Agenda – Executive Policy Committee – July 19, 2006

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

Item No. 25 Acquisition and Declaration as Surplus - CPR Property within Former Public Markets Site
File FI-2(35)

STANDING COMMITTEE RECOMMENDATION:

On July 4, 2006, the Standing Policy Committee on Property and Development concurred in the administrative recommendation, as amended, and submits the following to Council:

1. That the acquisition of the Canadian Pacific Railway Company property containing approximately 2,967 square meters (31,936 square feet) in land area, shown as "subject Canadian Pacific Property" on Misc. Plan No. 12676/1, be approved at a price of $87,800.00 in accordance with the terms and conditions outlined in the report from the Director of Planning, Property and Development dated June 27, 2006, and such other terms and conditions as may be acceptable to the City Solicitor/Manager of Legal Services and the Director of Planning, Property and Development.

2. That following acquisition of the Canadian Pacific property shown on Misc. Plan No. 12676/1 by the City, the property be deemed surplus to the City's needs and form part of the overall conceptual Plan for the former Public Markets Site.

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

Agenda – Executive Policy Committee – July 19, 2006

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

DECISION MAKING HISTORY:

STANDING COMMITTEE RECOMMENDATION:

On July 4, 2006, the Standing Policy Committee on Property and Development concurred in the administrative recommendation with the following amendments, namely:

- That a new Recommendation No. 2 be added as follows, namely:

  "2. That following acquisition of the Canadian Pacific property shown on Misc. Plan No. 12676/1 by the City, the property be deemed surplus to the City's needs and form part of the overall conceptual Plan for the former Public Markets Site."

- That original Recommendation No. 2 be renumbered as Recommendation No. 3,

and submitted the matter to the Executive Policy Committee and Council.

RE: Proposed Acquisition of CPR Property within the former Public Markets
Riel Community
St. Boniface Ward

FOR SUBMISSION TO: Standing Policy Committee on Property and Development

ORIGINAL REPORT SIGNED BY: Director, Planning, Property and Development

REPORT DATE: June 27, 2006

RECOMMENDATION: That the proposed acquisition of the Canadian Pacific Railway Company property containing approximately 2,967 M2 (31,936 sq. ft.) in land area and shown as **"SUBJECT CANADIAN PACIFIC PROPERTY"** on the attached Misc. Plan No. 12676/1, be approved at a price of $87,800.00 and in accordance with the terms and conditions outlined herein and such other terms and conditions as may be acceptable to the City Solicitor and the Director of the Planning, Property and Development Department.

Report Summary

Key Issues:

- The City requires the subject property for consolidation of its land holding and to facilitate the Council-approved Public Markets Land Use Plan. The CPR is prepared to sell this land to the City as outlined herein.

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

( ) Involves a multi-year contract

Comment(s):

Policy Implications

(X) No

( ) Yes

Comment(s):

Regulatory Implications

(X) None

( ) Eliminates or reduces regulatory impact

( ) Proposes regulatory impact

Comment(s):

Environmental Implications

(X) No

( ) Yes

Comment(s): The subject property is situated within the former Public Markets and the City is well aware of the environmental considerations.

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): Adequate funding for this proposed property acquisition is provided for within the City's Land Operating Reserve account.

Report

REASON FOR THE REPORT:

In accordance with Council's instructions, the Planning, Property and Development Department has concluded negotiations with the Canadian Pacific Railway Company (CPR) to acquire its land within the former Public markets shown as **"SUBJECT CANADIAN PACIFIC PROPERTY"** on the attached Misc. Plan No. 12676/1.

By this report, the Department is seeking Standing Policy Committee on Property and Development approval to the terms and conditions as outlined herein.

HISTORY:

At its meeting held on March 22, 2006, Council approved the Public Markets Land Use Plan, including concurrence in the following recommendation:

> "That the Director of Planning, Property and Development be authorized to negotiate the acquisition of the privately-owned property shown in broken outline on Misc. Plan 12676/1 (Attachment 2 to the Report from the Director of Planning, Property and Development dated December 16, 2005) from Canadian Pacific Railway and report back, with the understanding that the property would be declared surplus by Council and form part of the overall conceptual plan."

The Canadian Pacific Railway Company has indicated that it is prepared to sell this property to the City in accordance with the CPR's standard Offer/Purchase and Sale Agreement, which basically encompasses the following terms and conditions:

1. An all-inclusive purchase price of EIGHTY-SEVEN THOUSAND AND EIGHT HUNDRED ($87,800.00) DOLLARS for the subject property, shown as Canadian Pacific Property on the attached Misc. Plan No.12676/1, based upon a rate of $2.75 per square foot.

2. The vendor to convey free and clear registerable title to the subject property to the City, except for any governmental limitations and an agreement in respect of a Greater Winnipeg Gas Company gas line (underground pipe crossing) at Mile 1.72 Emerson Subdivision.

3. The date for vacant possession - free of leasehold interest - and adjustment of taxes, to be September 1, 2006.

4. Purchaser to rely on its own inspection, and accepts that the land is being purchased on an "as is" basis.

5. Each party to be responsible for their own legal costs.

6. The vendor to consent, on a Real Owner Application form, to add The City of Winnipeg as the Real Owner of the subject property to the Assessment Rolls of the City.

7. The City will self-assess any Goods and Services Tax that it may owe on this transaction. The City's G.S.T. Registration No. is R121682967.

8. This proposal is subject to approval by the City of Winnipeg Council, or its delegated authority.

The Department considers the proposed purchase price to be reasonable in the circumstances. The terms and conditions are typical of a property acquisition of this nature with the CPR, and the Department recommends approval of this proposed purchase.

The proposed acquisition would consolidate the City's land holding, which is presently severed, and facilitate the sale and development of the Public Markets Site.

Upon approval by the City, the City Solicitor's office will be required to arrange for execution and return of the CPR's Offer/Purchase and Sale Agreement by July 17, 2006, in order that the CPR can obtain approval by its senior management by August 1, 2006. The CPR advises that upon acceptance of the City's Offer by senior management, the executed Agreement would be executed by the CPR and returned to the City Solicitor with a Transfer document, etc., subject to trust conditions, - i.e. - for the payment of the purchase money with adjustments for taxes, etc.

Financial Impact Statement

Date: June 19, 2006

Project Name:

Proposed Acquisition of CPR Property within the former Public Markets

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	$ -	$ -	$ -	$ -	$ -
Debt - External	-	-	-	-	-
Grants (Enter Description Here)	-	-	-	-	-
Reserves, Equity, Surplus	-	-	-	-	-
Other - Enter Description Here	-	-	-	-	-
Total Funding	$ -	$ -	$ -	$ -	$ -
Total Additional Capital Budget Required	$ -				
Total Additional Debt Required	$ -				
Current Expenditures/Revenues					
Direct Costs	$ 87,800	$ -	$ -	$ -	$ -
Less: Incremental Revenue/Recovery	-	-	-	-	-
Net Cost/(Benefit)	$ 87,800	$ -	$ -	$ -	$ -
Less: Existing Budget Amounts	87,800	-	-	-	-
Net Budget Adjustment Required	$ -	$ -	$ -	$ -	$ -

Additional Comments: Direct costs consist of the purchase price of the subject CPR property. Funding to finance this acquisition is to come from the Land Operating Reserve.

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

5358

IN PREPARING THIS REPORT THERE WAS:

Internal Consultation With and Concurrence By: None.

External Consultation With: None.

THIS REPORT SUBMITTED BY:

Planning, Property and Development Department
Real Estate Division
Prepared by: Vic Mikolayenko
PPD File No. 7485/A-1

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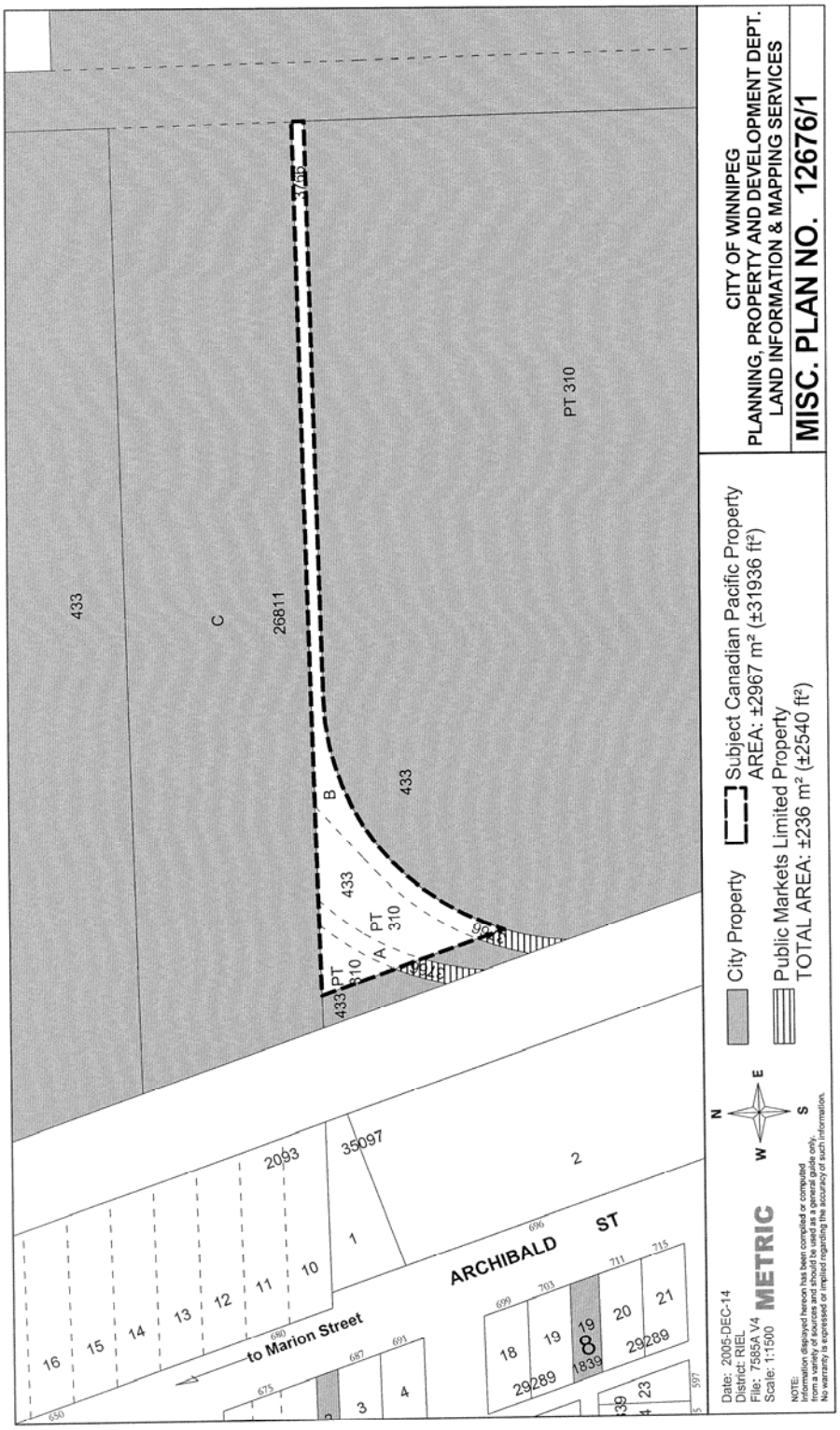
CITY OF WINNIPEG
PLANNING, PROPERTY AND DEVELOPMENT DEPT.
LAND INFORMATION & MAPPING SERVICES
MISC. PLAN NO. 12676/1
City Property
Subject Canadian Pacific Property
AREA: ±2967 m² (±31936 ft²)
Public Markets Limited Property
TOTAL AREA: ±236 m² (±2540 ft²)
Date: 2005-DEC-14
District: RIEL
File: 7585A V4
Scale: 1:1500
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.
ARCHIBALD ST
to Marion Street
PT 310
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26811
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