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PROPOSED METHOD OF DISPOSITION - (WESTGATE) - WARD 08 (CLLR. EVAN WOOLLEY) FILE NO: 1711 47 ST SW (EM)

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(s).

PREVIOUS COUNCIL DIRECTION/POLICY

On 2013 May 06, Council approved LAS2013-13 West LRT Land Disposition Strategy, authorizing the implementation of a disposition strategy for the surplus City owned lands that were acquired for construction of the West LRT and other infrastructure projects in the surrounding area.

On 2008 February 25, Council approved LAS2008-14 West LRT Acquisition Strategy and LAS2008-15 to LAS2008-63 and C2008-14 Proposed Acquisitions of all affected properties.

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, DATED 2014 DECEMBER 18:**

That Council:

- 1. Approve the Administration Recommendations contained in Report LAS2014-61; 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.

Opposition to Recommendations:

Opposed: G-C. Carra

INVESTIGATION

The West LRT opened for transit service on 2012 December 10. The conclusion of this major infrastructure project now provides the opportunity to recuperate some of the funding for this project through the disposition of surplus City owned lands.

At the Combined Meeting on 2013 May 06. Council approved LAS2013-13 regarding a disposition strategy for ninety two (92) parcels of City owned land that had been acquired for the West LRT and previous infrastructure projects in the surrounding area. The parcels varied in saleability and the approved report outlined guiding principles to aid in evaluating sales efforts required to dispose of the parcels.

Pursuant to the West LRT Disposition Strategy, fifty eight (58) parcels, or portions thereof, were identified as potentially

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saleable. Fourteen (14) of these parcels were identified as saleable upon registration of road plans. The Property is one of the fourteen (14) parcels identified.

The Property was acquired in 2008 for the West LRT and is located on a busy street in the community of Westgate. The Property is situated adjacent to the LRT tracks and a LRT crossing. The Property is also across from the 45 Street LRT Station and the Calgary Main branch of the Alberta Motor Association (AMA). This is a high traffic and noisy location.

Prior to the registration of a road plan, the Property consisted of two separate parcels, 1711 and 1715 47 Street SW. The road plan highly encumbered 1715 47 Street SW, thus the residual land was consolidated with 1711 47 Street SW, forming the Property.

The Property is vacant residential land and comprises an area of approximately 6,099 square feet (566.653 square meters). The Property is encumbered by a utility right of way affecting the south portion.

The land use district of the Property is R-C1 (Residential - Contextual One Dwelling). Administration investigated an opportunity to redesignate the land use to R-C2 or R-CG in an effort to increase density. It has since been determined that a land use redesignation would not significantly increase the value of the Property and the expense associated would decrease the amount of funding that could be recovered for the West LRT project. Furthermore, neither an Area Redevelopment Plan nor an Area Structure Plan exist establishing policies for growth in the area surrounding the Property, so there is a risk that the community would not support an application for increased density. Administration also anticipates objection to a land use redesignation based on recent

correspondence with a neighbouring owner who confirmed that they would not support density at this location.

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IMPLICATIONS

General

The disposition of the Property aims to maximize revenue, as well as rehabilitate the communities impacted by the West LRT project.

The timely disposition of the West LRT surplus lands also aligns with the 2020 Sustainability Directions, specifically in regards to Infrastructure Management and the goal for The City to efficiently and effectively dispose of surplus City owned land to provide optimum value for Calgarians.

Social

Disposition of the vacant Property will enable residential development in the community.

Environmental

Various environmental reports have been conducted on the Property as part of the acquisition for the West LRT project and no environmental concerns were identified for the Property.

Pursuant to The City of Calgary's S.A.L.E. Policy, an updated environmental review will be completed to confirm the environmental status of the Property. Results of the review will be disclosed to the successful applicant(s).

Economic (External)

The sale of the Property provides an opportunity for development of underutilized land. The successful applicant will have an opportunity to construct a new single family dwelling close to amenities, employment and transportation.

The sale of the Property also provides an increase to the annual tax base.

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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 Transportation Infrastructure.

RISKS

The Property represents a liability and maintenance risk to The City. If the Property is not sold, The City will have to continue to maintain and the landscape the site. Additionally, as the Property is vacant and unimproved, there is a possibility that the site safety and security could be compromised and The City would be held liable.

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.

An internal valuation was also prepared and endorsed by Administration's Valuation Review Committee assuming the Property was redesignated to R-CG or R-C2. It was determined that the market would not support an increased value, even on those assumptions.

ATTACHMENTS

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