

ITEM	5
MANAGER'S REPORT NO.	9
COUNCIL MEETING	93/02/09

TO: CITY MANAGER

FEBRUARY 2, 1993

FROM: CITY SOLICITOR

SUBJECT: PROPOSED SALE OF CITY OWNED SITE AT 4010 REGENT
STREET - LOT 2, D.L. 69, PLAN 86878

PURPOSE: TO PROCEED WITH OFFERING THE SUBJECT CITY PROPERTY
FOR SALE BY PUBLIC TENDER

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RECOMMENDATION:

1. THAT Council authorize the sale by public tender of Lot 2, D.L. 69, Plan 86878 with a minimum acceptable bid of \$950,000 as more fully described in this report.

REPORT

Background Information

Council, at its meeting of October 30, 1989, authorized the acquisition of private lands and sale of city property which resulted in the creation of 2 sites (see attachment 1). Lot 2 which the City has title to has been recently serviced and is considered ready for sale and development. In the past several months the Legal Department has received many calls of interest as a result of a large for sale sign posted in October of 1992. It is expected that there will be a number of bidders on the site due to the dearth of good industrial sites which are in close proximity to major routes.

Lot 2 (see attachment 2) is approximately 1.23 acres in area and is zoned M5 Industrial. It is encumbered by statutory rights of way protecting municipal utilities primarily located on the north and east perimeters of the site. Vehicular access is restricted by covenant to Regent Street only. By means of a second registered covenant construction of buildings is not allowed within the northerly 76' of the site. In general the property slopes downward to the northeast and has good visibility from and close access to the 401 freeway.

Valuation

In determining a minimum acceptable bid price for the site a number of recent sales of industrial properties were analyzed as follows:

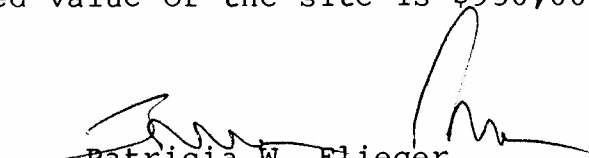
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<u>Address</u>	<u>Price/ Sq. Ft.</u>	<u>Date</u>	
3925 Myrtle	\$17.08	Apr.'91	Included buildings & site improvements
3945 Myrtle	\$20.88	Jan.'92	Included buildings & site improvements
4075 Myrtle	\$17.13	July'92	Included buildings & site improvements
3930/4040 Henning Dr.	\$11.27	Dec.'92	Vacant - proposed rezoning for retail building supply store
Misc. lots Eastbrook Industrial Park	\$6.82 - 8.96	May '91	Unserviced vacant sites, poor ground conditions
4241 Ledger	\$23.00	Listing only	1 ac. M5 office site listed since October 1992.

Based on the above sales and listings and adjusting for time and location, it is proposed that the minimum acceptable bid price for the subject lot be set at \$950,000 (approximately \$18.00 per square foot).

Conclusion

Lot 2 was created to be sold by the City and is now serviced and ready for construction. There seems to be a fair amount of interest and demand for M5 industrial sites. Based on a market analysis the indicated value of the site is \$950,000.

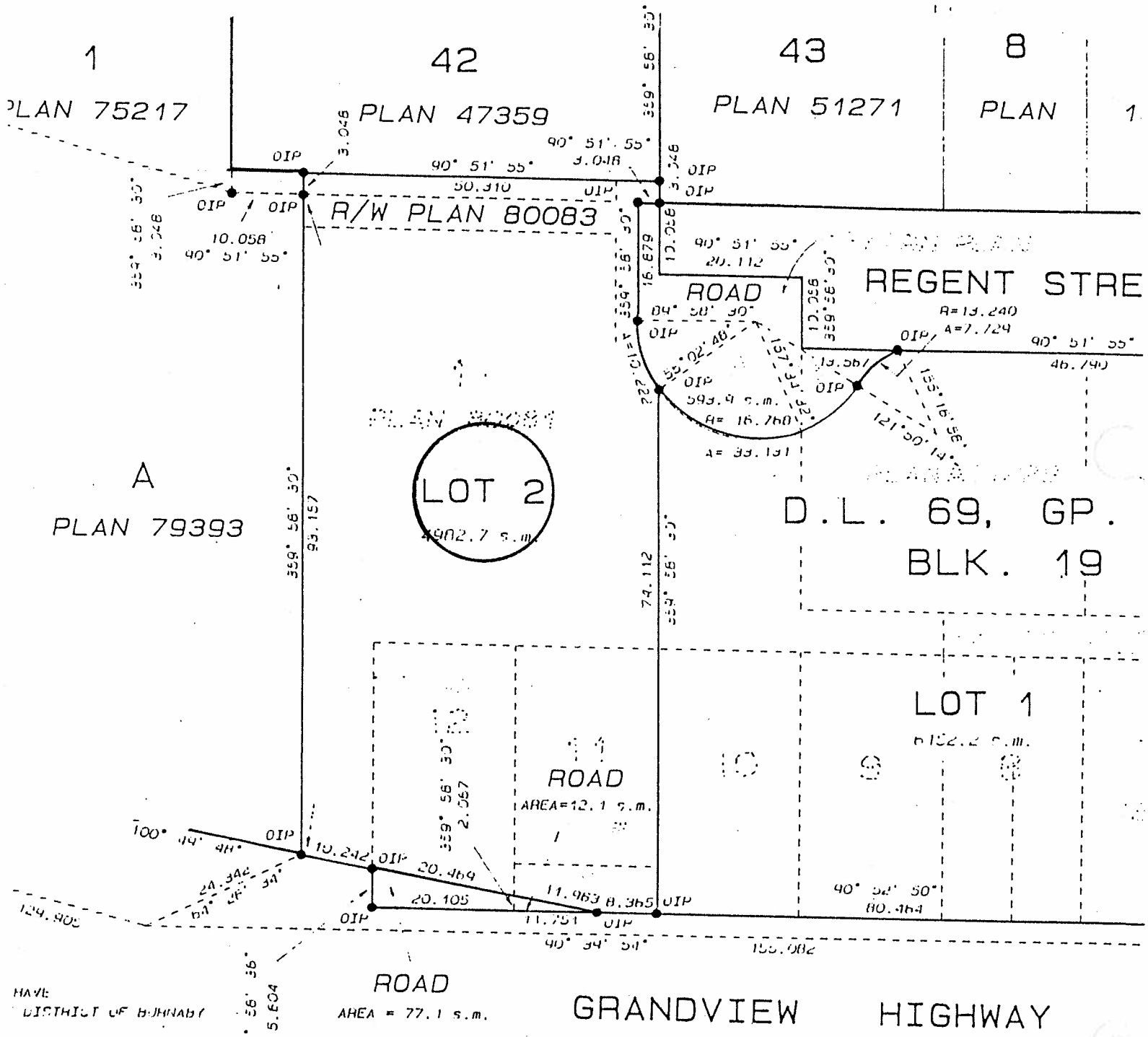

 Patricia W. Flieger
 for City Solicitor

HK:bi
 Attach

cc: Director Administrative & Community Services
 Director Finance
 Director Engineering
 Director Planning & Building

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PCL. "L", (BY-LAW PLAN 57067), LOT 11, BLK. 19, D.L. 69
 LOT "A" (EXCEPT: PCL. "B", BY-LAW PLAN _____), D.
 LOT 1, EXCEPT: PCL. "A", BY-LAW PLAN _____, D.L. 6
 PCL. "A" (BY-LAW PLAN _____), LOT 1, PLAN 00081
 PCL. "B" (BY-LAW PLAN _____), LOT A, PLAN 112
 PCL. "C" (BY-LAW PLAN _____), D.L. 69, GP. 1,
 LOT 12, BLK. 19, D.L. 69, P. 1, N.W.D., PLAN 1321.



HAVE DISTRICT OF BURNABY