



Corporate *NO: R190*

Report *COUNCIL DATE: October 7, 2002*

REGULAR COUNCIL			
TO:	Mayor & Council	DATE:	September 30, 2002
FROM:	General Manager, Engineering	FILE:	0540-019
		NEW FILE:	0910-40/15
SUBJECT:	Sale of Surplus City Lands at East Panorama Ridge(14978 & 15002 - 56 Avenue and 5482 - 148 Street) (Map 83)		

RECOMMENDATION

That Council:

1. accept the highest offer to purchase a 6.9 acre parcel of the City lands located at 14978 & 15002 - 56 Avenue, and 5482 - 148 Street; and
2. authorize the Engineering Department to construct works and services to service the 6.9 acre parcel as required under the City's subdivision requirements with funds to be set aside from the sale proceeds.

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). The City is currently in the process of subdividing these lands to create a 3.3 acre parcel of useable site area on the south side of 54A Avenue and a 6.9 acre parcel of useable site area on the north side of 54A Avenue.

2. Zoning, Planning and Land Uses

In February 2002 Council approved a Concept Plan Amendment for the EPBP, which identifies the City lands for "Business Park" (IB) usage. A City-initiated application to rezone the surplus lands to Business Park (IB)

was recently approved by the City. The 3.3 acre and 6.9 acre parcels, which are about to be created, will be zoned IB and designated "Industrial" in the Official Community Plan.

DISCUSSION

In April 2002, City Council approved Corporate Report R069, which recommended that the City accept the highest offer to purchase the 3.3 acre parcel. The completion of the sale of the 3.3 acre parcel is scheduled to take place immediately after the imminent approval of the City-initiated subdivision.

Staff reported in the April 2002 Corporate Report that two offers were received for the 6.9 acre parcel, neither of which met the City's price expectation. Consequently, staff recommended that the offers not be accepted and that the 6.9 acre parcel be retained for marketing in the future.

Following continued and new interests in the 6.9 acre parcel, City staff again advertised the property for sale in July/August 2002. The City has subsequently received three offers and one expression of interest to purchase the property. All of the terms and conditions of the three offers, including the offer prices, subject conditions, and site servicing obligations have been reviewed to determine each offer's comparative value.

The highest bid is conditional on the City constructing servicing to the site. The EPBP approved Concept Plan Amendment shows two roadways (54A Avenue and Panorama Drive) bordering the 6.9 acre parcel. The City is currently constructing 54A Avenue, which is a requirement of the previous sale of the 3.3 acre parcel. In order to satisfy the conditions of the highest bid for the 6.9 acre parcel, the City would have to construct the portion of Panorama Drive that fronts the east side of the 6.9 acre parcel. The remaining portion of Panorama Drive, north of the subject property, would be constructed when the privately owned lands to the east are developed.

The two other offers received are not conditional on the City constructing Panorama Drive. Nevertheless, when factoring the estimated cost to construct Panorama Drive into the two lower offers, the comparative values remain lower than the recommended highest offer. The highest offer for the 6.9 acre site therefore represents the best value to the City.

If Council approves the sale of the property as a fully serviced site to the highest bidder, City staff will commence construction of Panorama Drive in Spring/Summer 2003, following completion of the sale. Funding to allow for the construction of Panorama Drive could therefore be set aside from the proceeds of the sale.

CONCLUSION

During July/August 2002, City staff re-advertised the sale of the surplus City-owned 6.9 acre parcel. Three offers to purchase have been received and the highest offer meets the City's price expectation and represents the best value to the City. Therefore, it is recommended that Council accept the highest offer received for the sale of the 6.9 acre site. It is further recommended that Council also authorize staff to utilize funds from the sale proceeds to complete the works and servicing requirements of the highest offer.

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Appendices

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