SUBJECT: City of Hamilton Purchase of 52 Seabreeze Crescent, Part of Lot 4 on Plan 635, in the Former City of Stoney Creek, from Shirley York (PW07069) / (PED07156) (Ward 11)

RECOMMENDATION:

(a) That an Option to Purchase, (including an Authority to Enter) executed by Shirley York on April 26, 2007 and scheduled to close on or before August 8, 2007, for the purchase of the lands and buildings described as part of Lot 4 on Plan 635, as in Instrument VM2003340, in the former Geographic Township of Saltfleet, having a frontage 39.23 metres (128.71 feet) more or less, with an irregular depth, being Roll Numbers 2518 0030 2024700 and 2518 0030 2024800, PIN #s 173620032 and 173620058, together known municipally as 52 Seabreeze Crescent, in the former City of Stoney Creek, now in the City of Hamilton, subject to an easement in favour of the City of Hamilton over Part 1 on Plan 62R-6867, as in Instrument WE152413, and subject to an easement in favour of the City of Hamilton over Parts 2 and 3 on Plan 62R-6867, as in Instrument CD319943 (location map attached as Appendix “A” to Report PW07069 / PED07156 ), be approved and completed; based on the purchase price of $290,000, subject to any appraisal or other administrative costs or expenses of the Real Estate Section, being charged to Capital Budget Item No. 3620374100 (Watercourse # 7 Creek System Improvements Project).

(b) That as consideration, the amount of $2.00, paid to the owner pursuant to the Option to Purchase Agreement, be deducted from the purchase price.
EXECUTIVE SUMMARY:

The purpose of this report is to request Committee and City Council’s approval to confirm the purchase of the lands and building at 52 Seabreeze Crescent, in the former City of Stoney Creek. The lands are required for the implementation of the approved Watercourse No. 7 Creek System Improvements.

An Authority to Enter has been provided to allow the City access to commence any preliminary works on the Watercourse project prior to the closing of the purchase and to commence the subject building demolition process.

BACKGROUND:

City Council on September 10, 2003 approved Item 14.2 of the Committee of the Whole Report 03-024 authorizing Watercourse No. 7 Creek System Improvements and providing direction to the Manager of Real Estate to proceed with the acquisition of lands and easements required to implement this project.

Watercourse No. 7 watershed area, draining the lands located between Glover Road and Lewis Road, in the former City of Stoney Creek, has been identified as a flood prone watercourse. Channel improvements are required to address flooding, erosion and habitat concerns within the watercourse. The completion of the Watercourse No. 7 drainage project will allow the development of up to 180 acres of additional serviced industrial lands in the area of the Stoney Creek Industrial Business Park. These lands, when opened to development, will provide the potential for hundreds of new jobs and millions of dollars of additional annual property taxes to the City of Hamilton.
The subject property is an older lakefront residence on a large parcel of land with a creek running through the lot. This property is the most northerly of the lands required for the municipal watercourse improvement and represents the first stage of this project with the balance of the construction to follow southerly and upstream of the watercourse.

The negotiated purchase price of $290,000 is based on a review of two external appraisals and is within the range of market values determined by these appraisals. The acquisition price also includes compensation to the owners for legal fees, moving expenses and incidental allowances.

Staff from Capital Planning and Implementation in Public Works, Legal Services and Real Estate supports this purchase agreement as it represents a fair and reasonable compensation to acquire the subject lands and will avoid an expropriation of the property with a corresponding year delay to the start of implementation of the Watercourse #7 project.

**ANALYSIS/RATIONALE:**

The purchase of the property at 52 Seabreeze Crescent follows the direction by City Council in September 2003 to proceed with the land acquisitions required for the implementation of the Watercourse No. 7 Creek System Improvements. The negotiated purchase avoids a possible municipal expropriation of the property.

**ALTERNATIVES FOR CONSIDERATION:**

City staff could, if directed by Council, attempt to negotiate better financial terms than the agreed purchase price of $290,000 but this price is within a range of values of market value for the property. Any further delays to reach a satisfactory purchase agreement would force construction delays and could hold up the project for at least another year. This option is not recommended.

**FINANCIAL/STAFFING/LEGAL IMPLICATIONS:**

**Financial:** Sufficient funds are available in Budget Item No. 3620374100 (Watercourse #7 Creek System Improvements).

**Staffing:** N/A.

**Legal:** Legal Services will be required to finalize the Agreement and deal with registration of deeds and any discharges, releases and notices on title.
POLICIES AFFECTING PROPOSAL:

This recommendation is consistent with the Real Estate Management Portfolio Strategy Plan, as approved by Council on November 24, 2004, to acquire property in support of municipal programs and needs. As the purchase price of the subject land exceeds the $250,000 limit set by City Council under the Delegation of Authority approval process, confirmation is, therefore, required by City Council.

RELEVANT CONSULTATION:

The following sections were consulted in the preparation of this report:

- Capital Planning and Implementation Division, Public Works Department.
- Legal Services Division, City Manager’s Office.
- Development and Real Estate Division, Planning and Economic Development Department.

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.

Community Well-Being is enhanced. ☑ Yes ☐ No
Commitment to a City of Growth and Opportunity through the investment in strategic infrastructure. This purchase is required to bring the Watercourse #7 flood plain lands into productive uses.

Environmental Well-Being is enhanced. ☑ Yes ☐ No
Supports goal of Vision 2020 plan by restoring natural habitat and water resources. Human health and safety are protected. Watercourse #7 will be channelized and will alleviate future flooding problems in this area of Stoney Creek.

Economic Well-Being is enhanced. ☑ Yes ☐ No
The proposed recommendation will aid the removal of lands from within a location in a floodplain and will facilitate industrial uses in the area of the Stoney Creek Industrial Park.

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

:VDP

Attach. (1)
Option to Purchase Agreement
Purchase from Shirley York
52 Seabreeze Crescent.
Former City of Stoney Creek

CITY OF HAMILTON

LEGEND

SUBJECT LANDS

SCALE
NOT TO SCALE
DATE
2007-05-23
File No. 2007-055