



TOWN OF MINTO

DATE: June 16, 2017
REPORT TO: Mayor and Council
FROM: Bill White, C.A.O. Clerk
SUBJECT: Ann Street Lot Bids

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

At the May 2, 2017 meeting Council passed the following resolution:

MOTION: COW 2017-115

THAT Council receives the C.A.O. Clerk’s April 28, 2017 report regarding Ann Street Lot Sale Process and that Council supports the bid process for Blocks C and D as outlined with intake dates of June 9 and September 8, 2017, and construction started by November 1, 2017.

A bid form was emailed May 5 to past purchasers and advertisements placed in the two local papers. The bid form contained the following general terms to apply to all bidders:

- compliance with Town standard covenants (not for resale or speculation)
- Obtaining a building permit as a condition of closing to start construction by November 1, 2017 (earlier start preferred)
- No other land transactions are pending on Ann Street;
- Offer of one lot per person or company; multiple lots with delayed closings not preferred
- Minimum bid \$28,000 includes 1 connection for water and 1 connection for sewer
- Identify whether single family or semi-detached lot to be constructed; added cost for semi
- Town assign lot based on availability/interest, and must meet its disposition of land policy

The signed bid form accompanied by a certified deposit is to form the agreement of purchase and sale. Six bids received are summarized below:

Name	1st	Offer	2nd	Offer	3rd	Offer	Type	Closing	Deposit
A	306	\$30,000	307	\$30,000	305	\$30,000	single	Aug-01	\$3,000
B	310	\$35,100	308	\$31,000	307	\$31,000	single/semi	asap	\$3,510
C	307	\$30,000	306	\$30,000	305	\$30,000	single	Nov-01	\$3,000
D	306	\$30,000	307	\$30,000	308	\$30,000	single	Nov-01	\$3,000
E	310	\$35,100	304	\$35,100	307	\$35,100	semi	Aug-18	\$3,510
F	309	\$31,501	308	\$31,501	307	\$31,501	single	Jun-30	\$3,150
		\$191,701							\$19,170

Purchaser's A, B, C and F receive their first choice of lot, Purchaser D their third choice, and purchaser E their second choice. This mainly based on the earliest available closing date as overlap in lot choices have the same price. There is one purchaser that has an interest in other lots yet to close, but has legally separated the transactions by using both his company and personal names.

Moorefield was awarded the tender to service Block C and D, and at the pre-construction meeting the start date was set for completion late summer early fall. Two of the lots will close in June or early July and want to begin construction right away. Moorefield and Triton are aware that two lots will start during the servicing work and will need to be accommodated. The remaining four lots will close in the late fall when servicing is done.

COMMENTS:

If the six sales proceed as a result of the bids, only four of the 24 lots in Block A through E will remain. Three of the remaining lots are in Block D and one lot in Block C will be subject to a second bid process concluding September 8. Currently there are about 10 houses underway or completed already with these six purchases there will be at least 16 homes completed or underway on Ann Street.



The following shows the trail in green retained by the Town, and lots sold (yellow) and available (red) in Blocks C and D.



The lots were previously declared surplus by Council and notice posted of their pending sale.

FINANCIAL CONSIDERATIONS:

The Town bought the former rails lands for \$440,000 which included Blocks A through as well as land north to West Heritage Street and south to the 13th Line. Sale of 20 lots in Blocks A through E to date will amount \$512,701; with final sale of the remaining four lots total sales should exceed \$610,000. Proceeds from sales are directed to pay off the debenture for the original purchase of \$440,000 to settle the lawsuit and to fund the Town purchase at the corner of Allan and Elora Street.

The sale of these lots, the former Clifford Ballfield, and two infill lots for housing across from Block A have resulted in \$838,000 in actual or pending sales revenue to the Town (less legal and survey costs). When all transaction are complete 46 new residences will be built in Clifford from these sales including at least 24 homes within Blocks A through E, 14 homes on the former ballfield and 8 apartments on the two Ann Street lots.

RECOMMENDATION:

That Council receives the C.A.O. Clerk’s June 16, 2017 report regarding Ann Street Lot Bids and that Council approve proceeding with final sales as follows:

- Purchaser A Lot 306 \$30,000 closing August 1/2017
- Purchaser B Lot 310 \$35,100 closing Asap
- Purchaser C Lot 307 \$30,000 closing November 1/2017
- Purchaser D Lot 308 \$30,000 closing November 1/2017
- Purchaser E Lot 304 \$35,100 closing August 18/2017
- Purchaser F Lot 309 \$31,501 closing June 30/2017

Bill White, C.A.O. Clerk