

TO:	CHAIR AND MEMBERS CORPORATE SERVICES COMMITTEE MEETING ON MAY 1, 2018
FROM:	ANNA LISA BARBON MANAGING DIRECTOR, CORPORATE SERVICES AND CITY TREASURER, CHIEF FINANCIAL OFFICER
SUBJECT:	DECLARE SURPLUS AND SALE 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 property located at 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 property **BE DECLARED SURPLUS**, and
- b) the subject property ("Surplus Lands") **BE DISPOSED OF** to fulfil a Council Resolution, at its meeting held on November 14, 2017, directing this property be vested and sold after entering into agreements with creditors having liens on the property, it being noted that this property failed to sell at a municipal tax sale and was vested in the name of the City with the intention it be sold in accordance with the City's Sale and Other Disposition of Land Policy.

PREVIOUS REPORTS PERTINENT TO THIS MATTER
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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 two properties located at 1694 Evangeline Street and 126 Hamilton Road. 126 Hamilton Road is referenced in the recommendation in this report. Neither of these properties sold at the tax sale.

The City acquired title to the 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. The agreement approves the sale of the property by tender and in the event of a successful sale, a sharing of the proceeds between the City and lien holders. The agreement specifies a sale by public tender.

Property Description

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.

Conclusion

At the direction of Council, the City acquired title to this property through vesting notice.

Agreements with lien holders to approve a sharing of proceeds from a successful sale have been entered into clearing the way for its sale by tender. The method of sale detailed in the memorandums of understanding with the encumbrance holder envisions a public tender.

As such, this property is 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 property were completed to estimate its fair market value, which will be relied upon as reserve prices during disposition. After a sale of the property, it is expected it will once again be put into productive use and generate tax revenue for the City.

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

PREPARED BY:	SUBMITTED BY :
BRYAN BAAR MANAGER, REALTY OPERATIONS	BILL WARNER MANAGER OF REALTY SERVICES
RECOMMENDED BY:	
ANNA LISA BARBON MANAGING DIRECTOR, CORPORATE SERVICES AND CITY TREASURER, CHIEF FINANCIAL OFFICER	

April 6, 2018
Attach.

File No. P-2140 (15)

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

Schedule "A" - Location Map

Panel A: 126 Hamilton Road

