

From: "Johnston, Sadhu" <Sadhu.Johnston@vancouver.ca>
To: "Direct to Mayor and Council - DL" <CCDTMACDL@vancouver.ca>
Date: 4/13/2017 8:06:12 PM
Subject: Brenhill questions from council

Greetings Mayor and Council

At council on Tuesday, Councillor Carr asked a few questions following up on the Brenhill transaction. Below in black are the questions and the text in red are staff's answers:

- Why no independent 3rd party appraisal of land by city in that deal? **Past practice, before Brenhill, was to rely exclusively on staff analysis of market comparisons to determine value, but 3^d party appraisals were obtained on exception basis. Staff who oversaw this work for Brenhill transaction confirmed that market analysis was completed; however, when this matter went to BC Supreme Court, the records to support the analysis could not be found in the file. Therefore, the City engaged EYI to complete an independent analysis of the transaction before this matter went back to Council for the 2^d public hearing on the rezoning. The EYI report confirmed that it was a reasonable transaction.**

As a result of the deficiencies found in our records, the City then engaged EYI (who acts as receiver or trustee in bankruptcy, and understands best practices for records management, given the scrutiny of Court applications) to review and help implement best practices for Real Estate files. The EYI recommendations have been implemented in Real Estate Services so there is accountability regarding proper documentation for files.

2. Are we doing 3rd party independent appraisals of city land as regular practice now? And if so, when did we start doing this?

Yes, we do get independent 3rd party appraisals for all land sales above \$1M in value, and may even get them for sales below this value if appropriate (i.e. direct sale negotiations). We started this after the Brenhill transaction; however, there are instances where we did get these for some transactions prior to Brenhill.

3. Are there any other projects since the Brenhill deal involving sale of City land which have NOT been based on 3rd party independent appraisals of our land value? – if so, which ones?

No

I hope this answers your questions. As you know Brenhill documents are on the city website.

Best

Sadhu

Sadhu Afochs Johnston | City Manager
City of Vancouver | 453 W 12th Avenue
Vancouver | BC V5Y 1V4
604.873.7627 | Sadhu.johnston@vancouver.ca
Twitter: sadhuajohnston