

REPORT FROM THE MANAGER OF ECONOMIC DEVELOPMENT

DESCRIPTION

Re: Phase 2 Environmental for 80 Dieppe Ave

RECOMMENDATION

THAT the report of the Manager of Economic Development be received;

AND THAT Council direct staff to obtain the Phase 1 environmental from Iqbal Estates Inc. at a cost of \$7,000 plus applicable taxes

AND THAT Council direct staff to move forward with the Phase 2 environmental assessment of the lot to an upset limit of 26,000 plus applicable taxes

AND THAT the funds be taken from the proceeds from land sales.

BACKGROUND

80 Dieppe Ave was recently returned to the City. The purchaser sought out a Phase 1 environmental on route to obtaining a Record of Site Condition prior to beginning construction. There was a clause in his purchase agreement that delayed closing until an environmental study could be completed. The first study took several months which required an extension to the agreement. The phase 1 resulted in a requirement to complete a phase 2 to ensure suitability for a residential development. The purchaser was unwilling to make the investment in the second phase as this would have been costly and should it not be favourable, the purchaser would have made a substantial investment into a property he would not purchase. Further, should he have proceeded with the phase 2 and officially closed on the sale, there was no guarantee that remediation steps required would not make development of the land cost prohibitive.

The asking price for the lot is \$76,500.

ANALYSIS

Iqbal Estates completed the Phase 1 environmental at a cost of \$7,000 plus HST. There was an estimate provided for the phase 2 at a cost of \$25,597 plus tax. Once these 2 are completed, an application for a Record of Site Condition may be submitted. The purchaser is willing to sell the City his Phase 1 report therefore saving time a repeat purchase of engineering work.

Due to the history of the lot, it may become a challenge to sell the property. By completing the phase 2, the City, barring any remediation requirements, will have a shovel ready lot that can be marketed as such for future development.

FINANCIAL IMPACT

The Financial impact will be a total of the 2 studies which will be an upset limit of \$33,000.00 plus taxes.

SUMMARY

Staff recommend that Council direct staff to move forward with obtaining both reports on 80 Dieppe Ave.