



Subject: Sale of City property adjacent to 216 Linwood Avenue

To: Council

From: Office of the Chief Administrative Officer

Report Number: 2023-144

Meeting Date: August 15, 2023

Recommendation:

That Chief Administrative Officer report 2023-144 be received for information; and,

That Council authorize the Mayor and City Clerk to sign the Agreement of Purchase and Sale, the by-law, and the closing documentation related to the sale and disposition of City land, legally described as Part 1 on Plan 59R-17525, Part of Lot 31, Concession 1, formerly of the Township of Humberstone, Part of PIN 64157-0127; and

That Council pass the By-law attached as Appendix C, deeming Lot 236 on Plan 13 to be not part of a registered Plan of Subdivision in accordance with Section 50 of the *Planning Act*; and

That the Manager of Strategic Initiatives be directed to work with the City Solicitor to finalize the transaction.

Purpose:

The purpose of this report is to finalize the sale and disposition of surplus City real estate adjacent to 216 Linwood Avenue and to seek Council approval to have the Mayor and City Clerk sign the Agreement of Purchase and Sale, the by-law, and the closing documentation.

Background:

Staff initiated a City Real Estate project in the fall of 2020 focused on identifying municipally owned property that could be declared surplus and marketed for residential, commercial, or industrial development.

The goal of the project is to attract investment and new residents to 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.

Discussion:

The owners of 216 Linwood Avenue contacted the City to express their interest in acquiring some City land behind their property that would allow them to extend their backyard. The City parcel, shown in Appendix A and Appendix B, is very small and a fifteen (15) metre setback from the rail line must be maintained. A survey was completed to create the parcel to be conveyed. The City parcel will be legally merged on title with 216 Linwood Avenue.

In order for the lands to legally merge with the 216 Linwood Avenue parcel, the purchaser's property is required to be de-registered as part of the registered Plan of Subdivision. Staff have prepared a Deeming By-Law to this affect (attached as Appendix C), deeming Lot 236 on Plan to be deemed as not part of the registered Plan of Subdivision.

This parcel was declared surplus by Council at the April 11, 2023, meeting with staff report 2023-56. To determine a value for small irregular shaped parcels of City land, staff are guided by a range \$1 to \$5 per square foot recommended by an independent appraisal firm used by the City. Typically, staff use the mid-point of \$2.50 per sq.ft as the value when calculating the selling price.

This will confirm that staff have followed the provisions of the City's Sale of Land Policy. This parcel is deemed "unmarketable" and only has value to an adjoining land owner and it is not large enough to be marketed as an infill residential lot.

Internal Consultations:

The transaction of City real estate involves the collaboration of various City Divisions and Departments including Clerks, Finance, Economic Development, Planning, Public Works, and the City Solicitor.

Financial Implications:

Based on the approximately 1,132 sq. ft. of City property being conveyed at \$2.50 sq. ft., the selling price of the land is \$2,800. Survey and legal costs of \$4,804 will be reimbursed through this transaction. Therefore, the City will be receiving a total of \$7,604 pending any minor adjustments at closing.

The net land proceeds will be directed to the Economic Development Land Reserve and the amount being reimbursed for survey and legal costs will be allocated to the appropriate operating account.

Public Engagement:

The sale and disposition of City Real Estate is conducted in an open and transparent manner. The Sale of Land Policy is a public document which was discussed and updated by Council in open session; City parcels identified as being potentially surplus are brought to Council in open session; surplus City parcels, deemed “marketable” are posted on the Multiple Listing Service (MLS) and on the City’s website; and Council approval of the final Agreement of Purchase and Sale is done in open session.

Strategic Plan Alignment:

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

- Environment and Climate Change
 - Welcoming, Livable, Healthy Community
 - Economic Prosperity
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Conclusion:

One of the objectives of the City Real Estate initiative is to create value for underutilized and surplus City land. To this end, staff have been working with the owner of 216 Linwood Avenue to finalize the transaction of surplus City land and allow them to extend their backyard.

This parcel has already been declared surplus by City Council and the next step in this process is to have Council authorize the Mayor and Clerk to sign the Agreement of Purchase and Sale, the by-law, and the closing documentation.

Appendices:

- a. City parcel being acquired
- b. Part 1, 59R-17525
- c. Deeming By-law
- d. Agreement of Purchase and Sale

e. 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.