

TO:	CHAIR AND MEMBERS CORPORATE SERVICES COMMITTEE MEETING ON JULY 23, 2013
FROM:	BILL WARNER MANAGER, REALTY SERVICES
SUBJECT:	DECLARE SURPLUS AND TRANSFER CITY OWNED LAND 57 TECUMSEH AVE WEST

RECOMMENDATION

That, on the recommendation of the Manager, Realty Services, with the concurrence of the Managing Director, Housing, Social Services and Dearness Home and the Director, Municipal Housing, with respect to the vacant City owned property located at 57 Tecumseh Avenue West, legally described as Lots 305 and 306, Plan 488, measuring approximately 110' x 68', containing an area of approximately 7,480 square feet, the following actions be taken:

- a) the subject property **BE DECLARED SURPLUS**;
- b) **ACCEPT** the offer submitted by Habitat for Humanity Oxford-Middlesex-Elgin, attached to this report as Appendix "A" in a form to the satisfaction of the City Solicitor, to purchase the subject surplus property from the City, for consideration of \$20,000.00; and
- c) the attached proposed by-law (Appendix "B") **BE INTRODUCED** at the Municipal Council meeting to be held on July 30, 2013 to authorize the Mayor and the City Clerk to execute the Agreement of Purchase and Sale.

PREVIOUS REPORTS PERTINENT TO THIS MATTER
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None.

BACKGROUND

Municipal Incentives for the Creation of Affordable Housing

In 2002, Municipal Council reviewed the various options available to provide a municipal contribution to the affordable housing program and resolved to provide the following types of assistance to private and non-profit housing developers under the Municipal Housing Facilities By-law, subject to Individual Housing Facilities Agreements:

- a) capital funding through the affordable housing capital reserve fund;
- b) grant to offset development charges;
- c) provision of City owned land at less than market rates or for lease; and
- d) special municipal agreements for selected properties to reduce the effective property tax for only those buildings receiving program funding.

Municipal Housing Facilities By-Law No. A.-5814-11 outlines the required contents of the municipal contribution agreement with affordable housing proponents.

In December 2005, Municipal Council approved the recommendations of the City of London Affordable Housing Strategy, which included consideration of surplus City owned land or buildings, other than industrial land or land that is not developable, as a municipal incentive for the creation of affordable housing.

Habitat for Humanity

Habitat for Humanity is an inclusive, non-profit, non-government organization (NGO) that builds affordable housing for residents of Oxford-Middlesex-Elgin, which includes London. It is an affiliate of an international charitable organization with a long term goal of eliminating poverty housing world-wide.

Habitat for Humanity in London gives families a “hand up, not a hand out”. They build houses with partner families using donations from businesses, churches, service clubs and individuals in the form of cash and gift-in-kind material donations. Habitat builds simple, decent houses through cooperative efforts of partner families, volunteers and professional trades. The houses are then sold to the partner families and financed by Habitat with a no-interest mortgage. Habitat expects families to accept all the responsibilities of homeownership.

Habitat For Humanity, Oxford-Middlesex-Elgin, has expressed an interest in acquiring the subject properties for two of their 2013 builds.

Subject Property

Location: 57 Tecumseh Avenue West, London, ON
Area: 7,370 square feet (110' x 68')
Zoning: R1-4 Single Family Residential
Official Plan: Low Density Residential

The subject property has been previously occupied by the Thames Valley District School Board, Manor & Highland Park School and was utilized as part of the school grounds. The school has since been closed and sold for affordable housing.

Based upon an appraisal of the property, the subject land has a current market value of \$68,000.00. Habitat for Humanity Oxford-Middlesex-Elgin is proposing to construct a two unit building in the form of either a semi-detached or duplex structure. Based upon the Housing Partnership Policy contribution of \$48,000.00 for two units, the difference paid will amount to \$20,000.00.

An internal liaison process has concluded that no Civic need exists for the subject property.

FINANCIAL IMPACT

The City will receive \$20,000.00 in consideration for the sale with no further costs to be incurred. The property which is vacant will begin to remit property tax at a residential rate once the homes are built.

Conclusion

It is recommended that the subject property be declared surplus and be transferred to Habitat for Humanity Oxford-Middlesex-Elgin, in accordance to the City's Municipal Housing Facilities By-Law 20002 A.-5814-11, for consideration of \$20,000.00.

The form of offer has been approved by the City Solicitor's Office.

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

PREPARED BY:	RECOMMENDED BY:
RON GASPARETTO PROPERTY CO-ORDINATOR & NEGOTIATOR	BILL WARNER MANAGER, REALTY SERVICES
CONCURRED BY:	CONCURRED BY:
SANDRA DATARS BERE MANAGING DIRECTOR HOUSING, SOCIAL SERVICES AND DEARNESS HOME	LOUISE STEVENS DIRECTOR, MUNICIPAL HOUSING

July 2, 2013
Attach.

File No. P-2105 (AH)

cc: David G. Munteer, Solicitor

APPENDIX “B”

Bill No.

By-law No.

A by-law to authorize an Agreement of Purchase and Sale between the City and Habitat for Humanity Oxford-Middlesex-Elgin, for the sale of 57 Tecumseh Avenue West and to authorize the Mayor and the City Clerk to execute the agreement.

WHEREAS section 5(3) of the *Municipal Act, 2001* S.O. 2001, c.25, as amended, provides that a municipal power shall be exercised by by-law;

AND WHEREAS section 9 of the *Municipal Act, 2001* provides that a municipality has the capacity, rights, powers and privileges of a natural person for the purpose of exercising its authority under this or any other Act;

AND WHEREAS section 23.1(1) of the *Municipal Act, 2001* authorizes the municipality to delegate its powers and duties to a person;

AND WHEREAS it is deemed expedient for The Corporation of the City of London (the “City”) to enter into an Agreement of Purchase and Sale with Habitat for Humanity Oxford-Middlesex-Elgin;

NOW THEREFORE the Municipal Council of The Corporation of the City of London enacts as follows:

1. An agreement attached as Appendix “A” to this by-law being the Agreement of Purchase and Sale between the City and Habitat for Humanity Oxford-Middlesex-Elgin, is hereby authorized and approved.
2. The Mayor and the City Clerk be hereby authorized to execute the agreement approved in section 1, above, substantially in the form of agreement attached to this by-law and to the satisfaction of the City Solicitor.
3. This by-law shall come into force and effect on the day it is passed.

PASSED in Open Council , 2013

Joe Fontana
Mayor

Catharine Saunders
City Clerk

First reading – July 30, 2013
Second reading – July 30, 2013
Third reading – July 30, 2013

Location Map

