



City of Richmond

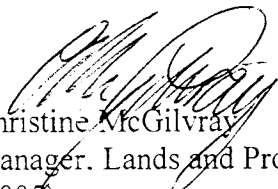
Report to Committee

To: General Purposes Committee
From: Christine McGilvray
Manager, Lands and Property
Re: **Sale of Surplus Land from 7280 Garden City**
RZ 04-262818

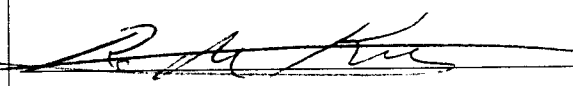
To General Purposes - Dec 6, 2004
Date: November 17, 2004
File: 06-2290-20-054/Vol 01

Staff Recommendation

That Council approve the sale of 438 square metres of surplus land from 7280 Garden City to Am-Pri Construction for \$207,449.00 and authorize staff to carry out the necessary steps to complete the transaction.


Christine McGilvray
Manager, Lands and Property
(4005)

Att.

FOR ORIGINATING DIVISION USE ONLY					
ROUTED TO:		CONCURRENCE		CONCURRENCE OF GENERAL MANAGER	
Law		Y <input checked="" type="checkbox"/>	N <input type="checkbox"/>		
Development Applications		Y <input checked="" type="checkbox"/>	N <input type="checkbox"/>		
REVIEWED BY TAG		YES <input checked="" type="checkbox"/>	NO <input type="checkbox"/>	REVIEWED BY CAO	
				YES <input checked="" type="checkbox"/>	NO <input type="checkbox"/>

Staff Report

Origin

7280 Garden City Road was acquired by the City in 1993 at a cost of \$475,000 (\$18.00 per square foot), as a key parcel needed for the extension of Bennett Road from Garden City Road, into the developing South McLennan area. The purchase was funded from the Industrial Use Land Reserve.

A portion of 7280 Garden City Road was sold to Polygon in 2001, and dedicated back to the City as "road" when the properties to the north of the road extension were developed. The properties to the south side of the Bennett Road extension are now being developed by Am-Pri, and the developer is required as part of the rezoning application, to:

1. contribute to the cost of a portion of the remaining land to be used for Bennett road
2. contribute to one-third of the cost of construction of the road already constructed by Polygon and the City
3. purchase remaining surplus from 7280 Garden City Road, after the required road dedication is made, and consolidate it with the larger lot to the south.

Analysis

The developer contributions and revenue estimated to the City from the remainder of 7280 Garden City are:

Sale of surplus area to developer (438 s.m.)	\$207,449
Payment of land value for share of road portion	<u>\$163,799</u>
Total Payment for land to City by Am-Pri	\$371,248
Estimated future recovery on remainder area	
7280 Garden City Road	<u>\$292,756</u>
Estimated total recovery based on 2004 values	<u>\$664,004</u>
Share of road construction cost payable by Am-Pri	\$ 15,833

The contributions to the cost of the City's land and other works to be carried out by the developer were set out by Urban Development staff during the rezoning process, and are part of a formula for payment of road development that is applicable to both past and future developers in this area. The remaining contributions (applicable to both the value of the land and the cost of road construction) to enable the City to recover the full value of 7280 Garden City Road, will be obtained from future developments in the immediate area.

Financial Impact

The land value for this particular developer's contributions are based on a unit value of \$44.00 per square foot, derived from the recent market sales achieved for the adjacent properties. The sales comparables used (for improved properties) give a range of value of \$42 to \$48 per square foot. Therefore the total contribution to the value of the City land by this developer has been established at \$371,248.00 (8437.45 square feet x \$44.00). A portion of that amount (\$207,449.00) represents the value of the surplus area of 438 square metres (4714.74 square feet) which is to be transferred into private ownership and will be subject to advertising as a disposition of land.

In summary, the City will receive a total payment of \$387,081 (\$371,248 for land and \$15,833 for road construction) from Am-Pri. These funds will be repaid to the Industrial Use Land Reserve.

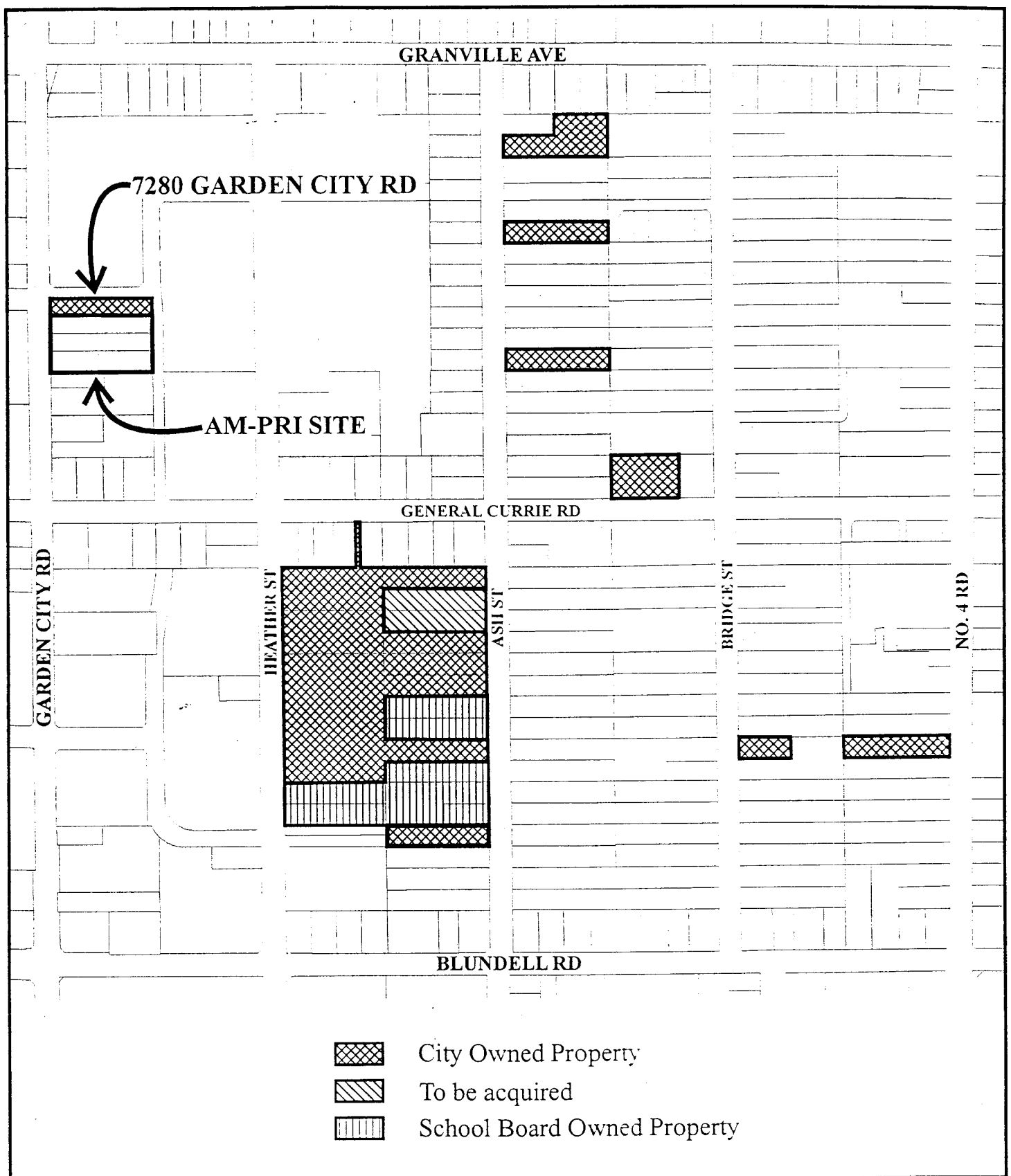
Conclusion

Council approval is required for transfer of the surplus from City to private ownership.



Christine McGilvray
Manager, Lands and Property
(4005)

AREA CONTEXT PLAN

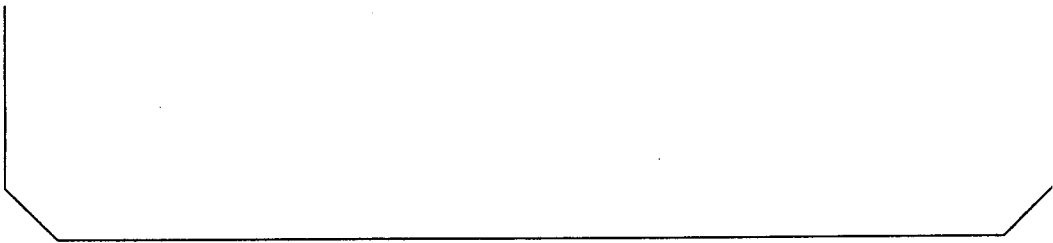


City Land Ownership South McLennan

Original Date: 01 16/02

Revision Date: 11 18/04

Note: Dimensions are in METRES



BENNETT RD

(ROAD) 7280 Garden City Rd



SURPLUS

AM-PRI SITE

GARDEN CITY RD

TURNILL STREET

(ROAD)



7280 Garden City Rd

Adopted Date: 11/18/04

Amended Date:

Note: Dimensions are in METRES