

**PROPOSED METHOD OF DISPOSITION – (SCARBORO/SUNALTA WEST) – WARD 08
(CLLR. EVAN WOOLLEY) FILE NO: 2301 SOVEREIGN CR SW (ME)**

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 purchaser. This authorization was previously approved, however Administration now intends to remarket the property at a reduced Reserve Price.

PREVIOUS COUNCIL DIRECTION/POLICY

At the 2013 May 06 Combined Meeting, Council approved LAS2013-15, Proposed Method of Disposition.

At the 2013 May 06 Combined Meeting, Council approved LAS2013-13, West LRT Land Disposition Strategy.

ADMINISTRATION RECOMMENDATIONS:

That the Land and Asset Strategy Committee recommend that Council:

1. Authorize the method of disposition recommendation as outlined in Attachment 2; and
2. Request 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)(b), 24(1)(c), 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. Request that the Recommendations, Report and Attachments 1, 2, and 3 remain confidential under Sections 23(1)(b), 24(1)(a), 24(1)(b), 24(1)(c), 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 2014 APRIL 24:

That Council:

1. Approved Administration Recommendation 1; and
2. Request that Attachments 4 and 5 remain confidential pursuant to Sections 23(1)(b), 24(1)(a), 24(1)(b), 24(1)(c), 24(1)(g) and 25(1)(b) of the *Freedom of Information and Protection of Privacy Act*.

INVESTIGATION

The West LRT opened for transit service on 2012 December 10. The conclusion of this major infrastructure project now provides the opportunity to recover some of the funding for this project through disposition of surplus City owned lands. This Property was acquired as part of the West LRT expansion project. Through the work completed on the West LRT disposition strategy, this property was identified as one for potential disposition.

The Property is a single family split level located in the south west community of Scarboro / Sunalta West.

At the 2013 May 06 Combined Meeting, Council approved LAS2013-15, Proposed Method of Disposition. In accordance with that direction, Administration has publicly marketed the subject property since October 2013. Despite a large amount of interest in this property to date, all of the offers received were significantly below the approved Reserve Price.

Subsequent to this, Administration completed an internal valuation of the Property which

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resulted in a lower valuation range being endorsed by the Administration's Valuation Review Committee. This was due to the fact that market analysis had indicated a downward shift in values attributable to this type of property.

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 disposition of the West LRT corridor properties maximizes revenues as well as rehabilitates the corridor and communities affected by the West LRT project.

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

Social

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

Environmental

An environmental review required pursuant to the Sales, Acquisition and Leases Environmental (S.A.L.E.) Policy has been conducted. No concerns were identified.

Economic (External)

The Property provides a housing option close to amenities, employment and transportation. The sale of the Property also provides 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 Transportation Infrastructure's Program 865.

RISKS

The Property is vacant and represents a liability and maintenance risk to The City. Costs associated with the acquisition of the Property may exceed the revenue generated by the disposition. Current market conditions are different than they were at the time of acquisition, thus the disposition of the Property may not result in full cost recovery.

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.

ATTACHMENTS

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