



City of
Peterborough

To: **Members of the Committee of the Whole**

From: **Malcolm Hunt, Director of Planning and Development Services**

Meeting Date: **November 30, 2015**

Subject: **Report PLPD15-059**
Purchase of Property at 1529 Sherbrooke Street

Purpose

A report to recommend the purchase of a residential property at 1529 Sherbrooke Street to support the Sherbrooke St reconstruction capital project; Glenforest Boulevard to West City Limit.

Recommendations

That Council approve the recommendations outlined in Report PLPD15-059 dated November 30, 2015, of the Director of Planning and Development Services as follows:

- a) That a by-law be passed to authorize the purchase of property known municipally as 1529 Sherbrooke Street, for \$225,000.00, plus land transfer tax of \$1,975.00 and legal costs of \$1,500 for a total acquisition cost of \$228,475.00;
- b) That the portion of the property not required for road-widening be declared surplus to the needs of the Municipality and be offered for sale, and that the proceeds of the sale be credited to the Sherbrooke Street Capital Project; and
- c) That upon completion of the transaction the residence be demolished.

Budget and Financial Implications

This purchase will be funded from the Utility Services Department "Sherbrooke R.O.W." (2015 Capital Reference Number 5-2.18). To date the available funds for purchases and

preliminary engineering/survey work available is \$1,285,093.54. Costs associated with demolition will be established following the completion of the Designated Substance Survey.

Background

Council, at its meeting of October 1, 2012, directed staff to finalize the Class Environmental Assessment to Reconstruct/Widen Sherbrooke Street. The Environmental Study was approved in September of 2014.

This project will involve asphalt pavement, concrete curb and gutter, sidewalk(s), bike lanes, storm and sanitary sewers, turning lanes and signalization. The project is to improve the road condition along the east/west arterial street to an urban cross section. This project also includes the sanitary sewer and urbanization of Hywood Road.

The project costs will be more accurately defined upon completion of detailed design. Funds were requested in 2014 for the detailed design. Utility relocations/property acquisitions and construction are scheduled for 2018/2019.

Based on the results of the Sherbrooke Street Environmental Assessment, a series of properties which will be required in whole or in part to support the recommended solution were identified and staff initiated property specific discussions with landowners in the project area. The City will need to retain the first 17 feet of the subject property and will have the flexibility to sell off the remainder.

The City has already acquired the adjacent property located at 1533 Sherbrooke St which is a small undevelopable lot. The acquisition of 1529 Sherbrooke St will allow the City to merge and create two new developable lots more consistent with area development patterns. Alternatively, both parcels may facilitate a future investment opportunity on the vacant portion of Westdale United Church by providing the vacant land with prime frontage on Sherbrooke Street.

The owner of the property recently approached the City and offered the property for sale. Due to the limited size of the existing dwelling on the lot and its proximity to the widened Sherbrooke Street, demolition is recommended. This report is recommending authorization for the purchase of this complete residential property.

The property in this report has been appraised at \$225,000.00.

Because the existing property will not be resold, a home inspection will not be conducted, but a Designated Substance Survey will be completed after closing and prior to demolition.

Submitted by,

A handwritten signature in black ink, appearing to read 'Malcolm Hunt'.

Malcolm Hunt, MCIP RPP
Director of Planning and Development Services

A handwritten signature in black ink, appearing to read 'Stephen Burman'.

Stephen Burman
Real Estate and Development Manager

Contact Name:

Stephen Burman

Phone – 705-742-7777 Ext. 1484

Fax – 705-742-5218

E-Mail – sburman@peterborough.ca

Attachments:

Appendix A: Aerial and Street View

Appendix B: EA for Sherbrooke St

Appendix C: Appraisal Excerpt

Appendix D: Maps

Appendix A: Aerial and Street Views
Page 1 of 2

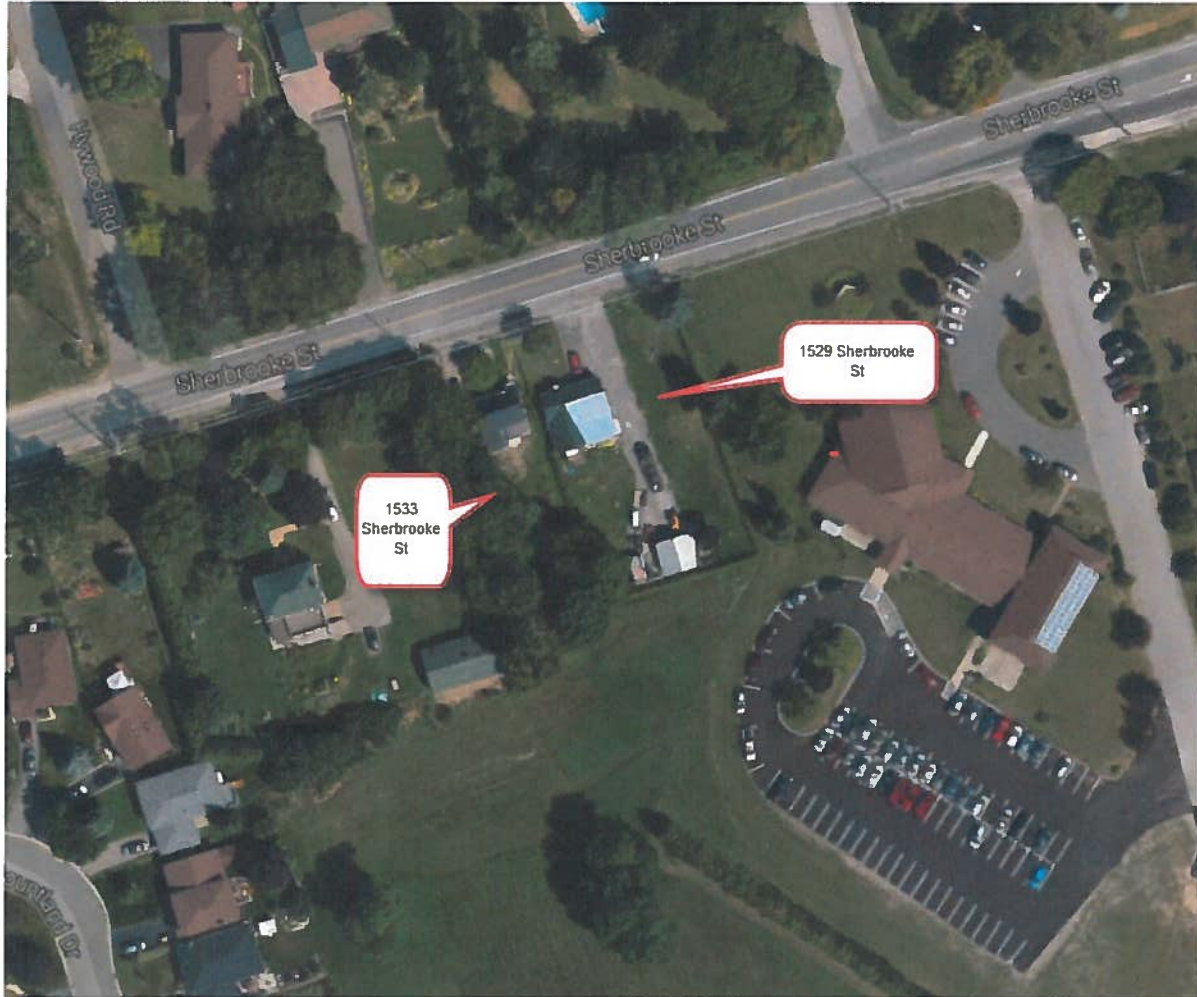


1529 Sherbrooke St front view

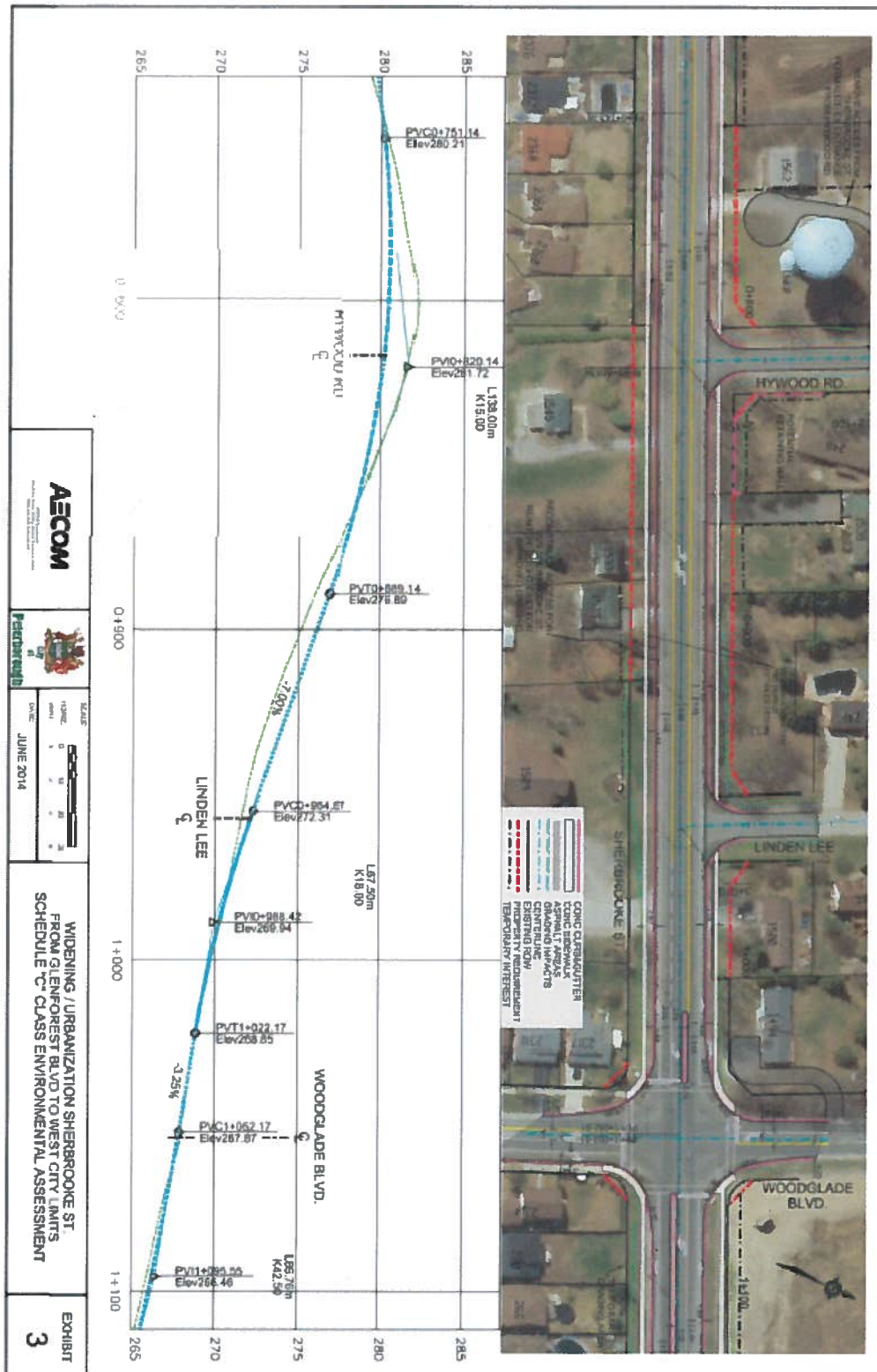


1529 Sherbrooke St and 1533 Sherbrooke St front view

Appendix A: Aerial and Street Views
Page 2 of 2



Appendix B: Sherbrooke Street EA Page 1 of 1



Appendix C: Appraisal Excerpt
Page 1 of 1

RESIDENTIAL APPRAISAL REPORT

REFERENCE:	FILE NO.:
ANALYSIS OF KNOWN CURRENT AGREEMENTS FOR SALE, OPTIONS, LISTINGS OR MARKETING OF THE SUBJECT: (minimum of one year)	See Attached Addendum
ANALYSIS OF SALE (TRANSFER HISTORY: (minimum of three years)) The Geowarehouse system provides the following information: Transaction occurred on October 15, 2010; Party To: Vivian, John Albert; Transaction Amount: \$182,000. Transaction occurred on April 17, 2014; Party To: Serroul, Telbot; Transaction Amount: \$2. Transaction occurred on April 17, 2014; Party To: Serroul, Telbot; Thompson, Skye; Transaction Amount: \$2. No other known transactions on the property over the past five years as per the source cited above.	
ANALYSIS OF REASONABLE EXPOSURE TIME: The Final Opinion of Market Value is based upon the Extraordinary Assumptions listed in the Scope of this report. Based upon a review of MLS statistical data, the comparable sales utilized in this report and additional sales data reviewed, the Final Opinion of Market Value is considered attainable given a realistic asking price, current market conditions, due diligence on the part of a listing agent, and a reasonable exposure time of one to five months.	
RECONCILIATION AND FINAL ESTIMATE OF VALUE: More emphasis was placed on Comparable No. 1, No. 2 and No. 6. Based upon the location of 1529 Sherbrooke Street, the private septic system and municipal water servicing and the size and condition of the dwelling, it is our opinion that a unit value in the range of \$180 to \$200 per square foot of above grade dwelling area including land, building and site improvements would be appropriate for 1529 Sherbrooke Street. Therefore, 1160 Sq. Ft. X \$180 = \$220,400 1160 Sq. Ft. X \$200 = \$232,000 Final Opinion of Market Value is \$225,000 with a value range of \$220,000 to \$230,000.	
UPON REVIEWING AND RECONCILING THE DATA, ANALYSIS AND CONCLUSIONS OF EACH VALUATION APPROACH, THE MARKET VALUE OF THE INTEREST IN THE SUBJECT PROPERTY AS AT <u>October 28, 2015</u> (Effective Date of the Appraisal) IS ESTIMATED TO BE <u>\$225,000 - Value Range of \$220,000 to \$230,000</u>	
THIS REPORT WAS COMPLETED ON: <u>October 28, 2015</u>	
DEFINITIONS DEFINITION OF MARKET VALUE: The most probable price which a property should bring in a competitive and open market as of the specified date under all conditions requisite to a fair sale, the buyer and seller each acting prudently and knowledgeably, and assuming the price is not affected by undue stimulus. Implicit in this definition is the consummation of a sale as of a specified date and the passing of title from seller to buyer under conditions whereby buyer and seller are typically motivated, both parties are well informed or well advised, and acting in what they consider their own best interests; a reasonable time is allowed for exposure in the open market; payment is made in terms of cash in Canadian dollars or in terms of financial arrangements comparable thereto; and the price represents the normal consideration for the property sold unaffected by special or creative financing or sales concessions granted by anyone associated with the sale. (Source: Canadian Uniform Standards of Professional Appraisal Practice. Note: If other than market value is being appraised, state additional comments.) DEFINITION OF HIGHEST AND BEST USE: The reasonably probable and legal use of the property that is physically possible, appropriately supported, and financially feasible, and that results in the highest value. A residential use in accordance with the current by-law. The scope of the appraisal encompasses the due diligence undertaken by the appraiser (consistent with the terms of reference from the client, the purpose and intended use of the report) and the necessary research and analysis to prepare a report in accordance with the Canadian Uniform Standards of Professional Appraisal Practice (CUSPAP) of the Appraisal Institute of Canada. The following comments describe the extent of the process of collecting, confirming and reporting data and its analysis, describe relevant procedures and reasoning details supporting the analysis, and provide the reason for the inclusion of any noted valuation procedures. The appraisal team that is the focus of this engagement has been discussed and defined with the client, the work required to solve the issue planned, and the necessary market data acquired, analyzed and reconciled into an estimate of market value in a manner typically expected to a "form" report. The specific tasks and items necessary to complete this assignment include a summary of the following: <ol style="list-style-type: none">1. assembly and analysis of relevant information pertaining to the property being appraised, including listing and acquisition particulars & acquired within three years prior to the effective date of the appraisal;2. an inspection of the subject property and the surrounding area;3. assembly and analysis of pertinent economic and market data;4. an analysis of land use controls pertaining to the subject property;5. a summary discussion and statement of "Highest and Best Use", or most probable use;6. a discussion of the appraisal methodology and procedures employed in arriving at the indications of value;7. inclusion of photographs, maps, graphics and addendums/tables when deemed appropriate; and8. reconciliation of the collected data into an estimate of market value or market value range as at the effective date of the appraisal. All data considered appropriate for inclusion in the appraisal is, to the best of our knowledge, factual. Due to the type of property being appraised and the nature of the appraisal issue, the findings have been categorized in this "Form" format. Other: See Attached Addendum	

The map displays a residential neighborhood with several streets and property lots. A yellow-shaded area, labeled 'City already owns this', is located on the north side of Sherbrooke St, between Hywood Rd and Under Lee. A red-outlined area, labeled 'Property to acquire', is located on the south side of Sherbrooke St, between Mountland Dr and Under Lee. The map shows various house numbers, including 1500, 1538, 1533, 1529, 1509, 2317, 2311, 2307, 2301, 2368, 2364, 2360, 2358, 2352, 2348, 2344, 2363, 2359, 256, 248, 241, 2325, 1560, and 1509. The streets shown are Sherbrooke St, Hywood Rd, Under Lee, and Mountland Dr.

