



**Date 3 September 2010**

## **City Council Committee Report**

**To: Mayor Compton & Members of Council**

**Fr: Karen Brown**

**Re: Designation of Authority to CAO – Land**

### **Recommendation:**

**That** Council hereby gives three readings to By-law #xx-2010 – A By-law to Delegate Council's authority to acquire and dispose of land in certain circumstances, in the City of Kenora, District of Kenora.

### **Background:**

This report initiated as a result of the lame duck provisions under Section 275 (3) of the Municipal Act. A copy of a report related to these provisions has been attached for your reference, and the details therein have not been restated in this report. The City currently has a number of property matters before it will not be able to resolve prior to September 10, 2010, which may need to be dealt with prior to the swearing in of the new Council.

As a number of the land matters remain in camera at this time, the City solicitor, Bruce Ormiston, was requested to develop a by-law that would allow the delegation of authority for land matters to the City CAO, while keeping the subject lands in camera. The City solicitor has developed a by-law intended to remain in place following the swearing in of the new Council, to enable the CAO to deal with the administrative issues related to land matters, without being required to move those items through Council. With regards to selling municipal property, the CAO would not be able to sell any property that Council had not declared as surplus to the municipality. A copy of the correspondences from the solicitor on this matter has been attached for your reference.

There are a number of restrictions built into the by-law to provide some control on actions by the CAO, including things like dollar value restrictions, and restrictions on any significant variance to appraised value on a sale. The by-law provides exemptions for the two properties for which Council is currently considering transferring at a nominal value as these would otherwise fall outside the authority of the CAO in accordance with this by-law.

Particular attention should be paid to the dollar limits included in the appointment by-law. The original by-law is based on a template from the City of Thunder Bay, passed in 2005, and still in effect today. In comparing that by-

law to the proposed Kenora by-law, the following differences in the limits should be noted:

<b>Section of By-law</b>	<b>Thunder Bay By-law</b>	<b>Kenora By-law</b>
4) Land Sales \$ limit	\$100,000	\$750,000
5) Lease annual \$ rent	\$10,000	\$48,000
9) Lien releases / discharge	\$100,000	\$100,000

The dollar limits have been increased significantly. This has been done to accommodate two matters:

- Land Sales
- Leases

No land can be sold without meeting the restrictions, including Council declaring the land surplus to the needs of the municipality. No lease can be signed unless it is consistent with either market value or approved Council policy. Regardless, it is important that Council carefully consider the limits as included in the draft by-law. The limits should be reduced if it is felt they are too aggressive, and any matters that fall outside of the authority delegated in the By-law and Council's authority as a result of Section 275 of the Municipal Act would be held until following the swearing in of the new Council.

Subject lands can be declared surplus by Council during the lame duck period.

**Budget:**

This report relates strictly to delegation of authority. There is no cost related to this delegation.

**Communication Plan/Notice By-law Requirements:**

The Managers will be advised of Council's decision in this matter.