



Subject: City Properties – Surplus Declaration

To: Council

From: Office of the Chief Administrative Officer

Report Number: 2022-119

Meeting Date: July 12, 2022

Recommendation:

That Chief Administrative Office Report- Economic Development and Tourism Services Division 2022-119 be received for information.

That Council declare the City-owned parcels outlined in Appendix A as surplus.

That Council delegate authority to the Chief Administrative Officer (CAO) to dispose of properties outlined in Appendix A and enter into purchase/sale agreements in accordance with the Sale of Surplus Land Policy, subject to legal review by the City's solicitor and financial review by the Director of Corporate Services/Treasurer.

Purpose:

The purpose of this report is to provide information on City-owned parcels and seek approval from Council to declare them surplus.

Background:

In the fall of 2020, the Economic Development and Tourism Services Division created a City Real Estate Initiative focused on identifying property that could be declared surplus and marketed for residential, commercial, or industrial development.

The goal of the City Real Estate Initiative is to attract investment and new residents to the City of Port Colborne; have vacant properties redeveloped and revitalized; facilitate public-private partnerships to create more affordable housing units; expand the municipal tax base to maintain core programs and services; and maximize the value of City properties while achieving social, economic, and environmental benefits.

Phase one of the City Real Estate Initiative generated \$602,284.42 in net proceeds. This phase included the sale of one commercial lot and five residential lots owned by the City. Staff indicated that the financial legacy from the sale of these properties is not solely in the net proceeds of sale but rather the future contribution to the tax, water, wastewater, and storm sewer base. Phase two, which is ongoing, included the sale of 235-241 Welland Street for \$325,000. Phase two will also include the sale of an infill lot on Borden Avenue in Q4 of 2022.

This report is regarding phase three which focuses on small irregular shaped parcels owned by the City that are surplus to operational needs, but may have value to adjoining landowners.

Discussion:

Staff have identified several smaller parcels across Port Colborne that have the potential of being sold. In some instances, residents contacted the City to inquire about purchasing municipal property that abuts their property. As shown in Appendix A, there are numerous City-owned parcels that are vacant and are not required by the City. The maps of each parcel are outlined in Appendix B that show an approximate size of each property.

By declaring each of these parcels as surplus, staff can move forward with next steps in accordance with the City's Sale of Surplus Land Policy and sell to adjoining property owners, if any. Currently, there is no benefit for the City to retain these parcels as most of these are not serviced, are irregular shapes, and/or are too small for any development. Selling these parcels to interested buyers will contribute to the success of the City's Real Estate Initiative and provide additional property to some residents.

Internal Consultations:

The Economic Development and Tourism Services Division consulted with various department including Legislative Services, Planning and Development, Fire Department, Public Works/Engineering, Parks, Corporate Services, and Office of the CAO on the disposition of City Real Estate.

Financial Implications:

There are no financial implications during the selling process other than the time dedicated to the projects by staff. The purchase price for these parcels would include / cover the legal and survey costs, and a value for the parcel based on a per square foot range provided by a certified land appraiser.

Public Engagement:

City parcels that are identified as surplus are brought to Council in open session. City land for sale is posted on the City's website, promoted on MLS, and shared with a database of investors maintained and updated regularly by the Economic Development and Tourism Services Division. Through the City's website and LinkedIn account, staff have marketed surplus parcels for residential, commercial, or industrial development. For the smaller irregular shaped parcels referenced in Appendix A, staff have mailed letters to property owners to determine their interest in purchasing specific parcels of land and have maintained an ongoing dialogue with them through e-mail and phone conversations.

Strategic Plan Alignment:

The initiative contained within this report supports the following pillar(s) of the strategic plan:

- Attracting Business Investment and Tourists to Port Colborne
- Value: Financial Management to Achieve Financial Sustainability
- Governance: Communications, Engagement, and Decision-Making

Conclusion:

This report gives an update on the status of various surplus properties and seeks Council's approval to have them all declared surplus. Additionally, staff seek Council's approval to delegate authority to the Chief Administrative Officer (CAO) to dispose of the properties and enter into purchase/sale agreements in accordance with the Sale of Surplus Land Policy, subject to legal review by the City's solicitor and financial review by the Director of Corporate Services/Treasurer.

Staff have identified various City-owned parcels that are vacant and remain idle. As part of the City Real Estate Initiative, staff see an opportunity to sell these parcels to adjoining property owners.

Appendices:

- a. List of surplus properties
- b. Maps of surplus properties

Respectfully submitted,

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Report Approval:

All reports reviewed and approved by the Department Director and also the City Treasurer when relevant. Final review and approval by the Chief Administrative Officer.