?

# Corporate Report

NO: 137

COUNCIL DATE: June 23, 2003

#### REGULAR COUNCIL

TO: Mayor & Council DATE: June 19, 2003

FROM: General Manager, Engineering FILE: 0910-40/38

SUBJECT: Sale of City Property at 15000 - 54A Avenue (Map 83)

# RECOMMENDATION

That Council approve the purchase price at the appraised value for the sale of City land known as PID No. 025-513-150 and located at 15000 54A Avenue.

#### BACKGROUND

# **Property Description**

The  $\pm 2.64$  acre subject property is located in the East Panorama Ridge Business Park. The property has been leased to Lark Recreational Properties Ltd. (Lark) since 1998 for the development and operation of a small twin sheet ice facility. The lease expires in 2018 and has three successive renewal options of five years each.

## Zoning, Plan Designations, and Land Uses

The subject property is currently zoned Comprehensive Development (CD) to allow for the operation of a recreational ice facility and ancillary uses. The land uses around the site are rural agricultural/agri-industrial to the south, and existing or proposed business park development to the immediate north, east and west.

### **DISCUSSION**

In January 2002, to facilitate the subdivision, servicing, and sale of the City owned East Panorama industrial lands, Council approved the modification of the original 1998 lease to adjust the lease boundaries and to grant Lark an option to purchase the land. As part of the City's development approval requirements, Panorama Drive had to be extended south from 54A Avenue, to provide access to the privately-owned industrial lands south of the ice rink. This road extension consumed ±.50 acres of the lease area which contained the ice rink's primary parking lot and precipitated the City's need to renegotiate the Lark lease.

Subsequent to the modification of the lease the City has successfully serviced and sold  $\pm 10$  acres of lands surrounding the subject property to local businesses who are currently in the process of developing their lands.

The option to purchase requires that the purchase price of the land is to be set at the then prevailing fair market value for the land based on its specific use as an ice arena. Lark recently notified the City that they intend to exercise their option to purchase and have provided the City with an independent appraisal. The City's appraisal staff have concluded that the value proposed is representative of fair market value for the property for a use restricted to ice arena only. If Council approves the proposed purchase price, it is expected that the land sale will complete in September 2003.

Lark has also recently applied for a development permit for the addition of a third ice sheet at the facility. This sheet is expected to be operational by September 2003, in time for the start of the minor hockey season.

#### CONCLUSION

Lark Recreational Properties Ltd. currently leases the  $\pm 2.64$  acre City-owned property at 15000 - 54A Avenue. The lease is for the development and operation of a small twin sheet ice facility. Under the terms of the revised lease, Lark is exercising their option to purchase the subject property. City staff and Lark have determined through an appraisal process a purchase price for the land subject to Council approval. As the property is surplus to the City's requirements and the proposed price is representative of the current market value for similar uses and is in accordance with the option to purchase agreement, it is recommended that Council approve the proposed purchase price for the sale of the subject City land at 15000 - 54A Avenue.

Paul Ham, P.Eng. General Manager, Engineering

PH/KSW/mpr/brb j:\property\admin\corprpts\2003\06171136-ksw.doc BRB 6/23/03 8:34 AM

# **Appendices**

- I. Site Map
- II. Aerial Photograph