

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: June 19, 2020

Subject: Offer to Purchase – Vacant Lot, Middleton Line, Wheatley

Recommendations

It is recommended that:

1. The offer to purchase from 1413506 Ontario Limited in the amount of \$10,000 for a vacant lot at the corner of Middleton Line and an unnamed road in the community of Wheatley, legally described as Lot 16, Block N, Plan 331; Municipality of Chatham, Property Identification Number 00842 - 0063 (LT), be accepted in the negotiation process on an “As Is, Where Is” basis.
2. Section 7(a) and (b) and 11 (a),(b),(c), and (d) of By-Law 39-2019, being a By-Law to establish policies with respect to the sale and other disposition of real property, be waived for this transaction.

Background

This property fronts onto the west side of an unnamed road in the community of Wheatley, at the corner of Middleton Line (GIS map attached). It has a frontage of 66 feet and a depth of 132 feet. The property has the Exempt tax classification and is assessed at \$52,000. This lot is zoned as “RL2” Residential Low Density.

A report to Council on August 11, 2014 declared the property as surplus to municipal needs after vesting due to a failed tax sale in 2014. The report also provided direction to administration to negotiate a sale of this parcel to the abutting owner for a nominal fee.

This property has not been actively listed for sale. The abutting owner is continuing work on a subdivision development that abuts the subject parcel and has approached the municipality about purchasing the vacant lot.

Comments

Administration has received a signed Agreement of Purchase and Sale in the amount of \$10,000 for this property. The intention of the purchaser is to include this lot into the subdivision plan. Administration supports the sale of this property to 1413506 Ontario

Limited for \$10,000. At the June 15, 2020 closed session meeting, Council directed administration to negotiate the sale.

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

Section 7(a) and (b) of By-Law 39-2019 requires that notice be provided to several public authorities, boards and commissions, as well as Habitat for Humanity Chatham-Kent prior to offering the land to the general public.

Section 11 (a),(b),(c) and (d) of By-Law 39-2019 require that notice shall be given to the public using at least three different advertising mediums; including the local newspaper, corporate website, posting a sign on the property, or making use of a professional realty website.

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 recommendations 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 recommendations 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.

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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Manager, Revenue

Reviewed by:

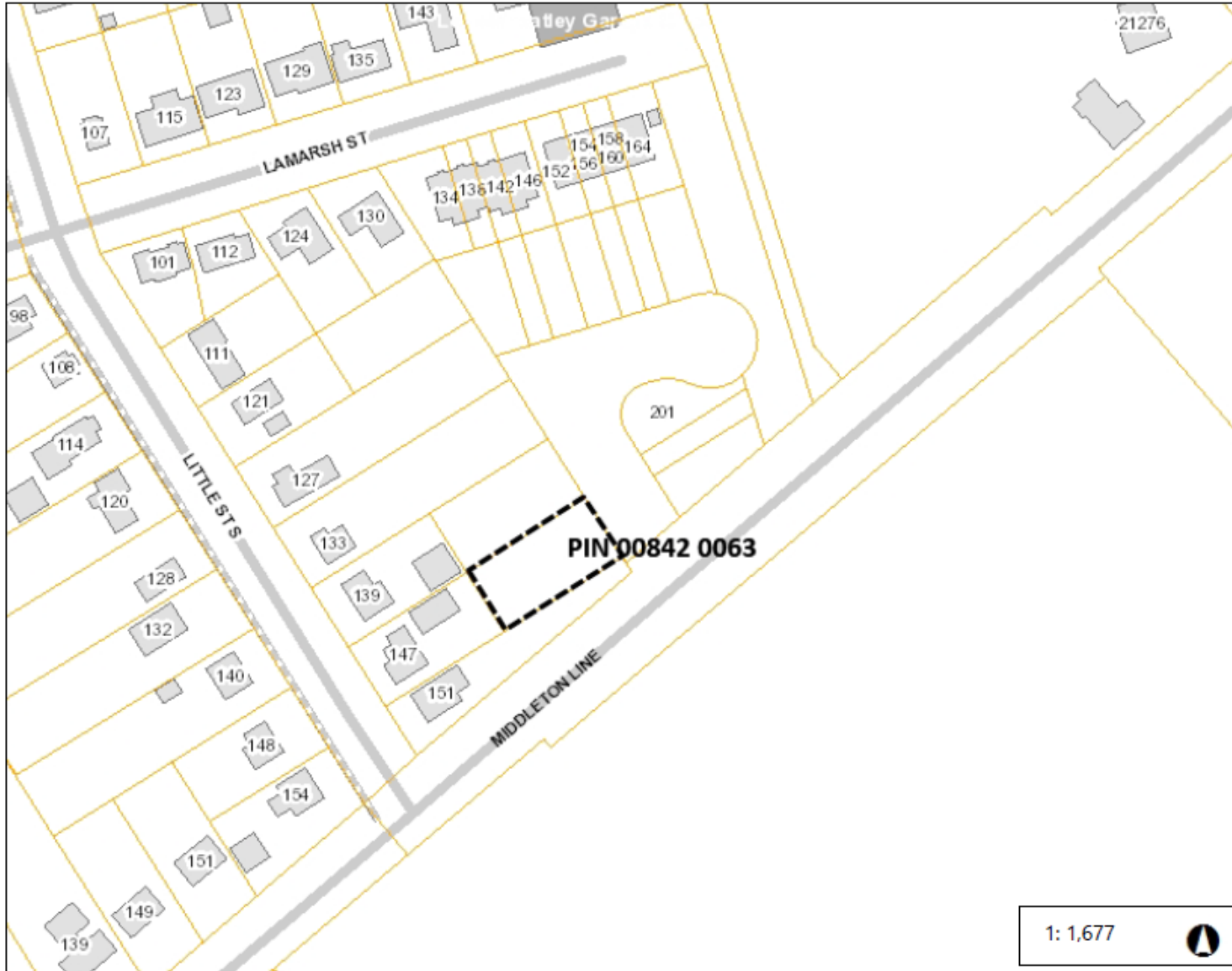
Matt Torrance, MBA, CPA, CGA
Director, Financial Services

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

Attachment: GIS Map of Property

C: Chief Building Official

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Legend

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

1: 1,677

0.1 0 0.03 0.1 Miles

Notes