disposal of the subject property. The decision to declare this portion of Pine Street surplus is supported by not having identified a municipal purpose for its retention.

Currently, the City holds a licence agreement for the use of lands with the abutting owner, Sofina Foods Inc. Sofina Foods has been utilizing the licenced lands for loading, unloading, and parking of vehicles in conjunction with its existing food processing business.

Linkage to the Corporate Strategic Plan

The following report supports the Strategic Plan through the focus areas of "Economic Growth, Culture and Prosperity" and "Well Run City" by ensuring growing businesses are supported and experience exceptional and valued service.

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

Civic Works Committee - Partial Closing Pine Street Road Allowance - May 22, 2024

1.2 Summary

The subject property comprises a portion of Pine Street, Plan 433, in the City of London, County of Middlesex. The subject property features an irregular shape, totaling approximately 0.80 acres in size, and is currently zoned as General Industrial (GI) Zone.

The Civic Administration proposes the surplus declaration of a closed section of Pine Street in adherence to the City's Sale and Other Disposition of Land Policy. This recommendation is based on an assessment indicating that the subject property is no longer required for municipal purposes.

Sofina Foods Inc. and predecessors in title have been utilizing parts of the road allowance in various ways over the years through a series of licence agreements with the City. The road allowance is currently partially occupied by Sofina Foods Inc. buildings and manufacturing infrastructure. Sofina Foods Inc. now wishes to purchase the road allowance in order to support an expansion of their manufacturing operation. As a prerequisite to the sale, the street was legally closed as a public highway.

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

2.0 Discussion

Sofina Foods Inc. has expressed interest in acquiring the subject land to expand their current infrastructure including new storage tanks. The current Licence Agreement precludes permanent and semi permanent improvements on City owned lands. The Licencee, Sofina Foods Inc. has therefore expressed a desire to own the lands.

A liaison process was circulated in 2023.

In the circulation, the following was determined:

- There were no municipal needs identified during the circulation indicating the lands should be retained.
- London Hydro has confirmed the presence of five hydro poles on the property, specifically servicing the Sofina Foods facility. Given that the property is intended to be sold to Sofina Foods Inc., the owner of the building directly benefiting from the hydro service, an easement is not required.

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 will be shared with the proponent's representative.

3.0 Benefits to the City

The proposed disposition of the subject land to Sofina Foods Inc. eliminates ongoing administration associated with the Licence Agreement and provides one-time revenue to the City in the form of fair market value consideration. It also provides the proponent with an opportunity to expand its current business infrastructure.

4.0 Financial Impact

Declaring this property surplus and transferring ownership to Sofina Foods Inc. in accordance with the City's Sale and Other Disposition of Land Policy will not result in significant cost implications for the City. Future transaction costs will be borne by the proponent and the revenue from the sale will benefit the City.

Conclusion

In conclusion, declaring the subject property as surplus and facilitating its transfer to Sofina Foods Inc. is in compliance with the City's Sale and Other Disposition of Land Policy and aligns with the strategic plan.

This approach allows the City to relinquish ownership, mitigate liabilities, and enhance the overall efficiency of its asset management while capturing one-time revenue from the sale.

It is therefore recommended that the subject property be declared surplus and subsequently transferred to Sofina Foods Inc.

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

Prepared by: Bryan Baar, Manager II, Realty Services

Submitted by: Bill Warner, AACI, Papp, Director, Realty Services

Recommended by: Anna Lisa Barbon, CPA, CGA, Deputy City Manager,

Finance Supports

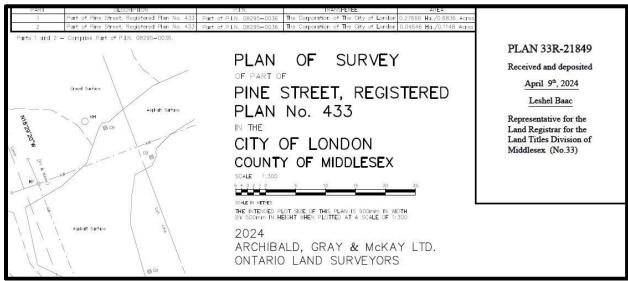
cc: Gary Irwin, Division Manager and Chief Surveyor, Geomatics Sachit Tatavarti, Solicitor

June 3, 2024

Appendix A - Location Map and Reference Plan

Area to be Declared Surplus - Parts 1 and 2, Plan 33R-21849





PART	DESCRIPTION	P.I.N.	TRANSFEREE	AREA
1	Part of Pine Street, Registered Plan No. 433	Part of P.I.N. 08295-0036	The Corporation of The City of London	0.27666 Ha./0.6836 Acres
2	Part of Pine Street, Registered Plan No. 433	Part of P.I.N. 08295-0036	The Corporation of The City of London	0.04646 Ha./0.1148 Acres

