

Subject: Proposed Transfer of 9701 Franklin Avenue**APPROVALS:****Annette Antoniak**_____
Director_____
Chief Administrative Officer**Recommended Motion:**

THAT the Chief Administrative Officer is hereby authorized to transfer the municipally owned lands located at 9701 Franklin Avenue and legally described as a portion of River Lot 10 McMurray Settlement to FDC Brands Inc. for consideration that may be deemed less than market value, upon terms and conditions that she determines appropriate, to facilitate the settlement of Land Compensation Board Claim DC2014.0018.

Summary:

Administration requests that Council delegate authority to the CAO to transfer the municipally owned lands located at 9701 Franklin Avenue, legally described as a portion of River Lot 10 McMurray Settlement (the "Municipal Lands") to FDC Brands Inc. for consideration that may be deemed less than market value, upon terms and conditions that she determines appropriate, to facilitate settlement of Land Compensation Board Claim DC2014.0018.

Background:

In 2013, the Municipality expropriated the long-term leasehold interest of FDC Brands Inc. and Western Restaurant Franchises Inc. ("FDC") in the lands located at 10023 Franklin Avenue, legally described as Plan 616AO; Block 13; Lots 1-3 (the "Expropriated Lands").

Under provisions of the Expropriation Act, FDC filed claim DC2014.0018 with the Land Compensation Board, requesting a hearing for determination of compensation (the "Claim"). Since that time, the Municipality has continued to allow FDC to operate its A&W franchise on the Expropriated Lands. More recently, the Municipality and FDC have been working collaboratively to explore options for settling the Claim in a manner intended to benefit the interests of both FDC and the Municipality.

FDC and the Municipality are close to reaching an agreement that would include transfer of the Municipal Lands to FDC. Because the proposed transfer would not be a

straight cash transaction, it is possible that it could be deemed to constitute a disposal of land at less than market value. Section 70 of the Municipal Government Act requires the Municipality to advertise a proposal for the disposal of land at less than market value. Out of an abundance of caution, Administration has advertised the proposed transfer of the Municipal Lands and is making this request to Council that the CAO be granted the express authority to transfer the Municipal Lands in the event a final agreement is reached with FDC.

Rationale for Recommendation:

Transferring the Municipal Lands to FDC in contemplation of settling the Claim is consistent with Council's strategic goal of downtown revitalization. Settling the Claim will facilitate relocation of the A&W restaurant from the Expropriated Lands which will in turn free-up the Expropriated Lands for future development. Transferring the Municipal Lands will also facilitate new development of this site, which is also located on Franklin Avenue in the downtown core.

Strategic Priorities:

Responsible Government
Downtown Revitalization