

Deputy City Manager's Office Report to
Regular Meeting of Council
2018 June 25

ISC: CONFIDENTIAL
C2018-0839
Page 1 of 3

Declaration of Surplus Land – Bowness – Ward 01 (3504 and 3508 69 ST NW)

EXECUTIVE SUMMARY

The purpose of this report is to seek Council approval to declare 3504 69 ST NW (4790JK;D;1) and 3508 69 ST NW (4790JK;D;2) (the "Property") surplus to the future civic requirements of The City of Calgary.

Should the Property be declared surplus, Administration will proceed by disposing the Property to the existing Tenant (Sunnyside Greenhouses Ltd.) at fair market value through the option to purchase granted to the Tenant in 1990 through LAND90-95.

ADMINISTRATION RECOMMENDATION:

Administration recommends that Council:

1. Determine that 3504 69 ST NW (4790JK;D;1) and 3508 69 ST NW (4790JK;D;2) (the "Property") are surplus to future civic requirements of The City of Calgary;
2. Request the Report, and Attachments remain confidential under Sections 23, 24 and 25 of the *Freedom of Information and Protection of Privacy Act* until Council rises and reports on this matter.

PREVIOUS COUNCIL DIRECTION / POLICY

1990 June 12, Council adopted LAND90-95; granting Sunnyside Greenhouses Ltd., a long term lease and an option to purchase the Property upon Council declaring the Property surplus to the future civic requirements of The City of Calgary.

BACKGROUND

In the 1980's, The City acquired the Property for the purposes of building a future Sarcee Trail extension. On 1990 June 12, Council adopted the recommendations to grant a long term lease to the Tenant, which also included the granting of an option to purchase the Property upon Council declaring the Property surplus to future civic requirements of The City.

Most recently, in 2017 April, Administration was contacted with a request to see if the Property was surplus to civic requirements. As a result, Administration circulated the Property for disposition in alignment with The City's Corporate Land Management Framework ("CMLF") circulation standards to determine the future civic requirements of the Property.

CITY OF CALGARY
RECEIVED
IN COUNCIL CHAMBER

JUN 25 2018

ITEM: 12.3.1 - C2018-0839

Confidential Urgent Business
CITY CLERK'S DEPARTMENT

Approval(s): Stevens, Brad concurs with this report. Author: Benson, Tamara

Deputy City Manager's Office Report to
Regular Meeting of Council
2018 June 25

ISC: CONFIDENTIAL
C2018-0839
Page 2 of 3

Declaration of Surplus Land - Bowness - Ward 01 (3504 and 3508 69 ST NW)

INVESTIGATION: ALTERNATIVES AND ANALYSIS

The outcome of the circulation, after having been circulated to the appropriate business unit representatives, identified no future civic requirements for the Property, as well as no objections to the disposition of the Property were identified.

In the normal course of business, The Corporate Land Administration manages and enables the inter-departmental circulation process of City owned properties and assets, governed by the CMLF. However, the approvals obtained through LAND90-95, pertaining to the approval of granting an option to purchase the Property by the Tenant, specifically identifies that the option may only be activated upon Councils approval to declare the Property surplus to the future civic requirement of The City of Calgary. Thus, Administration is seeking Council's determination that the Property is declared surplus.

If the recommendations are approved, Administration will proceed to dispose of the Property to the existing Tenant at fair market value through the option to purchase.

Valuation

N/A

Stakeholder Engagement, Research and Communication

N/A

Strategic Alignment

The Property has been circulated in alignment with The City's CMLF circulation standards, and no objections to the disposition of the Property were identified.

Social, Environmental, Economic (External)

Social

If the recommendations are approved, Administration will proceed by disposing of the Property to the Tenant through the terms of the option to purchase.

The Tenant currently has a large land holding of properties adjacent to the north, south, and west of the Property, thus, the disposition of the Property to the Tenant should realize an opportunity for a comprehensive, density rich redevelopment in an otherwise underutilized area within the community of Bowness.

Environmental

N/A

Economic

N/A

Deputy City Manager's Office Report to
Regular Meeting of Council
2018 June 25

ISC: CONFIDENTIAL
C2018-0839
Page 3 of 3

Declaration of Surplus Land - Bowness - Ward 01 (3504 and 3508 69 ST NW)

Financial Capacity

Current and Future Operating Budget:

N/A

Current and Future Capital Budget:

N/A

Risk Assessment

If Administrations recommendations are not approved, the Property will begin to incur operational costs for maintenance until such time the Property is developed as part of a civic requirement. The Tenant has closed their business, thus no longer requires the lease for parking. As such, the likelihood of this risk is high and the impact is considered to be medium. No mitigation measures have been identified.

Additionally, if the recommendations are not approved, future redevelopment of the surrounding underutilized lands will not include the Property, thus a comprehensive redevelopment plan is compromised. The likelihood of this risk occurring is high and the impact is considered to be high as the Property is located in the middle of the adjacent land assembly. No mitigation measures have been identified.

No notable risks have been identified if the recommendations are approved.

REASON(S) FOR RECOMMENDATION(S):

The Property has been circulated in alignment with The City's CMLF circulation standards; no future civic requirements for the Property were identified, and no objections to the disposition of the Property were identified. On this basis, Administration is recommending that Council declare the Property surplus to future civic requirements of The City of Calgary as required through LAND90-95.

ATTACHMENT(S)

1. Attachment 1 – Site Map
2. Attachment 2 – LAND90-95