Agenda - Executive Policy Committee – June 16, 2010

Report - Standing Policy Committee on Property and Development – June 8, 2010

Item No. 10 Advance of Proceeds of Land Sale to the Manitoba Sikh Cultural and Seniors Centre Inc. and the Panjab Foundation of Manitoba Inc. eFile FI-2.4

STANDING COMMITTEE RECOMMENDATION:

On June 8, 2010, 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 consistent with Council's decision of July 22, 2009, funding in the amount of $125,000 be advanced from the Land Operating Reserve to the Manitoba Sikh Cultural and Seniors Centre Inc. and the Panjab Foundation of Manitoba Inc. prior to the sale of the subject City property at the southwest corner of Redwood Avenue and Fife Street shown, outlined on Appendix A to the report from the Winnipeg Public Service dated June 4, 2010.

2. 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 – June 16, 2010

Report - Standing Policy Committee on Property and Development – June 8, 2010

DECISION MAKING HISTORY:

STANDING COMMITTEE RECOMMENDATION:

On June 8, 2010, 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

Title: **Advance of Proceeds to the Manitoba Sikh Cultural and Seniors Centre Inc. and the Panjab Foundation of Manitoba Inc. from the Disposition of City owned property at Redwood Ave. and Fife St.**

Issue:

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

AUTHORIZATION

Author	Department Head	CFO	CAO
P. Olafson	M. Ruta	M. Ruta	P Sheegl, Acting CAO

RECOMMENDATIONS

1. That consistent with Council's decision of July 22, 2009, funding in the amount of $125,000 be advanced from the Land Operating Reserve to the Manitoba Sikh Cultural and Seniors Centre Inc. and the Panjab Foundation of Manitoba Inc. prior to the sale of the subject City property at the southwest corner of Redwood Avenue and Fife Street shown outlined in Appendix A; and

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

REASON FOR THE REPORT

Council approval of the advance from the Land Operating Reserve prior to the sale of the subject City property is required.

IMPLICATIONS OF THE RECOMMENDATIONS

Advancing the funds at this time will be beneficial to furthering the plans of the Manitoba Sikh Cultural and Seniors Centre Inc. ("MSCSC") and the Panjab Foundation of Manitoba Inc. ("PFM") in developing the Punjab Cultural and Seniors Centre.

If approved, a payment of $125,000 for these purposes will be made in advance of the City actually selling the property. Upon disposition of the subject City property, prior to the payment as per Council's July 22, 2009 approval, the Land Operating Reserve will be reimbursed for this advance from the net proceeds realized.

HISTORY

In December 2001, the Standing Policy Committee on Property and Development approved the sale of the subject City property to the MSCSC 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 April 27, 2007, a letter was received from the MSCSC indicating that their organization and the PFM were working together to develop a cultural centre.

The MSCSC and the PFM 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.

On July 22, 2009, Council approved that the MSCSC and the PFM receive up to a maximum of $250,000 from the net proceeds of the sale of City-owned property at the Southwest corner of Redwood Avenue and Fife Street (noting that the site depicted as Habitat for Humanity Shaughnessy No. 1116 on Schedule A in the report of the Public Service dated June 12, 2009, shall be retained by the City – see Appendix A).

The property is currently being actively marketed and is anticipated to realize net proceeds of at least $250,000.

FINANCIAL IMPACT

Financial Impact Statement **Date:** June 2, 2010

Project Name: **First Year of Program** **2010**

Advance of Funds on Sale of City property - Redwood Avenue and Fife Street

	2010	2011	2012	2013	2014
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	$ 125,000	$ -	$ -	$ -	$ -
Less: Incremental Revenue/Recovery	125,000	-	-	-	-
Net Cost/(Benefit)	$ -	$ -	$ -	$ -	$ -
Less: Existing Budget Amounts	-	-	-	-	-
Net Budget Adjustment Required	$ -	$ -	$ -	$ -	$ -

Additional Comments: A portion of the funds anticipated by the PP&D Real Estate Division to be realized on the disposition of City property at the corner of Redwood and Fife are being advanced.

original signed by Paul D. Olafson, CA
Corporate Controller

CONSULTATION

In preparing this report there was consultation with:

Planning, Property and Development

Legal Services Department

SUBMITTED BY

Department: Corporate Finance Department
Division: Corporate Controller's Office
Prepared by: Paul D. Olafson, CA
Date: June 4, 2010
File No.

Appendix A
Subject City property –
Redwood Avenue and Fife Street

