



**IN CAMERA**

**REPORT**

Report Date: August 12, 2020  
Contact: Jerry Evans  
Contact No.: 604-873-7430  
RTS No.: 14016  
VanRIMS No.: 08-2000-21  
Meeting Date: September 15, 2020

TO: Vancouver City Council  
FROM: General Manager of Real Estate and Facilities Management  
SUBJECT: Sale of City-owned Property – 316 East 8th Avenue

**IN CAMERA RATIONALE**

This report is recommended for consideration by Council on the In Camera agenda as it relates to Section 165.2(1) of the *Vancouver Charter*: (e) the acquisition, disposition or expropriation of land or improvements, if the Council considers that disclosure could reasonably be expected to harm the interests of the city.

**RECOMMENDATION**

THAT Council authorize the Director of Real Estate Services to proceed with a contract of purchase and sale (the "Sale Agreement") with Ahmad El-Abed (the "Buyer") for the sale of the City-owned lands at 316 East 8<sup>th</sup> Avenue, legally described as 015-537-684, the West ½ of Lot 3, Block 54, District Lot 200A, Plan 197, as shown in Appendix A of this report (the "Property"). Such contract is based on the following terms and conditions:

- the City to sell the Property to the Buyer for a price of \$1,325,000 excluding closing costs and taxes (the "Sale Price") with funds credited to the Property Endowment Fund "PEF";

FURTHER THAT, no legal rights or obligations will arise or be created between the Buyer and the City unless and until all legal documentation is fully executed on terms and conditions that are to the satisfaction of the Directors of Real Estate and Legal Services.

## **REPORT SUMMARY**

The purpose of this report is to seek Council approval to sell the Property at a price of \$1,325,000 with closing date of October 1, 2020.

## **COUNCIL AUTHORITY/PREVIOUS DECISIONS**

Section 190(1)(b) of the *Vancouver Charter* authorizes Council to dispose of City-owned property deemed to be surplus to the City's needs and requires an affirmative vote of two-thirds of all members of Council for the disposition of property which exceeds \$400,000 in value.

At its In Camera meeting held on July 7 and 8, 2020, Vancouver City Council authorized the Director of Real Estate Services to engage a licensed realtor to market the Subject Property for sale using marketing practices and real estate commission rates in accordance with real estate industry standards (RTS 13908).

## **CITY MANAGER'S/GENERAL MANAGER'S COMMENTS**

The General Manager of Real Estate and Facilities Management recommends approval of the foregoing.

## **REPORT**

### ***Background/Context***

The Property has been identified as a non-strategic asset within the PEF, and other civic uses have not been identified despite considerable efforts. The Property has remained vacant since October 2017 and the City has incurred holding costs of approximately \$70K. The Property is in poor condition requiring significant renovation costs to bring into tenantable condition (\$300K to \$400K) including roof and wall cladding replacement. The Property has also suffered from break-ins. Holding costs are anticipated to rise in the future.

At its In Camera meeting held on July 7 and 8, 2020, Vancouver City Council approved the following:

*THAT Council authorize the Director of Real Estate Services to engage a licensed realtor to market for sale using marketing practices and real estate commission rates in accordance with real estate industry standards, the City-owned real property located at 316 East 8<sup>th</sup> Avenue, legally described as PID 015-537-684, the West ½ of Lot 3, Block 54, District Lot 200A, Plan 197" (the "Property").*

### ***Strategic Analysis***

The Property was listed for sale on the residential Multiple Listing Service between July 21<sup>st</sup>, 2020 and August 5<sup>th</sup>, 2020. The Property was exposed to over 50 different individuals and groups over the 3 week period, and the showings generated 6 offers. The offers were reviewed at 11:00 am August 6<sup>th</sup>, 2020 and after some refinement to the initial terms, one offer emerged that contained the desired combination of the fewest subject conditions and the highest price.

The Director of Real Estate Services is of the opinion that the Property has been effectively marketed, and has accepted a Sale Agreement for the Property at a price of \$1,325,000, subject to Council approval. The Sale Agreement has a closing date of October 1, 2020.

The Property was appraised by an independent appraiser in June of 2020 at \$1,175,000. The current assessed value (2020) is \$1,321,800 (valuation date - July 1, 2019).

The Sale Price is in the amount of \$1,325,000.

***Implications/Related Issues/Risk***

***Financial***

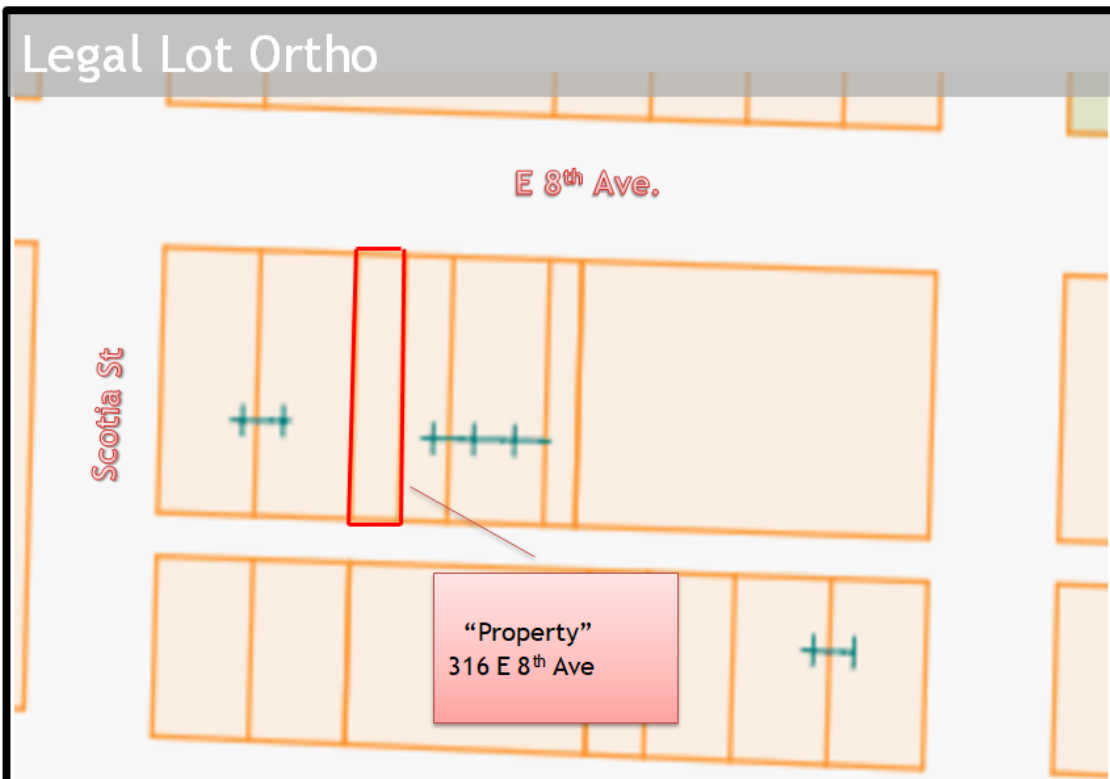
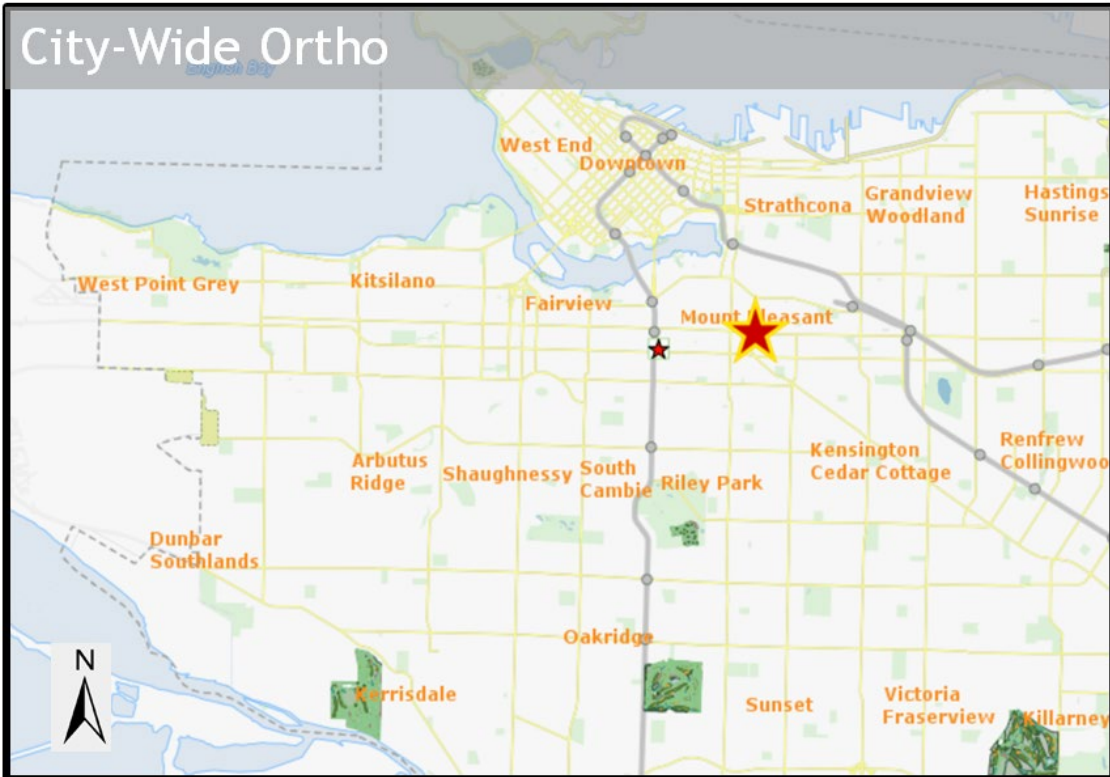
The Director of Real Estate Services has negotiated this sale for \$1,325,000 plus applicable taxes. The Director of Real Estate Services advises that the sale represents fair market value. The sale proceeds of \$1,325,000 will be credited to the PEF.

***CONCLUSION***

The Director of Real Estate Services is of the opinion that the Property has been effectively marketed, and that the Sale Price represents fair market value for the property.

The General Manager of Real Estate and Facilities Management recommends that Council approve the sale of the Property for \$1,325,000 with sale proceeds to be credited to the PEF.

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## Area-Wide Ortho



## Street View

