Proposed Asset Management Strategy – Declaration of Lands and Buildings known as the "Former Winnipeg Canoe Club" at 50 Dunkirk Drive as Surplus - Authority to Proceed with a Request For Proposals - Riel Community

PR-2.4.1 (Vol. 3)

4. The Standing Policy Committee on Property and Development has been advised that the Planning, Property and Development Department prepared an asset management strategy for the land and buildings known as the "former Winnipeg Canoe Club", and is submitting same for consideration by Council.

In 1991, the former Winnipeg Canoe Club approached the City for assistance regarding a realty tax arrears issue and financial operating concerns at the Club. Amongst other financial obligations, the Club had a substantial mortgage with the Great West Life Assurance Company. Subsequently that same year the City approved a subdivision application to create a condominium project at the former Winnipeg Canoe Club site to provide an opportunity for the Club to generate revenue to address its financial difficulties.

In 1994, the former Winnipeg Canoe Club lands and buildings were acquired by the City, pursuant to tax sale proceedings.

In 1995, the City entered into a Management Agreement with the Germanic Cultural Centre of Manitoba Inc. for the operation of the facility and also entered into a separate lease agreement for the operation of the adjacent golf course lands.

In the mid 1990's, a Winnipeg Sports Facility Grant in the amount of $194,000.00 was made to the Germanic Cultural Centre of Manitoba Inc.

The Planning, Property and Development Department understands that between 1995 and 1999, approximately $2.6 million consisting of Federal, Provincial and Municipal grants along with private donations from members of the Germanic Cultural Centre Inc., was apparently invested into the former Winnipeg Canoe Club facility. The Department does not have access to source data to verify the exact amounts.

In 2000, the Germanic Cultural Centre of Manitoba Inc and a private hospitality consortium approached the City for assistance regarding the Cultural Centre's default of the Management Agreement and ongoing financial and operating problems at the former Winnipeg Canoe Club facility. The proposal involved the potential capital expenditure of another $2.5 million, inclusive of a $220,000.00 funding request to the City. This resulted with the City entering into an Agreement dated June 30, 2000 with the proponents to facilitate redevelopment; however, the proponents did not implement the proposal.

On May 25, 2001, the Germanic Cultural Centre of Manitoba Inc. voluntarily surrendered possession of the facility to the City.

Report of the Standing Policy Committee on Property and Development dated November 22, 2001

On July 11, 2001, the Executive Policy Committee concurred in the July 5, 2001 recommendation of the Standing Policy Committee on Property and Development which instructed the Director of Planning, Property and Development to conduct such investigations and preparation necessary leading to declaring the former Winnipeg Canoe Club facility property (not including the golf course lands) as surplus to the City's requirements, and to report back thereon to the Standing Policy Committee on Property and Development.

Part 1:The Property (former Winnipeg Canoe Club Building and adjacent lands)

Property and Building Description

As identified on Misc. Plan 4750/16, the former Winnipeg Canoe Club building and lands are located at 50 Dunkirk Drive. The building has been primarily used for recreation and cultural purposes. The building is approximately 50,000 square feet in size and is comprised of: indoor badminton courts, indoor racquet ball courts, indoor squash courts, a fitness room, steam rooms, locker rooms, a banquet/multi-purpose room, a restaurant/ kitchen area, a daycare room, washrooms, front reception and office area.

The primary building and land site also has other amenities and additional outdoor structures. An outside storage building is located to the north of the building, which is currently used by the Prairie Fire and Rowing Centre for the storage of rowing boats. A vehicle parking lot is located to the east of the building that is fully improved with lighting, asphalting and fencing. An outdoor clay tennis court facility is located to the east of the building consisting of ten (10) tennis courts. During the 2001 season, the Winnipeg Canoe Club Tennis Players Association operated the tennis court facility. Lastly, an outdoor in-ground swimming pool is located to the south of the building.

The particulars of the subject property as outlined on Misc. Plan No 4750/16 are as follows:

Owner:	City of Winnipeg
Location:	50 Dunkirk Drive
Legal Description:	Lots 2/3, Plan 27760, Pt Lot 20, Plan 8959, Lots 1,2 and Pt Lots 28-33,Block 2, Plan 1250, Pt Lots 1-7, Block 3, Plan 1250, Pt Lots 1-10, Block 3, Plan 1268, former streets and lanes now closed.
Zoning:	"PR2" Parks and Recreation
Size:	+/-6.0 acres

Part 2:Site Use and Development Considerations

A. Responses to Circular Enquirying as to Civic Need

An internal canvass of City Departments did not identify any municipal need for this property. The following responses provided additional information relative to this project.

The Planning and Land Use Division of the Planning, Property and Development Department advised that although the existing main structure may have outlived its usefulness, the removal of the building would be upsetting to the existing residents due to a concern over what the replacement might be and to the loss of the facility and that all potential uses of the building should be examined. In the event the building is not useable, the Division advised that the vacant building site could be consolidated with the adjacent parking lot and possibly tennis court area to create a developable site. The Division also advised that the riverbank area should be retained as public open space and that a cluster condominium

development would be the highest and best use of the lands in any rezoning or redevelopment proposal. Such proposal would have to incorporate and provide access to and from the golf course and existing condominium development. Moreover, the Division advised that the low density residential is probably the only alternative land use that would be acceptable in the community; however, any proposed redevelopment would be subject to a full public hearing and review.

The Public Works Department advised that it had no objection to the continued use of the existing approach on Dunkirk Drive to serve the site (right in-right out). The Department would not support left turn access to or from Dunkirk Drive. Any change to the existing access to a redeveloped site would have to be reviewed by the Public Works Department.

The Water and Waste Department advised that the former Winnipeg Canoe Club Building is served by a 200 mm watermain and a 300 mm combined sewer located within Dunkirk Place. Also, there is a 200 mm watermain that crosses the parking lot. In the event the parking lot is sold, the Department would require a 5 metre wide easement to access the watermain pipe.

The Water and Waste Department also advised that the primary dyke crosses this site, extending south from Dunkirk Place right of way, southeasterly. The dyke area is protected by an easement agreement and any proposed redevelopment of the site would have to incorporate this requirement. As well, any development within the Floodway Fringe Area must be in accordance with the flood-proofing criteria as specified in the City of Winnipeg Act. No construction would be allowed in the floodway area.

B. Relationship of the Golf Course site to the Subject Lands To Be Declared Surplus

By agreement dated April 1, 2000, the City of Winnipeg entered into a lease agreement with Don Ferguson Maintenance Services for the operation of the former Winnipeg Canoe Club Golf Course. The agreement, which does not expire until March 31, 2005, provides for a shared use of the existing parking lot as shown on Misc. Plan 4760/16. As such, any redevelopment of the lands will require that golfer parking be accommodated during this lease period and possibly beyond, dependent upon future golf course operational arrangements made.

The Planning, Property and Development Department has determined that the Golf Course Special Operating Agency (SOA) plans to conduct an asset management review of all of its golf courses within the next four years and will ultimately make a recommendation on whether the Canoe Club Golf Course should continue to be used for this purpose or if conversion to alternate land uses should be considered.

Inasmuch as the Committee directives of July 5 and 11, 2001 were to exclude the golf course lands, the golf course lands were not the subject of the administrative report, and thus have not been included in administrative recommendations.

C. Relationship with adjacent Condominium Development

In accordance with the terms and conditions of DASSF 506/91 and DAZ 204/91, the City approved a subdivision of land to create a condominium site located immediately south of the Canoe Club building. This development is illustrated on Misc. Plan No. 4750/16. A cross access agreement was subsequently registered to provide access over the existing parking lot. As such, any redevelopment of these affected lands will consider and require that an access agreement be provided to the Owner of Lot 1, Plan 27,760.

D. Proposed Definition of City-owned Property to be Declared Surplus

In view of the foregoing information, the Planning, Property and Development Department suggests that the 6.007 acre site shown as "Land to be Declared Surplus" on Misc. Plan No. 4750/16, be declared surplus. The sale of this property would be subject to a Cross-Access Agreement in favour of the adjacent condominium development and subject to the protection of a parking area for the golf course operation.

Part 3: Proposed Request for Proposals

A. Processes and Timelines

The process for conducting a Request for Proposal (RFP) includes:

- the assembly and organization of background information on the building and site;
- the development of a comprehensive Request For Proposal document together with appropriate appendices;
- the public advertisement and administration of the proposal call, and;
- the evaluation of the forthcoming Proposals;
- the submission of the subsequent administrative report to the Standing Policy Committee on Property and Development with recommendation.

Prior to initiating the Request for Proposals process, it is necessary that a decision be made to declare the property as surplus to civic requirements.

The Planning, Property and Development Department initiated and has undertaken the following tasks to prepare for the RFP:

1.	Circularization as to Corporate Need	Completed
2.	Environmental Site Assessment	Awarded and awaiting report
3.	Engineering Assessment of Building	Obtained proposals and quotes To award by November 15, 2001
4.	Geo-technical Assessment	Obtained proposals and quotes To award by November 15, 2001
5.	Review of Property titles, associated encumbrances and legal surveys:	Continuing. A Building Location Certificate, Easement Plans, Access Agreements, etc. need to be produced
6.	Conducting an Appraisal of Building	To be undertaken upon conclusion of and Lands the aforementioned investigations

The proposed RFP could be accomplished in accordance with the following suggested schedule:

- Standing Policy Committee on Property and Development consider the report dated November 14, 2001, from the Planning, Property and Development

  November 22, 2001

- Council considers the recommendations of the Standing Policy Committee on Property and Development

  December 12, 2001

- Planning, Property and Development Department drafts RFP and Reports to Standing Policy Committee on Property and Development — February 7, 2002
- Advertise and Conduct proposal call — February 8 to March 8, 2002
- Evaluation of responses received — March 9 to March 23, 2002
- Report back to Standing Policy Committee on Property and Development — April 2, 2002
- Council consideration of Standing Policy Committee on Property and Development's recommendations — April 24, 2002

The Planning, Property and Development Department points out that the suggested time-lines are very aggressive. The process is highly complex and time consuming. As a result, given workloads, other priorities and available resources, the subject time-line can be subject to change.

Funding Requirements

Any costs to be incurred in the financing of the proposed RFP will be charged to the Land Operating Reserve Account being as the property was acquired by tax sale and is under the jurisdiction of the Planning, Property and Development Department. Furthermore, the Department advises that the net proceeds from the sale of the subject lands would be credited to the Land Operating Reserve Account and subsequently transferred to the City's General Revenue Account. The costs for undertaking the required studies and the conduct of the RFP are estimated at $45,000.00.

Consultation with the Riel Community Committee

The Planning, Property and Development Department is acting on the instructions of the Executive Policy Committee dated July 11, 2001. As such, the Department advised that it has not consulted with the Riel Community Committee on this matter.

Pursuant to Section 156(2) of The City of Winnipeg Act, the disposal of property designated or acquired for park purposes requires approval of at least two-thirds majority of the Members of Council.

The Standing Policy Committee on Property and Development recommends:

I. That the property identified as "Land to be Declared Surplus" on Misc. Plan 4750/16 be declared surplus to the City's requirements.

II. That the Director of Planning, Property and Development be directed to proceed to prepare a Request For Proposals (RFP) in accordance with the process outlined.

III. 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.