Minute No. 66
Report - Standing Policy Committee on Property and Development - January 9, 2003

Item No. 5 Proposed Sale to 2610647 Manitoba Ltd. of City-owned lands adjacent to the Provencher Mall at 390 Provencher Boulevard
File FI-2.4(35) (Vol. 11)

EXECUTIVE POLICY COMMITTEE RECOMMENDATION:

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 Parcels A, B and C shown as "Subject City Property" on Misc. Plan No. 8464/8 be declared as surplus to the City's requirements, but that the subject lands revert to non-surplus status, if a sale to 2610647 Manitoba Ltd. does not conclude.

2. That the sale of Parcels A, B and C shown as "Subject City Property" on Misc. Plan No. 8464/8 be approved to 2610647 Manitoba Ltd. for the price of $18,777.32 and in accordance with the terms and conditions as negotiated, subject to:

    A. The Purchaser agreeing to permit the public to have access to the identified parking spaces on a continuing basis in the event that the Agreement as between the Save Our Seine River Environment Inc. and 2610647 Manitoba Ltd. terminates for any reason.

3. That the net sales proceeds to be derived from the sale of the subject City property be credited to the Planning, Property and Development Department (Planning and Land Use Division) for development of the Seine River Trail rather than to the Riel Community Cash Dedication Reserve Account.

4. 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.

Pursuant to Section 205(2) of The City of Winnipeg Charter, the disposal of land used for park or cemetery purposes requires approval by a vote of two-thirds of all Members of Council.

Minutes - Executive Policy Committee - January 22, 2003

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

DECISION MAKING HISTORY:

Moved by Councillor Vandal,
That the recommendation of the Standing Policy Committee on Property and Development be concurred in and forwarded to Council.

Carried

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 to 2610647 Manitoba Ltd. of City-Owned Lands Adjacent to the Provencher Mall at 390 Provencher Boulevard
Riel Community
St. Boniface Ward

For submission to: Standing Policy Committee on Property and Development

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

Report date: December 20, 2002

Recommendation(s):

1. That Parcels A, B and C shown as "Subject City Property" on Misc. Plan No. 8464/8 be declared as surplus to the City's requirements, but, that the subject lands revert to non-surplus status, if a sale to 2610647 Manitoba Ltd. does not conclude.

2. Subject to the approval of Recommendation No. 1, that the sale of Parcels A, B and C shown as "Subject City Property" on Misc. Plan No. 8464/8 be approved to 2610647 Manitoba Ltd. for the price of $18,777.32 and in accordance with the terms and conditions as negotiated, subject to:

   the Purchaser agreeing to permit the public to have access to the identified parking spaces on a continuing basis in the event that the Agreement as between the Save Our Seine Environment Inc. and 2610647 Manitoba Ltd. terminates for any reason.

3. That consideration be given to crediting the net sales proceeds to be derived from the sale of the subject city property to the Planning, Property and Development Department (Planning and Land Use Division) for development of the Seine River Trail rather than to the Riel Community Cash Dedication Reserve Account.

REPORT SUMMARY

KEY ISSUES:

- The "Subject City Property" as shown on Misc. Plan No. 8464/8 was acquired by the City in 1975 for Seine River park purposes.

- 2610647 Manitoba Ltd., the owner of the adjacent shopping centre at 390 Provencher Boulevard, has offered to purchase part of this property.

- 2610647 Manitoba Ltd. has entered into an agreement with Save Our Seine River Environment Inc. (S.O.S.) which provides for 10 parking stalls for cars and two parking stalls for buses to be available to S.O.S. (refer to Clause 16 of the Offer to Purchase).

- The Riel Community indicated on June 18, 2001 that it had no objection to the sale of Parcels A, B and C on Misc. Plan No. 8464/8 to the owner of the adjacent shopping centre based on the fact that the proposed Purchaser has entered into an agreement with Save Our Seine Environment Inc.

- The Planning, Property and Development Department is now seeking authority to sell this property to the adjacent owner in accordance with the negotiated terms and is requesting that consideration be given to the distribution of the net sales proceeds.

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 Parcels A, B and C shown as "Subject City Property" on Misc. Plan No. 8464/8 be declared as surplus to the City's requirements, but, that the subject lands revert to non-surplus status, if a sale to 2610647 Manitoba Ltd. does not conclude.

2. Subject to the approval of Recommendation No. 1, that the sale of Parcels A, B and C shown as "Subject City Property" on Misc. Plan No. 8464/8 be approved to 2610647 Manitoba Ltd. for the price of $18,777.32 and in accordance with the terms and conditions as negotiated, subject to:

   the Purchaser agreeing to permit the public to have access to the identified parking spaces on a continuing basis in the event that the Agreement as between the Save Our Seine Environment Inc. and 2610647 Manitoba Ltd. terminates for any reason.

3. That consideration be given to crediting the net sales proceeds to be derived from the sale of the subject city property to the Planning, Property and Development Department (Planning and Land Use Division) for development of the Seine River Trail rather than to the Riel Community Cash Dedication Reserve Account.

REASON FOR THE REPORT:

The Planning, Property and Development Department is reporting on the receipt of an Offer to Purchase the subject property. As the subject property is utilized for parks purposes, the proposed sale will require the approval of at least two-thirds of the members of Council pursuant to Section 156(2) of The City of Winnipeg Act and Section 205(2) of the City of Winnipeg Charter Act.

HISTORY:

The “Subject City Property” as shown on Misc. Plan No. 8464/8 was acquired by the City in 1975 for Seine River park purposes.

In December of 1991 the former Land Surveys and Real Estate Department received a letter of interest regarding a portion of the subject property on behalf of the Knights of Columbus for purposes of constructing a seniors development. The Parks and Recreation Department indicated that the portion of the site required by the Knights of Columbus was surplus to their requirements. The district planner for the area was supportive of multiple-family development on the site. The Knights of Columbus elected not to proceed with acquisition of the site.

In late 1993 and 1994, the owner of the adjacent shopping mall and the Fort Garry Curling Club both expressed interest in acquiring portions of the site. On October 14, 1994 the Riel Community Committee, as a result of communications from the Seine River Task Force, Seine River Environment Inc., and the Save Our Seine Residents Committee, went on record as being opposed to the lease or sale of the subject property.

On January 3, 1995 the former Committee on Finance and Administration recommended as follows:

1. That in future, all requests for the lease or purchase of City-owned land along the Seine River be referred to Jim Paterson, Design and Project Co-ordinator, Parks and Recreation Department, prior to consideration by the Community Committee.

2. That any and all applications for development including variances before the Board of Adjustment on land located within 350 feet of the Seine River be jointly referred to the Save Our Seine Residents Committee, c/o 269 Egerton Road, and to the Seine River Citizen Advisory Group, c/o Jim Paterson, Design and Project Co-ordinator, Parks and Recreation Department, prior to consideration by the Community Committee.

3. That any and all applications for construction and/or development on land located within 350 feet of any waterway within the City be referred in the first instance to the Committee on Planning and Community Services.

The Fort Garry Curling Club acquired land on Archibald Street from the City for its purposes. The adjacent property owner has continued to show interest in acquiring the subject parcels of land.

On May 22, 2001 the Planning, Property and Development Department received an updated Offer to Purchase Parcels A, B and C on Misc. Plan No. 8464/8. Details of the site and Offer are as follows:

Location:	Adjacent to and at the rear of the shopping centre at 390 Provencher Blvd.
Description:	Parcels A, B and C as shown on Misc. Plan No. 8464/8
Size:	Parcel A – 724 m² (7,793 ft²) Parcel B – 445.1 m² (4,791 ft²) Parcel C – 769.2 m² (8,280 ft²) Total – 1938.3 m² (20,864 ft²)
Price Offered:	$18,777.32
Deposit:	$2,817.00 (paid)
Zoning:	PR-1 Park Designation
Proposed Purchaser:	2610647 Manitoba Ltd. (Craig & Janet Fredette) (35 Stormont Drive)

The Riel Community advised on June 18, 2001 that it had no objection to the sale of Parcels A, B and C on Misc. Plan No. 8464/8 to the owner of the adjacent shopping centre.

On August 22, 2002 the proposed Purchaser and his agent met with members of the Planning and Land Use and Real Estate Divisions of the Planning Property and Development Department with regards to concerns that the Save Our Seine Organization had regarding the future expansion of existing buildings by the Purchaser. The proposed Purchaser agreed that there would be no development of building additions on the East side of the existing shopping centre building other than those shown on the sketch that is part of the agreement between Save Our Seine Environment Inc. and 2610647 Manitoba Ltd.

DISCUSSION:

The Purchaser is owner of the adjacent shopping centre at 390 Provencher Blvd. and has entered into an agreement with Save Our Seine River Environment Inc. (S.O.S.). The Purchaser agrees to provide the S.O.S. with joint use of the lands to be acquired and is required to provide S.O.S. with 10 parking stalls for cars and two parking stalls for buses. Reference to the joint use agreement between these parties is acknowledged in Clause 16 of the Offer to Purchase.

In addition to the City's standard terms and conditions, the Offer to Purchase also includes Clauses 7, 8, 9 and 10 that set out the conditions relative to the Purchaser's subdivision, development, title consolidation and subsequent disposition of the lands and also terms and conditions governing in the event the Purchaser fails to meet the terms and conditions within the specified period of time. These terms are in accord with prior somewhat similar types of transactions and are therefore acceptable to the Department.

The Planning and Land Use Division is supportive of the sale of Parcels A, B and C on Misc. Plan No. 8464/8 to the proposed Purchaser. However, the Division has requested that the following additional term of agreement and of allocation of funding be considered:

a) The Division would like the public in general to have access to the parking spaces set aside for Save Our Seine Environment Inc. in the event the Organization elects to dissolve or is no longer in existence for any reason.

Comment: This is a reasonable request as there is no guarantee that the S.O.S. will survive as an entity into perpetuity. However, it is anticipated that the park will exist for the long term and that there will be a continuing need for access to the park by the public. This request has been orally discussed with the representative of the Purchaser who advises that he agrees that the Sales Agreement can be amended to provide for the continuing access to and use of the parking lot by the public.

b) The Division has requested that the net revenues from the sale of the subject property be allocated to the Seine River Trail Development or at least used for improvements to the adjacent lands.

Comment: City policy states that the proceeds from the sale of parkland be credited to the Land Dedication Reserve Account. However, the Division is seeking funding to enable the continuing development of the Seine River park system. Accordingly, the Department is requesting the Standing Policy Committee on Property and Development to consider its request to permit the crediting of the net sales proceeds to be derived from the sale of the subject city property to the Planning, Property and Development Department (Planning and Land Use Division) for development of the Seine River Trail rather than to the Riel Community Cash Dedication Reserve Account.

Mycom Group Inc., acting on behalf of the Purchaser, has provided the following comments with regards to the Purchaser's proposed development and use of the site:

1) Firstly the plan has always been and continues to be one that will mutually benefit both the Save Our Seine Organization and the Purchaser. The Purchaser has agreed to underwrite the development of a parking area for use by Save Our Seine at the northerly end of these lands. The total proposed parking area is to be completed in stages with the Save Our Seine portion being the first to be developed.

2) Since parking is always an issue with many commercial developments, the Purchaser has a future plan to allow more customer parking in the front of the existing retail units of the shopping center by having additional parking for employees and other staff at the rear or east and south areas of the newly acquired lands.

3) Other development considerations by the Purchaser include:

- the possibility of an open air patio facing east of the existing in-line restaurant to take advantage of the river view in the future;

- the squaring off of the existing development to give the total project more uniformity and to give the existing commercial retail units more area.

The Department is supportive of the proposed sale for the following reasons:

a) the price offered is in accord with the market value as estimated by the Real Estate Division;

b) the Offer to Purchase reflects the terms and conditions that are acceptable to the Real Estate and the Planning and Land Use Divisions;

c) the proposed Purchaser has entered into an agreement with Save Our Seine Environment Inc. for a shared use of the lands even though the shopping centre will own the land and pay taxes on it.

All sales of property designated or acquired for park or cemetery purposes require approval of at least two-thirds of the members of Council pursuant to Section 156(2) of The City of Winnipeg Act (S.M. 1989-90, C.10) and Section 205(2) of the City of Winnipeg Charter Act.

Financial Impact Statement

Date: Dec. 16/02

Project Name:

Proposed Sale to 2610647 Manitoba Ltd. of City-Owned Lands Adjacent to the Provencher Mall at 390 Provencher Boulevard

First Year of Program 2003

	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	19,170	393	393	393	393
Net Cost/(Benefit)	$ (19,170)	$ (393)	$ (393)	$ (393)	$ (393)
Less: Existing Budget Amounts	(19,170)	(393)	(393)	(393)	(393)
Net Budget Adjustment Required	$ -	$ -	$ -	$ -	$ -

Additional Comments:

The net revenue generated by the sale is to be credited to the Riel Community Land Dedication Reserve Account. The projected realty tax portion of revenue over 2003 and future years does not reflect any adjustment for change to the annual mill rate nor does it reflect any change that might result due to future re-assessed land values.

Gord Courage, Manager
Support Services Division

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

The Planning and Land Use Division of the Planning Property and Development Department and the Save Our Seine Environment Inc. have been consulted.

THIS REPORT SUBMITTED BY:

Planning, Property and Development Department
Division: Real Estate
Prepared by: Gerry Anderson
PPD File #: 4901

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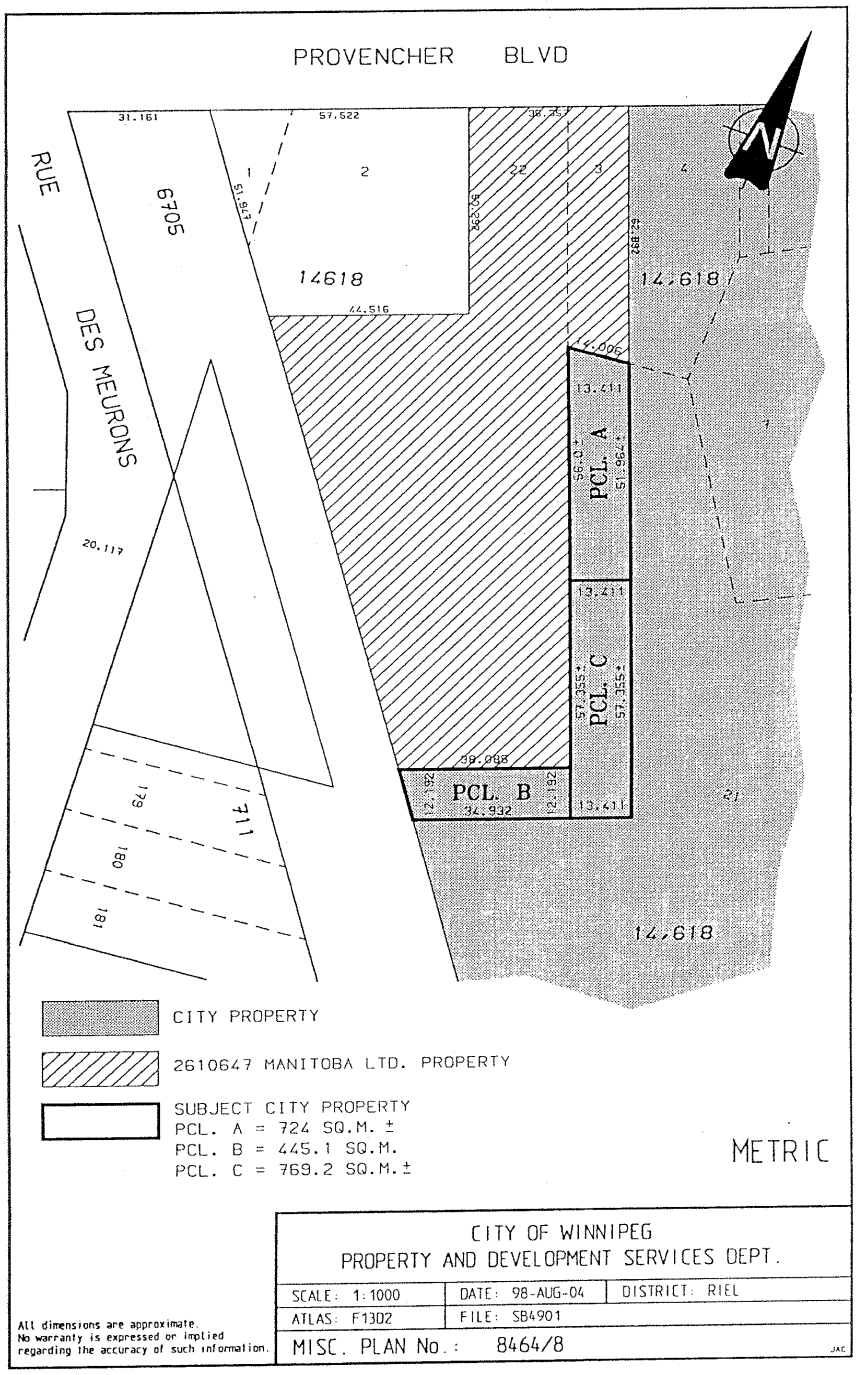
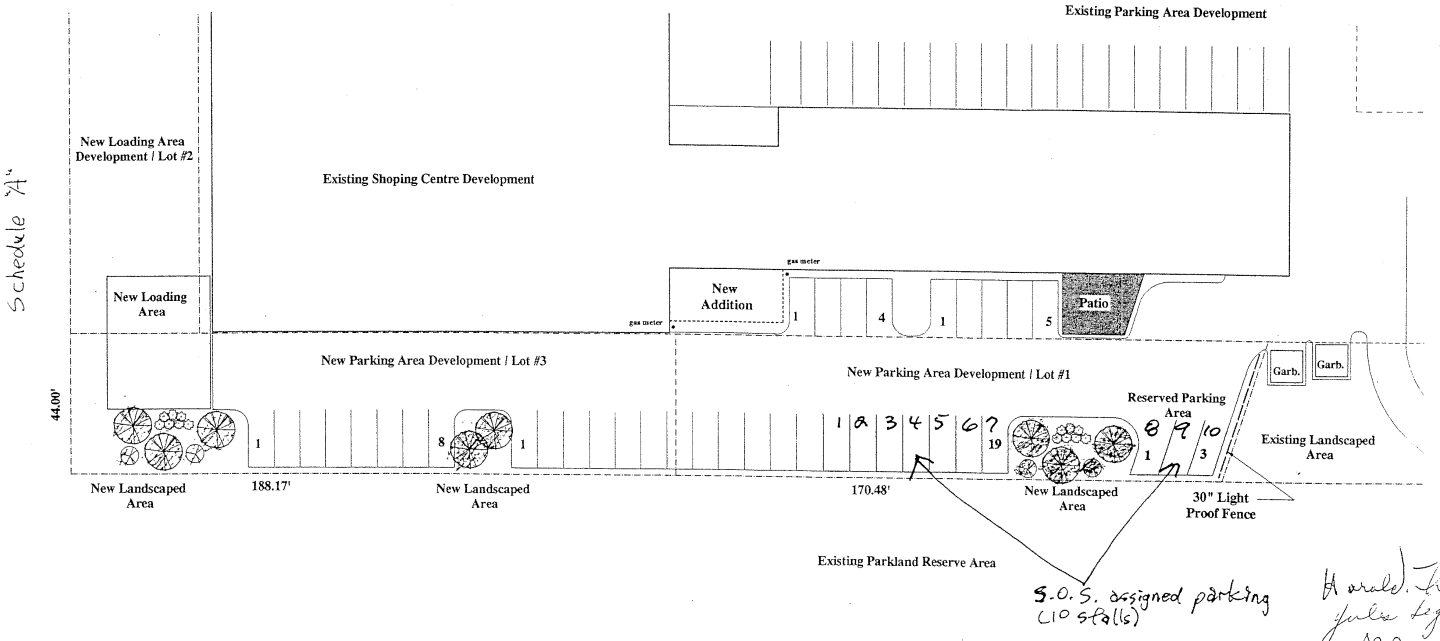

PROVENCHER BLVD
RUE DES MEURONS
9705
14618
14,618
14,618
PCL. A
PCL. B
PCL. C
724 SQ.M. ±
445.1 SQ.M.
769.2 SQ.M. ±
CITY PROPERTY
2610647 MANITOBA LTD. PROPERTY
SUBJECT CITY PROPERTY
PCL. A = 724 SQ.M. ±
PCL. B = 445.1 SQ.M.
PCL. C = 769.2 SQ.M. ±
METRIC
CITY OF WINNIPEG
PROPERTY AND DEVELOPMENT SERVICES DEPT.
SCALE: 1:1000
DATE: 98-AUG-04
DISTRICT: RIEL
ATLAS: F13D2
FILE: SB4901
MISC. PLAN No.: 8464/8
All dimensions are approximate.
No warranty is expressed or implied
regarding the accuracy of such information.

Parking Lot Development - Provencher Blvd. Wpg. | 99033 | Sep11/00 | A0.0

Schedule "A"



Harold Trimaitis (s
Jules Legal
JP Brunet

Master Site Plan
Scale: 1" = 40'-0"

BASARAB ASSOCIATES ARCHITECTURE INC.
84 - 430 River Avenue, Winnipeg, Manitoba CANADA R3L 0C8 - Tel: (204) 991-3711 - Fax: (204) 477-2668
VERIFY ALL DIMENSIONS AND DATA. REPORT ANY DISCREPANCIES TO THE COMPANY IMMEDIATELY