

The Corporation of the City of Kawartha Lakes

Council Report

Report Number RS2018-015

Date: May 22, 2018
Time: 2:00 p.m.
Place: Council Chambers

Ward Community Identifier: 6

Title: Surplus Declaration and Proposed Sale of City-Owned Property – Adjacent to 8 Francis Street East, Fenelon Falls

Author and Title: Laura Carnochan, Law Clerk – Realty Services

Recommendations:

That Report RS2018-015, **Surplus Declaration and Proposed Sale of City-Owned Property – Adjacent to 8 Francis Street East, Fenelon Falls**, be received;

That the City-owned property adjacent to 8 Francis Street East, and legally described as Part of Lot 2, S/S of Francis Street and E/S of Colborne Street, Plan 17, in the Geographic Township of Fenelon, designated as Part 1 on Plan 57R-4516, being PIN 63152-0093 (LT), be declared surplus to municipal needs;

That the subject property be investigated and, if suitable, prepared and offered for direct sale to the adjacent landowner, pursuant to Instrument No. R256881, and in accordance with City of Kawartha Lakes By-Law 2018-020, as amended, and any current or future policies in place, and sold for no less than the appraised value plus any and all costs associated with the transaction;

That all costs associated with investigating, preparing or marketing the property be taken from the Property Development Reserve;

That the Manager of Realty Services or the CAO be permitted to negotiate the legal fees, appraisal costs, survey costs, Registry costs, and advertising costs with a potential purchaser of the subject property;

Department Head: _____

Financial/Legal/HR/Other: _____

Chief Administrative Officer: _____

That on completion of public notice, Council shall consider any deputation or public input in opposition of any sales, if any, and if appropriate, pass a by-law (with any amendments deemed necessary) to authorize the disposition;

That the Manager of Realty Services or the CAO be permitted to fully execute all surplus municipal land listing documentation and any documentation associated with the receipt of an offer to purchase surplus municipal land for the full appraised value plus any and all costs associated with the transaction; and

That the Mayor and Clerk be authorized to execute all legal closing documents required for the sale of the subject property.

Background:

At the Council Meeting of July 11, 2017 Council adopted the following resolution:

CR2017-640

Moved By Councillor Elmslie

Seconded By Councillor Yeo

RESOLVED THAT Report RS2017-009, **Surplus Declaration and Sale of 8 Francis Street East, legally described as Part Lot 2 South of Francis Street and East of Colborne Street designated as Part 1 on Plan 57R-4516, in the former Geographic Township of Fenelon, City of Kawartha Lakes**, be received;

THAT the property be referred back to staff to be reviewed with the intent to refurbish the washroom facilities at this location and that the cost be included in the 2018 budget; and

THAT staff look for a tenant to replace the former tenancy of the OPP.

A recorded vote was requested by Councillor Elmslie.

Recorded	For	Against	Absent
Mayor Letham		X	
Councillor Breadner		X	
Councillor Dunn	X		
Councillor Elmslie	X		
Councillor James		X	

Councillor Jilesen		X		
Councillor Junkin		X		
Councillor Macklem		X		
Councillor Martin	X			
Councillor Miller	X			
Councillor O'Reilly	X			
Councillor Pollard			X	
Councillor Seymour-Fagan	X			
Councillor Stauble	X			
Councillor Strangway	X			
Councillor Veale	X			
Councillor Yeo	X			
Results	10	7	0	CARRIED

At the Special Council Meeting of October 31, 2017, Council subsequently denied the inclusion of a budget line for the refurbishment of the building located on the subject property:

Moved By Councillor Elmslie
Seconded By Councillor Strangway

RESOLVED THAT Program BP1801, Francis Street East Public Washroom, be added to the budget in the amount of \$90,000.00 to be funded from tax support.

MOTION FAILED

As the building cannot be rented out in its current state of disrepair, and as no budget funding was provided by Council in the 2018 Capital Budget, the Land Management Committee was supportive of the subject property being advanced to Council for consideration as surplus land and sale to the abutting landowner.

Public Notice advertising the potential surplus declaration and sale of the subject property was completed by newspaper circulation in the Kawartha Lakes This Week on the 19th and 26th days of April and the 3rd day of May, 2018, and circulation in the Peterborough this Week on the 18th and 25th days of April and the 2nd day of May, 2018. In addition, a “Potential Surplus Property” sign was posted on the subject property for a period of the three weeks, which corresponded with the newspaper advertising period.

Appendix A is a map showing the general area of the subject property, Appendix B is an aerial photo of the subject property, and Appendix C is a map of the subject property.

The purpose of this report is to advise Council that the Land Management Committee recommends that the subject property be declared surplus to municipal needs and that approval be given, in principle, for disposition in accordance with City of Kawartha Lakes By-Law 2018-020, as amended.

Rationale:

Initial registry searches have been conducted and reviewed and there are no restrictions noted on title that would prevent the City from selling the subject property.

The property is the location of a former OPP Building and Public Washrooms. There was an agreement between the former Corporation of the Village of Fenelon Falls and the former owner of the abutting property, Sobko Food Market Limited, that Sobko Food Market Limited shall have the first opportunity of acquiring the subject property at a fair market price if the subject property is not required for Municipal purposes. A copy of the Agreement is attached as Appendix D. Sobko Food Market Limited has since been dissolved, but the current abutting property owner has been notified of the potential surplus declaration and sale and has expressed interest in purchasing the property.

Realty Services has not received any comments from members of the public expressing concerns with regards to the potential surplus declaration and sale of this property.

Other Alternatives Considered:

Council may decide not to sell the subject property and derive no financial benefit whatsoever. That would be inconsistent with past practice and is not recommended in this circumstance.

Financial/Operation Impacts:

In keeping with past practice, we are requesting that all costs associated with investigating and preparing the subject property for sale, including but not limited to registry search costs, survey fees, appraisal fees, real estate listing fees, real estate commission, and legal fees, be taken from the Property Development Reserve.

The consideration paid for the subject property shall be no less than the current appraised value, plus all costs associated with the transaction.

The successful sale of the subject property will result in proceeds to the City which will be credited to the Sale of Land Revenue Account and then transferred to the Property Development Reserve.

Relationship of Recommendations to the 2016-2019 Strategic Plan:

This report aligns with the strategic goal of a “vibrant and growing economy” and the strategic enabler of “efficient asset management”.

Consultations:

Land Management Committee
Land Registry Office
Planning – Maps

Attachments:

Appendix A – General Location Map



Appendix A - General
Location Map.pdf

Appendix B – Aerial Photo



Appendix B - Aerial
Photo.pdf

Appendix C – Map



Appendix C -
Map.pdf

Appendix D – Instrument No. R256881



Appendix D -
Registered Instrumer

Department Head E-Mail: rcarlson@kawarthlakes.ca

Department Head: Robyn Carlson

Department File: L06-17-RS008