TO: Chair and Members  
Economic Development and Planning Committee  

WARD(S) AFFECTED: Ward 11  

COMMITTEE DATE: October 5, 2010  

SUBJECT/REPORT NO: 
Declaration of Surplus and Sale of 00 West Avenue East, Hamilton to 1583123 Ontario Limited, (Losani Homes) (PED10231) (Ward 11)  

SUBMITTED BY: 
Tim McCabe  
General Manager  
Planning and Economic Development  

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

SIGNATURE:  

RECOMMENDATIONS  

(a) That the subject land, known as 00 West Avenue, Stoney Creek, is a landlocked parcel west of West Avenue, identified as Part of Lot 5, Concession 1, formerly of the Township of Saltfleet, comprising an area of 1,881.3 square metres (0.46 acres) more or less, and forming PIN 17368-0051 (LT) and Roll No. 250310011017400 (as shown on Appendix “A” attached to Report PED10231), be declared surplus to the requirements of the City of Hamilton in accordance with Procedural By-law for the Sale of Land, being By-law 04-299;  

(b) That an Offer to Purchase executed by 1583123 Ontario Limited (Losani Homes), on August 13, 2010 and scheduled to close on or before November 17, 2010, for the lands described in Recommendation (a), be approved and completed and the sale proceeds of $175,000 be credited to Account No. 47702-3560150200 (Property Purchases and Sales);
(c) That the required deposit cheque in the amount of $17,500, being 10% of the purchase price be held by the General Manager of Finance pending acceptance of this transaction;

(d) That the sale price of $175,000 does not include the Harmonized Sales Tax (HST); should the HST be applicable and collected by the City, that the HST amount be credited to Account No. 22828 009000 (HST Payable); and

(e) That the Mayor and Municipal 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) That as required by Section 3 (a) of By-Law 04-299, the subject lands be declared surplus by inclusion in this Report to City Council;

(ii) An internal appraisal of the fair market value of the real property intended to be sold was completed on August, 12, 2010 and the sale price falls in the range of value of the appraisal; and,

(iii) That in accordance with the approved method of providing notice in the City of Hamilton By-Law No. 04-299 “Procedural By-Law for the Sale of Land”, Section 12 (a) (6), notice to the public of the proposed sale of land is given by inclusion of the recommendation by City Council to approve the Ridgeview draft plan of subdivision.

**EXECUTIVE SUMMARY**

The purpose of this Report is to request City Council’s approval to declare the subject property surplus and convey the land to an adjoining owner, 1583123 Ontario Limited, (Losani Homes) at fair market value of $175,000. This conveyance will facilitate the development of seven additional units to the proposed Ridgeview Subdivision and will also satisfy a condition of draft approval that the developer acquire the land from the City.

*Alternatives for Consideration – See Page 4*

**FINANCIAL / STAFFING / LEGAL IMPLICATIONS** (For Recommendation(s) Only)

Financial: The sale of the subject property will eliminate the cost to the City of maintaining and monitoring vacant lands, and will provide additional tax revenue from the proposed development of seven (7) additional residential lots.
Staffing: There are no staffing implications arising from this recommendation.

Legal: Legal Services will assist Real Estate staff in completing the sale.

**HISTORICAL BACKGROUND** (Chronology of Events)

The subject property is a landlocked parcel, first purchased in 1925 by the Township of Saltfleet. This parcel is situated west of the developed area west of West Avenue within the Winona Urban Area. In 2008, 1583123 Ontario Limited (Losani Homes) purchased and assembled adjoining lands to the west.

Following a lengthy planning process, the Ridgeview draft plan of subdivision, comprising 4.44 hectares (10.97 acres) of proposed residential units, was approved by Council on June 23, 2010. As part of this approval, the property was rezoned to Residential.

One of the conditions in the subdivision agreement is that the developer acquire the subject property from the City at fair market value, for inclusion in the plan of subdivision. In keeping with this mandate, the proposed transfer to 1583123 Ontario Limited (Losani Homes) was discussed with the Planning Division, which supports the disposition of the City's land holding.

An in-house appraisal determined the fair market value of the subject property at $175,000.00. The developer has agreed to purchase the 0.46 acre subject parcel for a total consideration of $175,000.00 ($380,435.00 per acre) which reflects the appraised market value.

**POLICY IMPLICATIONS**

Within the policies and recommendations of the City of Hamilton Real Estate Portfolio Strategy Plan approved by City Council on November 24, 2004, and By-law 04-299, the “Procedural By-law for the Sale of Land” the subject lands would qualify and could be declared surplus to the requirements of the City of Hamilton.

**RELEVANT CONSULTATION**

- Portfolio Management Committee
- Legal Services, City Manager’s Office
- Real Estate Section, Planning and Economic Development Department
- Planning Division, Planning and Economic Development Department
ANALYSIS / RATIONALE FOR RECOMMENDATION

(Include Performance Measurement/Benchmarking Data, if Applicable)

The proposed sale will facilitate residential intensification. Upon its development, the property will generate additional property tax revenue and relieve the City from liability and maintenance associated with this property.

ALTERNATIVES FOR CONSIDERATION

.include Financial, Staffing, Legal and Policy Implications and pros and cons for each alternative.

Should Council not approve the Offer to Purchase, the Offer will become null and void; the City of Hamilton would not receive additional tax revenue or facilitate residential intensification.

CORPORATE STRATEGIC PLAN (Linkage to Desired End Results)


Financial Sustainability
• Generate assessment growth/non-tax revenues

Growing Our Economy
• Newly created building lots – employment growth

APPENDICES / SCHEDULES

Appendix “A” to Report PED10231 - Location Map

JH/sd
Subject Property:

00 West Avenue, Stoney Creek
PIN# 17368-0051
Size is 75' by 270'
Area is 0.46 acres or 20,250 s.f.