

Municipality of Chatham-Kent
Finance, Budget & Information Technology Services
Financial Services

To: Mayor and Members of Council

From: Steve Brown, CPA, CMA
Director, Financial Services

Date: September 18, 2018

Subject: Land Lease - Elm Street, Bothwell

Recommendation(s)

It is recommended that:

1. Administration enter into a five year lease with Michael Stocking in the amount of \$100 per acre per year for approximately 10 acres on Elm Street, Bothwell, legally described as Part Lot 11, Concession 9 Zone Part 1, as in Reference Plan 24R1891 and as in 297184; Chatham-Kent, (Property Identification Number 00640 0014 (LT)).

Background

This vacant parcel fronting on the north side of Side Line and south side of Elm Street in the community of Bothwell (GIS map attached) has a frontage of approximately 462.47 feet. This lot has the Exempt classification on it as it has been municipal property prior to amalgamation. Currently the property is assessed at \$56,500 in the Exempt tax classification. This property is zoned as "D" Deferred Development.

In prior years the grass on this lot has been cut by a contractor to stay in compliance with By-Law 39-2004, a By-Law to regulate and prohibit overgrown and long grass and weeds on any property within the Municipality of Chatham-Kent.

This property was advertised for lease for agricultural purposes in the local newspaper, The Herald, on June 6, 2018 and June 13, 2018. This property was also advertised on the municipal website for lease for agricultural purposes beginning June 6, 2018. An advertisement for lease was issued to attract a lessee to pay for the use of the land and save maintenance costs for the Municipality of Chatham-Kent.

Comments

Administration has received an offer to lease the parcel for five years at \$100 per acre. Administration supports the lease of this property to Michael Stocking for \$100 per acre

pear year. At the July 16, 2018 closed session meeting, Council directed administration to negotiate the lease.

This property is being offered for lease only.

This lease will eliminate the yard maintenance costs currently being charged to the municipal budget to maintain this property.

Areas of Strategic Focus and Critical Success Factors

The recommendation in this report support 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 support 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 has assisted with the preparation and issuance of the lease as directed by Council.

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. Over the five year term of the lease approximately \$5,000 in lease revenue will be received.

Prepared by:

Reviewed by:

Amy McLellan, CPA, CGA
Manager, Revenue

Steven Brown, CPA, CMA
Director, Financial Services

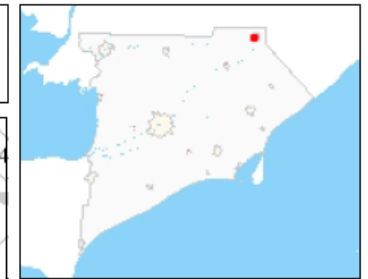
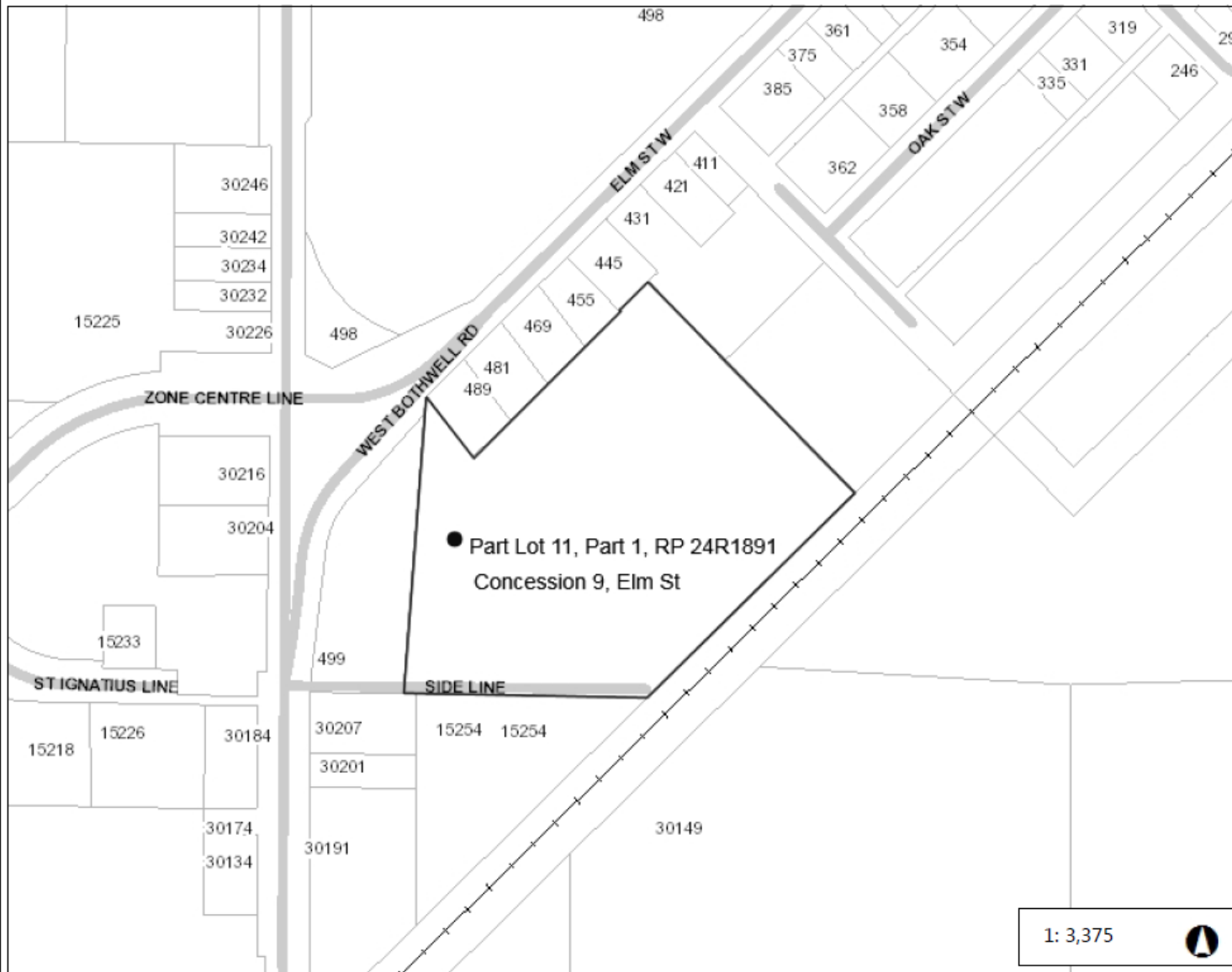
Reviewed by:

Mike Turner, CPA, CMA
Chief Financial Officer, Treasurer






Attachment: GIS map of parcel

P:\RTC\F&PS\Finance\2018\RTC048 – Land Lease – Elm St, Bothwell.docx

C: Chief Building Official
Chief Legal Officer



Legend

-  Settlement Areas
-  Address Point
-  Road network
-  Railway
-  Assessment Parcel

Notes

0.2 0 0.09 0.2 Kilometers

NAD_1983_UTM_Zone_17N
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This map is a user generated static output from an Internet mapping site and is for reference only. Data layers that appear on this map may or may not be accurate, current, or otherwise reliable.

THIS MAP IS NOT TO BE USED FOR NAVIGATION