

Policy, Priorities and Budgeting Committee
Comité des politiques, des priorités et des budgets

Agenda 9A
Ordre du jour 9A

Thursday, May 11, 2000 - 9:15 a.m.
Le jeudi 11 mai 2000 - 9 h 15

Victoria Hall, First Level
Bytown Pavilion, City Hall

Salle Victoria, niveau 1
Pavillon Bytown, hôtel de ville



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City Wide |
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OT5 - Bruyère-Strathcona |

SEF

May 2, 2000

ACS2000-CO-CMG-0005
(File: CAA5100/0200)

Office of the Chief Administrative Officer

Ward/Quartier
City Wide

- Policy, Priorities and Budgeting Committee / Comité des politiques, des priorités et des budgets
- City Council / Conseil municipal

Information

1. Quarterly Accountability Report - First Quarter 2000

Rapport de responsabilité trimestriel - Premier trimestre 2000

Information

Attached is the Quarterly Accountability Report for the first quarter of 2000.



May 3, 2000 (8:39a)

John Burke
Chief Administrative Officer

DS:ds

Contact: John Burke - 244-5402

List of Supporting Documentation

Document 1 Quarterly Accountability Report

Part II - Supporting Documentation

Office of the Chief Administrative Officer

No.	Item	Quarter		Year to Date (YTD)		YTD (%) Variance
		Previous Year	Current Year	Previous Year	Current Year	
HUMAN RIGHTS/EMPLOYMENT EQUITY						
1	Human Rights/Employment Equity Complaints accepted	2	4	2	4	100%
2	Human Rights/Employment Equity Complaints under review	4	8	4	8	100%
3	Human Rights/Employment Equity Complaints resolved (file closed)	7	12	7	12	71%
BUSINESS / RESIDENTIAL EXPANSION / RELOCATION ASSISTANCE						
4	# New Cases / # Active Cases	36803	36773	36803	36773	n/a
COMMUNITY DEVELOPMENT ASSISTANCE*						
5	# New Project Initiatives / Total Active Initiatives	6	36621	36621	36590	n/a
Note*	Community Development Project Initiatives include: Rooming House Response Teams and Landlord Association, Alliance to End Homelessness, Boarding Home Programme, Purchase of Service Agreements with Housing Advocacy Groups such as Housing Help, Action Logement, Federation of Ottawa Carleton Tenants' Association, BIA initiatives, Neighbourhood Profiles.					
Employee Terminations (Corporate-Wide) (list of all terminations of past quarter under a delegation of authority in accordance with Section 6.2 of the Human Resources Corporate Policy titled "Termination Payment")						
No.	Dollar Value	Description and Explanation				
6	\$0	None				

Departmental Organizational Changes (Corporate-Wide) (list of all changes in the past quarter under a delegation of authority in accordance with Section 5.1.1 of the Human Resources Corporate Policy titled "Organizational change")	
No.	Description and Explanation
7	ACS 1999-CS-CHR-0018. Consolidation of payroll and benefits services in Corporate Services - transfer of 5 payroll related positions from Finance to CS, delete and create 3 new positions.
8	ACS 1999-CS-COM-0005. Realignment of resources with 5 branches of Corporate Services. Transfer of 2 FTE's from CS to Finance, and delete and create 10 positions in CS, 8 of which were in Informatics Services. The changes in ISB were necessary to align resources and provide support for new and expanding technologies such as GIS and the Help Desk. Two positions were established in the Client Service Centre.

Explanation of all Items where YTD Variance is Greater than 5%	
No.	Explanation
365 26	Categories 1&2 reflect higher incidence of inquiries to the office, likely a result of increased workplace issues arising from uncertainty linked to transition.
3	Category 3 indicates a high rate of closure of cases/inquiries

Department of Urban Planning and Public Works
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No.	Item	Quarter		Year to Date (YTD)		YTD (%) Variance
		Previous Year	Current Year	Previous Year	Current Year	
DEVELOPMENT APPLICATIONS						
1	Building Permit Applications	524	617	524	617	18%
2	Building Permit Revenues	\$417,080	\$1,288,047	\$417,080	\$1,288,047	209%
3	Building Permit Construction Value (Million \$)	\$62.5	\$121.9	\$62.5	\$121.9	95%
4	Site Plan Applications	35	46	35	46	31%
5	Zoning Applications	9	16	9	16	78%
6	Cash In Lieu of Parking Applications	6	8	6	8	33%
PROCESSING OF BUILDING PERMITS APPLICATIONS ***						
7	Part 3 Applications* (initial review completed < 6 weeks)	2/6=33%	n/a	2/6=33%	n/a	n/a
8	Part 9 Applications ** (initial review completed < 4 weeks)	8/25=32%	n/a	8/25=32%	n/a	n/a
9	Fast Track Part 3 Applications * (initial review < 3 weeks)	30/59=51%	n/a	30/59=51%	n/a	n/a
10	Fast Track Part 9** (initial review < 2 weeks)	26/51=51%	n/a	26/51=51%	n/a	n/a
<p>Note: * Part 3 are large building (e.g., highrise office, apartments, shopping centres, restaurants, (i.e.) U.S. Embassy)</p> <p>** Part 9 are smaller buildings such as a single home, a small office building, or small retail that are < 600 m² and < 3 storeys in building height</p> <p>*** This represents a first review <u>only</u> and does not include additional reviews concerning revised plans and/or issues requiring resolution as a result of the first review.</p>						
In addition, in the 1st Quarter of 2000, 58 Same Day and 236 Express permits were processed.						
PROCESSING OF SITE PLAN APPLICATIONS						
11	Approval by PEDC (70-110 days)	1/2=50%	n/a	1/2=50%	n/a	n/a
12	Approval by Director (50-90 days)	3/8=38%	n/a	3/8=38%	n/a	n/a
13	Approval by Assigned Staff (14-42 days)	11/21=52%	n/a	11/21=52%	n/a	n/a
ZONING APPLICATIONS: TURNAROUND TIME FOR APPROVAL						
14	Approval by Council (100-135 days)	3/5=60%	n/a	3/5=60%	n/a	n/a
ENGINEERING						
15	Number and Value (\$) of Patio Encroachment Permits Issued	22,979	12,332	22,979	12,332	-46%
16	Road Cut Permits Issued	357	329	357	329	-9%
OPERATIONS						
17	Lineal Metres of Roadway Swept	0	0	0	0	n/a
18	Lineal Metres of Sewers Cleaned	24,692	23,231	24,692	23,231	-6%
19	Number of Roadside Litter Baskets Serviced	21,470	22,458	21,470	22,458	5%
20	Cubic Metres of Snow Removed	1,159,540	536,881	1,159,540	536,881	-54%
21	Number of Trees Trimmed	1,662	2,759	1,662	2,759	66%

No.	Item	Quarter		Year to Date (YTD)		YTD (%) Variance
		Previous Year	Current Year	Previous Year	Current Year	
ASSET MANAGEMENT						
22	Size of Fleet of Equipment and Vehicles (leased/owned)	1,700	1,661	1,700	1,661	-2%
23	Number of square feet of facilities maintained	1,806,748	2,933,608	1,806,748	2,933,608	62%
24	Inventory of Street Lights / Change in Inventory	23,909	24,141	23,909	24,141	1%
LICENSING						
25	Lottery Licenses Issued	356	309	356	309	-13%
ENVIRONMENT						
26	Number of internal and external environmental studies conducted	8	5	8	5	-38%
27	Number of development applications reviewed	45	51	45	51	13%
28	Number of MEERs reviewed / conducted	6	3	6	3	-50%
29	Number of calls to the Ottawa Green Information Line (OGIL)	57	25	57	25	-56%

Explanation of all Items where YTD Variance is Greater than 5%	
No.	Explanation
1- 6	The variance for indicators 1 through 6 is a reflection of external market conditions.
367 20	Since September 1999, the Corporation has been converting its old planning system (PDIS, Permit Tracking and Plantrack) to the new Municipal Application Partnership (MAP 1.4). These conversions involve rewriting several reports to extract the data that staff used to get on a regular basis from the old systems. IS is now in the process of producing the new reports. This is a major task that needs to be completed only once; therefore, starting with the second quarter of 2000, the information for items 7 to 14 will be readily available.
15	The variance in value of patio encroachment permits issued is due to external market conditions.
16	The number of road cut permits issued is a reflection of the work done by various utility companies (gas, water, hydro).
18	The number of metres of sewers cleaned depends on a number of factors including the size and condition of the pipes, the amount of debris encountered, overall weather conditions, variations in work schedule (primarily contracted work).
20	The number of cubic metres of snow removed depends on the type and extent of snowfall, the frequency of storms, and to a lesser degree the extent of sunlight and warmer temperatures which can result in melting or sublimation of snow. The decrease in the number of cubic metres of snow removed during the periods January 1st to March 31 st as opposed to the same period in 1999 is due to the heavier snow accumulations experienced in 1999. The snow accumulation in 2000 was 123.2cm. as compared to 205.4cm. in 1999.
21	The number of trees trimmed depends on the size and condition of the trees, the extent of trimming required, variations in scheduling of the work and overall weather conditions.
23	The variance in the number of sq. ft. of facilities maintained is due to the change in the criteria that defines the facilities to be included in the inventory.
25	The variance in lottery license issuance is due to external market conditions.
26	Environmental Assessment studies coincide with municipal infrastructure works which therefore is a reflection of the capital budget.
27	The variance in the number of development applications reviewed is a reflection of external market conditions
28	MEERs are triggered for development applications situated on sensitive properties such as Greenway System, contaminated

Explanation of all Items where YTD Variance is Greater than 5%	
No.	Explanation
	sites, unstable slopes, etc. Thus MEERs are dependent on where development applications are being proposed.
29	The variance in the number of calls to the Ottawa Green Information Line is a reflection of external factors/conditions.

Department of Community Services

No.	Item	Quarter		Year to Date (YTD)		YTD Variance
		Previous Year	Current Year	Previous Year	Current Year	
RECREATION GENERAL						
1	# of Participant Subsidies	468	515	468	515	10%
2	\$ Value of Participant Subsidies	\$15,135	17,173	15,135	17,173	14%
3	# of Self Help Grants	4	4	4	4	0%
4	Sports Fields (hours booked vs. hours available) P (Prime Time) NP (Non Prime Time)	Off season no data	n/a	Off season no data	n/a	n/a
5	Arenas (hours booked vs. hours available) P (Prime Time) NP (Non Prime Time)	P 94.9% NP 73.0%	P 94.7 NP 77.7	P 94.9 NP 73.0	P 94.7% NP 77.7%	0% 5%
CULTURE						
6	\$ Value of Cultural Grants Approved versus \$ Value of Requests	0	655,936 2,039,672	0	655,936 2,039,672	n/a
FIRE						
7	# of fire calls	403	364	403	364	-10%
8	# of medical calls	3,038	3,042	3,038	3,042	0%
9	# of false alarms	1,079	1,156	1,079	1,156	7%
CAPITAL PROJECTS						
10	Percentage of Capital Projects completed on budget and on time	100	100	100	100	0%

Explanation of all Items where YTD Variance is Greater than 5%	
No.	Explanation
3652 6	There is increased awareness of programmes and subsidies which has resulted in an increased number and value of participant subsidies.
6	2000 requests reflect both the Capital Cultural Assistance Program and the Cultural Assistance Program (in 1998 Capital Cultural Assistance Program was transferred from capital to operating budget). Budget timing in 1999 delayed disbursement of grants until the 2 nd quarter.
7	The Ice Storm of 1999 resulted in an unusually high number of fire calls in the first quarter of 1999. The number of fire calls returned to normal levels in the first quarter of 2000.
9	Increase in false alarms are in the area of accidental alarms involving equipment and in the type of call where someone perceives an emergency when in fact there is none, such as steam being mistaken for smoke. The calls involving equipment could depend on weather conditions, humidity and quick changes in the weather which did occur during this winter.

Department of Corporate Services

No.	Item	Quarter		Year to Date (YTD)		YTD Variance
		Previous Year	Current Year	Previous Year	Current Year	
PROPERTIES						
1	Number of marketable properties in City Surplus Inventory	26	26	26	26	n/a
2	Number of unmarketable surplus properties that can only be sold to abutting owners	32	31	32	31	n/a
3	Number of Finalized (closed) sales	3	0	3		n/a
4	Value of Properties Sold	\$1,014,847	\$0	\$1,014,847	\$0	n/a
5	Number of Tax Sale Properties Vested	1	0	1	0	n/a
6	Number of Tax Sale Properties Sold	0	0	0	0	n/a
7	Value of Tax Sale Properties Sold	0	0	0	0	n/a
8	Number of Lane Closures sold	0	0	0	0	n/a
9	Value of Lane Closures sold	0	0	0	0	n/a
10	Number of Acquisitions	1	0	1	0	n/a
11	Cost of Acquisitions	\$0	\$0	\$0	\$0	n/a
LEGAL SERVICES (CLAIMS/LAWSUITS RECEIVED)						
12	Vehicle Damage Claims	106	67	106	67	-37%
13	Vehicle Damage Lawsuits	0	2	0	2	∞%
14	Sewer Back-ups Claims	17	19	17	19	12%
15	Sewer Back-ups Lawsuits	2	2	2	2	0%
16	Property Damage Claims	32	18	32	18	-44%
17	Property Damage Lawsuits	2	1	2	1	-50%
18	Personal Property Claims	0	1	0	1	∞%
19	Personal Property Lawsuits	1	0	1	0	-100%
20	Slips and Falls - Sidewalk Claims	18	11	18	11	-39%
21	Slips and Falls - Sidewalk Lawsuits	3	1	3	1	-67%
22	Personal Injury Claims	1	1	1	1	0%
23	Personal Injury Lawsuits	0	1	0	1	∞%

No.	Item	Quarter		Year to Date (YTD)		YTD Variance
		Previous Year	Current Year	Previous Year	Current Year	
CORPORATE HUMAN RESOURCES						
24	Full-Time Equivalents (FTEs) {Corporate-Wide}*	n/a	n/a	n/a	n/a	n/a
* FTEs are reported once at year's end.						
Explanation of all Items where YTD Variance is Greater than 5%						
No.	Explanation					
12 - 23	The reduced vehicle and property damage claims activity is due in part to the shorter winter period. As a whole, however, the percentage values are not reflective of significant variances as the actual changes in numbers of claims and lawsuits are relatively small.					

May 8, 2000

ACS2000-CS-PTY-0005
(File: RAC1000/115)

Department of Corporate Services

Ward/Quartier
City Wide

- Policy, Priorities and Budgeting Committee / Comité des politiques, des priorités et des budgets
- City Council / Conseil municipal


Action/Exécution

2. Policy - Property - Corporate Policy on Disposal of Surplus Real Property

Politique - Propriétés - Politique Municipale Relative à la Disposition des Propriétés Excédentaires

Recommendation

That the Corporate Policy on Disposal of Surplus Real Property be amended to provide that, negotiations for sale of a property will not be entered into until the property has been declared surplus by City Council, and advertised for sale for a period of 30 days.



May 8, 2000 (1:18p)

R. T. Leclair
Commissioner of Corporate Services



May 8, 2000 (3:36p)

Approved by
John S. Burke
Chief Administrative Officer

NH:nh

Contact: Nancy Hay - 244-5300 ext. 1-3718

Financial Comment

There is no financial implication of City Council approval of this report.



May 8, 2000 (2:44p)

for Mona Monkman
City Treasurer

RL:cds

Executive Report

Reasons Behind Recommendation

At its meeting of April 19th, 2000, City Council carried the following motion:

“That the City suspend all further sales of City of Ottawa properties except those properties that have been publicly advertised, and that minor pieces of properties that are of value to abutting landowners only not be subject to this suspension, until a new City of Ottawa policy is adopted (May 11, 2000 Policy, Priorities and Budgeting Committee and May 17 City Council).”

In addition to this motion, staff were also directed to define a minimum period of advertising prior to any negotiations taking place in order to ensure that the City’s Disposal Policy supports an open process. The motion and direction were the result of concerns expressed regarding the requirement to advertise the surplus status of properties to the general public before entering into negotiations with prospective buyers. These concerns were related exclusively to two recent recommendations to dispose of properties which were the subject of purchaser-initiated requests where the properties had not yet been declared surplus.

The intent of the Corporate Policy on Disposal of Surplus Real Property has always been to sell surplus property in a manner which is open to the public and to get the best return for the taxpayer on the sale of surplus property. The Policy establishes the requirement for public notification when a property is declared surplus; includes guidelines for dealing with unsolicited offers or purchaser-initiated sales; and ensures that all disposal transactions are carried out in accordance with the Municipal Act.

The City’s current practice is to commence the disposal process with the publication of notification of the surplus status of a property in the Citizen and Le Droit. This notification generally triggers public awareness and interest in the surplus property. At the same time, a marketing package is prepared by Property Services and distributed to prospective

purchasers and real estate agents in response to any inquiries receiving regarding the surplus property. Marketing packages are designed to provide a broad base of information regarding the surplus property, including a colour-print picture of the site, a site location map, a general description of the site and surrounding neighbourhood, specific information about zoning, square footage, legal description, as well as phone numbers if additional information is required regarding zoning, development, tax assessment, etc.

The current policy has been generally applied without difficulty and is considered an appropriate approach to disposal of surplus assets which provide openness and value. As stated, the only area of concern that has been expressed since the policy approval is with purchaser-initiated requests, when the property has not yet been declared surplus.

After due consideration of various methods to ensure that future disposal practices for all types of disposal transactions are open and transparent, the proposed amendment to the Corporate Policy is being recommended as the most efficient and cost-effective method. It guarantees an open process while at the same time providing the Corporation with sufficient flexibility to maximize the greatest financial return to the taxpayer. The proposed amendment requires that a property must be declared surplus by City Council, and the surplus status of the property shall be advertised for sale on the Corporation's Web Site for a period of thirty (30) days prior to negotiating any offer to purchase.

The additional requirement to advertise the property for sale for a period of 30 days means that no offers will be negotiated or accepted until the 30 day advertising period has been completed. The 30 day advertising requirement will also negate the opportunity to bring any future reports to City Council which, within the same report, both recommend that the property be declared surplus and that it be disposed of to a specific purchaser.

It should be noted that advertising on the City's Web Site is a minimum requirement. Additional advertising may also be undertaken in local newspapers, community newspapers, or by posting a "For Sale" sign on the surplus property. The method of any additional form of advertising of the surplus status of a property will be dependent on the individual property, i.e., the profile of the property (size, location, market demand, etc.). For the past few years, staff have utilized a spring marketing campaign in the Ottawa Citizen and Le Droit which has achieved an increased awareness by the general public and the real estate industry of the City's surplus property inventory and has resulted in several successful disposals.

The City's current stock of surplus properties have all been advertised in compliance with this new direction. Therefore, any disposals in progress can proceed without any further delay.

The Corporate Policy on Disposal of Surplus Real Property establishes exemptions to this advertising requirement. More specifically, public advertising is not required when surplus property is disposed of to another level of government, boards, commissions, utility companies, or where the surplus property is only of value to an abutting owner.

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Since the last Council approved amendment to the Corporate Policy on Disposal of Surplus Real Property, on May 3, 1995, a number of Council policy directions have been approved which impact on the City's disposal practices. The majority of the proposed amendments to the Policy are technical revisions to ensure conformity with the approved Council directions. These amendments pertain to:

- The Commissioner of Corporate Services delegated authority, approved by City Council on January 20, 1999, which permits the disposal of surplus City-owned property within a market value range which is provided to Committee and City Council, in camera, when a property is recommended for surplus status.
- Department of Corporate Services response to the 1997 Delegation of Authority Audit of Minor Real Estate Transactions relating to the City's approach to obtaining estimates of value in relation to real estate transactions.
- By-law No. 303-97 which establishes the use of the Corporation's Internet site for the giving of notice to the public of surplus tax sale properties.
- February 18, 1998 Council approved direction to have heritage properties assessed by a development consultant prior to disposal to identify possible adaptive re-use or restoration proposals, and to notify LACAC of surplus City-owned heritage properties.

Disposition

Department of Corporate Services, Property Services, to co-ordinate the circulation and implementation of the Policy

List of Supporting Documentation

Document 1 Corporate Policy on Disposal of Surplus Real Property

Part II - Supporting Documentation**Document 1**

**CITY OF OTTAWA
DEPARTMENT OF CORPORATE SERVICES
PROPERTY SERVICES**

**CORPORATE POLICY
ON DISPOSAL OF SURPLUS REAL PROPERTY**

1. POLICY STATEMENT

It is the policy of the City of Ottawa to dispose of its interests in real property that are determined to be surplus to its requirements.

Disposal of surplus real property shall be effected in a manner that will maximize a return to the City.

2. PURPOSE OF POLICY

To ensure that, after City-owned property has been determined to be surplus to all Corporate and departmental current and/or future objectives, a consistent and equitable framework is followed in the disposal of that surplus real property.

3. PRINCIPLES

Once City Council has by by-law or resolution passed at a meeting open to the public, declared real property to be surplus to its requirements, and approval by Transition Board has been obtained, if required, the following principles establish a Corporate administrative framework for its disposal.

3.1 Basic Principles

- 3.1.1 The City will conduct its real property disposal activities in a manner that is consistent with accepted practices and all real property disposals shall be consistent with the City's objectives, by-laws and approved policies as well as all provincial and federal legislation governing the operation of the City.
- 3.1.2 Proceeds from the disposal of any surplus City-owned property shall, subject to any applicable legislation, first be applied to retire any outstanding debt and future servicing costs (if applicable) on the subject property, and then to credit the reserve fund where the funds for the purchase of the property originated, or as directed by City Council.

- 3.1.3 The City may refuse any offer of purchase that does not meet its asking price.
- 3.1.4 After a property has been declared surplus by City Council and prior to negotiating any offer to purchase, the surplus property shall be advertised for sale on the Corporation's Web Site for a period of thirty (30) days. This advertising requirement shall not be applied when surplus property is disposed of to another level of government, boards, commissions, utility companies, or where the surplus property is only of value to an abutting owner
- 3.1.5 Prior to the disposal of any surplus property, the City shall complete a Site Contamination Checklist together with any additional assessment recommended by the Checklist, and provide this information to prospective purchasers.
- 3.1.6 The City shall issue a certificate with respect to a sale of surplus real property verifying that the sale was in compliance with the City's Real Property Disposal By-law.
- 3.1.7 This policy is to be applied in concert with all other Corporate Property Policies and Guidelines.

3.2 **Notification**

In accordance with the provisions of the Municipal Act, R.S.O. 1990, c. M.45, Section 193, upon City Council having declared any real property to be surplus, but before any such real property is disposed of by the City, the City shall ensure that notice is given to the public of the proposed sale as follows:

- a) notice to the public of disposal of undevelopable real property shall be by letter to all of the property owners abutting such property;
- b) notice of disposal of a stopped-up highway shall be given in accordance with the provisions of the Municipal Act;
- c) notice to the public of disposal of tax sale properties that have vested in the Corporation pursuant to the provisions of the Municipal Tax Sales Act, R.S.O. 1990, c. M.60, shall be by advertising on the Corporation's Web Site; and
- d) notice to the public for any disposal not referred to in paragraphs (a), (b) or (c) shall be by publication in two newspapers having general circulation in the municipality, one English language newspaper and one French language newspaper.

3.3 Determination of Sale Price

- 3.3.1 Disposals of surplus real property shall be within market value range, unless otherwise directed by City Council.
- 3.3.2 Market value range shall be submitted, in camera, to Committee and City Council, at the time a recommendation is put forward to declare the property surplus.
- 3.3.3 Market value range shall be established through the use of available market information and, prior to the disposal of the property, be substantiated or amended based on an external professional appraisal.
- 3.3.4 Except as set out in 4.2.5 below, an external professional appraisal shall be undertaken for all surplus properties prior to disposal.
- 3.3.5 An external professional appraisal shall not be required in the following circumstances:
- a) A recent appraisal (within 6 months) may be relied on where the property is in the immediate area and the site has the same development potential;
 - b) Benchmark values may be used for parkland/road closures to another level of government if the same use is to be continued;
 - c) If the property is undevelopable and only of use to an abutting owner, market value range, as submitted to Committee and City Council, may be relied upon which establishes the value based on the difference between the estimated market value of the adjacent lands before and after the assembly, unless otherwise approved by City Council;
 - d) If the property has no development potential, does not enhance the development potential of the property to the current owner, and has no inherent value on the open market (such as laneways), it shall be conveyed to the purchaser at one-half the cost per square foot of neighbouring land possessing similar zoning; and
 - e) Miscellaneous lands exempted under the Municipal Act.

3.4 **Methods of Disposal**

The City may dispose of surplus properties by the following methods:

- a) Public Advertising;
- b) Public Auction;
- c) Public Tender;
- d) Invitation Tender or Invitation Auction
- e) Direct Sale;
- f) Land Exchange;
- g) Proposal Call; or
- h) Listing with member brokers of the Ottawa-Carleton Real Estate Board.

3.5 **Unsolicited Offers to Purchase**

Unsolicited offers or inquiries received from prospective purchasers or their agents regarding the availability of specific City-owned property which has not been declared surplus by City Council or advertised for sale, shall be directed through the Property Services Branch. Upon determination of such property being surplus to Corporate requirements, the Property Services Branch will submit a report to Committee(s) and City Council, or its delegated authority, recommending the property be declared surplus. In accordance with paragraph 4.1.4, public advertising for a period of 30 days shall be undertaken prior to negotiating any offer to purchase.

3.6 **Heritage Properties**

3.6.1 When a City-owned property, which has been designated under Part IV or Part V of the Ontario Heritage Act or included on the City of Ottawa Heritage Reference List, is recommended to City Council to be declared surplus, staff will indicate whether or not the retention of a development consultant is required in order to identify potential adaptive re-use or restoration opportunities.

3.6.2 A copy of City Council minutes declaring surplus a City-owned property designated under Part IV or Part V of the Ontario Heritage Act or included on the City of Ottawa Heritage Reference List shall be forwarded to the Local Architectural Conservation Advisory Committee for information.

3.7 **Expropriated Property**

Where lands that have been expropriated by the City are found to be no longer required, the disposal of such expropriated lands will be carried out in accordance with the provisions of the Expropriations Act.

3.8 **Parkland**

The disposal for the realignment of parkland boundaries and/or the expropriation of parkland shall be undertaken in accordance with the Corporate Policy on Real Property Transactions Regarding City-Owned Parkland.

3.9 **Easements**

Disposal of surplus real property will be subject to any required easements.

4. **RESPONSIBILITIES**

Committee and City Council

- Approves the surplus status of City-owned property.
- Approves the final disposal if the disposal price is below the established market value range.

Department of Corporate Services

Commissioner of Corporate Services (under delegated authority)

- Provides Committee and City Council, in camera, with a market value range.
- Executes Agreements of Purchase and Sale.
- Approves the final disposal if the disposal price is within established market value range.

Chief Property Manager (under delegated authority)

- Executes Agreements of Purchase and Sale.

Property Services

- Prepares report to City Council recommending the surplus status of City-owned property.

- Completes a Site Contamination Checklist, as well as any additional assessment recommended by the Checklist.
- Retains a development consultant to provide preliminary proposals for adaptive reuse or restoration of surplus heritage properties, when needed.
- Provides copy of Council Minutes declaring heritage property surplus to Local Architectural Conservation Advisory Committee.
- Ensures that real estate appraisal(s) are completed, if required.
- Ensures that a reference plan is completed, if required.
- Negotiates and finalizes any required easements, etc.
- Ensures that appropriate notice to the public of the proposed sale is provided.
- Receives all Offers to Purchase from prospective purchaser and, in concert with the Office of the City Solicitor, finalizes Agreements of Purchase and Sale.
- Effects disposal of surplus property.

City Clerk

- Issues a Certificate of Compliance upon the sale of any real property by the Corporation.

Office of the City Solicitor

- Undertakes all required legal work required to complete the disposal transaction.

5. DEFINITIONS

Appraisal is a professional estimate of value. It can be given orally, but it is usually a written statement of market value, value for loan purposes, or value as described by the appraiser of an adequately described property as of a specific date.

Certificate of Compliance is a verification that the City's Real Property Disposal By-law was in force, that notice to the public was carried out and that an appraisal was obtained.

City means the Corporation of the City of Ottawa

Corporate Property Policies and Guidelines form the accountability framework established under the Corporate Property Management System. This system governs the manner by which the City will manage, use and develop real property, and it includes the following policies: Property Management, Real Estate Joint Ventures, Acquisition, Disposal, Leasing by and to the City and Real Estate Transactions Regarding City-owned Parkland.

Client Department is the City department to whose portfolio the property has been assigned to be managed.

Disposal means the sale, or exchange for other lands, or the lease for a term of 21 years or longer, of any portion of the City's surplus real property, but does not include the granting of easements or rights-of-way or leasing of lands or buildings by the City for a term of less than 21 years.

Market Value of real property is the amount that the land and improvements might be expected to realize if sold in the open market by a willing seller to a willing buyer.

Market Value Range is an estimate of the market value of land based on current use and highest and best use.

Notification, as required by the Municipal Act, R.S.O. 1990, c. M.45, Section 193, the City is a requirement to provide notice to the public of the proposed sale of property which has been declared surplus to the City's requirements.

Public Advertising means the publication of a notice offering surplus property for sale.

Site Contamination Checklist is a tool developed by the City to assess the likelihood of potential site contamination on a subject property as well as the need for additional site assessment.

Surplus Real Property is that property which the City does not require ownership of to meet its current or future program and operational requirements.

Undevelopable Surplus Real Property is surplus real property that is either landlocked or not of sufficient size to permit development unless developed in conjunction with abutting lands.

Unsolicited Offer to Purchase is an offer to purchase property which has not been declared surplus to the City's requirements or advertised for sale.

May 5, 2000

ACS2000-CS-PTY-0007
(File: RHI2119/6000)

Department of Corporate Services

Ward/Quartier
OT5 - Bruyère-Strathcona

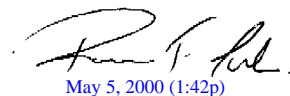
- Policy, Priorities and Budgeting Committee / Comité des politiques, des priorités et des budgets
- City Council / Conseil municipal

Action/Exécution

3. Property - Disposal - 231-249 Clarence Street Propriété - Cession - 231-249, rue Clarence

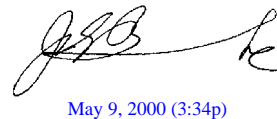
Recommendations

1. That City Council approve the sale of 231-249 Clarence Street, comprising an area of approximately 20,944 square feet as outlined in Document 1, to Centretown Affordable Housing Development Corporation for the consideration of \$265,000.
2. That the Commissioner of Corporate Services be authorized to finalize all property transactions relating to Recommendation 1.



May 5, 2000 (1:42p)

R.T. Leclair
Commissioner of Corporate Services



May 9, 2000 (3:34p)

Approved by
John S. Burke
Chief Administrative Officer

GZ:gz

Contact: Glenda Zuker - 244-5300 ext. 1-3719

Financial Comment

Subject to City Council approval of this report, the net proceeds of the sale will be credited to the two Capital Projects (87229002, 89229002) originally approved for the acquisition of the two parcels of land. The current unfunded expenditure balance for the two projects is \$1,766,000.

Additional funding requirements to close these projects will be addressed in a future Capital Status Report to City Council.



May 5, 2000 (2:48p)

for Mona Monkman
City Treasurer

RL:cds

Executive Report

Reasons Behind Recommendations

Recommendation No. 1

The subject property is an amalgamation of two separate holdings which were acquired by the City in September 1988 and March 1989 respectively. Council's intent at the time of acquisition was to pursue various development options relating to affordable, social or co-operative housing uses. However, none of the options investigated were considered to be economically feasible at the time and as a result, the City owned properties located at 231-249 Clarence Street was declared surplus by City Council on February 21, 1996.

In 1998, Property Services launched a major marketing campaign for the City's surplus properties, including this site. This resulted in an Offer to Purchase for the subject property with a sale price of \$525,000 which was reflective of market value. City Council approved the disposal in January 1999. However, the Agreement of Purchase and Sale was canceled in May 1999 due to the purchaser's inability to secure financing.

Subsequently, in September 1999, City Council approved the following PP&B recommendation:

“Whereas the issue of homelessness has been identified by all levels of government as a national priority;

And Whereas City Council has called upon the Provincial and Federal Governments to provide the homeless with immediate health protection and housing and to prevent further homelessness;

And Whereas since the termination in 1995 of government sponsored housing programs, no new affordable rental housing has been created in the Region and the demand for affordable units has increased;

And Whereas the City has been approached by the Centretown Affordable Housing Development Corporation (CAHDCO) for assistance in their development of an affordable home ownership project consisting of approximately 30 units to be developed on the City owned property located at 231-249 Clarence Street;

And Whereas this property was originally purchased by the City in 1989 for housing purposes;

And Whereas no housing projects ever came to fruition and City Council declared this property surplus in 1996;

And Whereas the property has been on the market for over three years without realizing a sale at market value as required by Council approved corporate policy;

Therefore Be It Resolved that City Council direct staff to negotiate an Agreement of Purchase and Sale with CAHDCO based on their proposal submitted to members of Council and to report back for final Council approval.”

Since September 1999, City staff have met with representatives from CAHDCO to finalize the purchase price and negotiate the general terms and conditions of the Agreement of Purchase and Sale for the Clarence Street property based on their proposal for the development of 30 affordable home ownership units.

The negotiations centered on ensuring that the terms and conditions reflect industry standards and minimize the financial risks to the Corporation while at the same time, facilitating CAHDCO’s ability to finance and develop their project successfully. The key terms and conditions contained in the finalized Agreement of Purchase and Sale are summarized as follows:

1. Closing Date :

- December 20th, 2000, with a right to extend the Closing date by no more than 6 months

2. Purchase Price of \$265,000 payable as follows:

- \$1.00 deposit
- \$26,499 on closing
- balance of \$238,500 to be paid 8 months from closing date which shall be secured by a Letter of Credit

- City will credit the Purchaser's cost of remediating the environmental conditions of the property to a maximum amount of \$40,000 by allowing a reduction in the Letter of Credit. Remediation involves excavation of impacted soils and disposal of same to a registered landfill site.

3. Closing Conditions:

- upon rezoning, minor variance and/or site plan approval to permit the construction of at least 30 residential stacked townhouse units
- the purchaser is responsible to make the necessary applications for the appropriate approvals within 90 days after final (Transition Board) approval.

The Transition Board approved Property Guideline No. 1 states :

“During the term of the Transition Board, all disposals or real property having a current market value in excess of \$100,000 or which when originally purchased, had a market value in excess of \$100,000, will require Transition Board approval.”

As both the original purchase price and the current market value of the subject property exceeds \$100,000, and in accordance with the Transition Board Property Guideline, should City Council approve Recommendation No.1, staff will submit Council's decision for Transition Board approval.

Recommendation No. 2

Approval of the recommendation will allow for the expedient finalization of all necessary transactions and legal documentation.

Disposition

Originating Department.

List of Supporting Documentation

Document 1 Sketch to illustrate property to be sold

Part II - Supporting Documentation

Document 1

