

Effort to halt land sale in limbo

Private citizen fights deal for city property

BY SUZANNE WILTON, CALGARY HERALD FEBRUARY 9, 2011

Presented By:



A legal action aimed at blocking the city's sale of a disputed downtown property to a developer is in limbo after it was struck from the court docket Tuesday.

Ron Husack, a semi-retired engineer, learned the court hearing would not proceed because he failed to file a legal brief on time. It was due Jan. 21, but Husack said he could not lay out his legal arguments in the brief without appraisals used by the city to determine the value of the property in question.

"To do a proper brief you should have all the proper information," said Husack, adding he couldn't afford to hire a lawyer to assist him in the case.

"I couldn't get the information I needed for (the brief). I couldn't get my hands on the appraisal."

Husack said he was refused documents related to the land deal between the city and La Caille Group, which was granted an option to buy the civic owned property at 727 1st Avenue S.W. for \$4.5 million as part of a larger development deal that saw the construction nearby of Louise Station, which consists of an affordable housing building adjacent to a fire/EMS station with a private condo tower above.

On Oct. 8, the same day a Herald investigation raised questions about the deal, La Caille exercised its option on the land, which internal city appraisers had previously complained to senior management, in a confidential memo, was being significantly undervalued.

Husack had hoped the courts would grant an injunction preventing the sale from closing.

City lawyer Lise Olsen said there is no legal impediment to the sale but acknowledged the court action remains in limbo.

The city, said Olsen, did not file its own brief because it was awaiting one from Husack. She added the city was under no legal obligation to provide him with documents such as the appraisal used to value the land.

"He has to file a brief," Olsen said of Husack. "If you don't do that, you lose the court date."

"The question is what does Mr. Husack want to do with this now. He has to do something, or it's just in limbo."

Husack, who was previously unsuccessful in a similar action against the city, said he's still trying to figure out his next move.

"They're trying to have it die on the vine and quietly get the money and demolish the building," said Husack.

"I'm not going to give up." City council has approved the hiring of outside experts to review the deal and report back in April.

Ald. Diane Colley-Urquhart, who along with the mayor wants answers about the machinations of the deal, said she's confident the city will still get answers.

"I do think it's disappointing that if this individual had concerns that he didn't have the evidence to support this and take it forward," said Colley-Urquhart, adding a request for proposals for outside experts is expected to be posted this week.

"It doesn't mean in my mind that this issue is dead. There are still a lot of questions around this file. Mayor (Naheed) Nenshi has significant concern and we are determined to have outside expertise look at it.

"We need to clear the air."

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