Minute No. 163
Report - Standing Policy Committee on Property and Development - January 6, 2009

Item No. 2 Delegation of Authority for Real Property Transactions
File GC-11

COUNCIL DECISION:

Council concurred in the recommendation of the Standing Policy Committee on Property and Development and adopted the following:

1. That the following authority be delegated to the Chief Administrative Officer:

   A. Approval of sales of all properties that have been declared surplus where:
      i. the sale price is $500,000 or less;
      ii. the sale price is at least:
         a. 95% of appraised value, or
         b. 100% of the Standing Policy Committee on Property and Development pre-approved price;
      iii. the property is being sold through a public offering and / or complies with the "Offers to Purchase City-owned Property policy";
      iv. the offer is in the best interests of the City; and
      v. prior to public offering, the sale has written concurrence from the Ward Councillor.

   B. Approval to declare surplus remnant properties (excluding the disposal of parkland or cemeteries as regulated under The Charter) purchased for civic-use or capital projects which:
      i. remain after the projects are fully complete;
      ii. have concurrence from the Department under whose jurisdiction the project was initiated; and
      iii. have written concurrence from the Ward Councillor.

   C. Approval of all leases where the City is the lessee, and:
      i. the term of the lease is 10 years or less (not including renewals); and
      ii. the gross value of the lease is $1,000,000 or less over the original term (non-renewal component) of the lease.

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COUNCIL DECISION (continued)

D. Approval of all leases where the City is the lessor, and:
   i. the value of the lease is based on market value;
   ii. the term of the lease is 5 years or less;
   iii. the lease includes cancellation clauses; and
   iv. the gross value of the lease (excluding realty taxes) is $500,000 or less over the term of the lease.

E. Approval of land acquisitions for Council-approved programs or projects, including miscellaneous street widening/corner cuts, and right of way openings not specifically considered by Council, where:

   i. the price payable to the vendor is $100,000 or less plus ancillary costs. In the event that the property is not specifically identified by Council in the program/project approval, this authority is delegated only where:
   ii. the property is directly related to a Council-approved program/project, and either
   iii. the Standing Policy Committee on Infrastructure Renewal and Public Works has first approved the need for each acquisition together with the available funding source, or, alternatively,
   iv. both of the Directors of Public Works and Planning, Property and Development have concurred that the property is required for the program/project and an appropriate funding source has been identified, and the acquisition has written concurrence from the Ward Councillor.

F. Approval to sell small lots (excluding tot lots), pedestrian walkways, closed lanes and similar parcels of land to an adjacent property owner for $1.00, where:

   i. the Purchaser is responsible for all costs associated with a plan of subdivision and, if necessary, rezoning;
   ii. the parcel has been declared surplus to the City's requirements;
   iii. the lot does not conform in width and size to present district zoning regulations;
   iv. the sale has written concurrence from the Ward Councillor, and
   v. the sale complies with the "Offers to Purchase City-owned Property policy".

G. The Chief Administrative Officer may, at his or her discretion, refer any matters related to items (a) through (f) to appropriate Standing Policy Committees or Council.

Report - Standing Policy Committee on Property and Development - January 6, 2009

COUNCIL DECISION (continued)

2. That any previous authority delegated by Standing Policy Committee or Council to any officer within the Public Service be rescinded where that delegated authority is specifically covered by the above recommendations.

3. That the Public Service report to the Standing Policy Committee on Property and Development all real estate transaction activity (e.g. sales, acquisitions and leases) related to its delegated authority, excepting tax sale acquisitions, under a single quarterly report. (Reporting on tax sale acquisitions would continue as a separate report.)

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

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DECISION MAKING HISTORY:

Moved by Councillor Fielding,

That the recommendation of the Standing Policy Committee on Property and Development be adopted by consent.

Carried

EXECUTIVE POLICY COMMITTEE RECOMMENDATION:

On January 21, 2009, the Executive Policy Committee concurred in the recommendation of the Standing Policy Committee on Property and Development, and submitted the matter to Council.

STANDING COMMITTEE RECOMMENDATION:

On January 6, 2009, the Standing Policy Committee on Property and Development concurred in the recommendation contained in the report of the Winnipeg Public Service dated December 23, 2008, with the following amendments, namely:

- Delete recommendation 1.A.v. in its entirety and replace with the following:

  "v. prior to public offering, the sale has written concurrence from the Ward Councillor."

- Amend recommendation 1.B.iii. by adding the word "written" after the word "have"

- Amend recommendation 1.E.iv. by adding the word "written" after the word "has" and before the word "concurrence"

- Amend recommendation 1.F.iv. by adding the word "written" after the word "has"

and forwarded to the Executive Policy Committee and Council.

STANDING COMMITTEE RECOMMENDATION:

On December 4, 2008, the Standing Policy Committee on Property and Development laid the matter over to its meeting on January 6, 2009, and requested the Winnipeg Public Service to submit a revised report containing the requirement for Ward Councillor concurrence for recommendations 1.A., 1.B., 1.E. contained in the report from the Director of Planning, Property and Development dated November 27, 2008.

RE: DELEGATION OF AUTHORITY FOR REAL PROPERTY TRANSACTIONS

FOR SUBMISSION TO: Standing Policy Committee on Property and Development

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

REPORT DATE: December 23, 2008

RECOMMENDATION:

1. That the following authority be delegated to the Chief Administrative Officer:

   (a) Approval of sales of all properties that have been declared surplus where:
   - (i) the sale price is $500,000 or less;
   - (ii) the sale price is at least:
     - 95% of appraised value, or
     - 100% of the Standing Policy Committee on Property and Development pre-approved price;
   - (iii) the property is being sold through a public offering and / or complies with the "Offers to Purchase City-owned Property policy";
   - (iv) the offer is in the best interests of the City; and
   - (v) the sale has concurrence from the Ward Councillor.

   (b) Approval to declare surplus remnant properties (excluding the disposal of parkland or cemeteries as regulated under The Charter) purchased for civic-use or capital projects which:
   - (i) remain after the projects are fully complete;
   - (ii) have concurrence from the Department under whose jurisdiction the project was initiated; and
   - (iii) have concurrence from the Ward Councillor.

   (c) Approval of all leases where the City is the lessee, and:
   - (i) the term of the lease is 10 years or less (not including renewals); and
   - (ii) the gross value of the lease is $1,000,000 or less over the original term (non-renewal component) of the lease.

   (d) Approval of all leases where the City is the lessor, and:
   - (i) the value of the lease is based on market value;
   - (ii) the term of the lease is 5 years or less;
   - (iii) the lease includes cancellation clauses; and

(iv) the gross value of the lease (excluding realty taxes) is $500,000 or less over the term of the lease.

(e) Approval of land acquisitions for Council-approved programs or projects, including miscellaneous street widening/corner cuts, and right of way openings not specifically considered by Council, where:

(i) the price payable to the vendor is $100,000 or less plus ancillary costs.

In the event that the property is not specifically identified by Council in the program/project approval, this authority is delegated only where:

(i) the property is directly related to a Council-approved program/project, and either
(ii) the Standing Policy Committee on Infrastructure Renewal and Public Works has first approved the need for each acquisition together with the available funding source, or, alternatively,
(iii) both of the Directors of Public Works and Planning, Property and Development have concurred that the property is required for the program/project and an appropriate funding source has been identified, and the acquisition has concurrence from the Ward Councillor.

(f) Approval to sell small lots (excluding tot lots), pedestrian walkways, closed lanes and similar parcels of land to an adjacent property owner for $1.00, where:

(i) the Purchaser is responsible for all costs associated with a plan of subdivision and, if necessary, rezoning;
(ii) the parcel has been declared surplus to the City's requirements;
(iii) the lot does not conform in width and size to present district zoning regulations;
(iv) the sale has concurrence from the Ward Councillor, and
(v) the sale complies with the "Offers to Purchase City-owned Property policy".

(g) The CAO may, at his or her discretion, refer any matters related to items (a) through (f) to appropriate Standing Policy Committees or Council.

2. That any previous authority delegated by Standing Policy Committee or Council to any officer within the Public Service be rescinded where that delegated authority is specifically covered by the above recommendations.

3. That the Public Service report to the Standing Policy Committee on Property and Development all real estate transaction activity (e.g. sales, acquisitions and leases) related to its delegated authority, excepting tax sale acquisitions, under a single quarterly report. (Reporting on tax sale acquisitions would continue as a separate report.)

4. That the Proper Officers be authorized to do all things necessary to implement the intent of the foregoing, including the preparation of any necessary by-laws.

Report Summary

Key Issues:

- In order to increase efficiencies and effectiveness, this Report recommends that Council grant additional delegated authority to the CAO for a number of real property transactions which will enable the Public Service to:
    - Reduce the cost of report preparation and the administrative infrastructure associated with report approval process
    - Reduce red tape
    - Conclude transactions in a more timely manner
    - Continue to provide transparency, fairness, and maximum value in real property transactions.
- The parameters and conditions outlined in the recommendations for delegated authority still provide an auditable control that helps ensure that the best value for the City is not compromised.
- The process that the Department will engage in to sell City-owned property will include the following:
    - The Standing Policy Committee on Property and Development will adopt a minimum, pre-approved price for properties listed as part of a rolling forecast report. This price will represent the minimum price for which the CAO will have authority to approve sales.
    - Alternatively, the Public Service will have opportunity to process sales of properties up to the limits of their delegated authority providing the sale is no less than 95% of the appraised value.
    - The sale of non-residential properties marketed for a minimum of 30 days and residential properties marketed for a minimum of 21 days.

Implications of the Recommendation(s):

General Implications

() None

(X) For the organization overall and/or for other departments

(X) For the community and/or organizations external to the City

( ) Involves a multi-year contract

Comment(s):
Delegation of authority to the CAO for certain real property transactions, if approved by Council, will significantly reduce the time and effort required to produce and process formal reports.

In addition, delegation of authority to the CAO will result in a more timely processing of property transactions, and allow staff to spend more time adding value in terms of marketing activities, customer attention, and processing additional property transactions.

Policy Implications

(X) No

( ) Yes

Comment(s):

Regulatory Implications

( ) None

(X) Eliminates or reduces regulatory impact

( ) Proposes regulatory impact

Comment(s): The delegation of authority to the CAO will result in a more timely processing of property transactions, and allow staff to spend more time adding value in terms of marketing activities, customer attention, and processing additional property transactions.

Environmental Implications

(X) No

( ) Yes

Comment(s):

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):

Report

REASON FOR THE REPORT:

The delegation of authority to the Chief Administrative Officer requires Council approval.

HISTORY:

Council has delegated authority to the Public Service for specific real estate transactions in the past. Some of the parameters surrounding this delegated authority need to be adjusted due to changes in City process and changing market values.

In addition, a review of the efficiency of property asset management activities has identified the need to increase delegated authority for real property transactions that, if approved by Council, will significantly reduce the time and effort required to produce and process formal reports.

Current existing delegated authority related to that being requested by this report is listed in Appendix A.

DISCUSSION:

Proposed Changes to the Real Estate Sales Process

Historically, the Planning, Property and Development Department generates a significantly higher percentage of reports processed for information or approval through the Committee and Council structures than any other Department. The majority of these PP&D reports originate in the current Real Estate Division.

Over the past several years, Council has delegated authority to the Public Service for a variety of property activities. For example, the Director of PP&D has been authorized to declare property acquired through tax sale as surplus to the City's needs and to approve the sale of property up to $100,000. In 2006, Council adopted a policy concerning Offers to Purchase City-owned Property which identified *'obtaining the best value for the citizens of Winnipeg'* and *'transparency and full public access'* as two of four principles guiding the sale of property. The standard practice therefore is to sell City-owned property at market rates through a public offering. The City will not act on unsolicited offers to purchase City property unless it meets one of four specific exceptions to this general rule.

In addition, the Public Service will be changing and clarifying its process for selling City-owned property as follows:

1. Non-residential property sold through a public offering will be marketed for a minimum of 30 days and residential property for a minimum of 21 days in accordance with the Department's standard practice.
2. Properties that the Public Service plans to sell will typically be presented to the Standing Policy Committee for Property and Development as part of a rolling forecast. These properties will be listed in the forecast with pre-approved minimum prices at or above which the CAO will have Council-adopted delegated authority to approve sales. These pre-approved minimum prices will not necessarily be 'reserve bid prices', publicly advertised asking prices, or formal appraisal prices. The prices will simply represent what real estate professionals (internal and/or external to the City) believe at the time to be estimates of the properties' values and the price for which the CAO has authority to approve the sale.

   There may be cases, however, where situations have changed from the time the SPC-PD has approved prices to the time that bids are received for marketed properties. The market may have slumped, or new information may have come to light which lowers the value of the property. If the offer most advantageous to the City is less than the amount previously approved by SPC-PD, the Public Service will typically undertake a formal appraisal of the property. If the offer in question is not less than 95% of the appraised price, the CAO will, under the delegated authority requested, have authority to approve the sale.

   Additionally, there may be situations where there is a need to pursue the listing and sale of properties not previously identified within a price-approved rolling forecast. In these cases, the CAO would have authority to approve the sale if it was not less than 95% of appraised value.

Within the parameters outlined by the recommendations and declared process, the protocol for approval of standard property sales and transactions becomes clear and easily audited. As such, the recommendation is that if the parameters pertaining to the real estate transactions have been clearly determined by Council in advance, the Public Service should be simply directed to implement the transactions, and not be required to seek additional approval for each item.

Recommendation: Delegation of Authority for Real Estate Transactions

In keeping with this principle, this Report recommends: *That the following authority be delegated to the Chief Administrative Officer:*

(a) Approval of sales of all properties that have been declared surplus where:

(i) the sale price is $500,000 or less;

(ii) the sale price is at least:
- ***95% of appraised value, or***
- ***100% of the Standing Policy Committee on Property and Development pre-approved price;***

(vi) the property is being sold through a public offering and / or complies with the "Offers to Purchase City-owned Property policy";

(vii) the offer is in the best interests of the City; and

(viii) the sale has concurrence from the Ward Councillor.

After Council has deemed a property surplus, the judgment of the Public Service acting in the public interest could be legitimately questioned if the property were to be sold without public offering, to a bidder without the highest offer, or for a price significantly lower than the appraised value. However, little is to be gained by seeking formal SPC approval if the transaction was fully within the recommended parameters.

The two price options provide simultaneous flexibility and control. Formal appraisals take time and can be expensive. Pre-approved minimum prices on a rolling forecast give flexibility to move forward without incurring this time and expense.

The appraisal option may be used when new information comes to light or the market changes subsequent to a pre-approved minimum price. Also, there may well be occasions where a sale needs to be processed quickly and it is not timely to first process a report to SPC to establish a minimum authorized price. In these cases, the Public Service can establish a formal appraisal and proceed with the sale provided it is still within the parameters listed above. As such, these conditions still provide an auditable control that helps ensure that the best value for the City has not been compromised.

While the general practice is to accept the offer which contains the highest net price, there are occasions where the highest offer contains numerous conditions (e.g. re-zoning, financing, sale of other property) that make a nominally lower offer one that is in the best interests of the City to accept. Clause (iv) provides the flexibility to engage in offers which are not simply defined by the highest price.

(b) Approval to declare surplus remnant properties (excluding the disposal of parkland or cemeteries as regulated under The Charter) purchased for civic-use or capital projects which:

(i) remain after the projects are fully complete;

(ii) have concurrence from the Department under whose jurisdiction the project was initiated; and
(iii) have concurrence from the Ward Councillor.

Properties are often acquired for a specific Council-approved capital project (e.g. road widening). In many cases, portions of these properties remain after these projects are completed.

On June 23, 2004 Council adopted Item 40 of the Report of the Standing Policy Committee on Property and Development as follows:

> *That the Director of Planning, Property and Development be authorized to: Commence marketing … all residual surplus properties acquired for operational use, in accordance with the City's standard terms and conditions for the sale of residential property.*

The proposed recommendation will provide clarity concerning the Public Service's authority to market remnant properties purchased for civic projects by expressly delegating to the CAO the power to declare these properties surplus. It will also expand the current process beyond only residential property.

Assuming that the Department which initiated the project concurs, it would seem unnecessary internal "red tape" to require Council's approval to proceed with the sale of these remaining properties. Since clause 3(1)(i) of the City Organization By-law, which indicates that Council alone has the authority to declare properties (other than those acquired through tax sale) "as being surplus to the City's needs", a City Organization By-law (7100/97) amendment would also be required to delegate this limited authority to the CAO.

(c) Approval of all leases where the City is the lessee, and:

(i) the terms of the lease is 10 years or less (not including renewals); and
(ii) the gross value of the lease is $1,000,000 or less over the term of the lease.

In the case of leases, Council has already approved the need for space and the budgets associated with the civic-use within that facility. This recommendation is based on the conclusion that, once these have been established by Council, the Public Service has the expertise to adequately investigate the various options available and negotiate the best possible arrangement without the need for additional Council approval.

This authority currently lies with the Standing Policy Committee on Property and Development and would therefore eliminate the need for reports to that Committee seeking approval of transactions in this range.

(d) Approval of all leases where the City is the lessor, and:

(i) the value of the lease is based on market value;
(ii) the term of the lease is 5 years or less;
(iii) the lease includes cancellation clauses; and
(iv) the gross value of the lease (excluding realty taxes) is $500,000 or less over the term of the lease.

This authority to approve leases of this nature currently lies with the Standing Policy Committee on Property and Development and would therefore eliminate the need for reports to that Committee seeking approval of transactions in this range.

In cases where the City is the property owner, subsidized leases would continue to be forwarded to the Standing Policy Committee for approval. However, in cases where the lease is based on market value and cancellation clauses provide opportunity for the City to relatively quickly un-encumber the property for other use or sale, the Public Service has the expertise to negotiate a fair arrangement that maximizes value for the City. These leases would not necessarily be marketed publicly as they may often represent lease renewals with tenants with whom there may be obligations.

Delegated authority of the nature described above would result in considerable time saving involved in report preparation, review and processing. The time savings would increase the capacity of the Division to generate additional property transactions, result in less red tape, more timely property transactions, and a better overall customer experience.

(e) Approval of land acquisitions for Council-approved programs or projects, including miscellaneous street widening/corner cuts, and *right of way openings not specifically considered by Council, where:*

(i) the price payable to the vendor is $100,000 or less plus ancillary costs.

In the event that the property is not specifically identified by Council in the program/project approval, this authority is delegated only where:

(i) the property is directly related to a Council-approved program/project; and either

(ii) the Standing Policy Committee on Infrastructure Renewal and Public Works has first approved the need for each acquisition together with the available funding source; or, alternatively,

(iii) both of the Directors of Public Works and Planning, Property and Development have concurred that the property is required for the program/project and an appropriate funding source has been identified, and the acquisition has concurrence from the Ward Councillor.

On July 21, 1993, and expanded on May 19, 2004, Council delegated authority to the Director of Property, Planning, and Development for approval of certain land acquisitions where the price payable is up to $25,000. If adopted, Recommendation 2 will rescind that authority. The increase in delegated authority to the CAO to $100,000 simply reflects an adjustment for the increase in property values.

(f) Approval to sell small lots (excluding tot lots), pedestrian walkways, closed lanes and similar parcels of land to an adjacent property owner for $1.00, where:

(i) the Purchaser is responsible for all costs associated with a plan of subdivision and, if necessary, rezoning;

(ii) the parcel has been declared surplus to the City's requirements;

(vi) the lot does not conform in width and size to present district zoning regulations;

(vii) the sale has concurrence from the Ward Councillor, and

(viii) ***the sale complies with the "Offers to Purchase City-owned Property policy".***

Although there is an existing policy as per Council Order February 13, 1991, to sell small lots, pedestrian walkways, closed lanes and similar parcels of land to the adjoining residential property owners for consolidation purposes, for one-half of the assessed value, there are some circumstances where property owners have to pay in excess of $3,000.00 in survey costs in order to subdivide a larger strip of property into parcels. In these circumstances, it would be warranted to offer the sale of these parcels (subject to a successful subdivision), for $1.00. In most instances the City no longer requires the subject parcels. These parcels usually pose a problem for the City of Winnipeg (i.e. land locked or drainage problems). If the purchaser is responsible for all costs associated with a plan of subdivision, it would be in the City's best interest to offer the sale of these parcels for $1.00 to each adjoining owner.

If this recommendation is approved the benefits would be that:

- The City would no longer be responsible for maintenance of the subject parcels
- The sale will eliminate the liability for the City associated with holding this parcel of vacant land
- The purchaser(s) would be responsible for lot grading, therefore, eliminating possible drainage problems
- The property would be placed on the tax roll at the closing of the sale
- It could encourage purchasers to pursue the subdivision and sale of these parcels, considering they are receiving the land for $1.00.

(g) The CAO may, at his or her discretion, refer any matters related to items (a) through (f) to appropriate Standing Policy Committees or Council.

There may arise specific transactions that, despite the authority delegated to the CAO, present some necessity for more public transparency or review. In these cases, the CAO should feel that the option is available to refer the transaction to the appropriate Standing Policy Committee or Council for review and approval.

On July 21, 1993, Council adopted Recommendation XIV under the Report regarding the Delegation of Authorities to the Director of the Land Surveys and Real Estate Department which reads: "That in instances where a party to a transaction is not satisfied with the agreement reached with the Land Surveys and Real Estate Department, the party be advised to appeal the decision to the Committee on Finance and Administration." It is proposed that the opportunity to appeal (now to the Standing Policy Committee on Property and Development), specifically in the context of Recommendation 1.f for adjacent property owners, would still be in force.

Recommendation: Rescinding of Previous Delegation of Authority for Real Estate Transactions

2. That any previous authority delegated by Standing Policy Committee or Council to any officer within the Public Service be rescinded where that delegated authority is specifically covered by the above recommendations.

The Public Service is moving to a practice of identifying in by-law all authority delegated to the CAO (with some rare exceptions). The CAO can further delegate some or all of that authority to other appropriate officers. Tracking can then be more efficiently

managed at two levels – authority delegated *to* the Public Service and *within* the Public Service.

Recommendation: Consolidating Reporting of Activities relating to the Delegation of Authority for Real Estate Transactions

3. That the Public Service report to the Standing Policy Committee on Property and Development all real estate transaction activity (e.g. sales, acquisitions, and leases) related to its delegated authority, excepting tax sale acquisitions, under a single quarterly report. (Reporting on tax sale acquisitions would continue as a separate report.)

The Public Service is currently mandated to report to the Standing Policy Committee on Property and Development about specific real estate sales and acquisition activities in which it has engaged relating to its current delegated authority. This recommendation proposes to consolidate that reporting, together with new activities associated with the above recommended delegated authority, under a single, quarterly report.

Given some of the unique situations relating to the acquisition of properties due to tax sale, it was felt that this report would be better suited to be kept separate.

Financial Impact Statement December 23, 2008

Project Name:

DELEGATION OF AUTHORITY FOR REAL PROPERTY TRANSACTIONS

COMMENTS:

There are no immediate financial implications associated with the recommendations contained in this report.

"Original Signed By"
Mike McGinn, CA
Manager of Finance

IN PREPARING THIS REPORT THERE WAS:

Internal Consultation With:
City Clerk's Department (as to the Decision-making Process)
Legal Services (as to the legal issues)
Department of Public Works

External Consultation With:

THIS REPORT SUBMITTED BY:
Department: Planning, Property and Development
Division: Office of the Director
Prepared by: Stan Dueck
File No.

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Appendix A

Related Existing Delegated Authority

The current real estate-related authority delegated to the Public Service includes the following:

Approval of Offers to Purchase

On June 19, 1996 Council approved a process for the sale of residential properties which included:

"VII. That the Director of the Land and Development Services Department be delegated the authority to accept and approve Offers respecting the sale of land pursuant to the Listing and Sales Program and that the Director be required to report to Council on a quarterly basis as to the exercise of this authority."

The Program allows list prices to be established and approved by the relevant Council Committee and authorizes the Director to approve Offers To Purchase within a range of 10% of the previously approved List Price.

In addition, on June 23, 2004 Council adopted Item 40 of the Report of the Standing Committee on Property and Development dated June 8, 2004 as follows:

"1. That the Director of Planning, Property and Development be authorized to:
   A. Commence marketing all surplus residential tax sale property including the Subject Properties listed in the report from the Director of Planning, Property and Development dated June 3, 2004 and all residual surplus properties acquired for operational use, in accordance with the City's standard terms and conditions for the sale of residential property,
   B. Establish the reserve sale pricing based upon internal market appraisals,
   C. Pay real estate commissions to a maximum of three (3) percent.

2. That the Chief Administrative Officer, or her designate, be authorized to accept and finalize Offers to Purchase that are:
   A. In accordance with the City's proposed terms and conditions,
   B. Have a value (reserve sale price) of up to $100,000,

C. Have an offered price that is not less than ninety (90) percent of the reserve price.

Declaring Properties Surplus

The City Organization By-law No. 7100/97 subsection 3 (1) indicates that the following authority to make final decisions on the following matters shall remain with Council and shall not be delegated:

(i) "declaration of properties other than those acquired by the City through the tax sale process, as being surplus to the City's needs, and budget approval of land purchases."

Council on May 18, 2005, adopted Item 17 of the Report of the Standing Committee on Property and Development, dated May 3, 2005, in connection with the above subject matter. The Council Clause reads as follows:

"Council concurred in the recommendation of the Standing Policy Committee on Property and Development and adopted the following:

1. That the Director of Planning, Property and Development, or designate, be delegated the authority to declare all properties acquired by the City through the Tax Sale process as surplus to the City's needs."

Leases

The Department/Director had been granted numerous authorities relating to approval of lease agreements over the years. Following is a summary of said authorities:

(a) November 28, 1984 and October 28, 1996 – Council (and Committee on Finance) delegated authority to the Director to approve terms and conditions of leases and permits for the following purposes: agricultural; landscaping, maintenance and the erection of a fence; access; encroachments on City land when already exist; erection of signs; parking on a temporary basis; film sites.

(b) Council delegated authority to the Director to approve leases of parkland for five years or less with a cancellation clause, with the concurrence of Community Committee, and should that concurrence be not forthcoming, the matter shall be referred to the appropriate Standing Committee.

On June 25, 2003 Council adopted the following:

"1. That the Chief Administrative Office be delegated the authority to approve the future rental rates for the rental of City-owned agricultural lands"

In addition, By-law 692/74 reads:

> "4. (1) Except as otherwise permitted in this section, no encroachment shall be constructed or maintained without permission of the Designated Officer, who shall prescribe the form of application, permits and licenses, subject to the following: amended 3198/82
>
> (c) In the case of an outdoor patio adjacent to a restaurant and located on a street right-of-way, the application must be referred to the Designated Officer who is hereby authorized: to negotiate and approve the rental rate and terms and conditions of agreement; to approve any assignment, sublet or cancellation; and to execute, without the necessity of the seal of the City, the City's standard Leave and License Agreement. amended 6845/96; 8162/2002

On July 19, 2000 Council delegated to the CAO the authority to approve the routine assignment of leases of City-owned properties.

On May 23, 2001 Council delegated authority to the CAO to enter into lease agreements for civic buildings which are to be occupied for film purposes and for a limited duration, substantively in accordance with the terms and conditions approved by Council.

On Sept. 26, 2001, Council delegated authority to the CAO to enter into month-to-month lease arrangements between the City of Winnipeg and respective landlords or property that is to be used for civic accommodations purposes and where there is no significant financial impact to the organization.

Land Acquisitions

On July 21, 1993, and expanded on May 19, 2004, Council delegated authority to the Public Service that reads as follows:

> "II. That the delegation of authority to the Director of Planning, Property and Development to approve certain land acquisitions for Council-approved programs where the price payable to the vendor is $25,000 or less plus ancillary costs, be expanded to include miscellaneous street and lane widening/corner cuts not specifically considered by Council, provided that the Standing Policy Committee on Public Works has first approved the need for each acquisition together with the available funding source."

Approval of sales of small lots, pedestrian walkways, closed lanes and similar parcels of land for $1.00

On July 21, 1993, Council delegated as follows:

> "VI That the Director of the Land Surveys and Real Estate Department be authorized to approve the conveyance of closed streets and lanes to developers at no cost where the land to be dedicated by the developer for streets and lanes exceeds the land comprising streets and lanes to be closed or cancelled."

On December 13, 2000, Council delegated to the CAO the authority to finalize future sales of portions of streets and lanes that are similar in nature to those outlined. This referred to sales where a redesign of a subdivision by the original Developer necessitating an exchange of lands whereby the Developer acquires more land than does the City be for the sum per acre as outlined in Paragraph 5 of the Development Agreement Parameters, and that full market value be used when a subsequent Developer makes the same request.

Approval of Sales to Non-profit Organizations

On October 31, 1990, Council established the following parameters associated with the lease or sale of property below market value to non-profit organizations:

"1. Where it is proposed that City lands be leased or sold at less than market value to non-profit organizations for a project which is public benefit, the following eligibility criteria will apply:

   (a) The organization must provide a facility operated in its entirety by a non-profit organization for non-profit uses;
   (b) The organization must provide for activities which are compatible with the City's needs;
   (c) The organization must provide facilities for which there is a current and projected need in that location;
   (d) The organization must provide reasonable access to all Winnipeg residents without discrimination;
   (e) The organization must provide access without the charging of initiation fees, membership fees or other costs which are incompatible with like facilities or organizations;
   (f) The organization must provide evidence of available funding and commitment to complete the project and assurance that no ongoing operating subsidies from the City will be required over the life of the development.

2. That all subsidies or grants and corresponding revenues under Recommendation No. 1, above, be clearly identified and reported back to

Council on a yearly basis through the Committee on Finance and Administration.

3. That where lands are made available at less than market value that they revert back to the City at the conclusion of the economic life of the project.
4. That any properties sold or leased at less than market value be approved by the Committee on Finance and Administration.

Since 1999, Council has adopted a number of policies that have combined to promote the rehabilitation of vacant houses and the development of infill housing through community based non-profit groups in conjunction with the WHHI. The key policies formulated to support the Affordable Housing Initiative are as follows:

On November 17, 1999, Council adopted Clause 8 of the Report of the Standing Policy Committee on Property and Development dated July 8, 1999 which stated:

> "that the vacant City-owned lots in the Inner City be made available for a nominal fee to community groups, or other interested parties, who are willing to build upon them immediately."

The nominal fee has been generally interpreted as being equivalent to $1.00.

On July 17, 2002, Council adopted Clause 16 of the Report of the Standing Policy Committee on Property and Development, dated June 27, 2002, as follows:

> "IV) That the authority to approve sales of City properties to a non-profit organization in conjunction with the Winnipeg Housing and Homelessness Initiative, be delegated to the Chief Administrative Officer, and that the exercise of such authority be reported to the Standing Policy Committee on Property and Development on a quarterly basis."