Agenda – Executive Policy Committee – December 4, 2002

Report - Standing Policy Committee on Property and Development - December 3, 2002

2. Proposed Acquisition - 43 Grace Street - North Winnipeg Parkway
File FI-2(34) (Vol. 8)

STANDING COMMITTEE RECOMMENDATION:

On December 3, 2002, the Standing Policy Committee on Property and Development recommended:

1. That the proposed acquisition of the "subject property" shown on Misc. Plan No. 11681/1 be approved at a purchase price of $37,000.00 and those costs necessary to conclude the purchase transaction, and in accordance with the terms and conditions as negotiated.

2. That approval be granted to utilize the Lord Selkirk-West Kildonan Community Land Dedication Reserve Fund as the funding source for the proposed acquisition of the subject property as described herein.

3. That the Proper Officers of the City be authorized to do all things necessary to implement the intent of the foregoing, including the execution of any documents related thereto.

Re: Proposed Acquisition – 43 Grace Street
Proposed North Winnipeg Parkway
Lord Selkirk – West Kildonan Community
Point Douglas Ward

For submission to: Standing Policy Committee on Property and Development

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

Report date: November 25, 2002

Recommendation(s):

1. That the proposed acquisition of the "Subject Property" shown on Misc. Plan No. 11681/1 be approved at an all-inclusive purchase price of $37,000.00 and in accordance with the terms and conditions as negotiated.
2. That approval be granted to utilize the Lord Selkirk-West Kildonan Community Land Dedication Reserve Fund as the funding source for the proposed acquisition of the subject property as described herein.

REPORT SUMMARY

KEY ISSUES:

- In May, 2002, the registered owner offered the subject riverbank property at 43 Grace Street for sale to the City at a price to be determined.
- The City requires this riverbank property for the proposed North Winnipeg Parkway, which is one of the top six priority Parkways.
- On July 16, 2002, the Lord Selkirk – West Kildonan Community authorized the use of the Lord Selkirk – West Kildonan Land Dedication Reserve Fund as the funding source for the proposed acquisition of the subject property, subject to the Standing Policy Committee on Property and Development granting the Director of the Planning, Property and Development Department authority to negotiate this acquisition.
- At its meeting held on September 12, 2002, the Standing Policy Committee on Property and Development authorized the Director of the Planning, Property and Development Department to negotiate the acquisition of 43 Grace Street; and that the Lord Selkirk – West Kildonan Community Land Dedication Reserve Fund be authorized as the funding source for the proposed acquisition of the subject property.
- The Real Estate Division has completed its negotiations with the owner in respect of the proposed acquisition of the subject property and the results are recommended herein for approval.

- The registered owner has requested that this acquisition be concluded not later than December 31, 2002 so that she can take advantage of an opening in a senior citizen's home commencing January, 2003.

IMPLICATIONS

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:
-

Policy implications

X	No (*There are no policy implications if the report is asking for a one-time decision.)*
	Yes *(There are policy implications if the recommendation(s) is/are asking for a decision that will be used to guide decisions over time.)*

Comment:
-

Financial implications

X	Within approved current and/or capital budget
	Current and/or capital budget adjustment required
	No financial implications

Comment:
- On September 12, 2002, the Standing Policy Committee on Property and Development concurred in the July 16, 2002 recommendation of the Lord Selkirk–West Kildonan Community Committee that the Lord Selkirk–West Kildonan Community Land Dedication Reserve Fund be authorized as the funding source for the proposed acquisition of the riverbank land, identified as subject property on Misc. Plan No. 11681/1.

REPORT

RECOMMENDATION(S):

1. That the proposed acquisition of the "Subject Property" shown on Misc. Plan No. 11681/1 be approved at an all-inclusive purchase price of $37,000.00 and in accordance with the terms and conditions as negotiated.
2. That approval be granted to utilize the Lord Selkirk-West Kildonan Community Land Dedication Reserve Fund as the funding source for the proposed acquisition of the subject property as described herein.

REASON FOR THE REPORT:

The Real Estate Division of the Planning, Property and Development Department has completed its negotiations with the owner in respect of the proposed acquisition of the subject property by the City. Although the subject property forms part of an approved land acquisition program as determined by Council, the Department is seeking the approval of Council to the proposed acquisition as negotiated and to the proposed funding source.

HISTORY:

The registered owner of 43 Grace Street contacted the Real Estate Division on May 24, 2002 and offered to sell the subject riverbank property to the City at a price to be determined.

The Planning and Land Use Division confirmed that the subject property is required for the proposed North Winnipeg Parkway which was approved by Council at its meeting on September 22, 1993 as one of the top six priority parkways for development along the Red and Assiniboine Rivers.

On July 16, 2002, the Lord Selkirk-West Kildonan Community Committee concurred in the July 8, 2002 recommendation of the Planning and Land Use Division that the Lord Selkirk-West Kildonan Community Land Dedication Reserve Fund be authorized as the funding source for the proposed acquisition of the riverbank land, identified as "Subject Property" on Misc. Plan No. 11681/1, subject to the Standing Policy Committee on Property and Development granting the Director of the Planning, Property and Development Department authority to negotiate the acquisition.

At its meeting held on September 12, 2002, the Standing Policy Committee on Property and Development concurred in the July 16, 2002 recommendation of the Planning and Land Use Division that the Director of Planning, Property and Development be authorized to negotiate the acquisition of 43 Grace Street; and that the Lord Selkirk-West Kildonan Community Land Dedication Reserve Fund be authorized as the funding source for the proposed acquisition of the riverbank land, identified as "Subject Property" on Misc. Plan No. 11681/1.

The City requires this riverbank property for the proposed North Winnipeg Parkway, which is one of the top six priority Parkways.

Ensuing negotiations conducted by the Real Estate Division of the Planning, Property and Development Department have produced the owner's agreement to sell the subject property to the City. The particulars of the subject property are as follows:

Location:	43 Grace Street at Dewdney Avenue
Legal Description:	Lots 32/34, Plan 109 (as shown on Misc. Plan No. 11681/1, attached)
Registered Owner:	Valentina Filipowicz, 43 Grace Street Winnipeg, Manitoba, R3B OE2
Zoning:	"M-2" Industrial District
Assessment:	Total Assmt: $34,700.00
Site Area:	594.70 m2 (6,401.30 square feet)
Property Description:	The property is improved with an 1884, 2 storey, 140.56 m2 (1,513 square foot) 7 room residential building on full basement. The building is considered to be in fair condition for its age. There has been substantial erosion of the riverbank in the immediate area of, and including, the subject property.

DISCUSSION:

The Real Estate Division has now successfully negotiated the acquisition of this property at a price of $37,000.00 and in accordance with the proposed terms and conditions as negotiated.

The Real Estate Division considers the proposed acquisition of the subject property by the City in the all-inclusive amount of $37,000.00 and upon the proposed terms and conditions of purchase as negotiated to be acceptable. The proposed purchase price is supported by an independent appraisal. The associated terms and conditions of acquisition are consistent with other prior acquisitions of a similar nature.

The Planning, Property and Development Department is supporting the acquisition of this property for the following reasons:

- This riverbank property is required for the proposed North Winnipeg Parkway, which is one of the top six priority Parkways.
- The City will be in possession of the subject property and will not have to concern itself either with potential purchasers acquiring the property for speculation purposes or with market conditions in future years which could potentially increase the acquisition cost.
- This proposed settlement at this time will also eliminate the need for this property to be expropriated by the City in the future, together with a risk of a litigated award, plus costs such as legal fees, statutory interest, etc., all of which would be entitlements to the property owner under The Expropriation Act.
- Acquisition of the subject property will increase the City's ownership of riverbank frontage in the area; and will also place the City in a favorable position should it decide to stabilize the section of riverbank at Grace Street and Dewdney Avenue, which is very steep and actively eroding.

The subject property is listed on the "Inventory of Buildings" under the terms of the Historical Buildings By-Law 1474/77. Once purchased, the subject building will be formally researched and evaluated for historical significance and also for possible placement on the Planning, Property and Development Department's property management program until such time as the property is required for the proposed North Winnipeg Parkway, or alternatively, for demolition of the building situated thereon.

Thus, the Real Estate Division and the Planning and Land Use Division of the Planning, Property and Development Department are both of the opinion that it would be in the best interests of the City to settle this matter on the basis of the proposal as specified herein.

The registered owner has requested that this acquisition be concluded not later than December 31, 2002 so that she can take advantage of an opening in a senior citizen's home commencing January, 2003.

FUNDING REQUIREMENTS:

The Department's report dated July 16, 2002 stated that funding in the amount of $76,900.00 is required to finance this acquisition. This figure includes property acquisition costs, legal, appraisal, survey fees, land transfer tax, demolition costs of the existing improvements, final grading and sodding of the site, Finance and Administration Charges and G.S.T.

The above estimate does not provide for any funding required to stabilize the riverbank at this location.

Financial Impact Statement

Date: November 25, 2002

Project Name:

Proposed Acquisition - 43 Grace Street - Proposed North Winnipeg Parkway

First Year of Program 2002

	2002	2003	2004	2005	2006
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	$ 76,900	$ -	$ -	$ -	$ -
Less: Incremental Revenue/Recovery	-	-	-	-	-
Net Cost/(Benefit)	$ 76,900	$ -	$ -	$ -	$ -
Less: Existing Budget Amounts	76,900	-	-	-	-
Net Budget Adjustment Required	$ -	$ -	$ -	$ -	$ -

Additional Comments:

On September 12, 2002, the Standing Policy Committee on Property and Development concurred in the July 16, 2002 recommendation of the Lord Selkirk - West Kildonan Community Committee that the Lord Selkirk - West Kildonan Community Land Dedication Reserve Fund be authorized as the funding source for the proposed acquisition of the riverbank land, identified as subject property on Misc. Plan No. 11681/1. The above referenced amount includes the property acquisition costs, legal, appraisal, survey fees, land transfer tax, demolition costs of the existing improvements, final grading and sodding of the site, Finance and Administration Charges and G.S.T. The above estimate does not include any funding required for the stabilization of the riverbank at this location.

Gord Courage, Manager
Support Services Division

IN PREPARING THIS REPORT, THERE WAS CONSULTATION WITH AND CONCURRENCE BY THE PLANNING AND LAND USE DIVISION.

THIS REPORT SUBMITTED BY:

Planning, Property and Development Department
Division: Real Estate Division
Prepared by: Maria Haddock, Senior Negotiator
PPD File #: 8248

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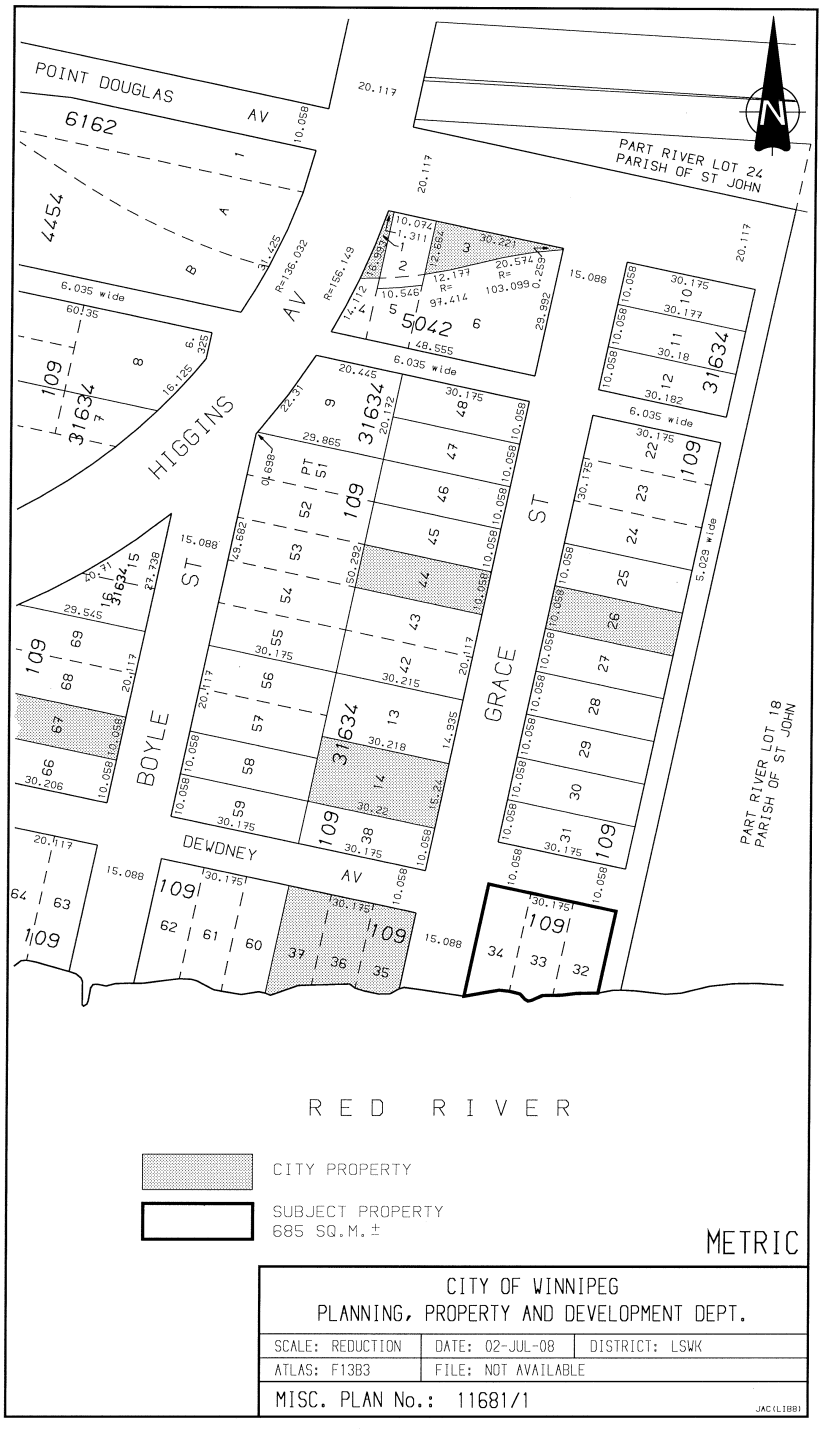
POINT DOUGLAS AV
PART RIVER LOT 24
PARISH OF ST JOHN
HIGGINS AV
BOYLE ST
GRACE ST
DEWDNEY AV
PART RIVER LOT 18
PARISH OF ST JOHN
RED RIVER
CITY PROPERTY
SUBJECT PROPERTY
685 SQ.M.±
METRIC
CITY OF WINNIPEG
PLANNING, PROPERTY AND DEVELOPMENT DEPT.
SCALE: REDUCTION
DATE: 02-JUL-08
DISTRICT: LSWK
ATLAS: F13B3
FILE: NOT AVAILABLE
MISC. PLAN No.: 11681/1