



# Real Estate

*in the City of Hamilton*

## Introduction

The Real Estate Section is responsible for the management of the City's real estate assets and real estate portfolio activities that include the leasing, acquisition, and sale of properties along with the delivery of efficient and effective real estate services.

## What is the land acquisition (purchasing) process?

Acquisition and site selection experts are available in the Economic Development and Real Estate Division to assist current and potential property owners and renters. The process and timelines for property transactions will vary depending on the type of property and its current access to services (i.e. sewers, roads etc.). For example, more time and resources will be required for larger projects that require the construction of a major new road, airport expansion, rights of ways, sewer utilities or land assembly for a municipal industrial park development.

## How is a price determined for a property?

The purchase price or financial offer made for properties are based on market value and should be similar to the price that would normally be negotiated with any other prospective purchaser. The City's intent in acquiring real estate is to be fair and reasonable with the property owner. The City will make every effort to be flexible in considering negotiable items such as the possession date, chattels/fixtures and general disruption to the owner.

## Who make the decisions to purchase properties?

Hamilton City Council directs City staff to purchase new properties or sell existing ones. All purchases or sales must be approved by Council. The City generally acquires properties for fire stations, parks, community centres and other services needed to enhance the lives of the citizens of the City of Hamilton.

## How does the appraisal process work?

Appraisals and/or valuation advice are required by the City to support decision making related to issues involving real property assets, including:

- Acquisition of land for municipal projects;
- Sale of surplus municipal property (required by the City's Procedural By-law for the Sale of Land);
- Land valuations for calculating cash-in-lieu of parkland dedication and parking;
- Land valuations to support the storm water management facility component of developments charges;
- Valuation advice to other City departments as an input in their planning and budgeting for municipal projects such as Class Environmental Assessments (proposed roads, storm drainage, rapid transit, etc.);
- Estimating market lease rates to assist in negotiating office space leases.

A real estate appraisal is an estimate of value of real property on a specific date. Typically, it is an estimate of market value of a whole interest but could be a partial interest such as an easement. The appraisal process is the same whether the report is a full comprehensive document or a brief narrative memorandum or form report.

Related to appraisals are other studies including: highest and best use, cost/benefit and market surveys. Appraisals are undertaken by City

appraisal staff as well as independent fee appraisers. When independent opinions are submitted to the City, staff fulfill a due diligence function by reviewing the independent appraisals regardless of whether the client who ordered the appraisal is the City or a property owner/developer.

## How do I know when a City-owned property is for sale?

The Real Estate Section posts all sales of City-owned properties online at [www.hamilton.ca/cityownedpropertiesforsale](http://www.hamilton.ca/cityownedpropertiesforsale) and some properties will also go through a licensed Real Estate broker or be advertised through a Request for Proposal (RFP) or Tender.

## How long will it take for the deal to be finalized after the negotiations are complete?

Upon successful completion of negotiations, a Report detailing the terms of the transaction is presented to the approving authority based on Council policy, which is delegated to senior City staff or City Council. This process takes approximately four to eight weeks.

## What else should I know when purchasing a City-owned property?

Generally, with the exception of Industrial or Agricultural uses, as a condition of development or redevelopment, the City requires the dedication of land for park purposes. This process is called Parkland Dedication. For more information you can review the Parkland Dedication By-law 09-124 on-line. Much of the growing City's parkland is obtained by requiring developers to convey land for parks. If dedicating some of the land for parkland is not desired, the City requires a cash payment instead of land dedication (Cash-in-Lieu).

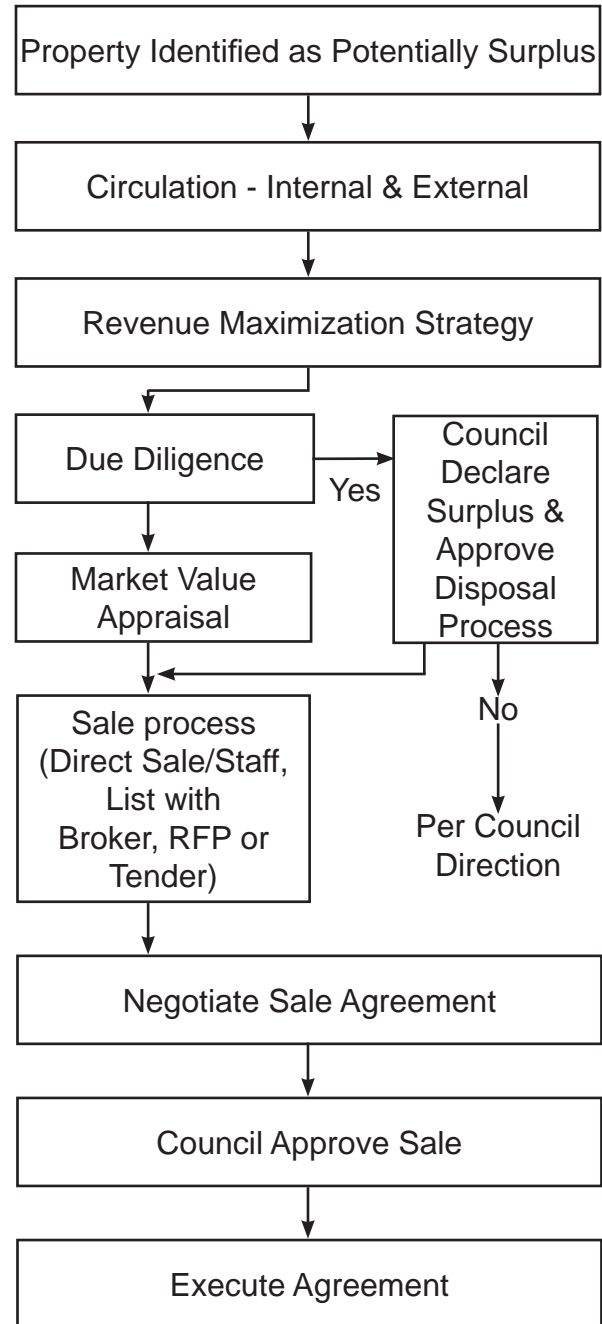


## What is the process for selling City-owned properties (also referred to as land disposition)?

The Real Estate Section regularly reviews all current City-owned properties and evaluates which of these assets should be put up for sale. If an asset has been identified to be sold, the first step is for the property to be circulated to all City Departments and to other Provincial/Federal Governments, School Boards, Conservation Authority and Utility Companies in order to determine their interest. If interest is expressed from one of these agencies, the property is removed from the surplus list for disposition. If no interest is expressed, a report is submitted to the General Issues Committee that would declare this property as surplus City lands and request Council approval for the sale of the property, taking into account revenue maximization.

When there is no interest from any City Departments, Provincial/Federal Governments, School Boards, Conservation Authority or Utility Companies the land is made available to the general public at fair market value. (Please refer to the appraisal process contained within this brochure to understand how the value is determined.) The property is also reviewed to determine whether any action is required such as Official Plan amendments, rezoning, servicing or other activities that would be appropriate and necessary to determine the highest and best use of the land and to maximize the highest net return. A review of the original purchase details will also confirm the method of sale and whether the former owner(s) has a right to re-purchase in accordance to the Expropriation Act or other legal documents registered on title or through a policy direction of City Council. Please see the chart to your right for a detailed process for selling City-owned properties.

## Selling City-owned Property Process:



### How much is the cash-in-lieu payment?

The amount is based on a percentage of the market value of the lands being developed or redeveloped, as set out by Parkland Dedication By-Law 09-124.

### When is cash-in-lieu payable due?

The Cash-in-Lieu is payable upon issuance of the first Building Permit.

### Does the City lease its own land or lease from other land owners?

Yes, the City can lease space for its own use (rather than purchasing property), or the City may allow private parties (i.e. businesses) to lease City-owned property (rather than selling the property).

As a major land owner, the City of Hamilton has a mandate to optimize the use of its properties at all times. Properties acquired for future municipal use are offered for lease in the short term to ensure interim revenue generation and these terms are negotiated at fair market rates.

### Can the City's Real Estate Section provide the name of the owner for properties in Hamilton?

Unfortunately the Real Estate Section cannot give out private ownership. You can find out the ownership by attending the Land Registry Office located at 119 King Street West, Hamilton (Ellen Fairclough Building).

### Can I get a copy of my property's survey?

A copy of your survey may be available by contacting the Building Services Division via phone at 905-546-2424 Ext. 2720. If there is no copy of the survey plan on file with the City and a copy is required, you can look through the yellow pages for a surveyor of your choice. The City does not provide this service and cannot recommend a particular surveying company.

### Additional Resources

Often the City of Hamilton's Real Estate Section gets confused with the Hamilton Real Estate Board. The Realtor's Association of Hamilton-Burlington is located at:

505 York Blvd.  
Hamilton, ON. L8R 3K4  
Phone: 905-529-8101  
Email: [info@rahb.ca](mailto:info@rahb.ca)  
Website: [www.rahb.ca](http://www.rahb.ca)

### For more information contact:

Real Estate Section  
Planning and Economic Development Department  
City Hall  
71 Main Street West, 7<sup>th</sup> Floor  
Hamilton, Ontario L8P 4Y5

Phone: 905-546-2424 ext. 6698  
Website: [www.hamilton.ca/realestate](http://www.hamilton.ca/realestate)



Hamilton

**ECONOMIC DEVELOPMENT AND REAL ESTATE DIVISION**  
PLANNING AND ECONOMIC DEVELOPMENT DEPARTMENT