



# Corporate *NO: R069*

# Report *COUNCIL DATE: April 15, 2002*

<b>REGULAR COUNCIL</b>			
<b>TO:</b>	<b>Mayor &amp; Council</b>	<b>DATE:</b>	<b>April 9, 2002</b>
<b>FROM:</b>	<b>General Manager, Engineering</b>	<b>FILE:</b>	<b>0540-019</b>
		<b>NEW FILE:</b>	<b>0850-03</b>
<b>SUBJECT:</b>	<b>Surplus City Lands at East Panorama Ridge(14978 &amp; 15002 - 56 Avenue, and a Portion of 5482 - 148 Street) (Map 83)</b>		

## RECOMMENDATION

That Council:

1. accept the highest offer to purchase a 3.3 acre portion of the City land located at 5482 - 148 Street (Parcel Identifier: 011-016-507); and
2. authorize the Engineering Department to construct the works and services to the 3.3 acre parcel as required under the City's subdivision requirements and in accordance with funding as outlined in this report.

## BACKGROUND

### 1. Property Descriptions

The surplus City owned lands located in the East Panorama Ridge Business Park (EPBP) are comprised of three legal parcels (14978 - 56 Avenue, 15002 - 56 Avenue, and 5482 - 148 Street). These properties currently have a combined area of  $\pm 16.34$  acres.

The City is subdividing these lands to create two developable parcels and to dedicate future road corridors for 54A Avenue and Panorama Drive. The subdivision will create  $\pm 3.3$  acres of useable site area on the south side of 54A Avenue and  $\pm 6.9$  acres of useable site area on the north side of 54A Avenue, both intended for disposal (Appendix III).

### 2. Zoning, Planning and Land Uses

The City owned lands are currently zoned One Acre Residential (RA). Surrey's Official Community Plan designates the easterly portion of these lands as Industrial, and the westerly portion of the lands as Suburban. In February 2002 Council approved a Concept Plan Amendment for the EPBP, which identifies the City lands for "Business Park" (IB)."

## DISCUSSION

### Land Sale Issues

Notices of intention to sell the 3.3 acre and 6.9 acre parcels were placed in the local newspaper during February/March 2002, in compliance with Sections 186 and 187 of the Local Government Act. Interested parties were invited to submit offers with prices based on the City servicing the sites and/or the buyer servicing the sites. Interested parties were also asked to submit separate offers for the two parcels as each parcel would be considered separately. The closing date for receipt of offers was March 27, 2002.

The City has received two offers to purchase the 3.3 acre parcel, one offer to purchase the 6.9 acre parcel, and another offer to purchase both parcels. All of the terms and conditions of the four offers, including the offer prices, subject conditions, and site servicing obligations have been reviewed to determine each offer's comparative value.

The highest offer for the 3.3 acre site from a local manufacturing business represents the best value to the City. The buyer's subject conditions pertain to obtaining a geotechnical study and the City completing services and road works to the parcel.

The two offers for the 6.9 acre parcel do not meet the City's price expectation. Consequently, this site should be retained for marketing in the future and the offers are not being recommended for acceptance. Staff also recommend that this parcel not be actively marketed until environmental issues which were raised recently about the 5 acre Province-owned property at 14962 - 56 Avenue are resolved. The provincial land is proposed for development in conjunction with the City's 6.9 acre parcel, and was marketed concurrently with the City lands. The Province received one offer, which was not accepted, and is now proceeding to obtain a Stage 2 Preliminary Site Investigation on their land.

### Servicing Issues

The subdivision of the City's land will trigger the need for road and utility services. At this time, it is proposed to construct 54A Avenue (together with the necessary services) to the west boundary of the 3.3-acre site. The total cost of the works is in the order of \$800,000 and is proposed to be shared amongst the different parcels of City property in proportion to their frontage. Allowing for initial contributions from the 3.3 acres and the enlargement of the Lark property, funding would be as follows:

Utility pre-servicing fund	\$564,000
3.3 Acres (from sale proceeds)	167,000
Pre-paid rent contribution	<u>69,000 ±</u>
Total	\$800,000

The other components of the City properties will repay the pre-servicing fund as they are sold or transferred. A component of the existing Lark property lease will be used to repay this property's share of the costs over time.

## CONCLUSION

The City is currently in the process of subdividing and rezoning the surplus City lands located in the EPBP which will create two developable parcels with site areas of 3.3 acres and 6.9 acres. The City has advertised the sale of the two parcels and offers to purchase have been received on both parcels. The highest offer is for the smaller parcel and is the only offer that meets the City's price expectation. Therefore, it is recommended that Council accept the highest offer received for the sale of the 3.3 acre site, and that the marketing of the 6.9 acres be deferred until the Province completes their Environmental

Stage 2 report and market conditions are more favourable. It is further recommended that Council authorize the servicing of the City lands, as required under the current subdivision development application, in accordance with funding as outlined in this report.

Paul Ham, P Eng.

General Manager, Engineering

PH/AW/mpr/brb

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c.c. - General Manager, Finance  
- General Manager, Planning & Development

### Appendices

- I. Site Map
- II. Aerial Photo of Site
- III. Subdivision Layout