

Municipality of Chatham-Kent

Finance, Budget and Information Technology Services

Financial Services

To: Mayor and Members of Council

From: Matt Torrance, MBA, CPA, CGA
Director, Financial Services

Date: April 28, 2020

Subject: Land Lease – portion 25302 Big Pointe Rd, former Dover Township

Recommendation

It is recommended that:

1. Administration enter into a one year lease with Medisun in the amount of \$500 per year, beginning May 2020 through to April 2021, for the northwestern portion of 25302 Big Pointe Rd, in the former township of Dover, as shown on the attached map.

Background

This parcel fronts on the south side of Big Pointe Road in the former Dover Township (GIS map attached) and has a frontage of approximately 2,300 feet with an overall approximate size of 16 acres. This parcel has the Exempt classification on \$686,000 of assessment and the Residential classification on \$50,000 of assessment. It has been municipal property since prior to amalgamation and is currently used as the Dover Transfer Station as well as a Public Works garage. The zoning on this property is Agriculture.

Medisun, the neighbouring property owner, owns a large scale greenhouse facility on Rivard Line. The business approached the Municipality with a request to make use of the current excess farmland, as depicted on the attached map, for additional parking space for its employees and visitors.

Comments

Administration has received an offer to lease the lands, depicted on the attached map, for \$500 per year plus HST, beginning May 2020 through to April 2021. Administration supports the lease of the property to Medisun. At the April 27, 2020 closed session meeting, Council directed administration to negotiate the lease.

This property is first being offered for lease while administration carries out work for Council's consideration at a later date in 2020 to declare this property as surplus.

Areas of Strategic Focus and Critical Success Factors

The recommendation in this report supports the following areas of strategic focus:

- Economic Prosperity:
Chatham-Kent is an innovative and thriving community with a diversified economy
- A Healthy and Safe Community:
Chatham-Kent is a healthy and safe community with sustainable population growth
- People and Culture:
Chatham-Kent is recognized as a culturally vibrant, dynamic, and creative community
- Environmental Sustainability:
Chatham-Kent is a community that is environmentally sustainable and promotes stewardship of our natural resources

The recommendation in this report supports the following critical success factors:

- Financial Sustainability:
The Corporation of the Municipality of Chatham-Kent is financially sustainable
- Open, Transparent and Effective Governance:
The Corporation of the Municipality of Chatham-Kent is open, transparent and effectively governed with efficient and bold, visionary leadership
- Has the potential to support all areas of strategic focus & critical success factors
- Neutral issues (does not support negatively or positively)

Consultation

Building Services confirmed the zoning of this property.

Legal Services will assist with the preparation and issuance of the lease upon Council approval.

Public Works has confirmed that the area to be leased is no longer required for their business purposes.

Financial Implications

The Property Disposition budget includes lot lease revenue. The lease proceeds offset the legal costs associated with the lease and maintenance costs. Any surplus from the lease will contribute to the revenue line. The lease of municipal lands decreases municipal maintenance costs.

Prepared by:

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Director, Financial Services

Reviewed by:

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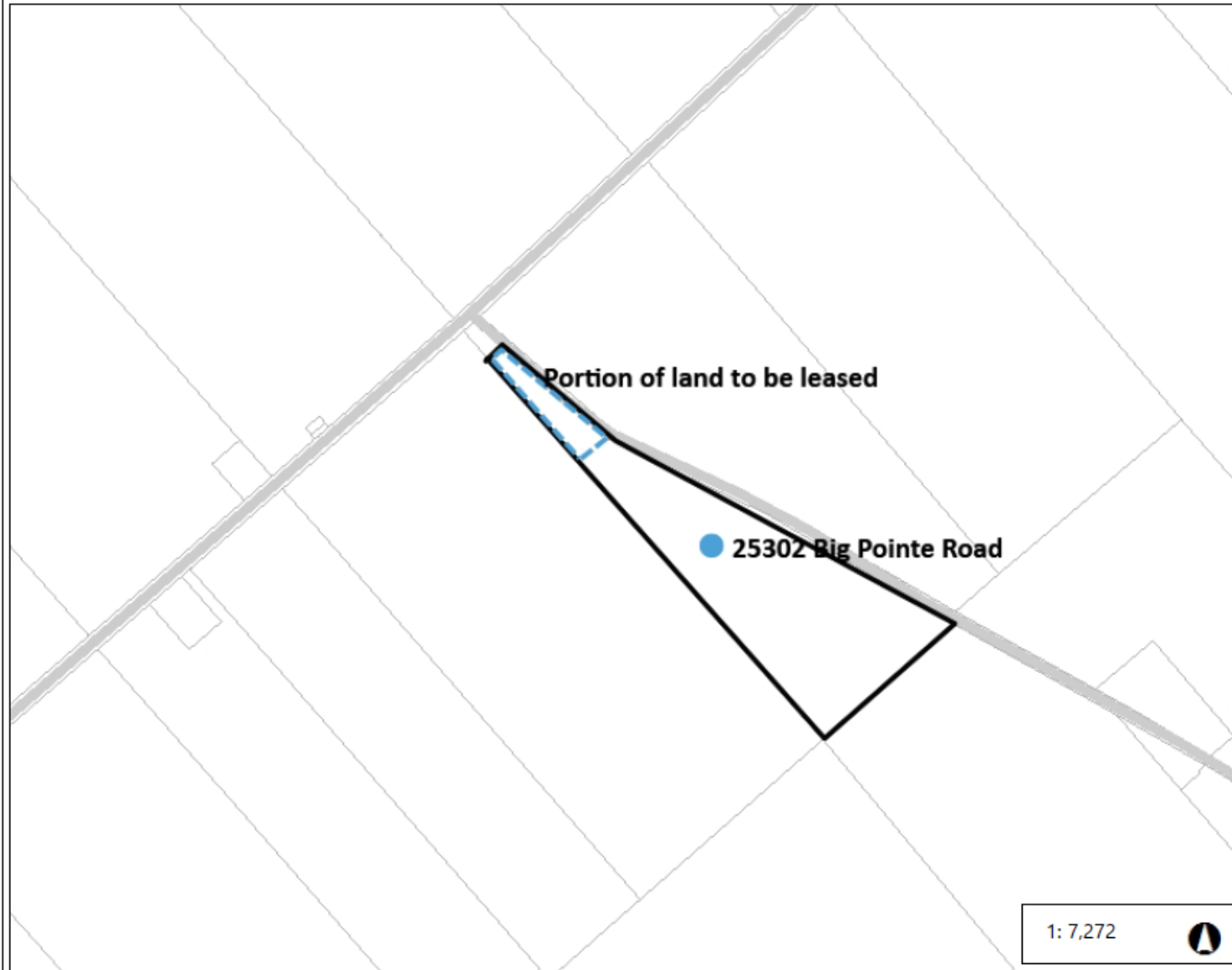
Attachment: GIS map of parcel

P:\RTC\F&PS\Finance\2020\RTC012 - Land Lease - portion of 25302 Big Pointe Rd.docx



Legend

- ◆ Settlement Areas
- Road Network
- + Railway
- Assessment Parcel



1: 7,272



0.2 0 0.11 0.2 Miles

NAD_1983_UTM_Zone_17N
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Notes