

REPORT FROM THE MANAGER OF ECONOMIC DEVELOPMENT

DESCRIPTION

Re: Process to accept offers on 255 Highway 108

RECOMMENDATION

THAT the report of the Manager of Economic Development be received
AND THAT Council direct staff to accept letters of intent on 255 Highway 108 until October 30, 2022 and bring them forth to council at the earliest opportunity

BACKGROUND

255 Highway 108 was the site of the City's former Civic Center. The site stands at 3.58 acres and is zoned C2 (SE portion) and I-3 (NW portion). After a partial roof collapse, the decision was made to clear the site and look at options for future development. At a previous meeting, Council made the decision to declare the site surplus.

ANALYSIS

The last 12 months has seen several investors express interest in the property. As the land was part of a grant application for an arts centre, interested parties were told that the lot was unavailable. In June, the Municipality was turned down for the GICB grant and Council made the decision to declare the lot surplus. In doing so, requests to purchase the property have commenced.

Staff feel that the most effective way for Council to evaluate proposals for the property would be through a simultaneous presentation of offers from all interested proponents. Ideally, this process would mirror the standard Letter of Intent process for any land purchase. This document would include information on the proponent, their plans for the land, purchase price and build covenants (time, size etc) Once presented with all of the offers, Council can then make a decision to move forward or not, with any of the interested parties.

Staff would promote the City's interest in accepting offers through a press release and through the City's web site.

To further assist Council with their decision, staff have obtained an appraisal on the lot. Staff's recommendation is to keep the appraised value confidential from the public and bidders during this process as public knowledge of the appraised value may lead to lower bids. Ultimately, Council wants to have the property developed into a tax paying enterprise, but also to generate as much revenue as possible from the initial sale to offset other municipal operations. The appraised value would then be presented in the final report with the bylaw approving the Agreement of Purchase and Sale in order to ensure public transparency.

FINANCIAL IMPACT

The financial impact would depend on the sale price of the land in question.

SUMMARY

Staff are recommending that Council give direction to begin accepting offers and present any offers as soon as possible after October 31, 2022.