TO: Mayor and Members
       General Issues Committee  
WARD(S) AFFECTED: WARD 5

COMMITTEE DATE: October 2, 2013

SUBJECT/REPORT NO:
Declaration of Surplus Property and Sale of Land - 36 Sinclair Court, Hamilton, described as Part 1, Plan 62R-19626 (PED13161) (Ward 5)

SUBMITTED BY:  
Tim McCabe  
General Manager  
Planning and Economic Development Department

PREPARED BY:  
John Hamilton  
(905) 546-2424 Ext. 7045

SIGNATURE:

RECOMMENDATIONS:

(a) That the land municipally known as 36 Sinclair Court, described as Part 1, Plan 62R-19626, in the City of Hamilton, being part of PIN 17105-0382 (LT) and part of Roll No. 251805036209180, shown on Appendix “A” attached to Report PED13161 be declared surplus to the requirements of the City of Hamilton in accordance with the “Procedural By-law for the Sale of Land”, being By-law No. 04-299;

(b) That an Offer to Purchase executed on August 24, 2013, by John and Maryanne van der Zalm scheduled to close on December 17, 2013, be approved and completed, for the consideration of $22,500, exclusive of HST, subject to the condition in Recommendation (f);

(c) That any applicable HST be collected by the City and credited to Account No. 22828-009000 (HST Payable);
(d) That the amount of $3,584 from the sale proceeds be credited to Account No. 45408-3560150200 for expense recovery including Real Estate administration fees in the amount $1,000, appraisal fee of $1,864 and legal expenses of $720;

(e) That the deposit cheque in the amount of $2,250, being the required 10% of the purchase price, be held by the General Manager of Finance and Corporate Services, pending acceptance of this transaction;

(f) That the net sale proceeds, minus Real Estate and Legal Services fees, be credited to Account No. 47702-4060087001(Expressway – land purchases);

(g) That the following condition(s) be included in the Offer to Purchase:

The Purchaser acknowledges and agrees that the lands being sold pursuant to this Offer shall be registered in the same name and title as the land holdings described as Parts 3 and 4, Plan 62R-4591 Miscellaneous Lot OM1431, shown as 1/4 Acre, as in Instrument No. WE596714, being all of PIN 17105-0381 (LT), municipally known as 38 Sinclair Court, Hamilton;

(h) That the City Clerk be authorized and directed to execute and issue a Certificate of Compliance for this transaction in the form prescribed pursuant to Section 268 of the Municipal Act, incorporating the following, if required:

(i) That the subject lands be declared surplus by inclusion in this Report to Council;

(ii) An internal appraisal of the fair market value of the real property intended to be sold was completed on February 21, 2013; and,

(iii) That in accordance with Section 6 (d) the property is exempt from the approved methods of giving Notice to the Public in the Real Property Sales Procedural By-law No. 04-299.

**EXECUTIVE SUMMARY:**

Staff is seeking Council’s approval to declare the subject property surplus to the requirements of the City of Hamilton and direct Real Estate Section to dispose of the property to the adjoining owners, John and Maryanne van der Zalm.

Alternatives for Consideration - See Page 4
FINANCIAL / STAFFING / LEGAL IMPLICATIONS:

Financial: The subject parcel is to be sold at fair market value to adjoining owners.

Staffing: There are no staffing implications arising from this recommendation, other than Real Estate and Legal staff working together to complete the sale of the property.

Legal: Legal Services Division will be required to assist in the preparation of the necessary closing documents upon disposition.

HISTORICAL BACKGROUND:

The information and recommendation contained in this Report primarily affect Ward 5.

The subject consists of a vacant parcel municipally known as 36 Sinclair Court in the Rosedale Neighbourhood. The southerly and easterly limits of this parcel overlook the Red Hill Valley natural open space and ravine system where there is a significant drop in the topography from Sinclair Court down to the valley floor. Although the subject is a serviced parcel on an established residential street, its exposure at the edge of the ravine has subjected it to erosion to the point where it could not be developed.

This parcel was acquired by the City in 2004 as part of the Red Hill Valley Parkway (RHVP) property requirements. The RHVP is now complete and in August 2012, the property was circulated to determine if a program requirement existed, however, no municipal interest was expressed. The adjoining land owners, namely John and Maryanne Van der Zalm of 38 Sinclair Court are interested in assembling this property with their own to extend their side yard. This extension will offset the gradual loss of their rear land caused by valley erosion occurring over the past several years.

The property comprises an area of 478 metres squared (0.118 acres) irregular in shape with varying dimensions, its frontage measures 18 metres (59 feet) with a northerly limit of 29.292 metres (96 feet), a rear limit of 24.38 metres (80 feet) and 27.432 metres (90 feet) at the south limit. The City will retain a one foot reserve across the front of the property along Sinclair Court.

An internal appraisal determined the fair market value as of February 21, 2013. The offer is within the appraised value range, therefore, staff recommends that the subject parcel be declared surplus and sold to John and Maryanne van der Zalm for $22,500.
POLICY IMPLICATIONS:

As no municipal need has been identified for the subject property, Council’s direction is being sought to allow staff to declare the subject property surplus and dispose of the lands in accordance with the City’s Real Estate Portfolio Strategy Plan.

RELEVANT CONSULTATION:

Real Estate staff circulated the subject lands to all City Departments and there were no objections to the sale of the land. Consultation was also carried out with staff in the following City Departments:

- Legal Services Division, City Manager’s Office
- Planning Division, Planning and Economic Development Department
- Engineering Services, Public Works Department
- Ward Councillor

ANALYSIS / RATIONALE FOR RECOMMENDATION:

Following circulation of this parcel and confirmation there is no municipal need to retain the property, staff is moving forward to dispose of this property. There is no prospect for development of the property, given its unique placement at the rim of an active natural ravine system. The adjoining owners are willing buyers and the City will receive a financial benefit from the sale of this land.

Upon its disposition, the property will generate additional property tax revenue and relieve the City from ongoing liability and maintenance.

ALTERNATIVES FOR CONSIDERATION:

Should Council decide not to declare the lands surplus, the parcel will remain in City ownership for an unknown period of time and continue as a liability and an unproductive asset for the City of Hamilton.

ALIGNMENT TO THE 2012 – 2015 STRATEGIC PLAN:

Strategic Priority #1
A Prosperous & Healthy Community

*WE enhance our image, economy and well-being by demonstrating that Hamilton is a great place to live, work, play and learn.*
Vision: To be the best place in Canada to raise a child, promote innovation, engage citizens and provide diverse economic opportunities.

Values: Honest, Accountability, Innovation, Leadership, Respect, Excellence, Teamwork

Strategic Objective
1.5 Support the development and implementation of neighbourhood and City wide strategies that will improve the health and well-being of residents.

APPENDICES / SCHEDULES:

Appendix “A” to Report PED13161 - Location Map

JH:sd
Location Map

File Name/Number: 2012-072
Date: September 3, 2013
Appendix "A"
Scale: N.T.S.
Planner/Technician: JH/AL

Subject Property
36 Sinclair Court

Part 1 - Is the vacant site to be sold to adjoining owners at 38 Sinclair Court

Part 2 - Is a one foot reserve retained by the City

Ward 5 Key Map N.T.S.