Agenda - Executive Policy Committee - July 15, 2009

Moved by Councillor

That Rule 10(3) of The Procedure By-law No. 50/2007 be suspended in order that the following item, which was received less than 96 hours preceding the committee meeting, be considered by Committee.

Report - Standing Policy Committee on Property and Development - July 13, 2009

Item No. 8 Manitoba Sikh Cultural and Seniors Centre Inc. and Punjab Foundation of Manitoba Inc. - Portion of the Net Proceeds from the Sale of City-owned property
(Point Douglas Ward)
eFile FI-2.4(34)

STANDING COMMITTEE RECOMMENDATION:

On July 13, 2009, the Standing Policy Committee on Property and Development concurred in the recommendation of the Winnipeg Public Service and submits the following to Council:

1. That in this instance, the Cultural Centre Funding Policy adopted on June 18, 2008, be waived in order to provide financial support to the Manitoba Sikh Cultural and Seniors Centre Inc. and Punjab Foundation of Manitoba Inc.

2. That the Manitoba Sikh Cultural and Seniors Centre Inc. and Punjab Foundation of Manitoba Inc. receive up to a maximum of $250,000.00 from the net proceeds of the sale of the Subject City property at the Southwest corner of Redwood Avenue and Fife Street, shown outlined on Misc. Plan No. 11061/1.

3. That subject to the approval of Recommendations No. 1 and 2, the Public Service be authorized to market the subject City Property for sale to the general public.

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.

Agenda - Executive Policy Committee - July 15, 2009

Report - Standing Policy Committee on Property and Development - July 13, 2009

DECISION MAKING HISTORY:

STANDING COMMITTEE RECOMMENDATION:

On July 13, 2009, the Standing Policy Committee on Property and Development concurred in the recommendation of the Winnipeg Public Service and submitted the matter to the Executive Policy Committee and Council.

ADMINISTRATIVE REPORT

ISSUE: **Request from the Manitoba Sikh Cultural and Seniors Centre Inc. and Punjab Foundation of Manitoba Inc. for a portion of the net proceeds from the sale of City-owned property at the Southwest Corner of Redwood Avenue and Fife Street.**

Critical Path: Standing Policy Committee on Property and Development, Executive Policy Committee and Council

AUTHORIZATION

Author	Department Head	CFO	CAO
R. Klassen	D. Joshi	P. Olafson Corporate Controller	G. Laubenstein P. Sheegl, Deputy CAO

RECOMMENDATIONS

1. That Council waive, in this instance, the Cultural Centre Funding Policy adopted on June 18, 2008, in order to provide financial support to the Manitoba Sikh Cultural and Seniors Centre Inc. and Punjab Foundation of Manitoba Inc.
2. That the Manitoba Sikh Cultural and Seniors Centre Inc. and Punjab Foundation of Manitoba Inc. receive up to a maximum of $250,000.00 from the net proceeds of the sale of the Subject City property at the Southwest corner of Redwood Avenue and Fife Street, shown outlined on Misc. Plan No. 11061/1.
3. That subject to the approval of Recommendations No. 1 and 2, the Public Service be authorized to market the subject City Property for sale to the general public.
4. That the Proper Officers do all things necessary to implement the intent of the foregoing.

IMPLICATIONS OF THE RECOMMENDATIONS

By marketing the subject City property to the general public, the Public Service would be in a position to obtain the net proceeds of sale. It is intended that a portion of the site (.13 acres), depicted as Habitat Site Shaughnessy #1116 will be retained by the City (see Schedule A).

HISTORY

- In December 2001, the Standing Policy Committee on Property and Development approved the sale of the subject City property to the Manitoba Sikh Cultural and Seniors Centre Inc. for the purchase price of $1.00 (in accordance with the City's sale policy to non-profit organizations). A term of the agreement provided that the Purchaser could invest the net sale proceeds of the subject City property toward the purchase of other property.

- On November 9, 2002, the Canada-Manitoba Infrastructure Program provided funding in the amount of $500,000.00 to the Punjab Cultural Centre. The City of Winnipeg contributed $166,666.00 to the project, matching the one-third share contribution made by project partners under the infrastructure program.

- On April 27, 2007, a letter was received from the Cultural & Seniors Centre Inc. indicating that the Manitoba Sikh Cultural and Seniors Centre Inc. and the Punjab Foundation of Manitoba groups were working together to develop a cultural centre.
- The Manitoba Sikh Cultural and Seniors Centre Inc. and the Punjab Foundation of Manitoba Inc. did not proceed with the purchase of the subject City property, since they acquired a former school site at 1770 King Edward Street in March 2008. Therefore, no transfer of the City land has occurred to date.

- As a result of their purchase of the privately owned property, the Purchaser has taken the position that it should be entitled to a transfer of the net proceeds from the sale of the City land.

- On June 18, 2008, Council adopted the Cultural Centre Funding Policy, which provides, among other things, that "Council shall not provide financial support to cultural centre capital projects or operations, either in cash or in-kind".

- As previously stated, the terms and conditions of the original agreement between the City and the Manitoba Sikh Cultural and Seniors Centre Inc. and the Punjab Foundation of Manitoba provided the Purchaser with the ability to invest the net sale proceeds of the subject City property into new premises.
- By providing The Manitoba Sikh Cultural and Seniors Centre Inc. and the Punjab Foundation of Manitoba Inc. with a maximum of up to $250,000.00 of the net sale proceeds of the subject City property, combined with the November 2002 contribution under the Canada-Manitoba Infrastructure Program, the City is providing a total contribution that is essentially equivalent to the value of the subject City property.

FINANCIAL IMPACT

Financial Impact Statement

Date: June 12, 2009

Project Name:

First Year of Program **2009**

Request from the Manitoba Sikh Cultural and Seniors Centre Inc. and Panjab Foundation of Manitoba Inc. that the net proceeds of sale of up to $250,000.00 from the sale of the City-owned property at the Southwest corner of Redwood Avenue and Fife Street be paid to the Manitoba Sikh Cultural and Seniors Centre Inc. and the Panjab Foundation of Manitoba Inc.

	2009	2010	2011	2012	2013
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	$ 250,000	$ -	$ -	$ -	$ -
Less: Incremental Revenue/Recovery	-	-	-	-	-
Net Cost/(Benefit)	$ 250,000	$ -	$ -	$ -	$ -
Less: Existing Budget Amounts	250,000	-	-	-	-
Net Budget Adjustment Required	$ -	$ -	$ -	$ -	$ -

Additional Comments: Direct costs in 2009 consist of a grant assumed to be the maximum amount recommended. The grant will be charged to the Land Operating Reserve Fund.

"Original signed by"
Mike McGinn, CA
Manager of Finance

CONSULTATION

In preparing this Report there was consultation with:

n/a

SUBMITTED BY

Department	Planning, Property and Development
Division	Real Estate
Prepared by:	Barry Lucyk, Senior Negotiator
Date:	June 12, 2009
File No.	32/3925 V2

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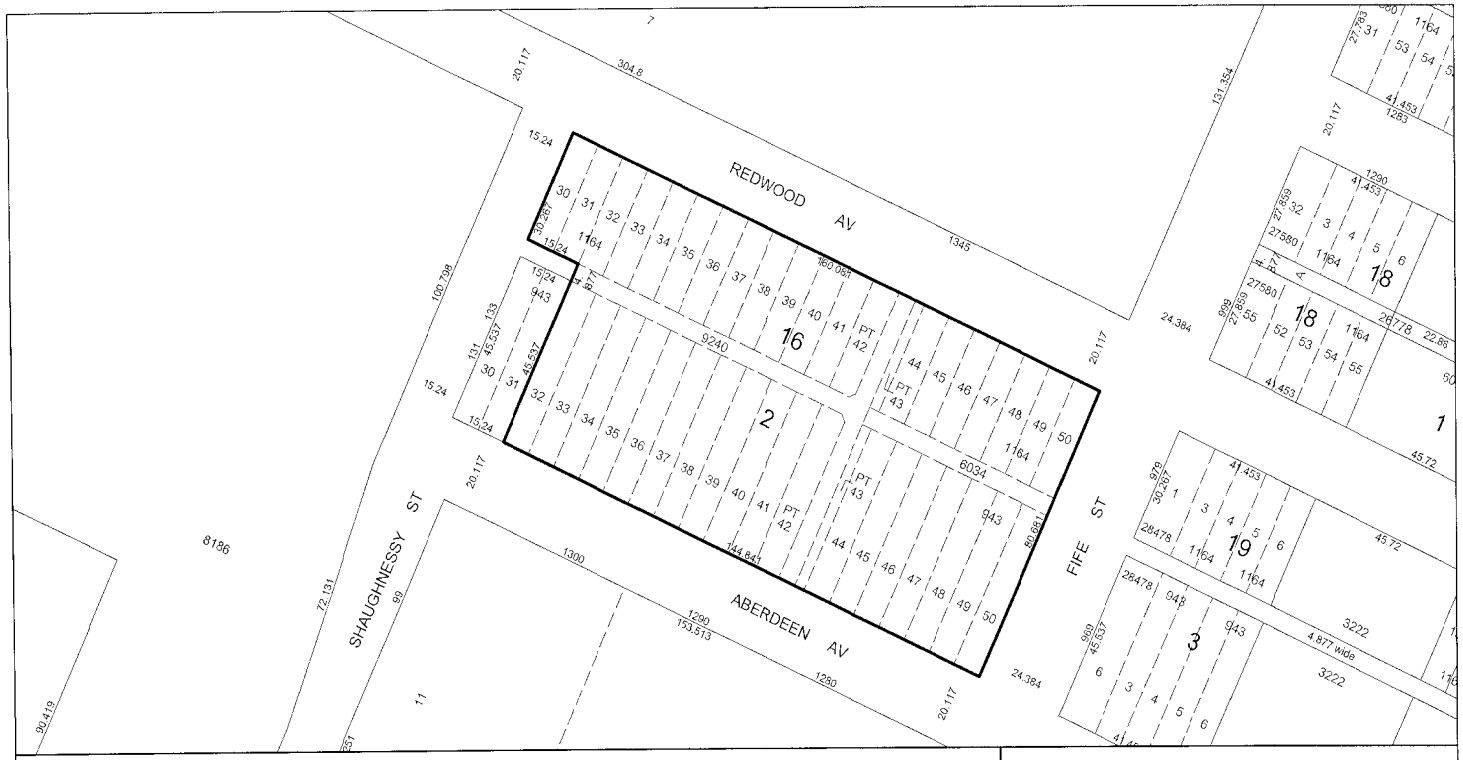


Date: 2009-MAR-26
District: LSWK
File: 32 / 3925
Scale: 1:1250

NOTE:
Information displayed hereon has been compiled or computed from a variety of sources and should be used as a general guide only. No warranty is expressed or implied regarding the accuracy of such information.

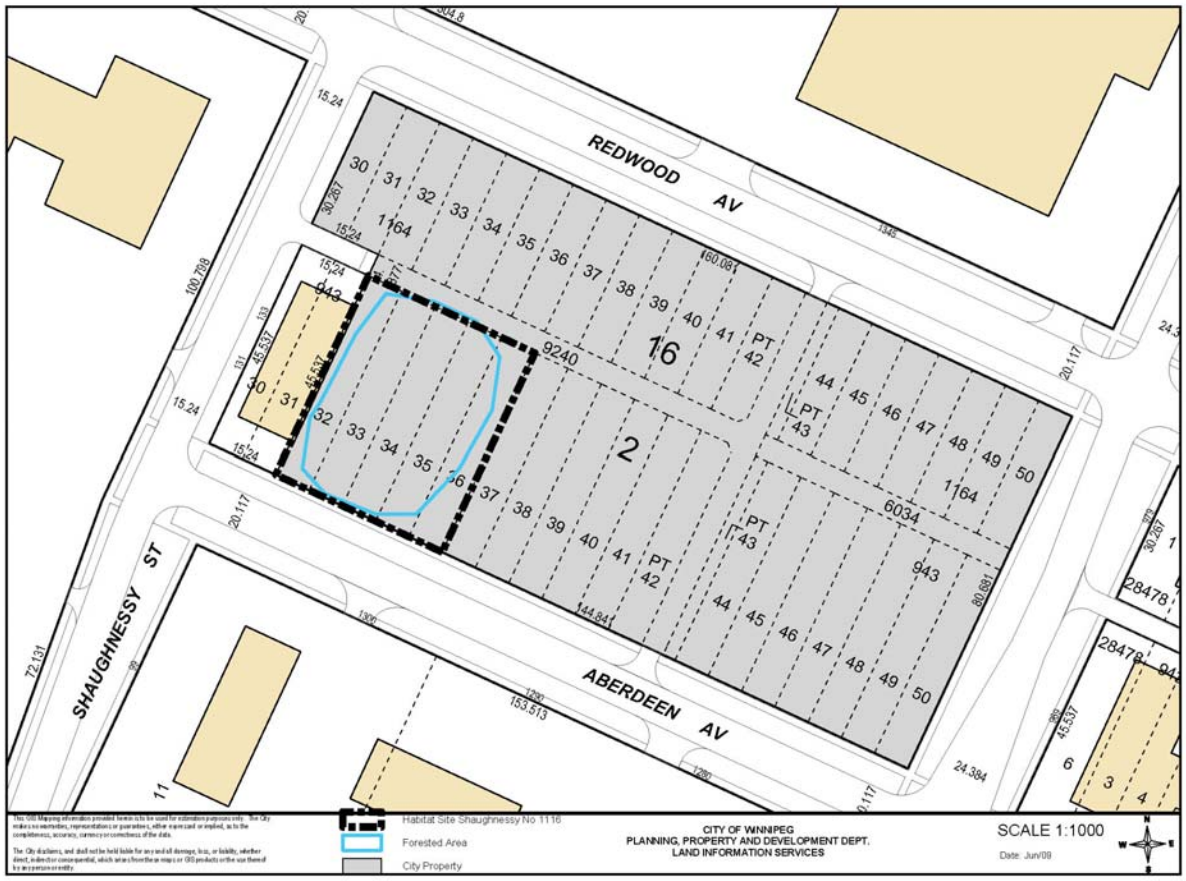
Subject City Property
12,147.2 sq.m. (130,755 sq.ft.)

CITY OF WINNIPEG
PLANNING, PROPERTY AND DEVELOPMENT DEPT.
LAND INFORMATION & MAPPING SERVICES

MISC. PLAN NO. 11061 / 1

6315

SCHEDULE "A



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