

## **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:** December 5, 2017

**Subject:** Offer to Purchase – 594 Isaac Street, Dresden

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#### **Recommendation**

It is recommended that:

1. The offer to purchase from Ford Bros Contractors (1993) Inc. in the amount of \$29,000 for 594 Isaac Street, Dresden, legally described as Lot 35 Plan 137; East ½ Lot 34 Plan 137; Municipality of Chatham-Kent (PIN 00598 0072 (LT)), be accepted in the negotiation process on an “As Is, Where Is” basis.

#### **Background**

This vacant lot fronting on the north side of Isaac Street in Dresden (GIS map attached) has a frontage of 97.34 feet and a depth of 132 feet. This lot had the Residential tax classification prior to its vesting into the name of the Municipality on October 31, 2011 as a result of a failed tax sale on October 28, 2010. Currently, the property is assessed at \$29,125 in the Exempt tax classification. This property is zoned as “RL1” Residential Low Density.

A subsequent report to Council on July 30, 2014 declared the property as surplus to municipal needs. Since the time of vesting, this property has been offered for sale by: being listed through real estate agents; MLS listings; posted on the Royal LePage Peifer Realty website, Chatham-Kent website and “For Sale” signs being posted on the property as per the requirements of our Disposition of Surplus Property By-Law requirements.

#### **Comments**

Administration has received a signed Agreement of Purchase and Sale in the amount of \$29,000 for this property. Administration supports the sale of this property to Ford Bros Contractors (1993) Inc. for \$29,000. At the December 4, 2017 closed session meeting, Council directed administration to negotiate the sale.

This property is being offered for sale on an As Is, Where Is basis.

This sale has the potential for future assessment for the Municipality of Chatham-Kent and the ability to generate an overall improvement to the community. This sale will also eliminate the liability and yard maintenance costs currently being charged to the municipal budget.

### **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.

The Technical Advisory Committee confirmed this parcel to be surplus to municipal needs.

Legal Services will assist with closing of the sale once all conditions have been met.

**Financial Implications**

The Property Disposition budget includes lot sales revenue. The sale proceeds offset the legal costs associated with the land transfer. Any surplus from the sale will contribute to the revenue line. The sale of surplus lands creates potential for assessment growth, generation of future tax revenue, and decreases municipal liability and maintenance costs.

Prepared by:

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Amy McLellan, CPA, CGA  
Manager, Revenue

Reviewed by:

Reviewed by:

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Steve Brown, CPA, CMA  
Director, Financial Services

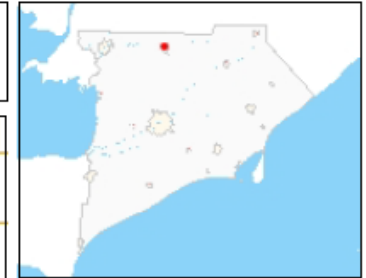
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Mike Turner, CPA, CMA  
Chief Financial Officer, Treasurer

Attachment: GIS Map of Parcel

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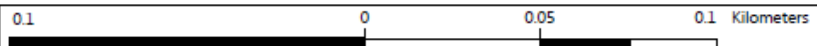
C: Chief Building Official  
Chief Legal Officer



Legend

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

1: 2,036



Notes