

MEMO

To: Council
From: CAO
Subject: **For Your Discussion: Surplus Property – engagement of services of a Realtor**
Date: May 16, 2017

Issue

Engagement of the services of a Realtor to sell certain Municipal surplus properties

Facts

- The Municipality of Greenstone currently has dozens of surplus properties that it has acquired over the years (the exact list is still being cleaned up.)
- The Municipality does not have the capacity or specific skill set that would be desired to sell some of the properties.
- While the Municipality owns many of the properties, they are often not used and do not collect taxes.
- Selling the properties would provide some revenue to the Municipality that could be used for beautification initiatives.

Analysis

- Engaging the services of a realtor with experience in Commercial and Residential property could help ensure key surplus properties are properly marketed and sold in a more timely manner.
- It is recommended that the Realtor be engaged to sell only a limited number of properties at any given time. This ensures that the market is not flooded and that the Realtor is able to focus on the biggest opportunities for the Municipality. It is also recommended to focus on just a few properties at this time as waiting until the whole list can be cleaned up will likely take until late summer.
- If the Municipality were to issue an RFP for Realty Services, it is recommended the evaluation of the proposals includes a significant proportion based on experience in realty related to the property being sold (e.g. commercial, etc.) to ensure the best value for the Municipality.
- Because the sale of surplus properties will fluctuate depending on market and what is available, it is recommended that any revenue from the sale of these properties be put in a reserve account for beautification initiatives.
- The initial properties recommended to be sold via the use of a realtor are;
 - 1000 Main St., Geraldton Ward
 - The former Colimar Lodge Property, 5000 Highway #11 in the Rural Ward – West (Jellicoe)
 - Lakefront House, 101 Bayview Street in the Longlac Ward (subject to approval of removal of conditions by MNR).
 - Former Longlac Daycare Building in the Longlac Ward (subject to severance)
- The Sale of the properties will provide not only a revenue in terms of sale proceeds and taxes for the Municipality, it will also reduce ongoing operating costs.

How does this tie to the Strategic Plan?

Proceeds can be used for beautification initiatives, supporting the Strategic Imperative: Building Infrastructure And Pride Go Hand In Hand.

Recommendation

That Council approve the engagement of a Realtor to sell the properties per this Memo and that future revenue from the sale of surplus lands be put into a Reserve account for beautification initiatives.

Comments

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