



TOWN OF MINTO

DATE: November 28, 2016

REPORT TO: Mayor and Council

FROM: Bill White, C.A.O. Clerk

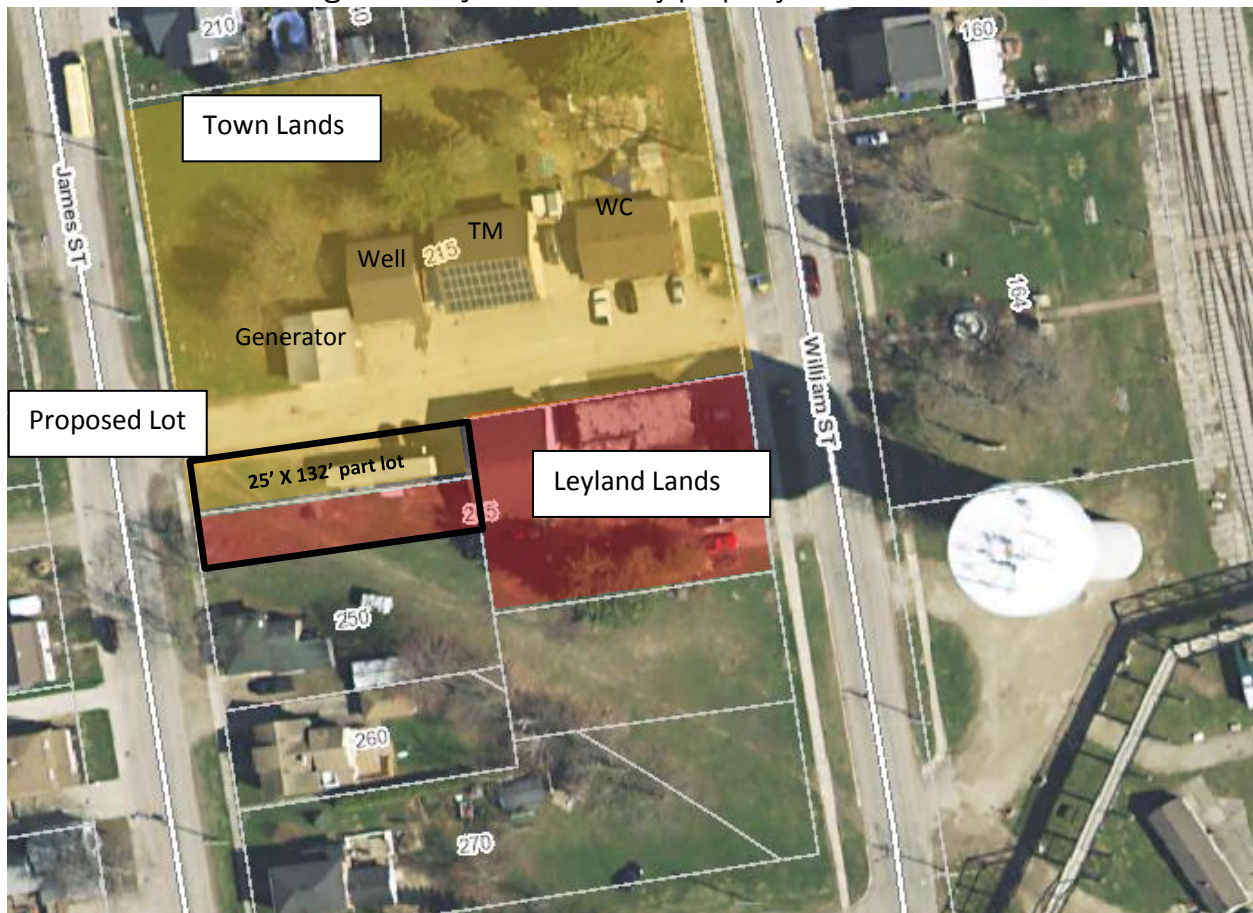
SUBJECT: Offer to Purchase, Leyland, James St. Palmerston

STRATEGIC PLAN:

Ensure growth and development in Clifford, Palmerston and Harriston makes cost effective and efficient use of municipal services, and development in rural and urban areas is well planned, reflects community interests, is attractive in design and layout, and is consistent with applicable County and Provincial Policies.

BACKGROUND

In closed session Council had considered a written request and agreement of purchase and sale from Justin and Nicole Leyland to buy a 25' by 132' piece of the former Palmerston PUC building lands adjacent to family property shown in red below.



The Town lands are in part former rail lines that intersect the main former Palmerston PUC property. As such the agreement of purchase and sale was structured to ensure the purchasers were aware that the environmental condition of the lands has to be addressed at their sole cost and expense before any development can occur.

The picture below shows the lands in question from a street view.



COMMENTS:

The conditional agreement of purchase and sale has the following general terms:

- Purchase price 25 by 132 feet of land \$21,000; \$1,000 deposit received
- Price includes one sanitary sewer lateral and one water service connection (installed at a cost of \$3346 during James St. reconstruction
- Agreement completed within 60 days of final acceptance
- Town to comply with its disposition of land by-law
- Town to supply any relevant documentation to purchaser
- Lands bought “as is” with purchaser having 30 days to satisfy themselves regarding site conditions and Town not responsible for property including future clean up
- Purchaser acknowledges the lots are not suitable for residential construction without a record of site condition prepared by a qualified person under applicable legislation.
- Purchaser to provide notice of work on the lands and to pay for soil tests and environmental inspection at its sole cost.
- Town makes no implied condition or warranty that the lands can be used for any purpose except as stipulated in the agreement
- Purchaser acknowledges land is not zoned for residential and in addition to providing a record of site condition Purchaser must obtain all other planning approves at their cost.
- Lands are acquired to join to adjacent lands on title to permit construction of a building
- Standard conditions on closing and registration of deeds; the Town must supply a reference plan specifically describing the lands.

To comply with disposition of property by-law the Town must declare the lands surplus and give public notice of its intent to sell. At least half of the strip of land conservatively is rail land which if sold to an abutting owner an appraisal is not required. The Town obtained a letter of opinion from Coach House Realty which suggests a value of \$60,000 to \$65,000 of a full building lot in Palmerston less any impact of environmental condition.

FINANCIAL CONSIDERATIONS:

The \$21,000 purchase price must cover \$3,346 servicing costs leaving \$2,654 for reference plan and legal. The value of the land as half a building lot is \$30,000 to \$32,500 less cost to rezone and deal with environmental issues including preparing a record of site condition. These obligations rest with the purchaser such that price offered is fair.

RECOMMENDATION:

THAT Council receives the C.A.O. Clerk's November 28, 2016 report regarding the Offer to Purchase, Leyland, James St. Palmerston, that the subject lands known as the 25 foot by 132 foot piece of Lot 8 East of James Street former Town of Palmerston is declared surplus to the needs of the municipality, and that Council considers a by-law in regular session authorizing the Mayor and C.A.O. Clerk to execute all documents needed to complete the transfer according to the agreement of purchase and sale summarized in the report.

Bill White, C.A.O. Clerk