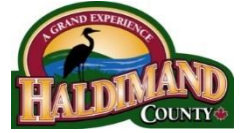

HALDIMAND COUNTY

Report CS-SS-18-2018 County Sale of Surplus Properties

For Consideration by Council in Committee on June 5, 2018



OBJECTIVE:

To authorize staff to market and sell various surplus County properties, as well as recommend that the County retain three properties that were previously declared surplus.

RECOMMENDATIONS:

1. THAT Report CS-SS-18-2018 County Sale of Surplus Properties be received;
2. AND THAT Memorandum CS-SS-M06-2018 be received as information and remain confidential;
3. AND THAT Staff be authorized to list the following surplus properties for sale:
 - a. Attachment #1 Property A: legally known as PIN # 50258-0176(LT) being Part of Lot 24, Concession 4 Woodhouse, Part 1 on 37R-2127, Haldimand County;
 - b. Attachment #1 Property B: legally known as PIN # 50258-0195(LT) being Part of Lot 24, Concession 3 Woodhouse, Part 1 on 37R-1211, Haldimand County;
 - c. Attachment #1 Property C: legally known as PIN # 38128-0351(LT) Part Lot 13, Concession 5 South of Dover Road Dunn as in HC230962; T/W HC230962, Haldimand County;
 - d. Attachment #1 Property D: legally known as PIN # 38124-0101(LT) Lot 22, S/S Main Street E, Plan 69, Haldimand County;
 - e. Attachment #1 Property E: legally known as PIN # 38152-0084(LT) Part of the west part of Lot 1, Range 1 east of Plank Road Seneca, Part 2 on 18R-1256, Haldimand County;
 - f. Attachment #1 Property F: legally known as PIN # 38193-0369(LT) Part of Lot 15, Concession 11, Walpole, as in HC42988, Haldimand County;
 - g. Attachment #1 Property G: legally known as PIN # 38224-0243(LT) Ottawa Street, Village of Cayuga East of Grand River closed by C83 as in C87 between Indian Street and Latham Street, Haldimand County;
4. AND THAT staff be authorized to negotiate the sale of the properties outlined in Attachment #1 to Report CS-SS-18-2018 with potential purchasers, in accordance with the parameters outlined in Memorandum CS-SS-M06-2018, with the objective of maximizing the net proceeds from the transaction and with all offers reflecting the condition that the Agreement is subject to Council's final approval;
5. AND THAT, upon acceptance of an offer, public notice of each pending sale be published in the local newspaper;
6. AND THAT a By-law be presented to authorize each sale;

7. AND THAT the previously approved “surplus” designation for the following properties be rescinded, with the subject lands removed from the surplus inventory, for the reasons outlined in Report CS-SS-18-2018:
- a. Attachment #2 Property A: PIN #50259-0255(LT) Lots 51 and 52, Plan 72B Woodhouse, Haldimand County;
 - b. Attachment #2 Property B: PIN # 38109-0067 (LT) Part Lot 9 Second Range from Grand River Moulton, Parts 1, 4 & 5 on 18R-5936; S/T HC276040, Haldimand County;
 - c. Attachment #2 Property C: PIN # 38100-0160 (LT) Part Lots 1, 2, 3 and 4 First Concession from Lake Erie Moulton, Part 1 on HC212203, Haldimand County, S/T easement in gross over Parts 1 – 5 on 18R-7312 as in CH62354;
8. AND THAT staff be authorized to negotiate either an encroachment agreement or the sale of the property identified as Attachment #2 Property D, legally known as PIN # 38180-0130 (LT) Part Lot 16 Range East of Plank Road Oneida, Part 1 on 18R-5264 (SRO), S/T 08295 being Market Avenue, Haldimand County, to the abutting landowner, in accordance with the direction provided in the Closed Session meeting of June 5, 2018;
9. AND THAT the Mayor and Clerk be authorized to execute all necessary documents to give effect to the recommendations contained herein.

Prepared by: Sandra Marsh, Property Coordinator

Reviewed by: Dana McLean, Risk Management and Insurance Coordinator

Respectfully submitted: Karen General, CPA, CGA, General Manager of Corporate Services

Approved: Donald G. Boyle, Chief Administrative Officer

EXECUTIVE SUMMARY:

Staff are recommending the sale of seven publically owned properties which have previously been declared surplus to the County's needs. Given the nature of these properties, it is recommended that they be marketed through an in-house bulk offering, with staff delegated the authority to negotiate for the maximum net purchase price, subject to Council's final approval of each transaction. One property is recommended to be sold to the abutting landowner who utilizes it as access to a garden centre business. Staff have further identified the need to retain three other publically owned properties, previously declared surplus to the County's needs.

BACKGROUND:

Council has previously declared numerous publically-owned properties as surplus to the County's needs. This report outlines eleven of those properties: seven which are now recommended to be marketed and sold to generate revenue and reduce the responsibility and liability of the County; and, four which are recommended to be removed from the surplus listing in order to be retained for future municipal purposes.

Attachment #1 includes maps showing each of the subject properties recommended to be marketed for sale at this time. Attachment #2 includes maps for three of the properties recommended to be removed from the surplus inventory, as well as one property recommended to be sold to the abutting landowner, who is currently using this property for access to a business.

Haldimand County's Disposal of Surplus Lands Policy No. 2002-06 governs the manner or process established by Council for the sale of surplus property, which includes:

- a) Tender according to the Purchasing Policies of the Corporation of Haldimand County;
- b) Listing the Site with a licensed Real estate agent practicing in Haldimand County;
- c) Negotiation between staff and potential purchasers with ratification by Council;
- d) Auction;
- e) Land Exchange; or
- f) Any other method established by Council satisfying the requirements of By-law 269/02 and provincial legislation.

The Request for Sealed Bids process, as a means of selling public lands, has been approved by Council in past years and satisfies all requirements of the Disposal of Surplus Lands Policy.

ANALYSIS:

At the date of this report, the County has eleven properties remaining on file which have officially been declared surplus by previous Council resolutions. Information on these surplus properties has been made publically available and any inquiries from potential purchasers have been dealt with on a reactive basis, from time to time. Staff have reviewed the list of current surplus properties and recommend conducting an in-house bulk sale offering of seven of the properties. Some of the property values and features are such that they do not justify use of a realtor, which incurs additional commission fees; therefore, the Sealed Bid process for marketing could result in generating sales revenue with only the expense of advertising and staff time. The bulk sale process, used successfully in past years, is outlined in the following paragraphs.

A summary of the information, specific to each individual property to be marketed, was developed in consultation with various County departments and outside agencies in order to provide as much public information as possible and reduce the time spent on inquiries. The land summary description for each parcel includes: PIN number, roll number, town/township, legal description, civic address (if available), acreage and frontage, zoning, legal ownership and a disclaimer to reduce risk to the County. This summary information will be posted on the County's website and will be mailed to any abutting landowner to ensure that the public receives adequate notification of the availability of these lands for sale.

The subject properties will be advertised for a period of approximately six weeks to allow sufficient exposure and time for interested parties to seek information. Marketing will be done through posted "for sale" signs on each property, as well as the County's newspaper advertisement, website and social media links (Twitter and Facebook). A sealed bid process will be utilized, whereby one comprehensive package for each property will be available on the website for downloading, and mailed to abutting owners. Interested parties will submit a sealed offer for the applicable individual property, to the County, prior to the deadline outlined in the package (anticipated to be early August). Following the deadline, submissions will be reviewed to ensure they meet all of the County's requirements.

The sealed bid process is similar to the tax sale process, except there will be no minimum price, and it is not a legislated process. Any and all sales will require the purchaser to sign the County's Environmental Acknowledgement as all properties will be sold on an "as is/where is" basis. It will be the purchaser's responsibility to ensure that the intended future use of the properties will comply with all relevant zoning regulations.

Confidential Memorandum CS-SS-M06-2018 is listed on the closed session Council in Committee agenda to outline recommended financial parameters for the proposed negotiations. Staff are requesting delegated authority to negotiate the sale of any of the subject properties with potential purchasers, with the objective of maximizing the net proceeds from the transaction. All offers will reflect the condition that the Sale Agreement is subject to Council approval.

During review of the surplus properties and through consultation with various County departments, it has been determined that three of the eleven properties previously declared surplus to the County's needs should be removed from the surplus property listing as follows:

- Attachment 2 - Property A, needs to be retained by the County for public purposes as this lakefront property could have future trail and tourism benefits.
- Attachment 2 - Property B, Staff became aware that the legal description that was approved as surplus was for the entire Marshall Woodlot property, which was not the intention of the surplus declaration. Only a small portion of this property was intended to be made available for sale. Staff will be reviewing this property to assess the portion to be designated for sale in the future. At this time, it is recommended that the entire property be removed from the surplus listing.
- Attachment 2 - Property C forms part of the Dunnville-Wainfleet Trail and was declared surplus prior to the County embarking on a comprehensive Trails Network plan.

It is recommended that the previously approved surplus designations be rescinded for the above three subject properties and that they be removed from the County's Surplus Property Register.

A fourth property, shown as Attachment 2 - Property D, is being used as the entrance to a business on Highway 6 between Hagersville and Caledonia. It appears as though this business is currently utilizing the property and has gated the access. As this property does not serve a municipal purpose, staff recommend that it be sold to this business and/or an encroachment agreement be entered into given the current use.

FINANCIAL/LEGAL IMPLICATIONS:

There are potential expenses associated with legal fees for the sale of the properties which will be partially offset by the expected sale proceeds. The net proceeds from any property transaction are contributed to the Land Sales Reserve. Any sale would generate ongoing property taxation revenue and the property would no longer be the responsibility or liability of the County.

STAKEHOLDER IMPACTS:

Comments were sought from the County's Senior Management Team and all Managers with respect to the disposal of the seven properties recommended for disposal and there was no interest expressed in retention. All County Divisions support the sale of the seven surplus lands and indicate no outstanding building or property issues to be resolved. The Planning and Development Division has provided additional comments regarding land use in each individual parcel's information package that will be provided to interested parties.

REPORT IMPACTS:

Agreement: Yes

By-law: Yes

Budget Amendment: No

Policy: No

ATTACHMENTS:

1. Maps of the properties to be marketed.
2. Maps of the properties for removal of surplus designation.