Report - Standing Policy Committee on Property and Development - April 4, 2006

Item No. 23 Sale of a Portion of City-owned Property located at Comdale Avenue at Raphael Street
File FI-2.4(35)

STANDING COMMITTEE RECOMMENDATION:

On April 19, 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 City-owned property shown in broken outline on Misc. Plan No. 12759 be declared surplus to the City's requirements.

2. That the sale of the subject City-owned property shown in broken outline on Misc. Plan No. 12759 be approved in favour of the adjoining owner, Lawrence Hart, President of Carlynne Enterprises Ltd. at a price of $2,000.00 in accordance with the Offer to Purchase dated March 20, 2006, subject to Council's approval of DASZ 2/2006.

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 - April 4, 2006

DECISION MAKING HISTORY:

EXECUTIVE POLICY COMMITTEE RECOMMENDATION:

On April 19, 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 April 4, 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 a Portion of City-owned Property located at Comdale Avenue at Raphael Street**
Riel Community
St. Norbert Ward

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

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

Report date: March 24, 2006

Recommendation(s):

1. That Council declare the subject City-owned property shown in broken outline on the attached Misc. Plan No. 12759 surplus to the City's requirements.
2. Subject to approval of Recommendation No. 1, that the sale of the subject City-owned property shown in broken outline on Misc. Plan No. 12759, attached, be approved in favour of the adjoining owner, Lawrence Hart, President of Carlynne Enterprises Ltd. at a price of $2,000.00 in accordance with the attached Offer to Purchase dated March 20, 2006, and subject to Council's approval of DASZ 2/2006.
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:

- The Planning, Property and Development Department has determined that the subject City-owned property shown in broken outline on the attached Misc. Plan No. 12759, is not required by the City.
- The Department is recommending that the sale of the subject City-owned property be approved in favour of Carlynne Enterprises Ltd. at a price of $2,000.00, subject to Council declaring the property surplus to the City's requirements and approval of DASZ 2/2006.

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 in broken outline on Misc. Plan No. 12759. Approval of at least two-thirds of the members of Council is required for all sales of property designated or acquired for park or cemetery purposes. Council approval of the proposed subdivision and rezoning (DASZ 2/2006) is also required.

HISTORY:

On December 15, 1999, Council authorized the Director of the former Property and Development Services Department to negotiate the acquisition of certain lands necessary to create a stormwater retention pond plus any other land acquisitions necessary for the Fairfield Park Local Improvement project. On October 30, 2003, the Standing Policy Committee on Property and Development approved the terms of the acquisition of this land.

On October 22, 2003, Council passed By-law 125/2003, a by-law establishing the Fairfield Park Local Improvement District to allow for the Fairfield Park works to proceed as a Local Improvement in 2004 and subsequent years.

The requirement for the street closing as shown on the attached Misc. Plan 9997/17 arose out of the realignment of Raphael Street that formed part of Stage 1 of the Fairfield Park development. This realignment rendered portions of the street identified as "Proposed Right-of-Way Closings" on Misc. Plan No. 9997/17 obsolete.

On January 28, 2004, Council enacted By-law DAC 23/2003, closing parts of Raphael Street as shown on the attached Misc. Plan No. 9997/17.

DISCUSSION:

On June 13, 2005, the adjoining owner, Lawrence Hart, President of Carlynne Enterprises Ltd. contacted the City requesting to purchase the subject City-owned property shown in broken outline on Misc. Plan No. 12759 in order to include the property with his proposed subdivision (DASSF 569/2005).

Particulars of the subject City-owned property are as follows:

Location:	South side of Comdale Avenue at Raphael Street
Legal Description:	Part Public Reserve, Plan 42877
Certificate of Title:	Part of 2025209
Roll No.:	Part of 03091249000
Assessed Value:	Not apportioned
Appraised Value:	$2,000.00
Zoning:	"PR-1" Park and recreation District
Size:	±67.04m² (±721.6 sq ft)

No civic need has been identified for the subject City-owned property nor are any easements required.

The Ward Councillor has no objections to the sale of the subject City-owned property.

The Planning, Property and Development Department have concluded its negotiations with Mr. Hart for the proposed sale of the subject City-owned property. The Offer to Purchase dated March 20, 2006, is attached. The proposed Purchaser would be responsible for the subdivision and rezoning of the subject City-owned property under DASZ 2/2006.

The Planning, Property and Development Department recommend the sale of the subject City property shown in broken outline on Misc. Plan No. 12759 to Mr. Hart for the following reasons:

a) The proposed sale price is supported by an internal appraisal as to its market value.
b) The property would be placed on the tax roll at the closing of the sale.
c) The sale will eliminate the liability for the City associated with holding this parcel of vacant land.
d) The Purchaser will be required to consolidate the subject City property with his current holding as part of the sale.

Financial Impact Statement

Date: March 22, 2006

Project Name:

Proposed Sale of a Portion of City-owned Property located at Comdale Avenue and Raphael Street

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	2,013	27	27	27	27
Net Cost/(Benefit)	$ (2,013)	$ (27)	$ (27)	$ (27)	$ (27)
Less: Existing Budget Amounts	-	-	-	-	-
Net Budget Adjustment Required	$ (2,013)	$ (27)	$ (27)	$ (27)	$ (27)

Additional Comments:

Incremental revenues in 2006 consist of proceeds of disposition of $2,000 and municipal realty taxes of $13. The latter is based on the assumptions that the assessed value equal the sale price, the portioning and mill rates remain unchanged at 45% and 0.029686 respectively, and that the property is added to the tax roll effective July 1, 2006. Revenues in 2007 and forward represent municipal realty taxes based on the same assumptions.

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

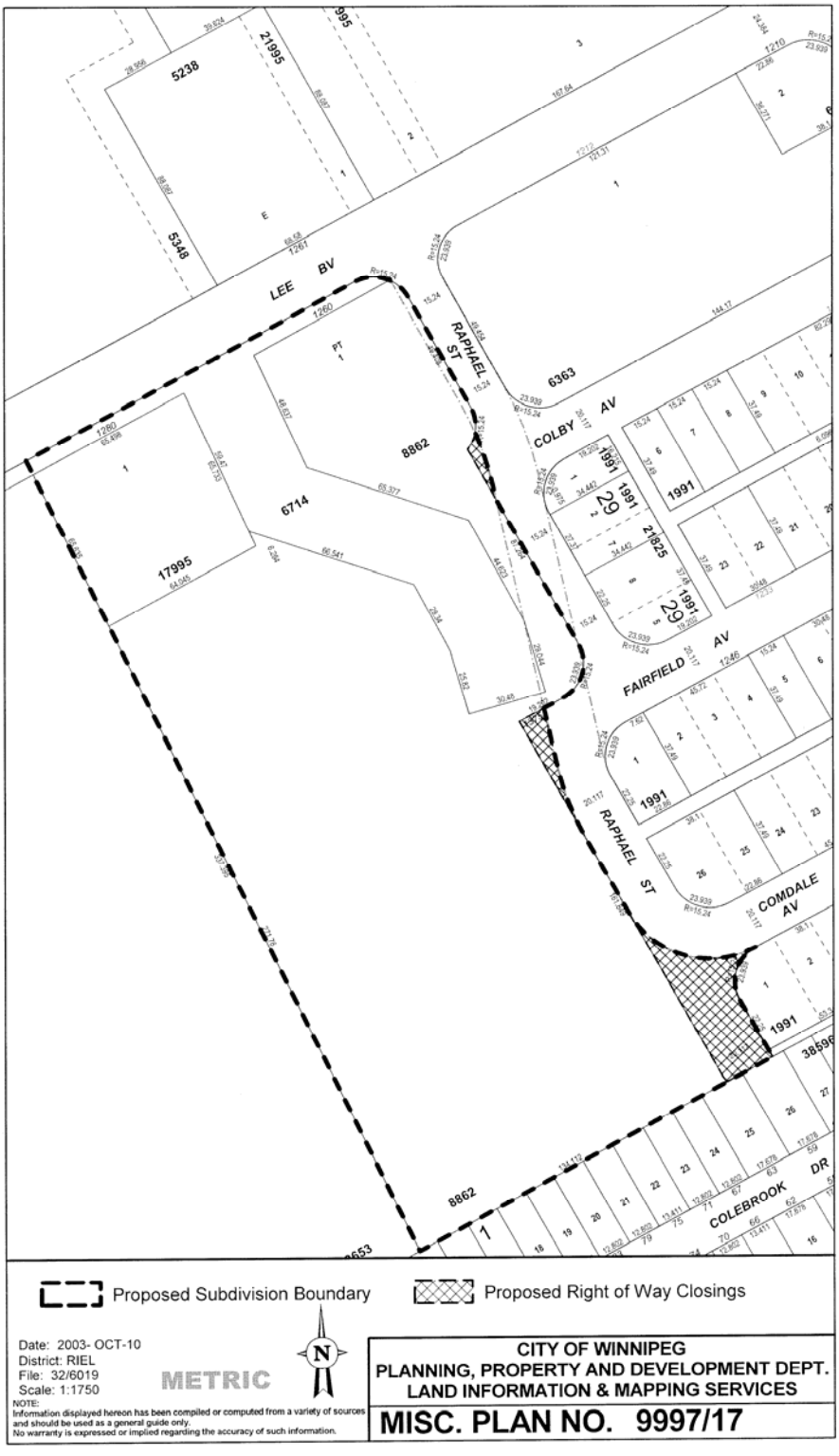
IN PREPARING THIS REPORT, THERE WAS CONSULTATION WITH AND CONCURRENCE BY:

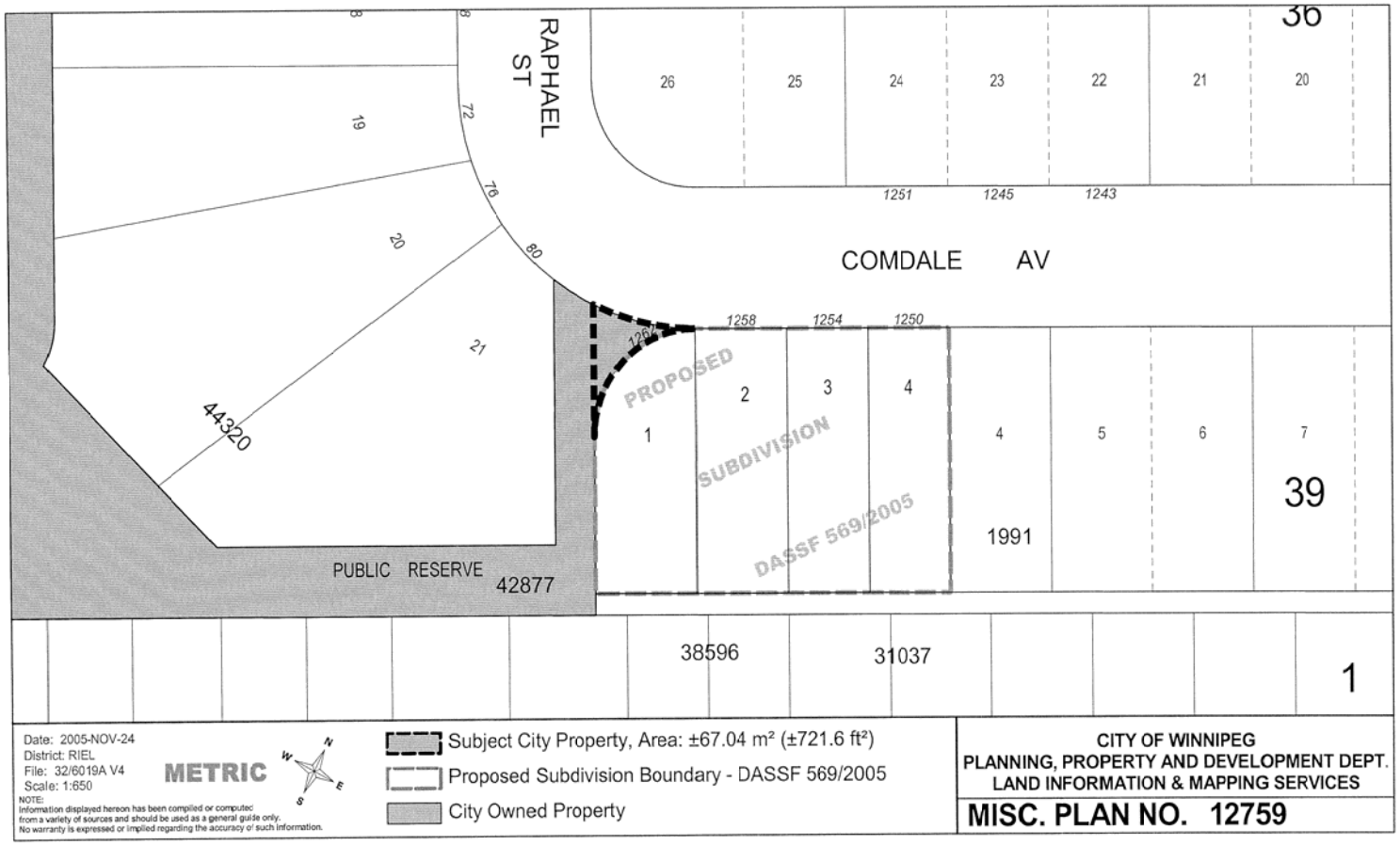
No consultation was required in the preparation of this report.

THIS REPORT SUBMITTED BY:

Planning, Property and Development Department
Division: Real Estate
Prepared by: Joedi Pruden
PPD File #: 32/6019/A V.4

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


LEE BV
RAPHAEL ST
COLBY AV
FAIRFIELD AV
COMDALE AV
COLEBROOK DR
5238
21995
5348
6363
8862
6714
17995
21925
1991
Proposed Subdivision Boundary
Proposed Right of Way Closings
Date: 2003- OCT-10
District: RIEL
File: 32/6019
Scale: 1:1750
METRIC
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. 9997/17


RAPHAEL ST
COMDALE AV
PUBLIC RESERVE
42877
44320
PROPOSED SUBDIVISION
DASSF 569/2005
1991
38596
31037
Date: 2005-NOV-24
District: RIEL
File: 32/6019A V4
Scale: 1:650
METRIC
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.
Subject City Property, Area: ±67.04 m² (±721.6 ft²)
Proposed Subdivision Boundary - DASSF 569/2005
City Owned Property
CITY OF WINNIPEG
PLANNING, PROPERTY AND DEVELOPMENT DEPT.
LAND INFORMATION & MAPPING SERVICES
MISC. PLAN NO. 12759

Hart
File: 32/6019A V.4

OFFER TO PURCHASE

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

Area shown as Subject City Property on Misc. Plan No. 12759

(hereinafter called the "lands")

for the sum of $2.000.00 cash, and upon the following terms and conditions:

1. (1) Attached to this Offer is the Purchaser's certified cheque, bank draft or money order payable to "The City of Winnipeg" in the amount of $300.00, 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 City Council (in the event that Council approval is required) and/or its delegated authority, hereinafter called the "Date of Approval". The Purchaser agrees to pay the balance of the purchase price, interest and adjustments on or before the date of closing, possession and adjustments

   (2) If the Purchaser fails to pay the balance of the purchase monies, interest and adjustments on or before the date of closing, possession and adjustments 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 of closing, possession and adjustments shall be sixty (60) days following the Date of Approval or earlier as mutually agreed to

   (2) 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.

   (3) 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 closing, possession and 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 closing, possession and 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 shall it 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 lands for any use or purpose. The land are 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 existing improvements (if any) in or on the said lands shall remain as part of the freehold.

8. (1) On October 22, 2003 Council gave final reading to the Fairfield Park Local Improvement District (LID). The LID project is to install a full range of services within the District including a land drainage retention pond, land drainage sewers, wastewater sewers, watermains, concrete pavement, certain boulevards, sidewalks, walkways and underground hydro and telephone. Lot line connections for the district were approved by Council under separate by-laws and are to be installed with the District Services.

   (2) Attached to this offer as Schedule "A" are two (2) tables outlining the Estimated Levy Rates for the various levies and The Schedule For Assessment of these Levies.

   (3) The Purchaser acknowledges that in purchasing the subject lands that the Purchaser is responsible for the Purchaser's share of payment of the final local improvements as generally laid out in Table 1 of Schedule "A".

9. (1) The municipal services in the street to service the subject property are scheduled to be installed in 2005 through the Fairfield Park Local Improvement District Project, which services include the installation of lot line connections. The Purchaser acknowledges that no building permit will be issued until such time as all of the municipal services in the adjoining streets have been constructed and installed.

   (2) The Purchaser agrees to do the final grading and lay sod on the fronting boulevard and plant a boulevard tree of a type and size and in a location as specified by the City of Winnipeg. Information as to the specifications for the boulevard sod and trees can be obtained by contacting Mr. Dave Balzer of the Land Development Branch at 986-3788.

   (3) In addition, should the Purchaser develop the subject property, the Purchaser shall be responsible for the cost and installation of an individual concrete approach.

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

11. 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, and it is determined as a result thereof 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:

   (1) take remedial action to bring the contamination levels within the Provincial Environmental Standards, **or,**

   (2) cancel the sale and return all monies paid in respect of the proposed sale by the Purchaser to that date.

AND FURTHER, in the event the Purchaser fails to provide such documentation as aforesaid, the Purchaser hereby agrees to complete the purchase as herein contemplated and to indemnify and save harmless the City from and against any and all claims arising from or in any way attributable to the existence of contaminants of any kind whatsoever at, in, or upon the said lands.

12. (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, MTS Allstream Inc., Centra Gas, or The City of Winnipeg, and/or any of their respective successors and/or other utilities, for the maintenance of existing and future facilites 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 utility or The City of Winnipeg requiring such easement.

(2) The Purchaser to enter into agreements satisfactory to the said utilities or The City of Winnipeg.

(3) Any removal or relocation of Manitoba Hydro, Manitoba Allstream Inc., Centra Gas Manitoba Inc., or The City of Winnipeg's existing facilities as a result of a proposed subdivision will be at the expense of the Purchaser. Information on electrical and gas service to new subdivisions can be obtained from the local Manitoba Hydro District Office.

(4) The Purchaser at its own expense shall be responsible to provide any Easement Plans that may be required to effect registration of the Easement Agreements in the Winnipeg Land Titles Office.

(5) The Purchaser acknowledges that the City may grant the easement before the Transfer of Land issues.

13. The Purchaser(s) shall apply for a proposed plan of subdivision. The Purchaser shall prepare or cause to be prepared, at the Purchaser's sole cost and expense, all necessary plans that may be required by the Winnipeg Land Titles Office to facilitate the transfer of the subject lands, including the plan of subdivision, and all plans of easement required to grant any utility rights

14. In consideration of the sale of the lands by the City to the Purchaser, the Purchaser covenants and agrees as follows:

(1) The Purchaser shall at its sole cost, effort and expense, do all things as are necessary, including but not limited to causing to be prepared and registered at the Winnipeg Land Titles Office, such documentation as may be required to ensure that the lands to be conveyed by the City and the adjoining property legally described as Lot 1, Plan 44597 (herein called the "Purchaser's adjoining property") are consolidated so as to constitute single and indivisible parcels. The Purchaser does hereby acknowledge that in complying with this obligation it may be required to arrange for the discharge and re-registration of existing encumbrances against the Purchaser's adjoining property.

(2) This agreement shall run with the Lands and the adjoining property and shall bind the Purchaser, its successors and assigns and its successors in title.

(3) The Purchaser to pay the applicable Land Titles Office registration fees and Land Transfer Tax in respect thereto.

15. No commission is payable by the City on the sale of the Lands.

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

17. The Purchaser is hereby advised that soil conditions in Winnipeg are of the glacial fill 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.

18. 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 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.

19. 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.

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

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

22. 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.

23. 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.

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

Carlynne Enterprises Ltd. 649 Corydon Avenue, Winnipeg, MB R3M 0W3

Name (Please Print) Address

Purchaser's Registration No. (G.S.T.) 1008 8244 RT0001

IN WITNESS WHEREOF the Purchaser has signed this document in

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

Witness

Purchaser

Carlynne Enterprises Ltd.

Witness

Per:

President Purchaser

THE CITY OF WINNIPEG

Per:

DIRECTOR of Planning, Property and Development

Approved as to details:

Planning, Property and Development

Approved as to form:

for City Solicitor/Manager of Legal Services

[redacted]

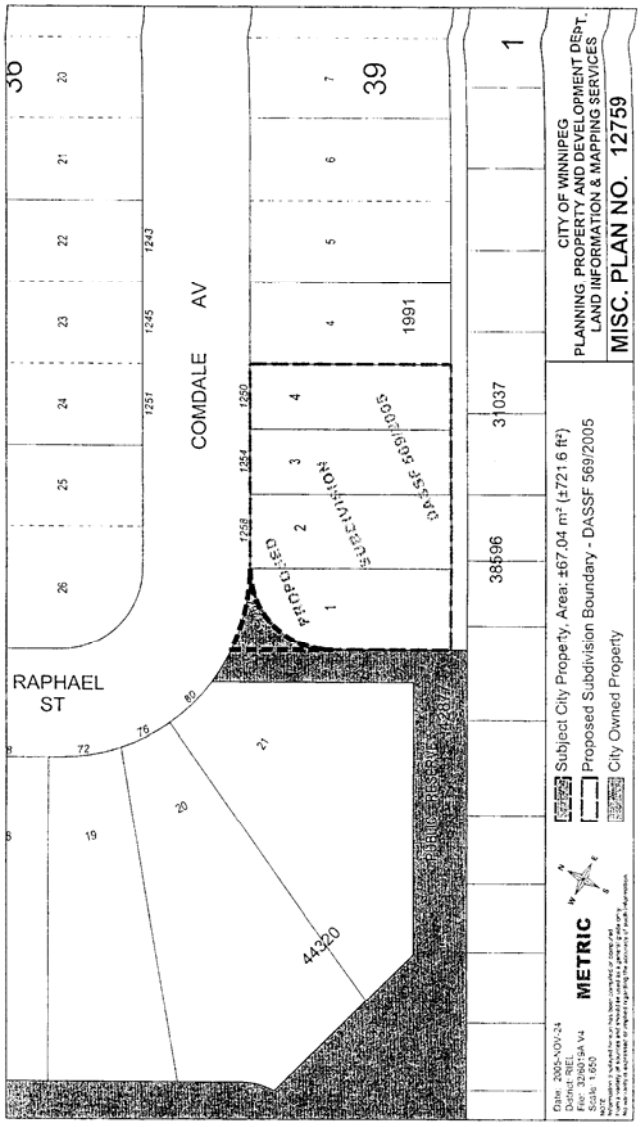

36
39
1
COMDALE AV
RAPHAEL ST
PROPOSED SUBDIVISION
PASSE 569/2005
1991
31037
38596
44320
CITY OF WINNIPEG
PLANNING, PROPERTY AND DEVELOPMENT DEPT.
LAND INFORMATION & MAPPING SERVICES
MISC. PLAN NO. 12759
Subject City Property, Area: ±67.04 m² (±721.6 ft²)
Proposed Subdivision Boundary - DASSF 569/2005
City Owned Property
METRIC

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)

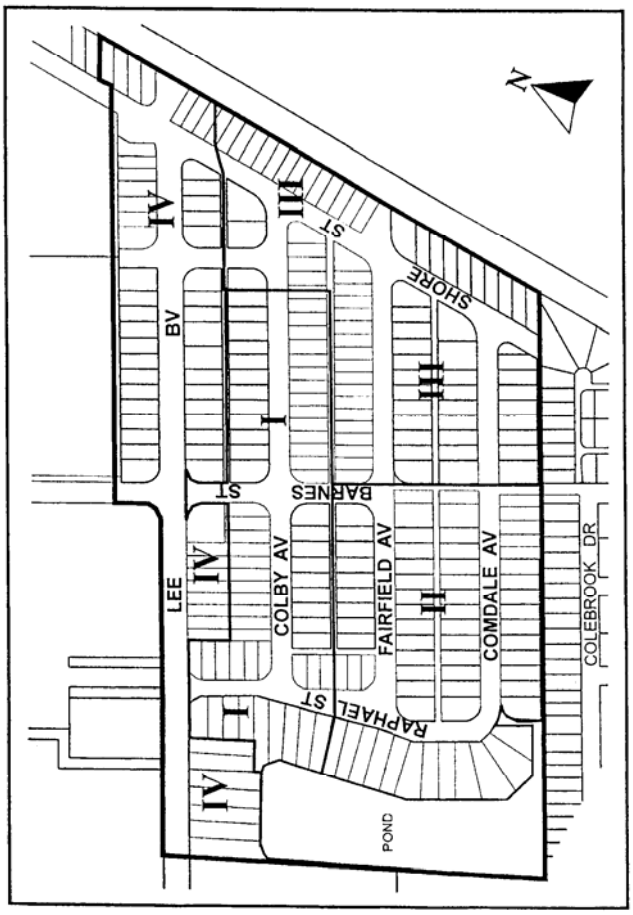
TABLE 1

ESTIMATED LEVY RATES*		
Levy	Total Levy Amount if paid in Lump Sum	Annual Levy Rate**
Pond	$0.50/sq. ft.	$0.05/sq. ft.
Stage I	$124.93/fr.ft.	$11.86/fr. ft.
Stage II	$94.78/fr. ft.	$8.99/fr. ft.
Stage III	$127.09/ft. ft.	$12.06/fr. ft.
Stage IV	$91.91/ft. ft.	$8.72/fr. ft.
Lot Line Connections	$3500.00/connection	$332.09/connection

* Final levy amounts will be adjusted based on actual costs
** Based on equal distribution over 25 years

TABLE 2

SCHEDULE FOR ASSESSMENT OF LEVIES			
		Initiation of Levies for Properties In	
Year	Construction	Stage I	Stages II, III and IV
2004 & 2005	Pond & Stage I Services & Lot Line Connections	-	-
2005 & 2006	Stages II, III & IV Services	Levies for Pond, Stage I Services & Lot Line Connections (2006)	-
2007		Plus Levies for Stages II, III & IV Services	Levies for Pond, Stages I, II, III & IV Services & Lot Line Connections



FAIRFIELD PARK LOCAL IMPROVEMENT DISTRICT