

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 ±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.

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Appendices

- I. Site Map
- II. Aerial Photograph