

Information Report



Service Area	Infrastructure, Development and Enterprise Services
Date	Friday, February 28, 2020
Subject	Hanlon Creek Business Park – Real Estate
Report Number	IDE-2020-25

Executive Summary

Purpose of Report

As per the authority that Council has delegated to staff to execute 'Offers to Purchase and Agreements of Purchase and Sale' for City owned land in the Hanlon Creek Business Park (HCBP), this is to advise Guelph City Council of two real estate transactions of these lands.

Key Findings

Two 'Offers to Purchase and Agreements of Purchase and Sale' for Hanlon Creek Business Park land have been executed. Details of each sale are provided below:

1. Southgate Properties Inc. will purchase Part of BLOCK 7, PLAN 61M169, CITY OF GUELPH, assumed acreage of 4.00 acres, as shown highlighted in Attachment 1. The purchaser is proposing to construct a 40,000 to 50,000 square foot facility for industrial and office uses. The sale will be conditional until April 1, 2020 and will close on May 5, 2020.
2. Creekside Properties Inc. will purchase Part of BLOCK 7, PLAN 61M169, CITY OF GUELPH, assumed acreage of 4.22 acres, as shown highlighted in Attachment 2. The purchaser is proposing to construct a 40,000 to 50,000 square facility for industrial and office uses. The sale will be conditional until April 1, 2020 and will close on May 5, 2020.

Financial Implications

1. Southgate Properties Inc. - The total estimated land sale of Part of BLOCK 7 – highlighted in Attachment 1, PLAN 61M169, CITY OF GUELPH is \$1,360,000.00 (4.00 acres X \$340,000.00). This will be confirmed by area measurements provided on the Reference Plan. The purchaser was represented by a real estate agent or broker and a 2.5% (\$34,000) commission will be payable.
2. Creekside Properties Inc. - The total estimated land sale was Part of BLOCK 7 – highlighted in Attachment 2, PLAN 61M169, CITY OF GUELPH is \$1,434,800.00 (4.22 acres X \$340,000.00). This will be confirmed by area measurements provided on the Reference Plan. The purchaser was represented by a real estate agent or broker and a 2.5% (\$35,870) commission will be payable.

3. The proceeds of the two land sales above are to be transferred to the Industrial Land Reserve #322 as per the Council approved Reserve Policy
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Report

Details

In accordance with Council's HCBP land sale approval process, which delegates authority to staff to negotiate and execute agreements of purchase and sale for city-owned land in the Hanlon Creek Business Park, the City has entered into two agreements with the following purchasers:

1. Southgate Properties Inc. will purchase Part of BLOCK 7, PLAN 61M169, CITY OF GUELPH, assumed acreage of 4.00 acres, as shown highlighted in Attachment 1. The purchaser is proposing to construct a 40,000 to 50,000 square foot facility for industrial and office uses. The sale will be conditional until April 1, 2020 and will close on May 5, 2020. This sale will help a local business expand and remain operating in Guelph. At least Ten (10) business days before closing the City will provide the purchaser with a survey prepared by an Ontario Land Surveyor and deposited with the Ontario Land Registry Office and the lands shall be legally described in the Reference Plan. The actual acreage of the lands shall be confirmed by area measurements provided on the Reference Plan.
2. Creekside Properties Inc. will purchase Part of BLOCK 7, PLAN 61M169, CITY OF GUELPH, assumed acreage of 4.22 acres, as shown highlighted in Attachment 2. The purchaser is proposing to construct a 40,000 to 50,000 square facility for industrial and office uses. The sale will be conditional until April 1, 2020 and will close on May 5, 2020. This sale will help a local business expand and remain operating in Guelph. At least Ten (10) business days before closing the City will provide the purchaser with a survey prepared by an Ontario Land Surveyor and deposited with the Ontario Land Registry Office and the lands shall be legally described in the Reference Plan. The actual acreage of the lands shall be confirmed by area measurements provided on the Reference Plan.

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Consultations

N/A

Strategic Plan Alignment

The sale of City owned Hanlon Creek Business Park lands aligns with the Powering Our Future priority – by supporting an innovation economy, helping business succeed and adapting to workforce needs. It also aligns with Building Our Future by maintaining and securing community assets such as City owned lands in the Hanlon Creek Business Park.

Attachments

Attachment-1: Southgate Properties Inc.

Attachment-2: Creekside Properties Inc.

Departmental Approval

Brent Andreychuk – Corporate Analyst, Finance, Client Services

Patricia Zukowski – Senior Corporate Analyst, Finance, Financial Strategy

Katherine Hughes – Associate Solicitor, Real Estate Development

Report Author

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Approved and Recommended By

Kealy Dedman, P.Eng., MPA

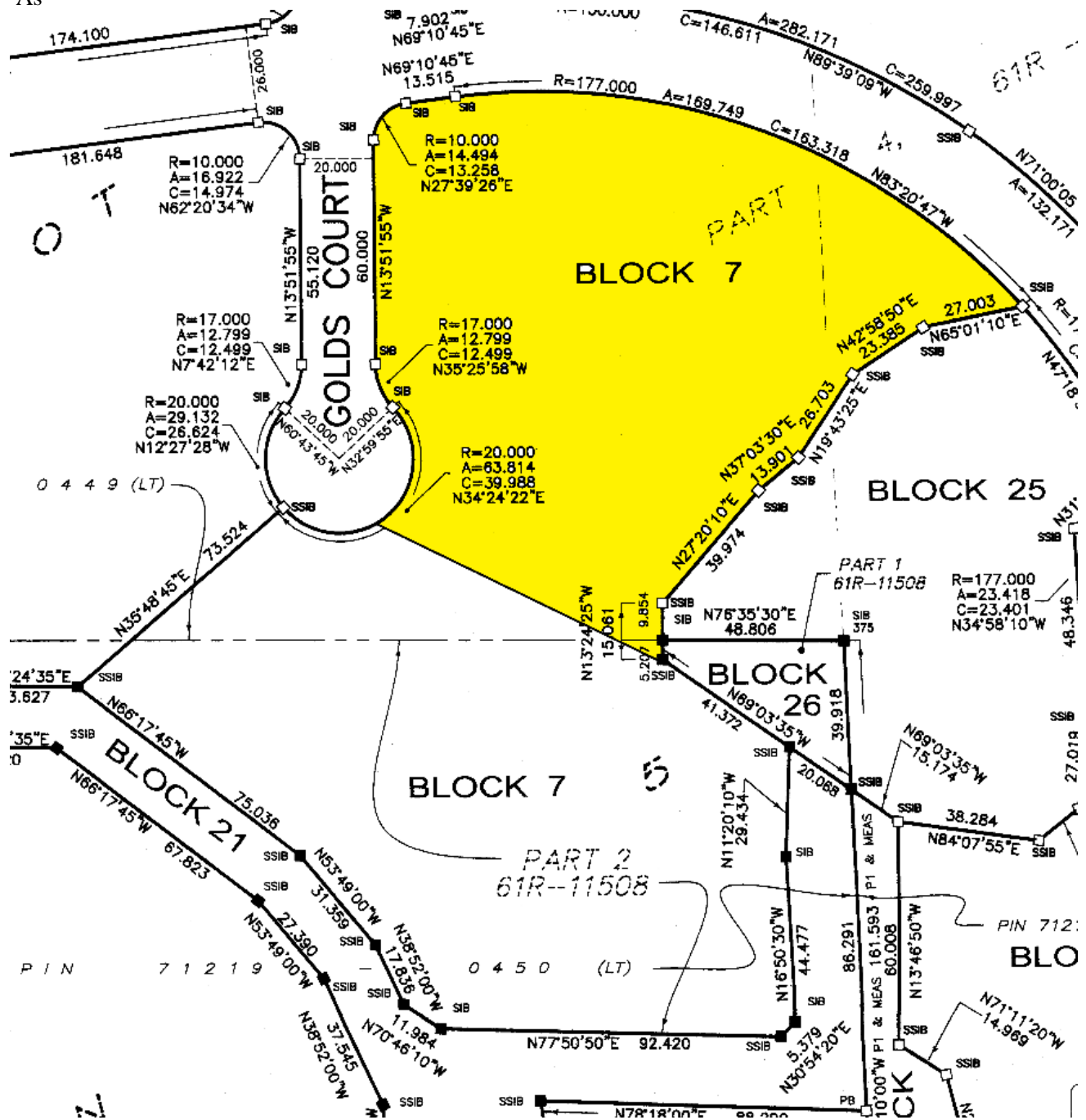
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Creekside Properties

