

**PROPOSED METHOD OF DISPOSITION – (MONTGOMERY) – WARD 01  
(CLLR. WARD SUTHERLAND) FILE NO: 4704 17 AV NW (TRB)**

**SUMMARY/ISSUE**

Authorization for public marketing of the Property, to be administered by the Office of Land Servicing & Housing, and authorization to negotiate a sale of the property to the successful applicant.

**PREVIOUS COUNCIL DIRECTION/POLICY**

On 2009 December 14 Council approved LAS2009-120 authorization to negotiate a sale by public marketing through MLS®.

On 2009 July 21 Council approved LAS2009-70 authorization to complete valuation of the proponents of the Proposed Method of Disposition until 2009 December.

On 2008 September 22 Council approved LAS2008-151 authorization to develop a request for proposal to lease. The Land and Asset Strategy Committee recommended that Council authorize the recommendations as outlined and if not achieved within 364 days, direct Administration to bring the Property back for sale.

**ADMINISTRATION RECOMMENDATIONS:**

That the Land and Asset Strategy Committee recommend that Council authorize:

1. The method of disposition recommendation as outlined in Attachment 2;
2. That Attachments 4 and 5 be removed from this report prior to being forwarded to Council and that Attachments 4 and 5 remain confidential pursuant to Sections 23(1)(b), 24(1)(a), 24(1)(g) and 25(1)(b) of the *Freedom of Information and Protection of Privacy Act* and that Council consider attachments 4 and 5 in camera if requested by Council; and

3. That the recommendations, report and attachments 1, 2 and 3 remain confidential under Sections 23(1)(b), 24(1)(a), 24(1)(g) and 25(1)(b) of the *Freedom of Information and Protection of Privacy Act* until the report is published in the Council agenda.

**RECOMMENDATION OF THE LAND AND ASSET STRATEGY COMMITTEE, DATED DECEMBER 18:**

That Council:

1. Approve the Administration Recommendations contained in Report LAS2014-59; and
2. Keep Attachments 4 and 5 confidential pursuant to Sections 23(1)(b), 24(1)(a), 24(1)(g) and 25(1)(b) of the *Freedom of Information and Protection of Privacy Act*.

**INVESTIGATION**

The Property is a one storey bungalow with full basement on a corner lot one block off of 16 Avenue NW in Montgomery. The 1,511 square foot structure was built in the early 1950's. The Property was part of the Shouldice Family's donation and has been in The City's inventory since 1963. Originally meant to be a community hall location, it has been leased to the Boys & Girls Club (or the Guys & Dolls Club) and the Montgomery Men's Club in the past. The Property is currently vacant.

Although authorized, the Property was not marketed on the MLS (Multiple Listing Service). Now that the required resources are available, Administration has completed a new valuation based on current market data and would implement public marketing for the disposition.

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Due to the poor condition of the structure, the Property is considered to be a 5,995 square foot redevelopment site. A building assessment was carried out 2004 December which identified the need for extensive repairs or replacement of building components which were dated or in poor condition. The estimated cost at the time was \$212,000.00 A revised quote in 2008 July 31 to bring it up to building code and allow it to be occupied in a safe manner was \$500,000.00.

There are concerns raised by community residents that the structure has become an eyesore.

The DC/C-3 land use for the Property allows for a wide variety of retail commercial and personal service uses at high intensity. Permitted uses include retail, personal service, take-out food, veterinary clinic and commercial schools. There is a long list of discretionary uses, however, Bylaw DC23Z2005 specifically excludes auto body and paint shops, automotive sales and rentals, automotive services, automotive specialties and any use with a drive-in or drive through facility. The Floor Area Ratio (F.A.R.) for the site is 3.0 allowing for total development of approximately 18,000 square feet. The first storey must be a commercial use and oriented to the street.

The Property will be marketed and sold in an “as is” condition. Buyers will be encouraged to perform their own due diligence within a time frame acceptable to The City.

## **IMPLICATIONS**

### **General**

The sale of the Property provides an opportunity to eliminate the maintenance and liability risk associated with holding vacant property.

### **Social**

The Property is located in a desirable community with direct access to amenities and public transportation.

### **Environmental**

An environmental review is required pursuant to the S.A.L.E. Policy and will be conducted prior to sale. Results of the review will be disclosed to the purchaser.

### **Economic (External)**

The sale of the Property provides an opportunity for re-development of the property and an increase to the annual tax base.

## **BUSINESS PLAN/BUDGET IMPLICATIONS**

The sale will be recorded in the Office of Land Servicing & Housing's Operating Program 488 and net proceeds from the sale will be transferred to Corporate Properties & Buildings' Revolving Fund Reserve and reallocated to other funds as required.

## **RISKS**

The Property's deteriorating infrastructure and vacancy represents a liability and maintenance risk to The City. Additionally, the safety and security of the property can be compromised in its current condition.

Extensive, costly renovations are required to restore the Property back to the building code standards resulting in lower net revenues.

## **VALUATION**

The reserve price of the Property was based on an internal valuation which has been endorsed by Administration's Valuation Review Committee. The comparable sales analyzed are included in Attachment 4.

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**ATTACHMENTS**

1. Site Map
2. Recommendations
3. Summary of Additional Property Information
4. **Removed as per Committee**
5. **Removed as per Committee**