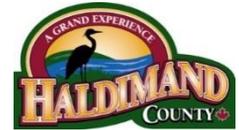

HALDIMAND COUNTY

Report CS-SS-25-2018 Unsolicited Offer from Bluhm - 60 Keith Richardson Parkway, Townsend



For Consideration by Council in Committee on August 28, 2018

OBJECTIVE:

To provide details of an unsolicited offer to purchase County-owned property municipally known as 60 Keith Richardson Parkway, Townsend.

RECOMMENDATIONS:

1. THAT Report CS-SS-25-2018 Unsolicited Offer from Bluhm, 60 Keith Richardson Parkway, Townsend be received;
2. AND THAT Memorandum CS-SS-M09-2018 Additional Information Related to Report CS-SS-25-2018 be received as information and remain confidential;
3. AND THAT, subject to confirmation of the boundaries of the lands to be retained for the municipal water system, the property legally described as PART OF PIN # 50271-0160(LT) being Parcel 10-2, Section D5, Part Unit 10, Plan D-37-5, being Part 2 as identified on Reference Plan 37R-2108 Haldimand County, be declared surplus to the needs of the municipality;
4. AND THAT staff be authorized to proceed with the sale of the subject lands, excluding Parts 1 and 3 as identified on Reference Plan 37R-2108, in accordance with Option #__, as outlined in Memorandum CS-SS-M09-2018;
5. AND THAT public notice of the pending sale be published in the local newspaper;
6. AND THAT the Mayor and Clerk be authorized to execute all necessary documents;
7. AND THAT once a final sale agreement has been reached, a by-law be presented to authorize the sale.

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Reviewed by: Dana McLean, Supervisor, Risk Management & Legal Services

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

Approved: Donald G. Boyle, Chief Administrative Officer

EXECUTIVE SUMMARY:

The County has received an unsolicited offer to purchase municipally owned lands located at 60 Keith Richardson Parkway in Townsend. The lands are currently subject to a farm lease with the proposed purchaser, Art Bluhm, who now wishes to acquire the lands from the County. County staff have determined that the lands can be declared surplus as there is no known future need to retain for public use. Closed session Memorandum CS-SS-M09-2018 provides an analysis of the options available to Council.

BACKGROUND:

The subject lands are located at 60 Keith Richardson Parkway in Townsend and surround one of the County's water system re-chlorination sites. A location map of the subject property is shown as Attachment #1. The subject property has a total area of approximately 9.435 acres and is currently zoned as Agricultural. It is legally described as PART OF PIN # 50271-0160(LT) being Parcel 10-2, Section D5, Part Unit 10, Plan D-37-5, Part 2 on 37R-2108, Haldimand County.

The unsolicited offer to purchase this vacant County-owned land, located in Townsend, was received from Arthur A. Bluhm and/or to be assigned to a corporation to be named later. Mr. Bluhm currently leases the subject lands from the County for farming operations at a rate of \$60 per acre. The current lease expired on May 14, 2018, but contained a five year renewal option which has not been exercised; instead, staff and the lessee have continued with the arrangement on a month-to-month lease, pending this report to Council.

A map of the subject property is included as Attachment #1.

ANALYSIS:

The Offer to Purchase the lands, located at 60 Keith Richardson Parkway, Townsend, has been received from Arthur A. Bluhm in the amount of \$205,000, plus HST. A copy of the Agreement of Purchase and Sale is included as Attachment #2. Staff have reviewed the Offer and prepared a confidential Memorandum CS-SS-M09-2018 which provides additional information for discussion during the Closed session of the Council in Committee meeting of August 28, 2018. The memorandum provides an analysis of the options available to Council in order for staff to receive direction regarding the potential sale of this property.

In order to determine the feasibility of the sale of this property, staff contacted all County Divisions to determine if there is a municipal need for the lands, in whole or in part, or if there are restrictions or provisions that should be placed on the sale. Two divisions provided feedback: the Roads Operations Division and the Water and Wastewater Division. All other comments received support the sale.

The County's Roads Operations Division has identified that Parts 1 & 3 on Reference Plan 37R-2108 (Attachment #3) need to be retained for municipal road purposes; therefore these lands need to be removed from the offer. Staff have clarified with Mr. Bluhm that his offer was intended to include only the lands currently leased by Mr. Bluhm for farming activities, being approximately 9.435 acres, and which is legally described as Part 2 on 37R-2108. The legal description in the offer inadvertently included the abutting County-owned road widening, identified as Parts 1 & 3 on 37R-2108. The Offer presented will be countered to reflect the removal of the lands required to be retained by the County for road purposes. Subsequently, a bylaw will be presented to Council to dedicate these retained lands as public highway.

The subject lands surround one of the County's water system re-chlorination stations, which is a separate parcel and will also need to be retained by the County. The Water and Wastewater Division has advised that it requires confirmation of the exact boundary lines between the re-chlorination station and the subject property. If the sale of the subject lands is approved by Council, a surveyor will be retained to obtain this confirmation prior to the sale. If the survey should indicate that the County requires any of the lands being solicited to purchase, staff will adjust the legal description on the Agreement of Purchase and Sale accordingly. The current offer also fails to include the County's standard Environmental Acknowledgement so a counter offer will also address this omission.

It is standard practice for staff to notify all abutting property owners when an unsolicited offer to purchase public lands is received, however no details of any offer are disclosed at that time. Mr. Bluhm owns the surrounding properties, with the exception of the County-owned re-chlorination station and road widenings, and therefore there are no abutting property owners to notify.

Staff recommend that the lands, not including Parts 1 & 3 noted above, be declared surplus to the needs of the municipality, as the property is not required for municipal purposes.

FINANCIAL/LEGAL IMPLICATIONS:

The application fee of \$645 has been received by the County for the unsolicited offer to purchase.

A surveyor will be retained to determine the exact boundary lines between the water system re-chlorination station and the subject property. The County will be responsible for these survey costs, which are estimated at \$1,500.

The County is also responsible for title searching and registration costs related to the road dedication by-law. These costs are estimated at \$200.

Net sale proceeds will be added to the Land Sales Reserve.

STAKEHOLDER IMPACTS:

The subject lands surround one of the County's water system re-chlorination stations, which is a separate parcel and will need to be retained by the County. In order to determine the exact boundary lines between the re-chlorination station and the subject property, a surveyor will need to be retained. Costs for the survey are estimated to be approximately \$1,500 and will be deducted from the proceeds of the sale.

The County's Roads Operations Division has confirmed that Parts 1 & 3 on 37R-2108 also need to be retained for municipal road purposes, therefore, the Offer will need to be amended to reflect the lands required to be retained by the County. A bylaw will be presented to Council to dedicate the retained lands as public highway.

REPORT IMPACTS:

Agreement: Yes

By-law: Yes

Budget Amendment: No

Policy: No

ATTACHMENTS:

1. Map of the Subject Property
2. Agreement of Purchase and Sale
3. Copy of 37R-2108