

Attachment # 1

**Council Report titled 327 Louellen Street:
Proposed Sale of Abutting City Property
dated July 12, 2021**

REPORT

Engineering Services

To:	Mayor Côté and Members of Council Closed Council Meeting	Date:	7/12/2021
From:	Lisa Leblanc Director of Engineering Services	File:	05.4040.10 (Doc# 1869162)
		Item #:	128/2021
Subject: 327 Louellen Street: Proposed Sale of Abutting City Property			

RECOMMENDATION

THAT Council direct staff to commence the steps needed for the sale of City property behind 327 Louellen Street to the abutting owner;

THAT Council direct staff to commence policy development for the disposition of City-owned land.

PURPOSE

The purpose of the report is to seek Council's approval to begin the proposed sale process for this City-owned property.

BACKGROUND

The owner of 327 Louellen Street approached the City about purchasing the City-owned strip of land at the rear of her property for the purpose of amalgamation with 327 Louellen.

The site is essentially rectangular with a width of 54.98± feet and a depth of 8.00± feet. There is no legal frontage. The gross site area is 440± square feet. It is inaccessible to City staff except by crossing over private property, and has not been maintained or accessed by staff in recent history. There is no laneway or road allowance in this block. The subject land

does not have a civic address. It is referred to within City of New Westminster Property Information Report as “Rear – 327 Louellen Street”.



Figure 1 Aerial View of Subject Site

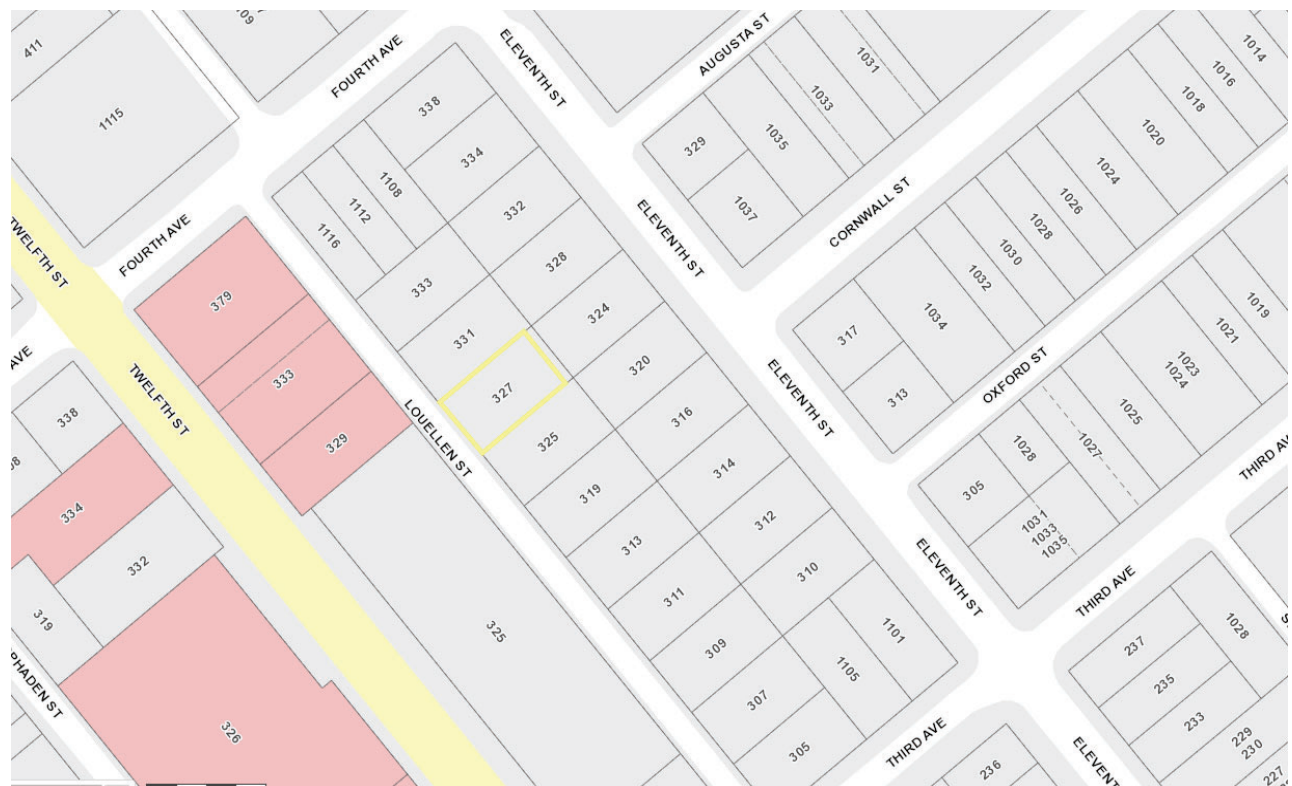


Figure 2 Cityviews Image of 327 Louellen Street and Abutting City Property

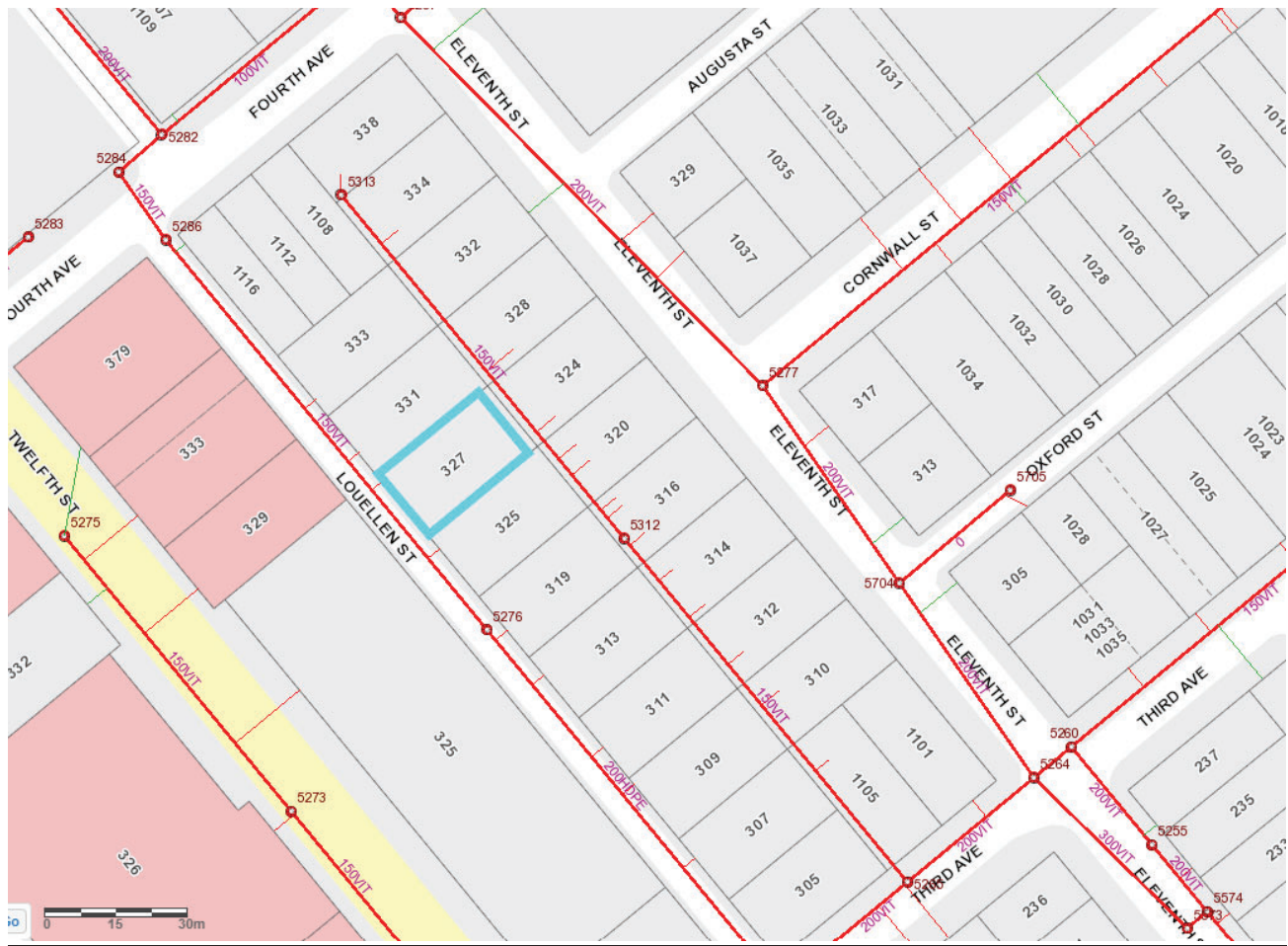


Figure 3 Cityviews Image of 327 Louellen Street and Abutting City Property and Sewer Line

ANALYSIS / DISCUSSION

The land has been identified as surplus after being reviewed against the City's Policy Framework for the disposition of City Owned Lands (Attachment 1), and too small to be used as a separate parcel for future needs. As the parcel to be sold is too small to exist as a separate parcel, its consolidation with the abutting property will be a condition of the sale.

The previous owner of 327 Louellen built a shed that encroaches onto the City-owned land; due to a recent change in practice at BC Assessment, the current owner of 327 Louellen is now obligated to pay property taxes on the City-owned land due to this encroachment. Since she is already paying property taxes on the land, and the addition of this depth to her property would bring her in alignment with the lot sizes and values on either side of 327 Louellen, she would like to purchase the land for the purpose of amalgamation. She has no immediate plans to redevelop the site.

The other houses on the block are a mix of ages; several are quite old but there are also some newer houses built in the 2000s. The properties are zoned to allow carriage houses. Current policy would not require a carriage house applicant to provide a lane Right of Way (ROW)

since the property isn't on a block that has been identified as priority for a future lane; the laneway/carriage house program does not anticipate a future lane on this block. The lot size and pattern on Fourth Ave would further complicate the addition of a future lane.

The properties are designated in the Official Community Plan to allow a rezoning for ground oriented infill housing types, however, it would be challenging to develop a creative infill use on these sites given their size (less than 6000 sq. ft.) and topography. Therefore, despite the opportunity, it is unlikely that there will be redevelopment on these sites other than new single detached dwellings, and even carriage houses would be very challenging in the context.

There is an existing sewer line running parallel to Louellen and Eleventh Streets, servicing only the houses facing Eleventh Street and located on their side of the rear property line, however, there are no registered easements over these properties to allow access for servicing.

If directed to proceed to negotiations, staff could explore the requirement of a ROW as a condition of sale to allow for potential future lane development or an easement on the property to protect the City's ability to access and service the sewer line.

At the request of the City, the owner commissioned an appraisal of the property by a City-appointed appraiser. The valuation, based on the highest and best use of amalgamation with 327 Louellen, was \$31,000. The introduction of a ROW or easement may have an impact on the valuation of the property.

The analysis suggests no reason to deny the sale, however, it is recommended that a policy be developed which dictates that land sales be offset by strategic land purchases. Until such time that a policy is developed for the disposition of City-owned land, land sales will continue to be reviewed on a case-by-case basis, including those associated with development applications.

Next Steps

If Council wishes to proceed with this sale, the following steps would be needed:

1. Determination of the terms and conditions of the sale and price of the land;
2. Council agreement on terms and conditions and price and direction to post and publish notice of intention to sell;
3. Posting and publication of notice of intention to sell;
4. Council resolution approving the sale and authorizing signing of agreement;
5. Removal of conditions of sale (e.g. subdivision approval);
6. Payment of money by applicant, transfer of land and registration of subdivision plan.

FINANCIAL IMPLICATIONS

All preparation and legal costs for the sale will be borne by the applicant.

INTERDEPARTMENTAL LIAISON

Development Services, Parks and Recreation, Finance and the City Solicitor were consulted with regard to the proposed sale. None expressed any objections to the sale.

OPTIONS

The following options are presented for Council's consideration:

1. Direct staff to commence the steps needed for the sale of City property behind 327 Louellen Street to the abutting owner;
2. Direct staff to commence policy development for the disposition of City-owned land;
3. Provide staff with further direction.

Staff recommend Options 1 and 2.

ATTACHMENTS

Attachment 1 – Lands Assessment Using the Policy Framework for the Disposition of City Owned Lands

This report has been prepared by:
Tobi May, Manager, Civic Buildings & Properties

Approved for Presentation to Council



Lisa Leblanc, P. Eng., M.Sc.
Director of Engineering Services



Lisa Spitale
Chief Administrative Officer

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Lands Assessment Using the Policy Framework for the Disposition of City Owned Lands

DETERMINING FACTORS		327 Louellen Street
1	Park land or a community / recreational facility	no
2	Protection of environmentally sensitive areas or mitigation of natural hazards	no
3	Waterfront property	no
4	Civic facilities, such as City hall, libraries, museums, police and fire department buildings	no
5	Civic operational facilities, such as engineering operations yard, tow yard and the animal shelter	no
6	Civic infrastructure, such as utilities	no
7	Vehicular, pedestrian, cycling and other modes of transportation, parking facilities.	potentially
8	Retention for use by other government bodies, such as Fraser Health, Metro Vancouver parks	no
9	Retention for use by private agencies, such as leases to non-profit organizations	no
10	Fulfilling objectives of Council adopted policies, including community plans and economic development or environmental or social objectives	no
11	Fulfilling an historical obligation attached to the property i.e. the property was gifted for a particular purpose	no
12	The protection of significant historical or cultural resources	no
13	Fulfilling DCC commitments	no

	CRITERIA	
1	Does the sale of the property support or hinder the realization of Council adopted policies, such as community plans, the Livable City Strategy and other economic development, social or environmental objectives?	Sale of property should include an easement or right-of-way to allow for future implementation of laneway should the property be redeveloped, to align with strategic objectives.
2	Does the sale of the property have an economic benefit to the City? Is the location of the property and the proposed land use resulting from the sale a positive benefit to the livability and economic development of the City?	Not beyond the revenue generated from the sale. Property taxes are already being collected.
3	In the case of a proposed purchase for a specific purpose, does the location of the property maximize economic benefits to the City (i.e. synergies with the private sector and leveraging economic development opportunities with private and public partners)?	No
4	Is the retention of the property financially supportable in the short term, in terms of operating costs and other financial costs to the City?	Yes; there are no costs associated with retention of the property.
5	Is the sale of the property supportable in terms of optimizing the potential long term financial return? Considerations include: 1) Are there anticipated changes within the area, such as adjacent development or servicing which would increase the financial return? 2) Would potential lot assemblies or partnership with adjacent land owners maximize the financial return on the property? 3) What is the current market for this type of property and land use?	Yes. 1) No 2) No 3) The abutting property owners.
6	Is there an overall community / social good to be gained through the retention of the property? If there is a community / social good, how much is the opportunity cost in terms of lost revenue and amount of potential subsidy required by the City to attain or retain the social good?	No
7	Can the property be considered for the development of affordable housing either in consolidation with other properties or by itself?	No