

TO: CITY MANAGER **DATE:** JANUARY 12, 2000
FROM: ACTING CITY SOLICITOR
SUBJECT: SALE OF DEVELOPMENT SITE
 4238 ALBERT STREET
 LOT A D.L. 121 GROUP 1 NWD PLAN LMP 44614
PURPOSE: TO REQUEST COUNCIL AUTHORITY TO SET A MINIMUM BID
 PRICE FOR A SITE PROPOSED FOR SALE BY THE CITY

RECOMMENDATION:

1. **THAT** the subject City owned multi family site be offered for sale by public tender in accordance with the conditions of sale outlined in this report.

R E P O R T

The subject multi family site (see sketch #1) has been consolidated as one parcel and is ready for sale. The site is also the subject of a rezoning (Ref. #99-48) application by the City from R-5 Residential to CD (RM7) zoning in line with the Hastings Street Area Plan.


Valuation

In order to set a minimum bid price a number of sales of development sites in the City were analyzed. On sites with a similar density, values in the \$49 - \$62/sq.ft. range were found (see accompanying tabulation). Prices varied depending on location, size of site, ease of construction and sale date. The subject site is considered to have a value in the higher range due to location and site size. It is, therefore, recommended that a minimum bid price of \$1,630,000.00 (\$55/sq.ft.) be set in order to attract competitive bids.

Conditions of Sale

- (a) Rezoning to accommodate a specific development plan on the application of the purchaser;

- (b) A deposit in the amount of 5% of the bid price is to be submitted at the time of bidding;
- (c) The purchaser will be required to complete the transaction within six months of the ratification of their bid by Council;
- (d) At the time of completion the City will collect a payment in lieu of taxes for the remainder of the year based on the sale price and the date of completion. Subsequent years' taxes will be as per the same calculation until such time as the property is on the tax roll.

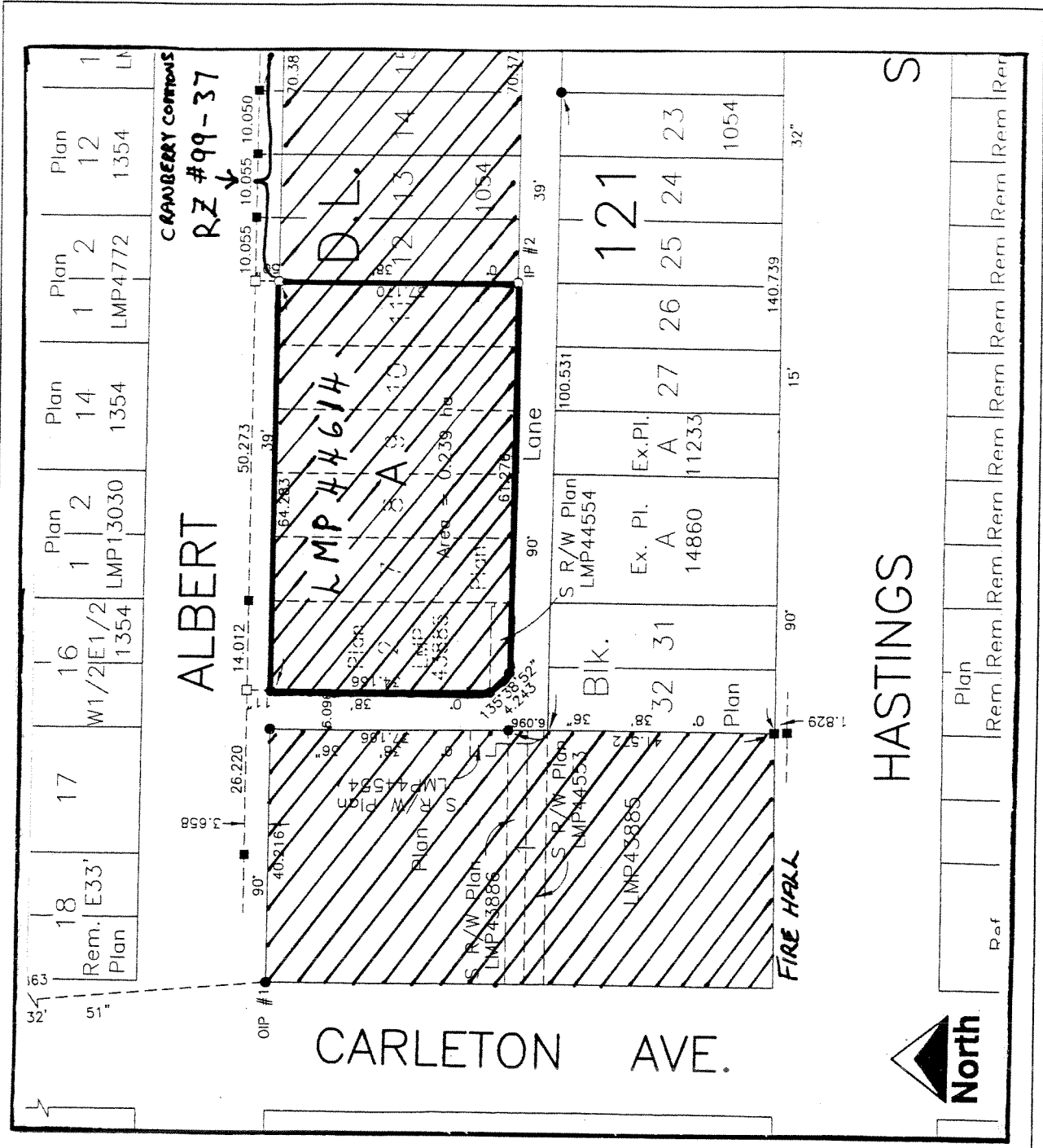



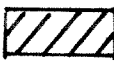
Bruce R. Rose
Acting City Solicitor

LH:et
Attach.

Copy: Director Planning and Building
Director Finance

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 <p>City of Burnaby</p>	<p>Legal And Lands Department</p>	<p>City Property</p>  <p>Sketch # 1</p>
<p>Scale: 1 : 1000</p>	<p>Proposed Sale 4238 Albert Street</p>	
<p>Reproduced by: LH</p>		
<p>Date: January 2000</p>		

TABULATION OF MULTIFAMILY SALES

<u>Location</u>	<u>Sale Date</u>	<u>Price/Sq.ft.</u>	<u>Zoning</u>
5623, 5637, 5661 and 5687 Smith Avenue	'97 January	\$59.85	CD (RM-3)
5080, 5090, 5100 and 5106 Dover	'97 May	\$62.00	Potential RM-3 Assembly
7350, 7370 and 7390 Griffiths Avenue	'97 August	\$49.29	RM-3
7037, 7055, 7063 7073 Edmonds and 6990, 7030, 7054 and 7081-21st Avenue	'98 February	\$50.89	RM-3

RM-7 has a similar FAR to RM-3. Therefore, it is considered that \$55/Sq.ft. for the Hastings Street Area Plan is a fair minimum price. There is a distinct lack of recent RM-2/3 multifamily sales (late 98 and 99) that can be relied upon to give a clearer indication of value.