Agenda - Executive Policy Committee - January 22, 2003

Report - Standing Policy Committee on Property and Development - January 9, 2003

Item No. 6 Proposed Sale of City-owned property located on the south side of Pritchard Avenue between Charles and Main Streets
File FI-2.4(34) (Vol. 9)

STANDING COMMITTEE RECOMMENDATION:

On January 9, 2003, the Standing Policy Committee on Property and Development concurred in the administrative recommendation and recommended:

1. That Council in this instance waive that portion of the City Policy on sale or lease of City lands to non-profit organizations (Council authority October 31, 1990) which requires that properties sold at less than market value revert back to the City at the conclusion of the economic life of the project.

2. That the Union Gospel Mission's offer to purchase the "subject City property", as shown on Misc. Plan No. 11280/1, at a price of $1.00 in accordance with the terms and conditions as negotiated, be approved.

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.

Agenda - Executive Policy Committee - January 22, 2003

Report - Standing Policy Committee on Property and Development - January 9, 2003

DECISION MAKING HISTORY:

STANDING COMMITTEE RECOMMENDATION:

On January 9, 2003, the Standing Policy Committee on Property and Development concurred in the administrative recommendation, and submitted its recommendation to Executive Policy Committee and Council.

Re: Proposed Sale of City-owned Property Located on South side of Pritchard Avenue between Charles and Main Streets Lord Selkirk-West Kildonan Community Mynarski Ward

For submission to: Standing Policy Committee on Property & Development

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

Report date: December 23, 2002

Recommendation(s):

1. That Council in this instance waive that portion of the City Policy on sale or lease of City lands to non-profit organizations (Council authority October 31, 1990) which requires that properties sold at less than market value revert back to the City at the conclusion of the economic life of the project.

2. Subject to Council's adoption of recommendation No. 1 herein, that the Union Gospel Mission's offer to purchase the "subject City property", as shown on Misc. Plan No. 11280/1, at a price of $1.00 in accordance with the terms and conditions as negotiated, be approved.

REPORT SUMMARY

KEY ISSUES:

- The subject property was acquired in tax sale in 1985.
- In 1986, 1989 and again in 2000, the Real Estate Division attempted to dispose of the subject property but in each case, negotiations were unsuccessful.
- On September 5, 2001, the Union Gospel Mission requested to purchase the subject property pursuant to the Policy for sale or lease of City lands to non-profit organizations at a price of $1.00, to facilitate its need for parking to accommodate its proposed facility on the adjoining property.
- On December 4, 2001, the Lord Selkirk-West Kildonan Community Committee advised that it had no objection to the proposed sale.
- On October 9, 2002, the Union Gospel Mission executed the City's standard terms and conditions of sale as contained in the attached Schedule "A".
- The Planning, Property and Development Department is requesting that the Standing Policy Committee on Property and Development authorize the sale of the referenced property at $1.00, subject to Council approval being granted to waive in this instance, the

requirement for the title to revert back to the City at the end of the economic life of the project.

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: •

REPORT

RECOMMENDATION(S):

1. That Council in this instance waive that portion of the City Policy on sale or lease of City lands to non-profit organizations (Council authority October 31, 1990) which requires that properties sold at less than market value revert back to the City at the conclusion of the economic life of the project.

2. Subject to Council's adoption of recommendation No. 1 herein, that the Union Gospel Mission's offer to purchase the "subject City property", as shown on Misc. Plan No. 11280/1, at a price of $1.00 in accordance with the terms and conditions as negotiated, be approved.

REASON FOR THE REPORT:

Pursuant to the City Policy on sale or lease of City lands to non-profit organizations, any properties sold or leased at less than market value must be approved by the Standing Policy Committee on Property and Development as successor to the Committee on Finance and Administration.

Acceptance of the Offer to Purchase made by Union Gospel Mission will have to be subject to Council in this instance waiving that part of its policy for sales or leases of City-owned lands to non-profit organizations which requires all properties to revert back to the City at the conclusion of the economic life of the project.

HISTORY:

The subject property, shown outlined on the attached Misc. Plan No. 11280/1, was acquired by the City in tax sale in 1985.

In 1986, the Real Estate Division was active in negotiating a proposed sale of the subject property with the owner of a retail and apartment building located at the Southwest corner of Main Street and Pritchard Avenue for access to the rear of the apartment building and for development of parking. For various reasons negotiations for this sale were unsuccessful.

In 1989 Maps Housing Co-op and in 2000 Morden and Kemp, acting on behalf of a client, expressed interest in acquiring the subject property, however, neither of these enquiries proceeded beyond the initial letters of interest.

On September 5, 2001 the Planning, Property and Development Department received a written request from Union Gospel Mission to purchase the subject property for $1.00. Union Gospel Mission advised that they purchased 222, 226, 228 and 230 Pritchard Avenue, next to their Family Life Centre which is located at 240 Pritchard Avenue. They further advised that they received clearance through zoning to build a gymnasium and other family related facilities on this site and now they would like to purchase the subject property to allow them to increase their parking for this project. Union Gospel Mission is a non-profit charitable organization.

Details of the subject property is as follows:

Location:	South side of Pritchard Avenue between Main and Charles Streets
Legal Description:	Lot 310, Plan 56 WLTO Exc. Sly. 8 feet and Exc. Wly. 4 feet in RL 36 Parish of Saint John

Site Size:	14.021m x 32.766m = 459.46m♠ (46 ft. x 107.5 ft. = 4,9456 sq.ft.
Zoning:	R2-T
Roll No.:	14010090000
Assessment:	$5,700.00
Certificate of Title:	1572063
Applicant:	Union Gospel Mission
Price Offered:	$1.00
Purpose:	Accessory Parking

DISCUSSION:

The property was circulated in the usual manner and the following comments were received:

From the former Winnipeg Hydro Department (now Manitoba Hydro Department):

> "Winnipeg Hydro has reviewed the plan of the proposed property under study and requires a wire crossing agreement to maintain an overhead service."

From the Water and Waste Department:

> "There are no existing water and sewer lot line connections for the subject lot. New water and sewer lot line services would have to be installed by the purchaser."
>
> There currently is a 1936 caveat on title to this property. This caveat states:
>
> "The City is desirous of obtaining an easement across said land in order to construct a sewer connection and catch basin to drain the lane in the block bounded by Charles Street and Main Street and Pritchard Avenue and Selkirk Avenue. . . ."
>
> On September 18, 2002 the Water and Waste Department advised that this caveat could be discharged, as it is no longer applicable.

The Winnipeg Housing and Homeless Initiative:

> "I am not aware of any community interest for the purposes of housing development on the subject City-owned property."

On December 4, 2001 The Lord Selkirk-West Kildonan Community Committee advised:

> "That the Lord Selkirk-West Kildonan Community Committee go on record as having no objections to the proposed sale".

On March 15, 2002, the Planning, Property and Development Department advised the applicant of the following information received from the Zoning and Permits Branch:

1. "If they wish to purchase the subject property and consolidate it with their adjoining land, this will be considered accessory parking and they will have to apply for a conditional use as well as meet the requirements for an accessory parking lot.

2. If they wish to purchase the subject property as a stand alone lot, and use it as a non-accessory parking lot, then they will have to apply for a re-zoning as well as meet the requirements for a non-accessory parking lot.

3. If they choose option 1 and at some future date in time they sell the subject property a plan of subdivision will be required."

On April 9, 2002 the applicant confirmed that they would purchase the subject lot for accessory parking.

Aside from the aforementioned no other Civic need was identified.

The Planning, Property and Development Department supports the proposed sale for the following reasons:

1. The Property will be on the tax roll immediately.

2. This is a difficult location in which to sell a residential building site.

3. There has been little interest in regard to the purchase of this lot.

4. The subject property will be consolidated with the proposed purchaser's adjoining holding.

5. The District Planner is supportive of this project provided that the site would be well landscaped and access to Pritchard Avenue should be as far east on the site as possible.

6. The sale of this property will eliminate the liabilities associated with the holding of a vacant property.

As the title to the subject property will be consolidated with the title to the adjacent property and as the use of the subject property will be integrated with the redevelopment of the consolidated property, the Planning, Property and Development Department is of the view that the existing Council policy be varied in this instance to waive the criteria respecting the right of reversion at the end of the economic life of the project.

Financial Impact Statement

Date: Dec. 23, 2002

Project Name:

First Year of Program 2003

Proposed Sale of City-owned property on South side of Pritchard Avenue between Main and Charles Streets

	2003	2004	2005	2006	2007
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	$ -	$ -	$ -	$ -	$ -
Less: Incremental Revenue/Recovery	63	76	76	76	76
Net Cost/(Benefit)	$ (63)	$ (76)	$ (76)	$ (76)	$ (76)
Less: Existing Budget Amounts	(63)	(76)	(76)	(76)	(76)
Net Budget Adjustment Required	$ -	$ -	$ -	$ -	$ -

Additional Comments:

In the first year of the program proceeds of the sale of $63.00 includes prorated year 2003 Municipal realty taxes based upon Council's approval of the transaction. Recoveries of $76.00 in years 2004 through 2007 represents Municipal realty taxes the City would receive and assumes no increases in the assessed value of the subject property nor any change to the current Municipal Mill Rate. Annual cost savings to the City resulting from not having to maintain the property have not been taken into account.

Gord Courage, Manager
Support Services Division

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

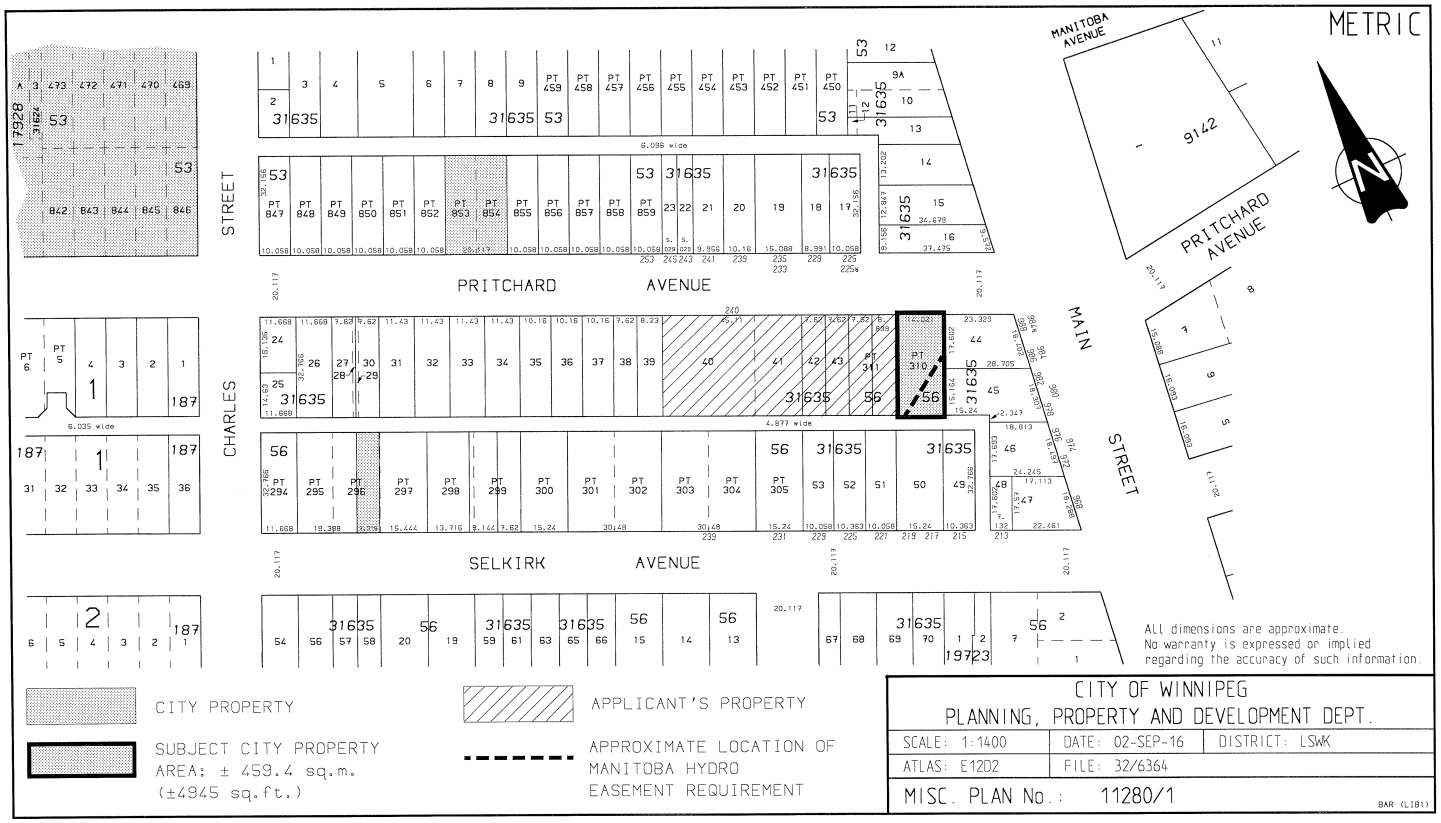
The following Departments/Divisions were consulted:

- Water and Waste Department
- Planning and Land Use Division
- Zoning and Permits Branch
- Winnipeg Housing and Homeless Initiative

THIS REPORT SUBMITTED BY:

Planning, Property and Development Department
Division: Real Estate
Prepared by: Joedi Pruden
PPD File #: 32/6364

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


METRIC
MANITOBA AVENUE
PRITCHARD AVENUE
MAIN STREET
CHARLES STREET
PRITCHARD AVENUE
SELKIRK AVENUE
All dimensions are approximate.
No warranty is expressed or implied
regarding the accuracy of such information.
CITY PROPERTY
SUBJECT CITY PROPERTY
AREA: ± 459.4 sq.m.
(±4945 sq.ft.)
APPLICANT'S PROPERTY
APPROXIMATE LOCATION OF
MANITOBA HYDRO
EASEMENT REQUIREMENT
CITY OF WINNIPEG
PLANNING, PROPERTY AND DEVELOPMENT DEPT.
SCALE: 1:1400
DATE: 02-SEP-16
DISTRICT: LSWK
ATLAS: E12D2
FILE: 32/6364
MISC. PLAN No.: 11280/1
BAR (L)B1)