



Subject: Sale of Surplus Property – PIN 64156-0026 – Elm Street Hydro Corridor

To: Council

From: Office of the Chief Administrative Officer

Report Number: 2023-64

Meeting Date: April 11, 2023

Recommendation:

That Chief Administrative Officer Report 2023-64 be received;

That Council approve entering into an Agreement of Purchase and Sale with 13489116 Canada Inc., regarding the vacant City-owned property on Elm Street (between Elm and Catharine);

That a by-law to authorize entering into an Agreement of Purchase and Sale with 13489116 Canada Inc. regarding the sale of a City-owned lot on Elm Street legally described as LTS 29, 30 & 31, PT LTS, 41, 42 & 43, PL 861, Being PTS 4&6, on 59R9034: Port Colborne, be brought forward; and

That the Mayor and Acting City 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 Agreement of Purchase and Sale with 13489116 Canada Inc. for a City-owned parcel on Elm Street legally described as LTS 29, 30 & 31, PT LTS, 41, 42 & 43, PL 861, Being PTS 4&6, on 59R9034: Port Colborne. The property runs between Elm and Catharine as shown in Appendix A.

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. One such area that was identified is the hydro corridor consisting of vacant City parcels of land that run east to west from approximately King Street to Steele Street. A request to have the property declared surplus in Staff Report 2022-225, presented at the October 11, 2022 Council meeting, was approved. This corridor encompasses east to west parcels of Catharine to Elm Street and abuts 395 Elm Street.

The owners of 395 Elm Street, also 13489116 Canada Inc. approached the City regarding the property to augment their proposed development at 395 Elm Street through the acquisition of the surplus City-owned property.

Discussion:

Currently the subject parcel is not generating any tax revenue for the City and is not required for operational or maintenance reasons. Public Works has indicated that the property is free of infrastructure with the exception of the existing ditch which outlets into a storm sewer on the northern portion of the parcel. This outlet will remain the outlet for the parcel.

The hydro corridor lands, which are maintained and owned by the City, have an easement registered on title in the favour of Canadian Niagara Power (CNP).

In consultation with CNP, they have indicated that they have no opposition to the sale of the property with the stipulation that the easements are transferred with the sale and recognized by the new owners within any development proposal. The purchasers recognize the need to work within the restrictions of the easements. The proposed use of the property would be as additional land for parking, green space and to better maximize the building area for the development proposal planned for 395 Elm Street. This fits within the limitation of the easements.

Staff believe that a better use of this property would be achieved through private ownership. Selling this property to the private sector would fulfill the goals of the surplus land review to support development opportunities and expand the City tax base, while reducing City maintenance costs through grass cutting savings.

Included with the Agreement of Purchase and Sale and registered on title would be the standard City covenants requiring that significant development progress must be made on the development within a certain timeframe, or the City can buy back the property at the purchase price.

Financial Implications:

The final selling price for the surplus City property is \$168,078 which encompasses 22,410 square feet. The value and final selling price were based on an independent appraisal by CHS Realty. Net proceeds will be transferred to the Economic Development Reserve.

Strategic Plan Alignment:

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

- Service and Simplicity - Quality and Innovative Delivery of Customer Services
 - Attracting Business Investment and Tourists to Port Colborne
 - Value: Financial Management to Achieve Financial Sustainability
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Conclusion:

Economic Development and Tourism Services (EDTS) received a request from 13489116 Canada Inc. to purchase approximately 22,410 square feet of surplus City Real Estate. This would enhance a multi-unit residential development on 395 Elm Street by increasing the developable area and providing more space for parking and amenities.

The vacant City-owned property running between Elm Street and Catharine Street was declared surplus and 13489116 Canada Inc. submitted a request to purchase. Staff are recommending that the City enter into an Agreement of Purchase and Sale with 13489116 Canada Inc. for the sale of the Elm Street to Catharine Street Hydro Corridor property in the amount of \$168,078, and that this agreement be adopted by by-law.

Appendices:

- a. Property Map – Hydro Corridor Elm to Catharine
- b. Agreement of Purchase and Sale
- 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.