

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: November 25, 2019

Subject: Offer to Purchase – 55 Minnie Street, Wallaceburg

Recommendation

It is recommended that:

1. The offer to purchase from 1967177 Ontario Ltd in the amount of \$45,000 for 55 Minnie Street, Wallaceburg, legally described as Lot 13 – 14, Plan 367; Part Lot 15 – 21, Plan 343; Part Alley Plan 367, Part Lot F Plan 418; Part Lot 12 Concession 1, Property Identification Number 00566 - 0191 (R), be accepted in the negotiation process on an “As Is, Where Is” basis.

Background

This property fronts onto the east side of Minnie Street in the community of Wallaceburg (GIS map attached) and has a frontage of 109 feet, and an irregular depth. The property has the Exempt tax classification and is assessed at \$158,000. This lot is zoned as “RH2 - 419” Residential Second High Density with Provisions.

A report to Council on July 30, 2014 declared the property as surplus to municipal needs.

The property has been listed on the market at a price of \$49,900 since October 1, 2019.

This property has been offered for sale by: being listed through the real estate agent on contract with the Municipality of Chatham-Kent; posted on the Royal LePage Peifer Realty website, realtor.ca listings, and “For Sale” signs being posted on the property as per requirements of the Disposition of Surplus Property By-Law requirements.

Comments

Administration has received a signed Agreement of Purchase and Sale in the amount of \$45,000 for this property, pending the purchaser satisfying himself with an inspection of the property and obtaining reports satisfactory to the purchaser. Administration supports

the sale of this property to 1967177 Ontario Ltd for \$45,000. At the November 18, 2019 closed session meeting, Council directed administration to negotiate the sale.

One other offer was received for this property, being \$35,400 with conditions.

The 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 maintenance costs currently being charged to the municipal budget to maintain the property.

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:

Amy McLellan, CPA, CGA
Manager, Revenue

Reviewed by:

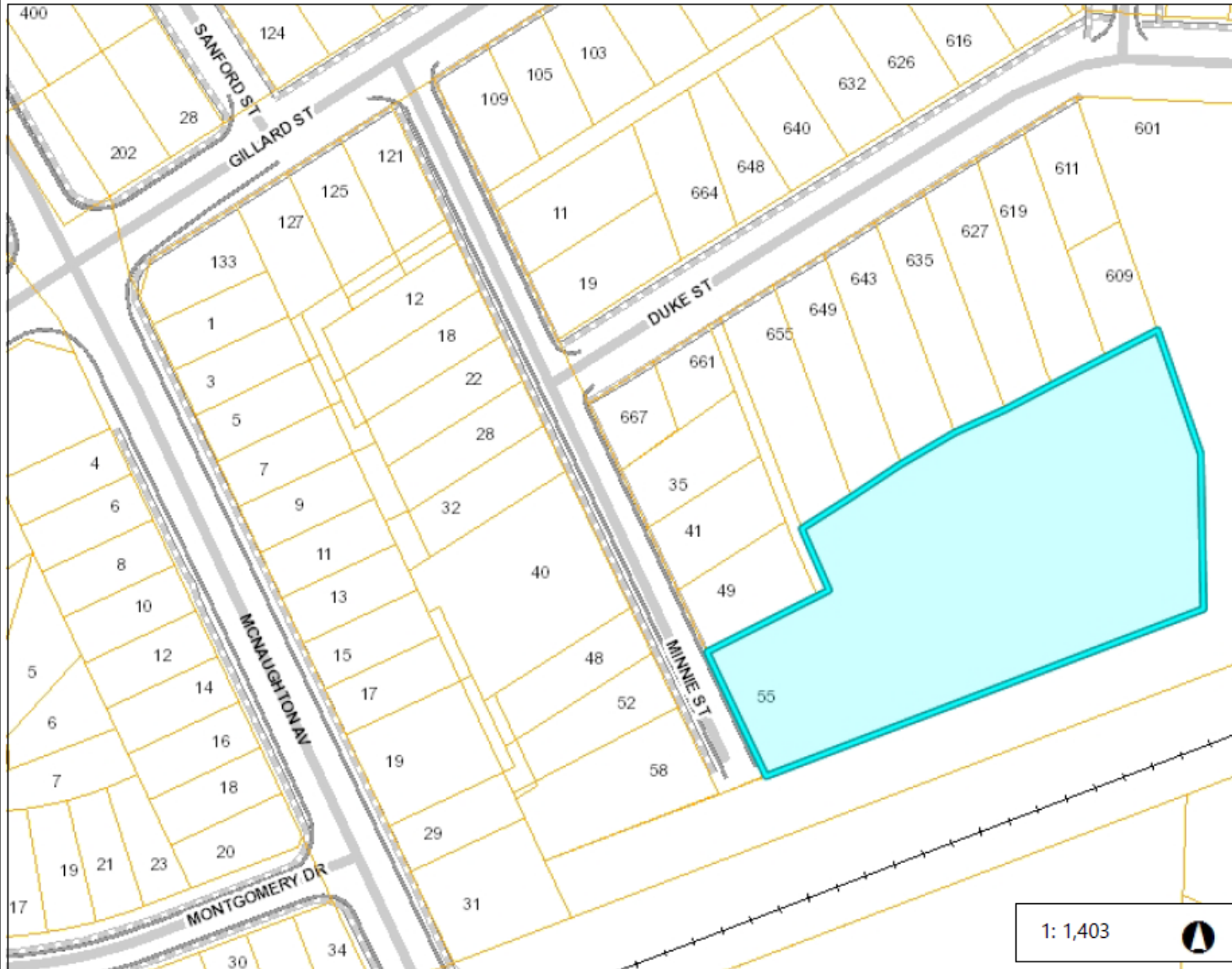
Matt Torrance, MBA, CPA, CGA
Director, Financial Services

Gord Quinton, MBA, CPA, CGA
Chief Financial Officer, Treasurer

Attachment: GIS Map of Property

C: Chief Building Official

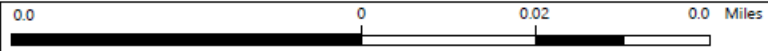
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Wallaceburg.docx



Legend

- Ownership Parcel
- Settlement Areas
- + Address Points
- Curbs
- Sidewalk
- Road Network
- + Railway
- Parking Lots
- Assessment Parcel

1: 1,403



NAD_1983_UTM_Zone_17N
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Notes