Agenda - Executive Policy Committee – December 9, 2009

Report - Standing Policy Committee on Property and Development – December 3, 2009

Item No. 12 Declaration of Surplus Land - Northwest Corner of St. Mary's Road at Kenny Street
(St. Boniface Ward)
eFile FI-2.4(35)

STANDING COMMITTEE RECOMMENDATION:

On December 3, 2009, the Standing Policy Committee on Property and Development concurred in the recommendation of the Winnipeg Public Service, as amended, and submits the following to Council:

1. That the subject City-owned property located on the north-west corner of St. Mary's Road at Kenny Street, shown shaded on Misc. Plan No. 12278/2 be declared surplus to needs of the City.

2. That $20,000.00 of the net proceeds of the sale of the property be allocated to the Winakwa Community Center project.

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

Agenda - Executive Policy Committee – December 9, 2009

Report - Standing Policy Committee on Property and Development – December 3, 2009

DECISION MAKING HISTORY:

STANDING COMMITTEE RECOMMENDATION:

On December 3, 2009, the Standing Policy Committee on Property and Development concurred in the recommendation of the Winnipeg Public Service with the following amendment, namely:

- Add the following Recommendation and renumber the remaining Recommendation accordingly:

  "2. That $20,000.00 of the net proceeds of the sale of the property be allocated to the Winakwa Community Center project,"

and submitted the matter to the Executive Policy Committee and Council.

ADMINISTRATIVE REPORT

ISSUE: **To Seek Council Approval to Declare City-owned Property located at the Northwest corner of St. Mary's Road at Kenny Street Surplus to the Needs of the City**

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

AUTHORIZATION

Author	Department Head	CFO	CAO
R. Klassen	D. Joshi	N/A	P. Sheegl Deputy CAO

RECOMMENDATIONS

1. That the subject City-owned property located on the north-west corner of St. Mary's Road at Kenny Street, shown shaded on Misc. Plan No. 12278/2 be declared surplus to needs of the City.

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

IMPLICATIONS OF THE RECOMMENDATIONS

- Council approval is required to declare the subject City property surplus to the needs of the City.
- The Planning, Property and Development Department intends to sell the subject City property to Chahine Decorating Ltd. for $60,000.00, in accordance with the delegated authority granted to the Director to sell properties being sold through a public offering.
- There are no regulatory or human resources implications associated with this report.
- The City's standard terms and conditions of sale include provisions to protect the City's interests in the event that environmental contamination is discovered.

HISTORY

The subject City property was acquired in July 2003 for the future widening of St. Mary's Road.

The Winnipeg Public Service has determined that there is no City requirement for the property shown shaded on Misc. Plan No. 12278/2, other than the portion shown in broken outline on the said Misc. Plan. The Public Works Department has advised that there is a long range plan for the future widening of St. Mary's Road. That Department has no objection to the sale of the subject City property, provided that the City retain a reversionary interest to that portion of the lands identified as "Land Required for Future Street Opening" on Misc. Plan No. 12278/2.

The Winnipeg Public Service advertised the subject City-owned property for sale in the local newspapers, on the City website and on-site signage. Offers to Purchase were received until 4:30 pm on Friday, October 16, 2009. The Winnipeg Public Service received six (6) Offers for the subject property. Details of these offers are identified on Schedule "A" attached.

The prices offered are as follows:

Chahine Decorating Ltd.	$60,000.00
Mark Penner	$33,000.00
Rusty Rischuk	$31,100.00
Bryce Brousseau	$23,500.00
Adel Gindy	$21,000.00
Yuhong Ji	$ 5,000.00

The Offer received from Chahine Decorating Ltd. for $60,000.00, is considered to be the highest and best offer. The Offer is in accordance with the terms and conditions of the Offer to Purchase that was included in the information package released by the Winnipeg Public Service.

The Department supports the proposed sale of the subject property to Chahine Decorating Ltd. for the following reasons:

- The Ward Councillor is supportive of the sale.
- The Offer to Purchase received from Chahine Decorating Ltd. is the highest net offer ($60,000.00).
- The proposed purchase price exceeds the estimated market value of the property as determined by an internal appraisal report ($23,000.00).
- The property would be placed on the tax roll at the closing of the sale.
- The sale will eliminate the liability for the City associated with holding this property.

FINANCIAL IMPACT

Financial Impact Statement

Date: November 20, 2009

Project Name:

First Year of Program **2009**

Proposed Sale of North West corner of St. Mary's Road at Kenny Street - Chahine Decorating Ltd.

	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	$ -	$ -	$ -	$ -	$ -
Less: Incremental Revenue/Recovery	60,000	-	-	-	-
Net Cost/(Benefit)	$ (60,000)	$ -	$ -	$ -	$ -
Less: Existing Budget Amounts	(60,000)	-	-	-	-
Net Budget Adjustment Required	$ -	$ -	$ -	$ -	$ -

Additional Comments: While there are no direct financial implications associated with declaring a property surplus to the needs of the City, doing so in this case will result in the sale of the property under the authority delegated to the Director. As such, approval of the recommendations will result in sale proceeds of $60,000 being credited 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
Date:	October 28, 2009
File No.	8366

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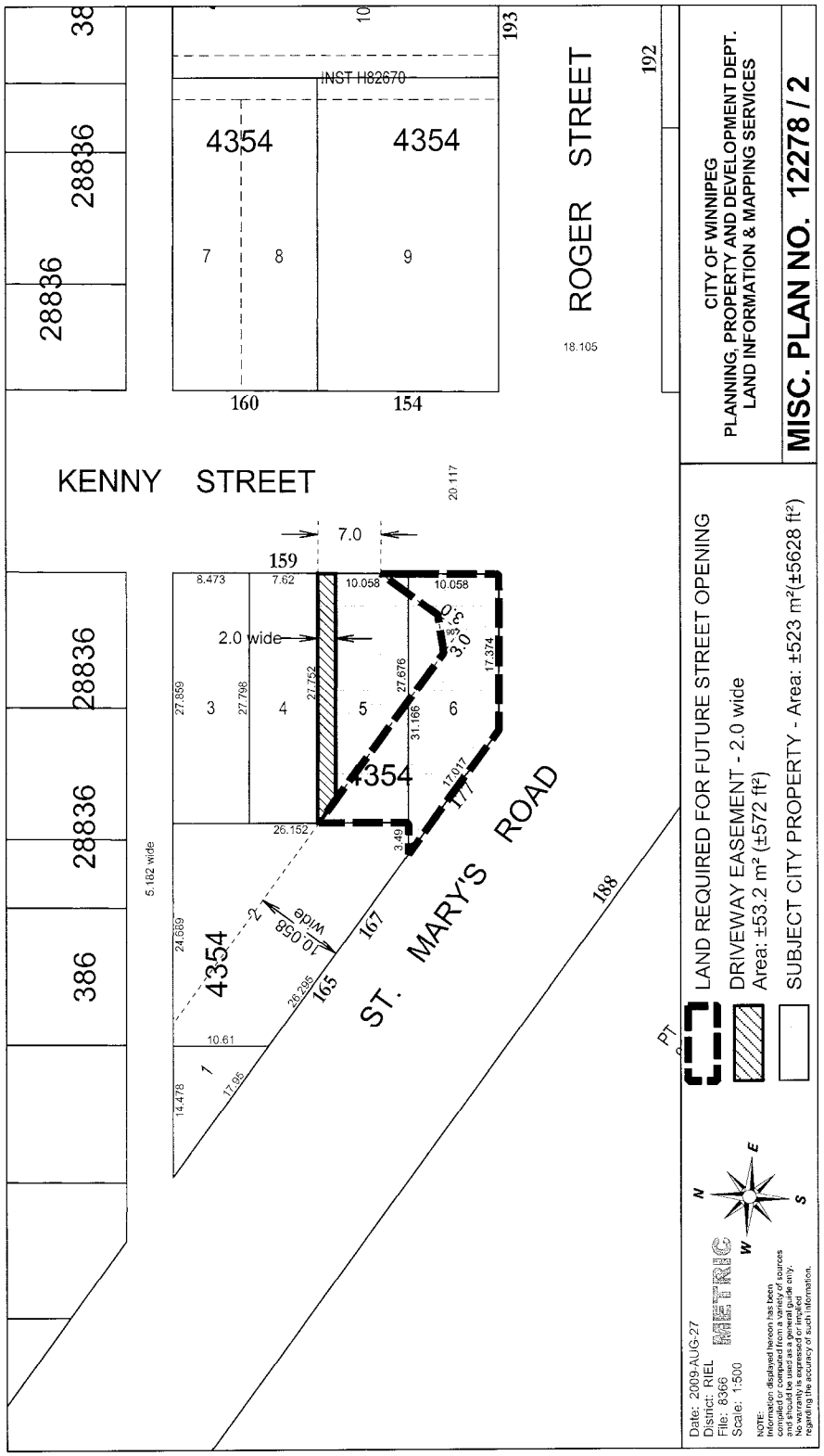
Schedule "A"

OFFEROR	PRICE OFFERED	DEPOSIT	REAL ESTATE AGENT	NET SALE PRICE	COMMENTS
Chahine Decorating Ltd.	$60,000.00	$10,200.00	No	$60,000.00	None
Mark Penner	$33,000.00	$4,950.00	No	$33,000.00	None
Rusty Rischuk	$31,100.00	$4,665.00	No	$31,100.00	None
Bryce Brousseau	$23,500.00	$3,525.00	No	$23,500.00	None
Adel Gindy	$21,000.00	$3,150.00	Yes	$19,950.00	None
Yuhong Ji	$ 5,000.00	$ 750.00	Yes	$ 5,000.00	None



KENNY STREET
ROGER STREET
ST. MARY'S ROAD
INST H82670
4354
4354
4354
4354
28836
28836
28836
28836
386
7.0
2.0 wide
10.058 wide
5.182 wide
CITY OF WINNIPEG
PLANNING, PROPERTY AND DEVELOPMENT DEPT.
LAND INFORMATION & MAPPING SERVICES
MISC. PLAN NO. 12278 / 2
LAND REQUIRED FOR FUTURE STREET OPENING
DRIVEWAY EASEMENT - 2.0 wide
Area: ±53.2 m² (±572 ft²)
SUBJECT CITY PROPERTY - Area: ±523 m²(±5628 ft²)
Date: 2009-AUG-27
District: RIEL
File: 8366
Scale: 1:500
METRIC