SUBJECT: Proposed Sale of City Lands to the Hamilton Beach Rescue Unit Association – Part of the Hotel Property, Registered Plan 364, Being an 8 Foot Strip Along the North West Side of Part 1 on Plan 62R4647, Municipally Known as Part of 312 Beach Boulevard, Hamilton (PED06402) (Ward 5)

RECOMMENDATION:

(a) That the proposed sale of a remnant parcel to the Hamilton Beach Rescue Unit Association, having a lot width of approximately eight feet along the north limits of Part 1 on Plan 62R4647, being Part of the Hotel Property on Registered Plan 364, municipally known as 312 Beach Boulevard, Hamilton, attached hereto as Appendix “A” to Report PED06402, be approved and completed for the sale price of $5,100.

(b) That the funds from the sale be credited to Account No. 47702-3560150100 (Sale Proceeds/Revenues), and as the sale price does not include the Goods and Service Tax, should the GST be applicable and collected by the City, the GST amount is to be credited to Account No. 22835-009000 (GST Payable).

(c) That the Mayor and City Clerk be authorized and directed to execute and issue a Certificate of Compliance in the form prescribed pursuant to Section 268 of the Municipal Act, incorporating the following:

(i) The property was declared surplus by resolution of the City Council on June 27, 2000 by adopting Item #5 of Report 13-00 of the Finance and Administration Committee.
(ii) An internal appraisal of the fair market value of the real property intended to be sold was completed on April 28, 2006.

(iii) Notice to the public of the proposed sale of land is given by inclusion of this report to Council.

Lee Ann Coveyduck
General Manager
Planning and Economic Development Department

**EXECUTIVE SUMMARY:**

The purpose of this report is to request City Council’s approval to sell approximately eight feet of vacant land along the north side of Part 1 on Plan 62R4647, being Part of the Hotel Property on Registered Plan 364, municipally known as 312 Beach Boulevard, Hamilton, to the Hamilton Beach Rescue Unit Association.

**BACKGROUND:**

In 2003, the Hamilton Beach Rescue Unit, a non-profit organization which receives funds from the City, requested the acquisition of Part 1 on Plan 62R-16087, municipally known as part of 320 Beach Boulevard. Part 1 on Plan 62R-16087 had been used by the Hamilton Beach Rescue Unit as a driveway for several decades and was required for access to the rear portion of their property. It was also noted that the additional lands were a benefit to the Association in order to satisfy building code requirements to allow for the expansion of the existing facility on the Hamilton Beach Rescue Unit Property.

City Council, at its meeting of March 26, 2003, approved Item 5, Report 03-11 of the Hearings Sub-Committee in adopting the following motion in part:

“NOW THEREFORE the Council of the City of Hamilton enacts as follows:

(a) That the Real Estate Section be directed to dispose of Part of Hotel Property Lot, Registered Plan 364, in the City of Hamilton, more particularly described as Part 1 on Plan 62R-16807, subject to an easement to be reserved in favour of the City of Hamilton, municipally known as part of 320 Beach Boulevard for a nominal fee of $1.00;
SUBJECT: Proposed Sale of City Lands to the Hamilton Beach Rescue Unit Association – Part of the Hotel Property, Registered Plan 364, Being an 8 Foot Strip Along the North West Side of Part 1 on Plan 62R4647, Municipally Known as Part of 312 Beach Boulevard Hamilton (PED06402) (Ward 5) - Page 3 of 6

(b) That the Real Estate Section be directed to prepare an Offer to Purchase for the sale of Part of Hotel Property Lot, Registered Plan 364, in the City of Hamilton, more particularly described as Part 1 on Plan 62R-16807, subject to an easement to be reserved in favour of the City of Hamilton, municipally known as part of 320 Beach Boulevard for a nominal fee of $1.00;

(c) That the Real Estate Section be directed that the Real Property of the City shall not be sold until after notice to the public of the intended sale has been given in accordance with By-law 95-049, “Established Procedures for Sales of Real Property Owned by the City of Hamilton”;

(d) That the City Clerk be authorized and directed to execute and issue a Certificate of Completion in the form prescribed pursuant to Section 268 of the Municipal Act;

(e) That Corporate Council be directed to complete this real estate transaction on the terms and conditions set out herein.”

The following year, the Hamilton Beach Rescue Unit made another request to acquire Part 2 on Plan 62R-16807, municipally known as part of 320 Beach Boulevard, to be used as a parking area.

City Council, at its meeting of June 16, 2004, approved Item 7.5, as follows:

“NOW THEREFORE the Council of the City of Hamilton enacts as follows:

(a) That the Real Estate Section be directed to dispose of Part of Hotel Property Lot, Registered Plan 364, in the City of Hamilton, more particularly described as Part 2 on Plan 62R-16807, municipally known as part of 320 Beach Boulevard, for a nominal fee of $1;

(b) That the Real Estate Section be directed to prepare an Offer to Purchase for the sale of Part of Hotel Property Lot, Registered Plan 364, in the City of Hamilton, more particularly described as Part 2 on Plan 62R-16807, municipally known as part of 320 Beach Boulevard, for a nominal sum of $1;

(c) That the Real Estate Section be directed that the Real Property of the City shall not be sold until after notice to the public of the intended sale has been given in accordance with By-law 95-049, “Established Procedures for Sales of Real Property Owned by the City of Hamilton”;

The following year, the Hamilton Beach Rescue Unit made another request to acquire Part 2 on Plan 62R-16807, municipally known as part of 320 Beach Boulevard, to be used as a parking area.
SUBJECT: Proposed Sale of City Lands to the Hamilton Beach Rescue Unit Association – Part of the Hotel Property, Registered Plan 364, Being an 8 Foot Strip Along the North West Side of Part 1 on Plan 62R4647, Municipally Known as Part of 312 Beach Boulevard Hamilton (PED06402) (Ward 5) - Page 4 of 6

(d) That the City Clerk be authorized and directed to execute and issue a Certificate of Completion in the form prescribed pursuant to Section 268 of the Municipal Act.

(e) That the City Solicitor be directed to complete this real estate transaction on the terms and conditions set out herein.

Correspondence had been received from the Hamilton Beach Rescue Unit, requesting the acquisition of an eight foot strip of vacant land along the entire limit north of Part 1 on Plan 62R4647, being Part of the Hotel Property on Registered Plan 364, municipally known as 312 Beach Boulevard, for the sum of one dollar. This added parcel will provide a ten foot wide secondary emergency access on the south side of their property and the ability to move their storage building four feet to the south.

The eight foot parcel is currently part of a larger parcel with a lot frontage of approximately 88 feet along Beach Boulevard that Real Estate staff had anticipated the creation of two 44 foot parcels to be sold at fair market value.

The land is zoned “C” District, which allows a low density residential zoning with a minimum lot frontage of 39.37 feet; it is, therefore, possible to convey approximately eight feet from the side of the property and retain two 40 foot lots. However, the exact dimension of the land to be sold to the Hamilton Beach Rescue Unit will be determined upon the completion of the survey plan.

ANALYSIS/RATIONALE:

Approval of the recommendation by Council will authorize Real Estate staff to proceed with the disposal of the subject lands. Once the lands are sold, the City will no longer be liable for activities on this property or the associated maintenance costs.

ALTERNATIVES FOR CONSIDERATION:

Council’s approved real estate management principles indicate that property must be leased or sold at fair market value, “even when the other party to the transaction is another level of government, public sector agency, or non-profit organization providing services to the City residents”.

The Hamilton Beach Rescue Unit is a not-for-profit organization assisting the City with marine and EMS activities. Since the late 50’s, the City has been in partnership with the Hamilton Beach Rescue Unit and is funded through an annual operating grant and capital grant from the City. Although the City provides support to a number of non-profit or volunteer bodies, a grant in kind could be provided to facilitate the proposed land acquisition.
SUBJECT: Proposed Sale of City Lands to the Hamilton Beach Rescue Unit Association – Part of the Hotel Property, Registered Plan 364, Being an 8 Foot Strip Along the North West Side of Part 1 on Plan 62R4647, Municipally Known as Part of 312 Beach Boulevard Hamilton (PED06402) (Ward 5) - Page 5 of 6

The principles set out in the City’s approved Portfolio Management Strategy Plan further states:

“A property may be leased or sold for other than market value if such an arrangement is deemed by Council to be in the public interest. However, a below-market value arrangement must first be subjected to a business case analysis that will clearly identify the loss revenue resulting from an arrangement”.

Due to the nature of this organization and partnership, Council could direct the sale of the remnant parcel for other than market value if deemed by Council to be in the public interest. If it is the will of Council to sell the subject parcel for a nominal fee of $1, the monetary loss from the sale to the Hamilton Beach Rescue Unit Association will result in a shortfall of an estimated amount of $5,100.

FINANCIAL/STAFFING/LEGAL IMPLICATIONS:

Financial: The proceeds to be realized from the sale of the subject lands are to be credited to the City’s Reserve-Hamilton Beach Park account.

Staffing: There are no identified staffing implications as a result of this report.

Legal: Legal Services would be required to work with the Real Estate Section to complete the disposal of this property.

POLICIES AFFECTING PROPOSAL:

This recommendation is consistent with the Real Estate Portfolio Management Strategy Plan, as approved by City Council on November 24, 2004, and the “Procedural By-law for the Sale of Land”, By-law #04-29.

RELEVANT CONSULTATION:

The Real Estate Section completed a circulation to all City Departments requesting comments. There were no objections; the property was then declared surplus by resolution of the City Council on June 27, 2000, by adopting Item #5 of Report 13-00 of the Finance and Administration Committee.

CITY STRATEGIC COMMITMENT:

By evaluating the “Triple Bottom Line”, (community, environment, economic implications) we can make choices that create value across all three bottom lines, moving us closer to our vision for a sustainable community, and Provincial interests.
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Community Well-Being is enhanced. ☑ Yes ☐ No
A city of growth and opportunity.

Environmental Well-Being is enhanced. ☐ Yes ☑ No

Economic Well-Being is enhanced. ☑ Yes ☐ No
A City that spends wisely and invests strategically.

Does the option you are recommending create value across all three bottom lines? ☑ Yes ☐ No

Do the options you are recommending make Hamilton a City of choice for high performance public servants? ☐ Yes ☑ No

:HM
Attach. (1)