



Subject: Sale of Surplus Property Knoll Street

To: Council

From: Office of the Chief Administrative Officer

Report Number: 2022-237

Meeting Date: November 8, 2022

Recommendation:

That Chief Administrative Office - Economic Development and Tourism Services Division Report 2022-237 be received; and

That Council approve entering into an amended Agreement of Purchase and Sale with Stanley Homes for the vacant City-owned lot on Knoll Street.

That a by-law to authorize entering into an amended Agreement of Purchase and Sale with Stanley Homes regarding the sale of a City-owned lot on Knoll Street legally described as part of the Borden Avenue Pl. 792 Humberstone E/S of Knoll Street, Port Colborne, be approved and

That the Mayor and Acting Clerk be authorized to sign and execute any and all documents respecting the sale of these lands.

Purpose:

The purpose of the report is to obtain Council approval to enter into an amended Agreement of Purchase and Sale with Stanley Homes for the City-owned parcel on Knoll Street.

Background:

The Economic Development and Tourism Services Division (EDTS) has undertaken a review of City owned properties to identify potential surplus lands. The purpose of this review is to determine lands that could be marketed for residential, commercial, or industrial development with a goal to attract investment and redevelop vacant or underutilized properties. The Borden Avenue Road Allowance was identified as being a

surplus property. The property was part of a plan of subdivision in 1914 and has been vacant since that time. It is not required for future road and transportation purposes. A Stop up and Close By-law was approved on April 12, 2022, and the property was declared surplus on June 14, 2022 (report 2022-120).

Discussion:

The sale process has complied with the current City's Sale and Disposition of Land By-Law. The initial infill property was listed through the City's real estate agent of record, Bill Becskereki from Royal LePage. It was also posted on the City's website under City Real Estate, the City's LinkedIn page, and shared with investors and developers listed on the City's database. Offers were received by Royal LePage until 11:59 p.m. on Wednesday July 27, 2022.

Through report 2022-200 presented to Council on September 13, 2022, the infill City-lot was sold to Stanley Homes.

Subsequent to this it was determined that an additional 12 feet by 120 feet which was not included in the initial offering was also available. Stanley Homes has offered to purchase the additional piece and would assume ownership of the entire Knoll Street parcel.

The amended Agreement of Purchase and Sale includes a Schedule B which stipulates that construction of a dwelling must commence within two years of the closing date or the City has the option of re-purchasing the property. The goal of this provision, which is included in a Right to Reconveyance Agreement and Registered on title, is to prevent land banking and speculation.

A reference plan is being drafted by an Ontario Land Surveyor that will create the legal description for this property.

Financial Implications:

The initial infill lot was listed on MLS for \$199,900 and the final selling price was \$200,000. The amended sale price with the parcel included is \$215,000. There will be survey, legal, and real estate commission costs estimated to be \$12,000, which is the responsibility of the purchaser. Net proceeds will be transferred to the Economic Development Land Reserve.

Strategic Plan Alignment:

The initiative contained within this report supports the following pillars of the strategic plan:

- Attracting Business Investment and Tourists to Port Colborne
 - Value: Financial Management to Achieve Financial Sustainability
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Conclusion:

The vacant City-owned property on Knoll Street was declared surplus and was marketed for sale in accordance with the City's Sale and Disposition of Land By-law. Staff are recommending that the City enter into an amended Agreement of Purchase and Sale with Stanley Homes for the sale of the Knoll Street lot in the amount of \$215,000 and that this agreement be adopted by by-law.

Appendices:

- a. Property Map – Knoll Street lot
- b. Amended Agreement of Purchase and Sale with Schedule B
- c. By-law

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.

