

TO:	CHAIR AND MEMBERS CORPORATE SERVICES COMMITTEE MEETING ON MARCH 20, 2018
FROM:	ANNA LISA BARBON MANAGING DIRECTOR, CORPORATE SERVICES AND CITY TREASURER, CHIEF FINANCIAL OFFICER
SUBJECT:	DECLARE SURPLUS AND SALE 1694 EVANGELINE STREET AND 126 HAMILTON ROAD

RECOMMENDATION

That, on the recommendation of the Managing Director, Corporate Services and City Treasurer, Chief Financial Officer, with the advice of the Manager of Realty Services, with respect to the City owned properties located at 1694 Evangeline Street, described as Part Lot 17, Registered Plan 19 and Lots 110 and 111, Registered Plan 483, containing an area of approximately 0.871 acres and 126 Hamilton Road, described as Part of Lot 24, west side William Street and south side Horton Street, Registered Plan 178, containing an area of approximately 0.059 acres, the following actions **BE TAKEN:**

- a) the subject properties **BE DECLARED SURPLUS**, and
- b) the subject properties ("Surplus Lands") **BE DISPOSED OF** to fulfil a Council Resolution, at its meeting held on November 14, 2017, directing these properties be vested and sold after entering into agreements with creditors having liens on the properties, it being noted that these properties failed to sell at a municipal tax sale and were vested in the name of the City with the intention they be sold in accordance with the City's Sale and Other Disposition of Land Policy.

PREVIOUS REPORTS PERTINENT TO THIS MATTER

May 25, 2016 - Confidential Corporate Services Committee - Agreements on Federal interests in Tax Sale properties

November 1, 2016 - Corporate Services Committee - Vesting Properties in the name of the City after a Tax Sale.

November 7, 2017 - Confidential Corporate Services Committee

BACKGROUND

On November 19, 2015, City Staff conducted a tax sale that included the two properties referenced in the recommendation section of this report. Neither of these properties sold at the tax sale.

The City acquired title to both properties through vesting notices registered on October 10, 2017.

Pursuant to Council's resolution, at its meeting held on November 14, 2017, City staff entered into agreements with the Canada Revenue Agency (CRA) c/o the Federal Department of Justice with respect to 126 Hamilton Road and the Federal Business Development Bank (FBDB) with respect to 1694 Evangeline Street. Both agreements approve the sale of the properties by tender and in the event of a successful sale an equal sharing of the proceeds between the City and the CRA and the FBDB. The agreements specify a sale by public tender.

Property Descriptions

126 Hamilton Road

The property is outside the southeast corner of the City's downtown central business district. A quadrilateral shaped site on the northwest corner of Hamilton Road and William Street, it has a frontage on Hamilton Road of 40.00 feet, a flankage on William Street of approximately 90.02 feet, and is level. The site's dimensions convert to a total area of approximately 2,565 square feet (0.059 acres).

The site is improved with a two storey building with a one storey addition at the rear constructed circa 1930/1960. The building contains a total building area of approximately 2,068 square feet and is considered to be in derelict overall condition.

By-Law Z.-1 designates the subject lands as Residential Zone (R8-4) and Arterial Commercial 4 & 5 (AC-4, AC-5) zones.

1694 Evangeline Street

This property is a site of irregular shape on the north side of Evangeline Street, at the northeast corner of the "T" intersection of Evangeline Street and Loverage Street. It has a frontage of about 315 feet on the north side of Evangeline Street, a depth of about 157 feet on the west limit and backs onto the Canadian Pacific Railway corridor. The site is level and its dimensions convert to a total area of approximately 37,954 square feet (0.871 acres).

A single storey industrial building that was constructed circa 1969/1977 is on the site. The structure's footprint covers approximately 47% of the site's surface. The building contains a total area of approximately 14,109 square feet and is considered to be in derelict overall condition.

By-Law Z.-1 designates these lands as both Light Industrial 8 (LI8) and Residential 5-3 (R5-3) Zones.

Conclusion

At the direction of Council, the City acquired title to these two properties through vesting notice. Agreements with the other lien holders to approve an equal sharing of proceeds from a successful sale have been entered into clearing the way for their sale by tender. The method of sale detailed in the memorandums of understanding with the encumbrance holder envisions a public tender.

As such, these properties are surplus to the needs of the City and therefore should be declared surplus and sold at fair market value to an eligible buyer in accordance with the City's Sale and Other Disposition of Land Policy and the terms of the proceeds sharing agreements. As part of these agreements, internal appraisals of the properties were completed to estimate their fair market value, which will be relied upon as reserve prices during disposition. After a sale of the properties, it is expected they will once again be put into productive use and generate tax revenue for the City.

A location map of both properties is attached as Schedule "A" for the Committee's information.

PREPARED BY:	SUBMITTED BY :
CHARLES ABROMAITIS SENIOR PROPERTY APPRAISER & NEGOTIATOR	BILL WARNER MANAGER OF REALTY SERVICES
RECOMMENDED BY:	
ANNA LISA BARBON MANAGING DIRECTOR, CORPORATE SERVICES AND CITY TREASURER, CHIEF FINANCIAL OFFICER	

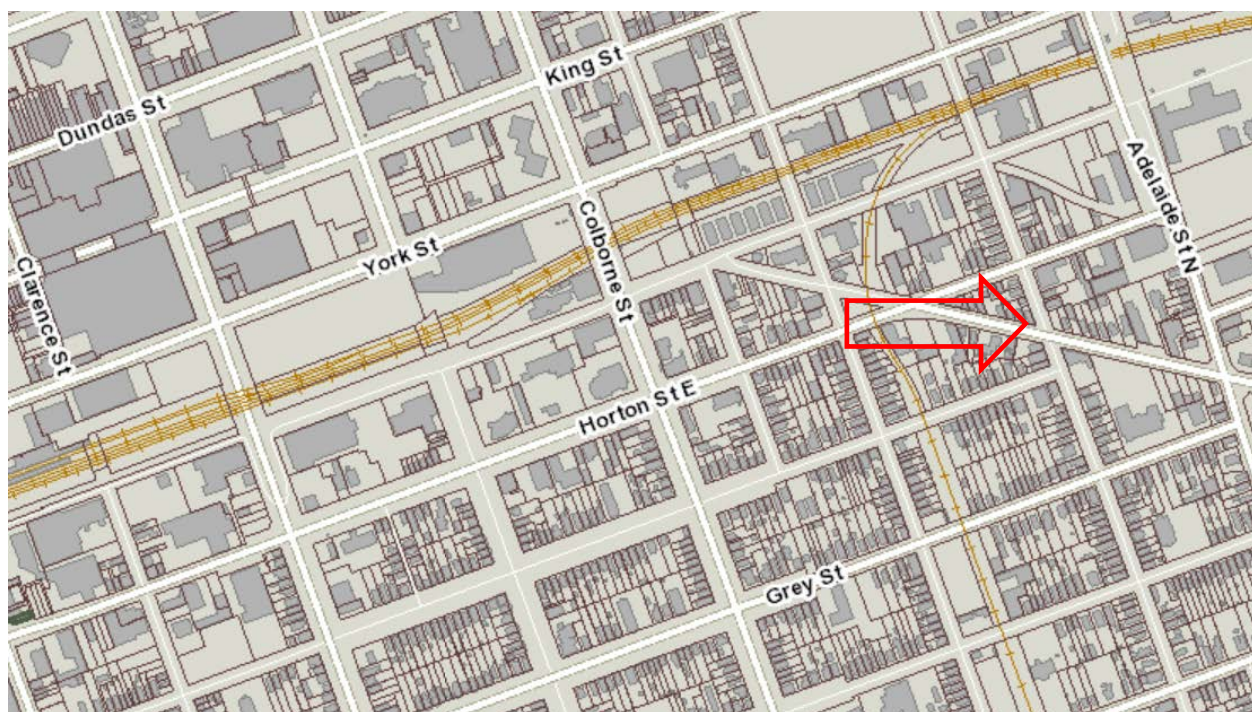
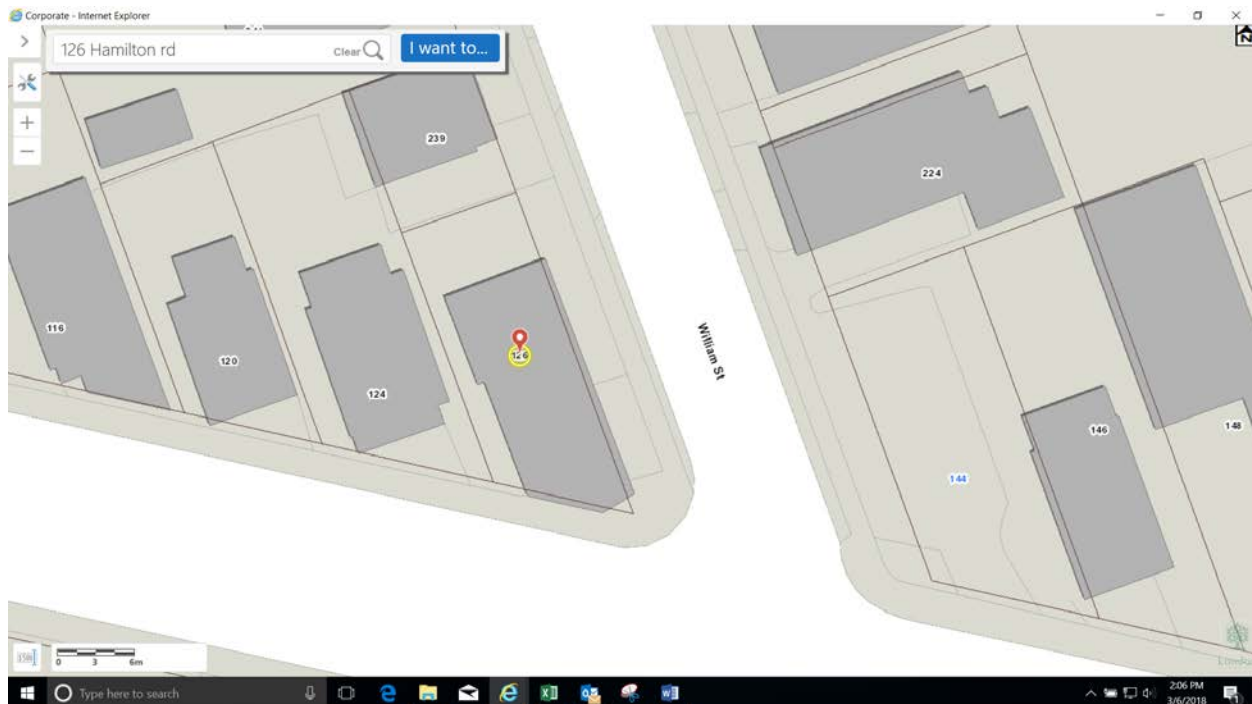
March 5, 2018
Attach.

File No. P-2140 (9) & (15)

cc: Ian Collins, Director, Financial Services
Jim Logan, Division Manager, Taxation & Revenue
David G. Munteer, Solicitor

Schedule "A" - Location Maps

Panel A: 126 Hamilton Road



Panel B: 1694 Evangeline Street

