



Subject: Offers to Purchase – Alleyway between Charles Street and Nelson Street

Report Number: EDM 21-16

Department: Economic Development and Marketing

Submitted by: Cephas Panschow, Development Commissioner

Meeting Type: Council Meeting

Meeting Date: Monday, May 10, 2021

RECOMMENDATION

THAT Council receives report EDM 21-16 Offers to Purchase – Alleyway between Charles Street and Nelson Street;

AND THAT a By-Law be brought forward to authorize the Mayor and Clerk to enter into an agreement of purchase and sale with Peter Leliveld and Ruth Leliveld for the property described as the North part of the Alleyway between Charles Street and Nelson Street, and to be described by a new reference plan;

AND THAT a By-Law be brought forward to authorize the Mayor and Clerk to enter into an agreement of purchase and sale with Ray Jones, Teresa Jones, Tejaun Jones and Jeffrey Jaques for the property described as the South part of the Alleyway between Charles Street and Nelson Street, and to be described by a new reference plan.

BACKGROUND

Council declared the Alleyway between Charles Street and Nelson Street as surplus to the Town's needs at the April 12, 2021 meeting:

THAT Council receives report EDM 21-09 Surplus Land Declaration – Alleyway between Charles Street and Nelson Street;

AND THAT the Alleyway property, located between Charles Street and Nelson Street, be declared surplus to the needs of the Town of Tillsonburg in accordance with By-Law 2021-031 (land disposition) including suitable notification to the public.

Further to the surplus declaration, the Town has received two offers to purchase from two of the four adjacent property owners. The offers to purchase are for an equal portion of the Alleyway lands immediately adjacent to their properties.

The purpose of this report is to seek Council approval to enter into an Agreement of Purchase and Sale with the two property owners.

Figure 1 – Subject Property: Peter Leliveld and Ruth Leliveld (North Portion)



Figure 2 – Subject Property: Jones and Jaques (South Portion)



DISCUSSION

The Alleyway property is approximately 5.5 metres wide and 45 metres long and is approximately 251 square metres (2,700 square feet) in size. The surplusing and sale of this property to the adjacent property owners will result in a significant addition to the properties. The 10 Charles Street lot was created in 2020 through a severance from the 9 Nelson Street property.

The details of their offer to purchase are:

	Offer Details – Peter Leliveld and Ruth Leliveld	Offer Details – Ray Jones, Teresa Jones, Tejaun Jones and Jeffrey Jaques
Price	\$9,000	\$9,000
Area (estimated subject to final adjustments)	1,350 square feet	1,350 square feet
Purchaser Conditions	None	None

The Development Commissioner is recommending that Council approve these agreements, which will provide additional land to the adjacent property owners.

CONSULTATION

The intent to declare the property as surplus to the Town's needs was circulated to all Town Departments and Tillsonburg Hydro Inc as detailed in *EDM 21-09 Surplus Land Declaration - Alleyway between Charles St and Nelson St* with no concerns, other than an easement to protect for various existing services be retained by the Town. The Agreements of Purchase and Sale being considered contains an easement for the maintenance/replacement of existing services.

The property was declared surplus on April 12, 2021. A public notice was posted on the property on March 30, 2021, posted on the Town's website on April 8, 2021 and published in the Tillsonburg News on April 16 and 22, 2021. The deadline to register interest was 4 PM on Tuesday, April 27, 2021. Two offers to purchase were received in advance of the deadline.

The agreement template used is based on the template provided by Duncan, Linton LLP.

FINANCIAL IMPACT/FUNDING SOURCE

An estimate of the property's value was obtained through a Letter of Opinion prepared by Royal LePage RE Wood Realty dated April 29, 2021. The Letter of Opinion indicated that the value of the property is estimated at \$24,000.

The offers have been submitted for half of the property at \$9,000 each or \$18,000 total. However, the Opinion of Value does not take into account the impact of an easement on the property being sold. Lands with encumbrances on them are typically valued at a lower value. In addition to the purchase price, the purchasers have agreed to pay the legal and survey costs related to the transaction.

COMMUNITY STRATEGIC PLAN (CSP) LINKAGE

1. Excellence in Local Government ☐ Demonstrate strong leadership in Town initiatives
 - ☒ Streamline communication and effectively collaborate within local government
 - ☒ Demonstrate accountability
2. Economic Sustainability
 - ☐ Support new and existing businesses and provide a variety of employment opportunities

- ☐ Provide diverse retail services in the downtown core
- ☐ Provide appropriate education and training opportunities in line with Tillsonburg's economy

3. Demographic Balance

- ☐ Make Tillsonburg an attractive place to live for youth and young professionals
- ☐ Provide opportunities for families to thrive
- ☐ Support the aging population and an active senior citizenship

4. Culture and Community

- ☐ Promote Tillsonburg as a unique and welcoming community
- ☐ Provide a variety of leisure and cultural opportunities to suit all interests
- ☐ Improve mobility and promote environmentally sustainable living

ATTACHMENTS

Appendix A – Agreement of Purchase and Sale – Peter Leliveld and Ruth Leliveld
Appendix B – Agreement of Purchase and Sale – Jones and Jaques