CITY OF WINNIPEG POLICY NO. PD-025

POLICY TITLE Real Estate – Acquisition of Property	ADOPTED BY City Council	EFFECTIVE DATE September 29, 2021
ORIGIN / AUTHORITY City Council	CITY POLICY NO PD-025	MOST RECENT CONSOLIDATION February 27, 2025

This document is an office consolidation of amendments to the policy. The City of Winnipeg expressly disclaims any responsibility for errors or omissions.

1. Purpose:

This Policy sets out the requirements to acquire non-City-owned property and to negotiate the terms and conditions of an acquisition, easement or land exchange, as well as the approval authority for the acquisition of non-City-owned property.

2. Definitions:

"Acquisition" means the acquisition of property rights, in full or in part, including but not limited to fee simple ownership or an easement;

"Appraised Value" means the fair market value of a particular property, as determined by a designated real estate appraiser who is a member in good standing of the Appraisal Institute of Canada;

"Broker" means a registered real estate broker that is licensed to buy and sell real estate;

"CAO" means the Chief Administrative Officer of the City;

"Charter" means The City of Winnipeg Charter, SM 2002 c. 39, as amended from time-to-time;

"City" means the municipal corporation The City of Winnipeg, continued under section 8 of the Charter;

"Commission" means the payment of a fee to a Broker in respect of a real property transaction;

"Council" means the municipal council of the City;

“Designated Committee” means the committee of Council responsible for providing policy advice to Council in respect of planning and land use, which, on the date this Policy is enacted, is the Standing Policy Committee on Property and Development, Heritage and Downtown Development;

“Director of PPD” means the director of the City department responsible for planning and land use, which, on the date this policy is enacted, is the Director of the City’s Planning, Property and Development Department;

“Distressed Property” means non-City-owned property which uninhabitable due to its condition or is financially burdened to the extent that the owner no longer has the means to maintain the property;

(added by Council July 18, 2024)

“Disturbance Damage” means losses incurred by an expropriated property owner determined in accordance with Section 28 of the Expropriation Act;

“Easement” means the right of one land owner to access, cross or otherwise use the land of another in a particular manner, which right can be permanent or temporary in nature;

“Environmental Site Assessment” means a site investigation to determine whether the site contains contaminants;

“Expropriation” means the taking of non-City-owned property pursuant to the Expropriation Act;

“Expropriation Act” means The Expropriation Act, CCSM c. E190, as amended from time-to-time;

“Habitat Preservation Property” means a property whose natural ecosystem must be protected and may include parks, ecologically significant natural lands, forests, grasslands or a variety of other lands intended to preserve nature;

(added by Council July 18, 2024)

“Land Acquisition Program” means the acquisition of property, in full or in part, required for a Council-approved capital project or within the Chief Administrative Officer’s delegated authority;

(amended by Council July 18, 2024)

“Land Exchange” means the sale of City-owned property in exchange for the acquisition of non-City-owned property;

“Market Value” means the most probable price that a property should obtain in a competitive and open market with the buyer and seller each acting prudently and knowledgeably, and assuming the price is not affected by undue stimulus;

“Non-City Property” means all or a portion of the interests, benefits and rights inherent in the ownership of physical real estate that is not owned by the City;

“Public Service” means the employees of the City, but does not include elected officials;
“Purchase” means the acquisition of property by a willing purchaser from a willing vendor for fair market value;

“Tax Sale” means the process set out in Part 8 Division 4 of the Charter; and

“Vendor” means a person or corporation offering real property for sale.

3. Acquisition of Non-City Property Policy

3.1 Purchase of Non-City Property

A. Purchases of Non-City Property must:

i. Represent the best value for the City, which may or may not represent Market Value;

ii. Form part of an approved Land Acquisition Program or be necessary to implement Council’s intent (e.g. temporary easements related to capital projects); and

iii. Be identified as necessary for the City’s purposes by the Public Service.

(amended by Council July 18, 2024)

B. Where a City department does not have a site-specific Purchase requirement, the Public Service will issue a Request for Proposal or Expression of Interest in accordance with all relevant City Administrative Standards and Council Policies.

C. The Public Service must obtain a Phase I Environmental Site Assessment for the Purchase of Non-City Property, unless directed otherwise by the City department requesting the Acquisition.

D. Where the City requires access to Non-City Property that is the subject of an Acquisition in advance of the date of possession, other than for any of the purposes set out in section 3.1(E), the City may enter into an enter to construct agreement where the following criteria are met:

i. Council has approved the project for which entry and construction has been proposed;

ii. The City is constructing public infrastructure (e.g. road) and not a City-occupied building (e.g. police station);

iii. If the criteria are met, the enter to construct agreement must obligate:

- The City to indemnify the Vendor; and
- The City to restore, at its sole cost, effort and expense, the Non-City Property to its original condition if the Purchase is not completed (unless Expropriated by the City).

E. Where the City has requested entry onto Non-City Property that the City intends to acquire, in order to carry out testing for geotechnical, archaeological or Environmental Site Assessments, a release of liability may be provided to the Vendor where:

i. Council has approved the capital project;

ii. If the above criterion is met, the release of liability must obligate:

- The City to indemnify the Vendor; and
- The City to release the results of the geotechnical, archeological or Environmental Site Assessments to the Vendor at the request of the Vendor.

F. Payment of a Commission to a Broker for a completed Acquisition is subject to the negotiated terms of the offer to purchase or purchase and sale agreement.

G. Donation of Non-City Property and the issuance of a tax receipt must be in accordance with the rules of Canada Revenue Agency and all applicable Council Policies and City Administrative Standards.

3.2 Land Exchanges

A. All provisions of Section 3.1 apply to the Purchase of Non-City Property, where the Non-City Property is included in a Land Exchange.

3.3 Expropriation of Non-City Property

A. Expropriation of Non-City Property shall be in accordance with the Expropriation Act.

i. Where a capital project requires the Acquisition of Non-City Property, Council shall be advised of the risks of declaring an Expropriation if the Acquisition of the Non-City Property is outstanding.

B. All payments of compensation shall be in accordance with the Expropriation Act.

i. All offers that do not constitute a final settlement are considered to be offers of compensation; and

ii. Non-discretionary costs including but not limited to applicable taxes, legal fees, appraisal fees, other professional fees or interest are legislated by the Expropriation Act or other relevant legislation.

4. Responsibilities

4.1 Director of PPD is authorized to:

A. Approve all Purchases, Land Exchanges, Expropriation offers and Expropriation settlement claims up to and including $300,000.00;

i. Acquisition price must not exceed 125% of the Appraised Value (inclusive of Disturbance Damages) for all transactions that have an Appraised Value exceeding $10,000.00.

B. Assign City jurisdiction to Non-City Property obtained through Acquisition;

i. The City department being assigned the property must concur with the proposed jurisdiction.

C. Elect to exercise the City’s right to purchase a Tax Sale in accordance with the provisions noted in the Charter.

D. Discharge, amend or register caveats on a certificate of title that relate to an Acquisition.

E. Negotiate and approve the terms and conditions of the following agreements and documents:

i. Offer to Purchase and/or Purchase and Sale
ii. Land Exchange
iii. Easement
iv. Temporary Easement
v. Enter to Construct
vi. Amending
vii. Confidentiality
viii. Letter of Intent
ix. Memorandum of Understanding
x. GST Declaration and Indemnity
xi. Ancillary Agreements or such other terms and conditions deemed necessary by the City Solicitor/Director of Legal Services to protect the interests of the City

F. Notwithstanding the above, the Director of PPD, at their sole discretion, may refer any matter within their delegation of authority to the Designated Committee.

4.2 CAO is authorized to:

A. Approve all Purchases, Land Exchanges, Expropriation offers and Expropriation settlement claims exceeding $300,000.00 up to and including $700,000.00;

i. Acquisition price must not exceed 125% of the Appraised value and Disturbance Damages.

B. Approve Land Acquisition Programs for the following type of Non-City Property, provided that an approved funding source is available:

i. Distressed Property;

ii. Habitat Preservation Property

- Including the authority to enter into any necessary agreements to protect the habitat (e.g. restrictive covenant, reversionary interest, etc.)

iii. Affordable housing under the land enhancement office as part of the housing accelerator fund

(added by Council February 27, 2025)

C. Notwithstanding the above, the CAO, at their sole discretion, may refer any matter within their delegation of authority to the Designated Committee.

(amended by Council July 18, 2024)

4.3 Designated Committee is authorized to:

A. Approve all Purchases, Land Exchanges, Expropriation offers and Expropriation settlement claims exceeding $700,000.00 or where the Acquisition price is more than 125% of the Appraised Value, excepting awards made by the Land Value Appraisal Commission.

4.4 Council is authorized to:

A. Subject to Section 4.2.B., approve all Land Acquisition Programs:

i. Such approval shall be secured through the Capital Budget or as a separate project.

(amended by Council July 18, 2024)

B. Approve the Declaration of Expropriation and Expropriation By-law.