



**CITY OF HAMILTON**  
**PLANNING AND ECONOMIC DEVELOPMENT DEPARTMENT**  
**Economic Development Division**

<b>TO:</b>	Mayor and Members General Issues Committee
<b>COMMITTEE DATE:</b>	December 6, 2017
<b>SUBJECT/REPORT NO:</b>	Disposition of City Owned Lands – Car Park Lot 76 – 75 Catharine Street South, Hamilton (PED17227) (Ward 2)
<b>WARD(S) AFFECTED:</b>	Ward 2
<b>PREPARED BY:</b>	Frank Albrecht (905) 546-2424 Ext. 2656
<b>SUBMITTED BY:</b>	Glen Norton Director, Economic Development Planning and Economic Development Department
<b>SIGNATURE:</b>	

Discussion of Confidential Appendix “B” to this Report PED17227 in Closed Session is subject to the following requirement(s) of the City of Hamilton’s Procedural By-Law and the *Ontario Municipal Act, 2001*;

- A proposed or pending acquisition or disposition of land for City purposes.

**RECOMMENDATION**

- (a) That an Offer to Purchase for the sale of the property (as identified in Appendix “A” attached to Report PED17227), which is scheduled to close on or before February 2, 2018, be approved, in accordance with the terms and conditions outlined in Appendix “B” attached to Report PED17227;
- (b) That \$51,941.09 from the sale proceeds be credited to Account No. 45408-3560150200 (Property Sales and Purchases) for recovery of expenses including Real Estate, Appraisal, Property Management, and Legal administration fees;
- (c) That the balance of the net proceeds from the sale of the property at 75 Catharine Street South (Car Park Lot 76) be credited to Parking Capital Reserve #108021;
- (d) That the City Solicitor be authorized and directed to complete this transaction on behalf of the City, including paying any necessary expenses, amending the closing, due diligence and other dates, and amending and waiving terms and conditions on such terms as she considers reasonable;

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- (e) That the Mayor and City Clerk be authorized to execute any necessary ancillary documents, respecting the Offer to Purchase and Sale of 75 Catharine Street South, as identified in Appendix “A” attached to Report PED17227, in a form satisfactory to the City Solicitor;
- (f) That Appendix “B” to Report PED17227, respecting the Property Disposition of 75 Catharine Street South, remain confidential until completion of the real estate transaction.

**EXECUTIVE SUMMARY**

This Report seeks Council approval for the sale of property known as 75 Catharine Street South – (Car Park Lot 76), in accordance with City policy. On November 15, 2016 under Item 7 of Report PED16020, Council declared the property surplus and directed Real Estate of the Economic Development Division to sell the lands in accordance with City’s real estate policies and procedures.

***Alternatives for Consideration – N/A***

**FINANCIAL – STAFFING – LEGAL IMPLICATIONS**

Financial: Staff are recommending that the sale proceeds be deposited to the Parking Capital Reserve for the following reasons:

1. The City’s 2016 Reserve Report (FCS17070) states that the current contributions to the reserve are not sufficient to sustain the required capital improvements for Hamilton Municipal Parking System (HMPS).
2. While not shown as commitments against the reserve balance at this time, replacing and or increasing parking spaces will require increased funding from this reserve.
3. Car Park Lot 76 has averaged approximately \$17,000 in surpluses over the last two years (revenues less direct expenses). By selling off profitable municipal parking lots, the overall annual surplus (2016 was \$616,000) which HPMS generates, will be reduced. One option would be for parking lot disposition to be limited to lots which are non-profitable.

Staffing: N/A

Legal: Legal Services Division will be required to assist in the preparation of the necessary closing documents.

## **HISTORICAL BACKGROUND**

### **Council Direction:**

On November 15, 2016, Council under Item 7 of Report PED16020 declared 12 of the 16 City owned parking lots including Car Park Lot 76 (75 Catharine Street South) surplus to the requirements of the City. In accordance with the protocol established by Council for the disposition of the property, staff consulted with the Ward Councillor on a disposition strategy that included offering the property to the open market as an unrestricted sale.

## **POLICY IMPLICATIONS AND LEGISLATED REQUIREMENTS**

Portfolio Management Strategy – Real Estate Management Plan

City Council, at its meeting of November 24, 2004, adopted the City's Portfolio Management Strategy Plan, which established a formalized process to be consistently applied across all areas of the City to guide the management of the City's real property. In accordance with the City's Portfolio Management Strategy, By-law 14-202, property no longer required for municipal programs is declared surplus by Council and is disposed of in accordance with this policy.

## **RELEVANT CONSULTATION**

- Legal Services Division, City Manager's Office
- Planning Division and Hamilton Municipal Parking System (HMPS), Planning and Economic Development Department
- Portfolio Management Committee
- Ward Councillor

## **ANALYSIS AND RATIONALE FOR RECOMMENDATION**

Following circulation to relevant stakeholders, responses confirmed there was no long-term municipal need for the subject property. Subsequently, Council approved Item 7 of PED16020 declaring the property surplus to municipal needs. The sale of the property will aid in the achievement of revitalization of Downtown Hamilton and planning goals of re-development of Downtown Hamilton surface parking lots. Additionally, the re-development of the vacant lands will increase property tax assessment.

The sale of Car Park Lot 76 will result in the loss of 55 parking spaces. To ensure adequate future parking availability in the Downtown, Council approved PED13014 directing staff through a Request For Interest (RFI) to secure 800-1,000 parking spaces as identified in the Downtown Hamilton Parking Study and Parking Garage Assessment report compiled by MMM Group Limited. To date, no long term capital and operating

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funding has been identified. HMPS and Finance recommend the net sale proceeds from the sale of this property and future parking lot sales be allocated to the Parking Capital Reserve to establish a long term funding plan in the securement of the 800-1,000 parking spaces.

Staff considers the terms and conditions of this sale to be fair, reasonable and at market value.

**ALTERNATIVES FOR CONSIDERATION**

Should Council decide not to approve the sale of surplus lands, the parcel will remain in City ownership with commensurate ongoing liabilities.

**ALIGNMENT TO THE 2016 – 2025 STRATEGIC PLAN**

**Economic Prosperity and Growth**

*Hamilton has a prosperous and diverse local economy where people have opportunities to grow and develop.*

**APPENDICES AND SCHEDULES ATTACHED**

Appendix “A” to Report PED17227 – Location Map

Appendix “B” to Report PED17227 - Terms and Conditions - (Confidential)

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