Agenda - Council - March 22, 2006

Report - Standing Policy Committee on Property and Development - February 28, 2006

Item No. 10 Sale - East side of Ham Street north of Crozier Avenue
File FI-2.4(33)

STANDING COMMITTEE RECOMMENDATION:

On March 15, 2006, the Executive Policy Committee concurred in the recommendation of the Standing Policy Committee on Property and Development and submits the following to Council:

1. That the subject property, shown shaded on Misc. Plan No. 2350, be declared surplus to the City's requirements.

2. That the sale of the City-owned property be approved to Qualico Developments (Winnipeg) Ltd. at a price of $30,000.00 in accordance with the Offer to Purchase dated January 20, 2006, and upon such additional terms and conditions that the Director of Planning, Property and Development and the City Solicitor/Manager of Legal Services consider necessary to protect the interests of the City and to achieve the intent of the Standing Policy Committee on Property and Development.

3. That the Proper Officers of the City be authorized to do all things necessary to implement the intent of the foregoing.

Pursuant to Section 205(2) of The City of Winnipeg Charter, disposal of land owned or acquired by the City for park or cemetery purposes requires approval by two-thirds of all Members of Council.

Report - Standing Policy Committee on Property and Development - February 28, 2006

DECISION MAKING HISTORY:

EXECUTIVE POLICY COMMITTEE RECOMMENDATION:

On March 15, 2006, the Executive Policy Committee concurred in the recommendation of the Standing Policy Committee on Property and Development and submitted the matter to Council.

STANDING COMMITTEE RECOMMENDATION:

On February 28, 2006, the Standing Policy Committee on Property and Development concurred in the administrative recommendation and submitted the matter to the Executive Policy Committee and Council.

Re: **Proposed Sale of City Property located on the East side of Ham Street North of Crozier Avenue**
East Kildonan/Transcona Community
Transcona Ward

For submission to: **Standing Policy Committee on Property and Development**

Original report signed by: **Director of Planning, Property and Development**

Report date: February 17, 2006

Recommendation(s):

1. That the subject property shown shaded on the attached Misc. Plan No. 12350 be declared surplus to the City's requirements.

2. Subject to approval of Recommendation No. 1, the sale of the City-owned property be approved in favour of Qualico Developments (Winnipeg) Ltd. at a price of $30,000.00 in accordance with the attached Offer to Purchase, dated January 20, 2006, and upon such additional terms and conditions that the Director of Planning, Property and Development and the City Solicitor/Manager of Legal Services consider necessary to protect the interests of the City and to achieve the intent of the Standing Policy Committee on Property and Development.

3. That the Proper Officers of the City be authorized to do all things necessary to implement the intent of the foregoing.

REPORT SUMMARY

Key Issues:

- In 1979 the subject City property shown outlined on Misc. Plan No. 12350 was acquired from the Province of Manitoba for the possible relocation of the Rosewell Community Centre.
- The Planning, Property and Development Department have determined that the subject property is no longer required by the City and is deemed surplus.
- The Department is recommending that the sale of the City-owned property be approved in favour of Qualico Developments (Winnipeg) Ltd. at a price of $30,000.00, subject to Council declaring the property surplus to the City's needs.

Implications of the Recommendation(s):

General implications:

X	**None**
	For the organization overall and/or for other departments
	For the community and/or organizations external to the City of Winnipeg
	Involves a multi-year contract

Comment(s):

-

Policy implications:

X	**No**
	Yes

Comment(s):

-

Environmental implications:

X	**No**
	Yes

Comment(s):

- City's standard terms and conditions of sale include provisions to protect the City's interests in the event that environmental contamination is discovered.

Human resources implications:

X	**No**
	Yes

Comment(s):

-

Financial implications:

X	**Within approved current and/or capital budget**
	Current and/or capital budget adjustment required

Comment(s):

-

REASON FOR THE REPORT:

The Planning, Property and Development Department are in receipt of an Offer to Purchase the subject City-owned property shown shaded on Misc. Plan No. 12350. Council approval is required to declare City-owned property surplus to the City's needs. Approval by the Standing Policy Committee on Property and Development is required for the sale of the subject City-owned property.

HISTORY:

In 1979 the subject property was acquired from the Province of Manitoba for the possible relocation of the Rosewell Community Centre.

Details of the subject property are as follows:

Location:	East side of Ham Street North of Crozier Avenue
Legal Description:	Part Lots 72 and 73 OTM Parish of Kildonan
Certificate of Title:	1857555
Roll Number:	04004988000
Assessment (2006):	$23,500.00
Size:	±2796.1m² (30,097 sq. ft. .673 sq. acres)
Zoning:	"A-5" Agricultural District

On February 21, 1980, the former Board of Commissioners instructed that no further action be taken with respect to the proposed relocation of the community centre.

On November 21, 1985, Qualico made a request to purchase the subject property for inclusion in its expansion of Harbour View South (DASZ 44/85).

On December 10, 1985, the East Kildonan - Transcona Community Committee recommended that the proposed sale be approved and instructed that the funds derived from the sale be earmarked for park development in accordance with the East Kildonan - Transcona Community's priority list.

On December 19, 1985, the former Parks and Recreation Department proposed an exchange with Qualico. The Department proposed that the subject property be transferred to Qualico in exchange for an equivalent area that would be consolidated with land dedicated under proposed Subdivision DASZ 44/85.

In March 1986, the then Land Surveys and Real Estate Department approached Qualico in regard to a proposed exchange. Qualico was also advised that if it was not interested in such an exchange, the Department would still be prepared to recommend the sale of the subject property.

Due to market conditions, Qualico did not proceed with DASZ 44/85.

DISCUSSION:

On September 9, 2004, Qualico once again made a request to purchase the subject property in order to include the site in its new application for development in Harbour View South.

The subject property was circulated to all City Departments and no civic need or easements were identified for the property. The Planning and Land Use Division advised that Qualico had acquired all but the subject property within the immediate vicinity, envisioning a future residential subdivision as part of the Secondary Plan.

The Planning, Property and Development Department have concluded its negotiations with Qualico for the sale of the subject property shown shaded on Misc. Plan No. 12350.

Details of the Offer are as follows:

Price Offered:	$30,000.00
Deposit:	$4,500.00 being 15% of the purchase price

The Ward Councillor was consulted and has advised that he has no objections to the sale of the subject property. The Councillor has requested that the sale proceeds be credited to the Land Dedication Reserve account for future park requirements.

The Planning, Property and Development Department recommend approval of the sale to Qualico for the price of $30,000.00 for the following reasons:

1. Qualico is the logical potential purchaser of the subject property considering it has acquired all but the subject property within the immediate vicinity, envisioning a future residential subdivision as part of the Secondary Plan.
2. The proposed purchase price is supported by an internal appraisal.
3. The proposed sale of the subject City-owned property is in accordance with the City's standard terms and conditions.
4. The sale is not conditional upon rezoning and the title to the property will transfer to the Purchaser within 120 days from the date of approval.
5. Qualico will include the subject property within its application for development in Harbour View South.
6. The subject property will be added to the property tax roll.

Financial Impact Statement

Date: February 14, 2006

Project Name:

Proposed Sale of City Property located on the East side of Ham Street North of Crozier Avenue

First Year of Program 2006

	2006	2007	2008	2009	2010
Capital					
Capital Expenditures Required	$ -	$ -	$ -	$ -	$ -
Less: Existing Budgeted Costs	-	-	-	-	-
Additional Capital Budget Required	$ -	$ -	$ -	$ -	$ -
Funding Sources:					
Debt - Internal	$ -	$ -	$ -	$ -	$ -
External	-	-	-	-	-
Grants (Identify)	-	-	-	-	-
Reserves, Equity, Surplus, Other	-	-	-	-	-
Total Funding	$ -	$ -	$ -	$ -	$ -
Total Additional Capital Budget Required	$ -				
Total Additional Debt Required	$ -				
Current Expenditures/Revenues					
Direct Costs	$ -	$ -	$ -	$ -	$ -
Less: Incremental Revenue/Recovery	30,000	401	401	401	401
Net Cost/(Benefit)	$ (30,000)	$ (401)	$ (401)	$ (401)	$ (401)
Less: Existing Budget Amounts	-	-	-	-	-
Net Budget Adjustment Required	$ (30,000)	$ (401)	$ (401)	$ (401)	$ (401)

Additional Comments:

The $30,000 in 2006 represents the sales proceeds, which will accrue to the Land Dedication Reserve Fund. The $401 from 2007 onward represents the municipal portion of realty taxes, which will accrue to the General Revenue Fund, which is based on the assumptions that the assessed value equals the sale price of $30,000, the land is rezoned from agricultural to residential, portioning and mill rates remain unchanged at 45% and 0.029686 respectively, and the property is added to the tax roll effective January 1, 2007.

"Original signed by"
Mike McGinn, CA
Manager of Finance

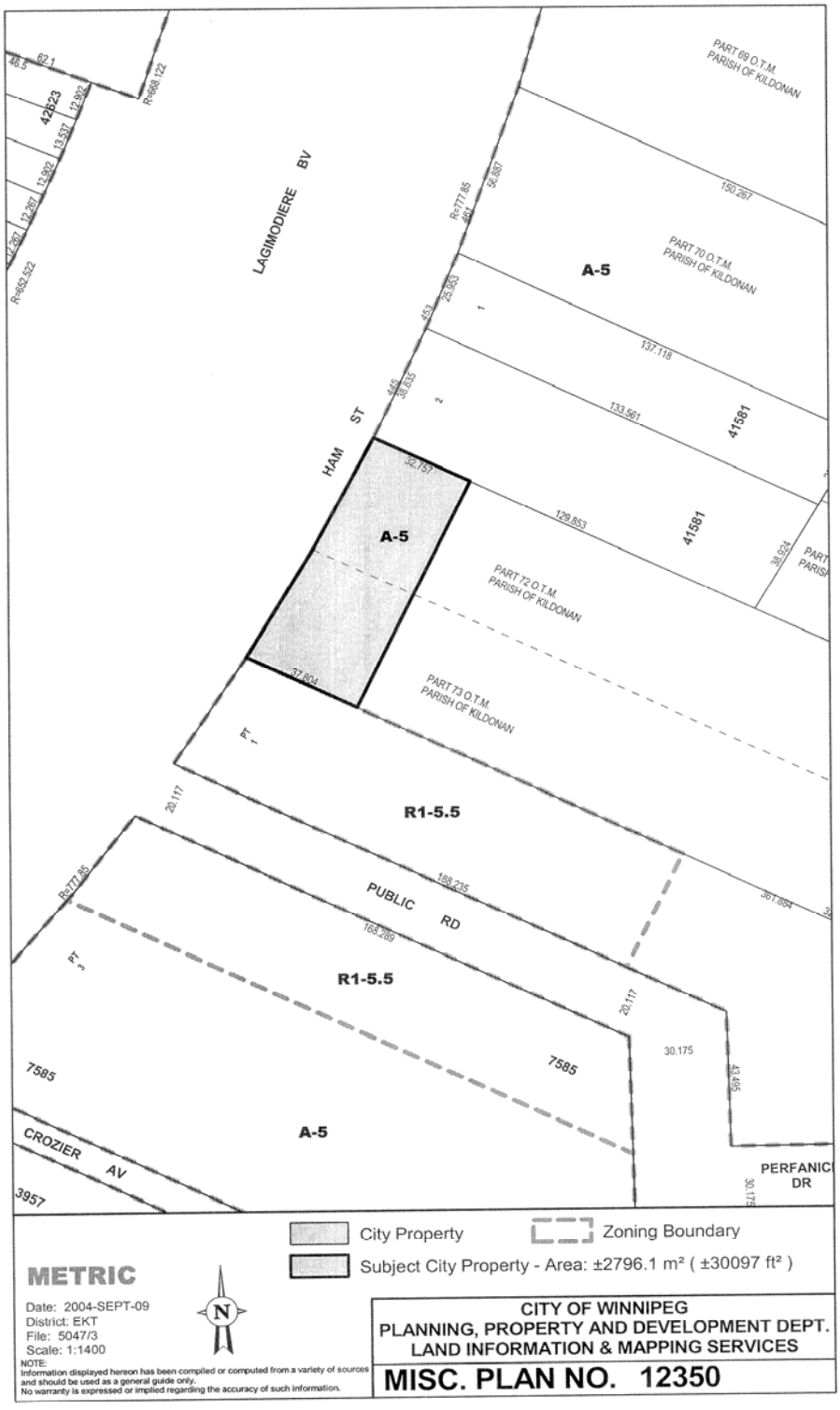
IN PREPARING THIS REPORT, THERE WAS CONSULTATION WITH AND CONCURRENCE BY:

No consultation was required in the preparation of this report.

THIS REPORT SUBMITTED BY:

Planning, Property and Development Department
Division: Real Estate
Prepared by: Joedi Pruden
PPD File #: 5047/3

Document name: o:\reports directive\real estate\sales\(jp)ham.doc



LAGIMODIERE BV
HAM ST
PUBLIC RD
CROZIER AV
PERFANIC DR
A-5
R1-5.5
7585
41581
42623
PART 69 O.T.M. PARISH OF KILDONAN
PART 70 O.T.M. PARISH OF KILDONAN
PART 72 O.T.M. PARISH OF KILDONAN
PART 73 O.T.M. PARISH OF KILDONAN
City Property
Zoning Boundary
Subject City Property - Area: ±2796.1 m² (±30097 ft²)
METRIC
Date: 2004-SEPT-09
District: EKT
File: 5047/3
Scale: 1:1400
NOTE:
Information displayed hereon has been compiled or computed from a variety of sources and should be used as a general guide only.
No warranty is expressed or implied regarding the accuracy of such information.
CITY OF WINNIPEG
PLANNING, PROPERTY AND DEVELOPMENT DEPT.
LAND INFORMATION & MAPPING SERVICES
MISC. PLAN NO. 12350

Qualico
File: 5047/3

OFFER TO PURCHASE

The Undersigned (hereinafter called "the Purchaser") hereby offers to purchase from The City of Winnipeg (the "City") the following lands: -

Part Lots 72/73 Parish of Kildonan as shown on Misc. Plan No. 12350

(hereinafter called the "lands")

for the sum of $30,000.00 cash, and upon the following terms and conditions:

1. (1) Attached to this Offer is the Purchaser's certified cheque payable to "The City of Winnipeg" in the amount of $4,500.00, and represents an amount equal to fifteen (15%) percent of the purchase price which the Purchaser tenders by way of deposit, and which sum shall be applied to the purchase price if the sale is approved by the City's Standing Policy Committee on Property and Development and/or Council (in the event that Council approval is required) and/or its delegated authority. The Purchaser agrees to pay the balance of the purchase price, interest and adjustments within a period of thirty (30) days from date of the approval of the sale by the City's Standing Policy Committee on Property and Development and/or Council (in the event that Council approval is required) and/or its delegated authority (the Date of Approval).

   (2) If the Purchaser fails to pay the balance of the purchase monies and adjustments within thirty (30) days as in sub-clause (1) above provided, the City may, at its option, cancel the sale and retain the deposit as liquidated damages.

2. (1) The date for adjustments shall be the date the sale is approved by the Standing Policy Committee on Property and Development and/or City Council (in the event that Council approval is required) and/or its delegated authority (Date of Approval).

   (2) Date of closing shall be sixty-one (61) days following the date of adjustments or earlier as mutually agreed to.

   (3) The Purchaser agrees to pay as an adjustment an amount equal to the total of such taxes, rates and charges which would have been levied or charged against the lands as though the lands had been entered on the assessment rolls of the City as privately owned and subject to taxation, which adjustment shall be calculated from the date of adjustments to and including the last day of the current taxation year.

   (4) The Purchaser shall pay interest in lawful money of Canada on all monies remaining outstanding and payable to the City as of the date of adjustments, which interest shall be calculated at the rate per annum equivalent to the prime lending rate in force by the City's Banker at the date of adjustments plus one (1%) percent, computed from the date of adjustments to and including the date all such monies and interest as aforesaid have been fully paid to the City.

3. Goods and Services Tax

   (1) The Purchaser agrees to pay to the City all Goods and Services Tax applicable on the sale of the lands or, if the Purchaser is a registrant under the Goods and Services legislation, the Purchaser shall advise the City in writing of its registration number. The Goods and Services Tax is to be paid, or the registration number provided, to the City within ten (10) days from date of notice of the approval of the sale by the City.

   (2) If the Purchaser fails to pay the Goods and Services Tax or fails to provide its registration number as prescribed in sub-clause (1) of this Clause, the Purchaser agrees that all of the Purchaser's rights and interests in respect of the lands shall, at the City's sole discretion, be fully ended without notice or any formality and all monies paid to the City by the Purchaser shall be retained by the City free from every claim.

4. The Purchaser will obtain possession of the lands at the Purchaser's own expense, which includes, without limiting the generality of the foregoing, obtaining their own Surveyor's Building Location Certificates, Surveyor's Staking Certificates and Zoning Memorandum and in connection therewith acknowledges and is aware that the City does not provide Declarations of Possession.

5. The Purchaser acknowledges that in submitting this Offer to Purchase, the Purchaser relies entirely upon personal inspection of the lands, independent of any representation made by or on behalf of the City. Any error or discrepancy in the description or in the dimensions of the lands as contained herein shall not entitle the Purchaser to any compensation in respect thereof nor would in entitle the Purchaser to the cancellation of this Offer to Purchase.

6. It is agreed that no representation, warranty, collateral agreement or condition affecting this offer or the land is expressed herein. The City does not warrant the quality, condition or sufficiency of the Sale Land for any use or purpose. The Sale Land is deemed to be taken by the Purchaser in an "as is" condition and at the Purchaser's own risk and with all faults and imperfections whatsoever. The Purchaser agrees with the City that the application of "Buyer Beware" shall apply to the offer in the strictest meaning.

7. All improvements in or on the said lands shall remain as part of the freehold.

8. The Purchaser acknowledges that the lands are not fully serviced and that sewer and water lot line connections from the services in the street to the lot lines have not been installed; installation and costs of any servicing required are to be borne by the Purchaser.

9. The Purchaser will accept Title to the lands subject to all exceptions, reservations and encumbrances expressed or implied in the City's Title.

10. The Purchaser agrees that in the event the Purchaser, at its sole cost, conducts or causes to be conducted an Environmental Site Assessment and/or soil testing of the lands, it shall

    (1) ensure that all work done in connection with such Environmental Site Assessment and/or soil testing is completed no later than sixty (60) days from the Date of Approval, but in any event, prior to closing;

    (2) maintain the lands in safe condition at all times during the conduct of any work done in pursuance of this Clause 10; and

    (3) restore the lands to the same condition as prior to its entering in or upon same in pursuance of this Clause 10;

    (4) indemnify and save harmless the City from and against all damages and claims arising out of or in any way attributable to the conduct of any such Environmental Site Assessment and/or soil testing; and

    (5) provide copies of any such Environmental Site Assessment and/or Report concerning soil testing of the said lands to the City for its own use, at no cost to the City.

    AND in the event it is determined as a result of said Environmental Site Assessment and/or soil testing, that contamination levels exceed Provincial Environmental Standards for the intended use of the lands and documentation to that effect is produced to the City within sixty (60) days following the Date of Approval, but in any event, prior to closing, the City, at its sole option, shall be entitled to:

    take remedial action to bring the contamination levels to within the Provincial Environmental Standards;

    OR

    cancel the sale and return all monies paid in respect of the proposed sale by the Purchaser to that date, PROVIDED that the Applicant shall have first satisfied all conditions of this Clause 10.

AND FURTHER if the City has not been advised of any non-compliance of the lands to Provincial Environmental standards within sixty (60) days from the Date of Approval, but in any event, prior to closing, the Purchaser agrees to complete its purchase as herein contemplated and to indemnify the City against any and all claims arising from or in any way connected with the existence of contaminants of any kind at the lands.

11. (1) The Purchaser agrees that the sale of the lands shall be subject to any easement which may be required by a public utility, including, but not limited to Manitoba Hydro, Manitoba Telephone System, Centra Gas, or The City of Winnipeg, for the maintenance of existing and future facilities together with the right to enter upon the lands at any time, with or without equipment for said purposes and subject to the owner covenanting not to erect or cause to be erected upon the easement area any building or structure without the prior written consent of the public utility or The City of Winnipeg requiring such easement.

(2) Any removal or relocation of any public utility's facility must be pre-approved by the public utility and will be at the expense of the Purchaser.

12. No current legal survey was made of the property to determine if there are any encroachments from adjoining lands.

13. (1) The Vendor discloses that there might be an existing basement in the lands. The removal of any existing concrete or debris and any costs connected therewith will be the responsibility of the Purchaser.

(2) The Purchaser is hereby advised that soil conditions in Winnipeg are of the glacial till variety which is composed of Lacustrine Clays with Silt Intrusions. The Purchaser shall be responsible for any increased costs of development due to this random stratification.

14. The sale of the lands to the Purchaser shall be subject to the provision of the By-laws of the City of Winnipeg and all amendments thereto. Furthermore, the Purchaser acknowledges and understands that its proposed use and development of the lands may require applications for re-zoning, variances, sub-divisions or conditional uses, amendments to Plan Winnipeg, which applications, resulting land dedication charges (if any) are to be at the sole cost and responsibility of the Purchaser.

15. Upon approval of the sale by the City, the Purchaser agrees to make application to the City Assessor (in form set out in Exhibit "A" attached) to have the Purchaser's name added to the Assessment Roll of the City as the Real Owner in respect of the lands.

16. Time shall be of the essence of this Offer.

17. The Purchaser will not file any caveat or other encumbrance against the lands before the transfer of the lands to the Purchaser.

18. The word "Purchaser" shall have a plural meaning in the event that more than one party is making this offer, and the masculine shall mean the feminine or neuter as the case may be.

19. The Purchaser agrees that the City may register Caveat/s against the lands to ensure the performance of the covenants on the part of the Purchaser herein set forth and the Purchaser agrees to grant and does hereby grant to the City an interest in the lands according to the tenor of this agreement.

20. The full, true and correct name of the Purchaser is as follows:

QUALICO DEVELOPMENTS (WINNIPEG) LTD., 30 Speers Road, Winnipeg, Manitoba R2J 1L9
Name (Please Print) Address

Purchaser's Registration No. (G.S.T.) 104355706RT0001

IN WITNESS WHEREOF the Purchaser has signed this document in

Winnipeg, Manitoba, this 20th day of January 20 06

QUALICO DEVELOPMENTS (WINNIPEG) LTD.

Witness

PER:
ERIC VOGAN,
Assistant Secretary
Purchaser

Witness

PER:
JOHN DANIELS,
Vice-President
Purchaser

THE CITY OF WINNIPEG

Per: _____
DIRECTOR of Planning, Property and Development

Approved as to details: Approved as to form:

Planning, Property and Development for City Solicitor/Manager of Legal Services

Location: East side of Ham Street North of Crozier Street

Size: 30,097 Square Feet (.673 acres)

Zoning: A-5 Agricultural District

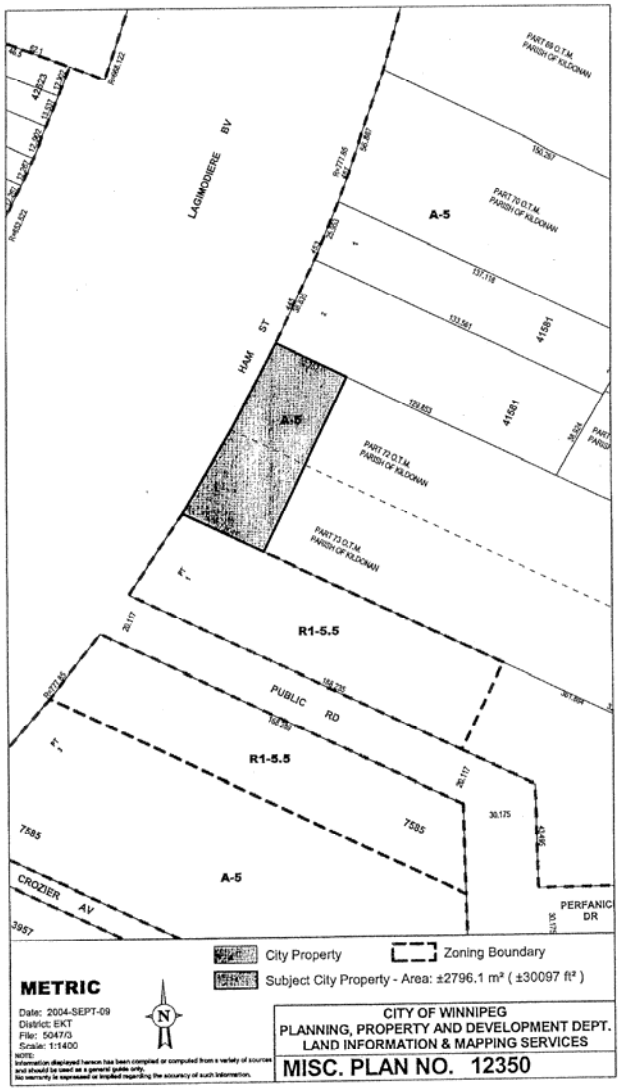

LAGIMODIERE BV
HAM ST
A-5
R1-5.5
PUBLIC RD
CROZIER AV
PERFANIC DR
7585
3957
City Property
Zoning Boundary
Subject City Property - Area: ±2796.1 m² (±30097 ft²)
METRIC
Date: 2004-SEPT-09
District: EKT
File: 5047/3
Scale: 1:1400
CITY OF WINNIPEG
PLANNING, PROPERTY AND DEVELOPMENT DEPT.
LAND INFORMATION & MAPPING SERVICES
MISC. PLAN NO. 12350

Exhibit "A"

Real Owner Application

_____

To the City Assessor

_____ Roll No. _____

(Name of Municipality)

1. I/We_____

(Print Full Name)

request that my/our name(s) appear in the Assessment Roll of the City of Winnipeg in respect to the following property, pursuant to Section 12(1) of "The Municipal Assessment Act", Cap. M 226 S.M.

2 Description of Properties: (Give description of all property in respect of which you wish your name to appear).

Part of Lot or Section	Lot or Section	Block or Township	Plan or Range	Interest In Property

3. Mailing Address_____
4. Place of Residence_____
5. Name and Address of Registered Owner_____

(Print)

_____

(Print)

6. Description of building on property:

   Dwellings _____

   Other Buildings _____

7. Date of Purchase _____ 8. Purchase Price_____

   Date: _____ 19 ___ _____

(Signature of Applicant)

Office of the City Assessor

The City of Winnipeg

_____

(Signature of Registered Owner)