Agenda - Council – June 23, 2010

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

Item No. 14 Acquisition – Portion of the Sugar Beet Spur Line between the east side of Fultz and Kenaston Boulevard (River Heights-Fort Garry Ward) eFile FI-2 32

STANDING COMMITTEE RECOMMENDATION:

On June 16, 2010, 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 the acquisition of the Canadian Pacific Railway property, shown outlined and identified as "Proposed Acquisition" on Misc. Plan No.11987/6, for the purpose of continuous public right of way and land drainage, be approved at a purchase price of $195,000.00, and in accordance with the terms and conditions as outlined in Schedule "A" to the report from the Winnipeg Public Service dated May 20, 2010.

2. That the property shown hatched on Misc. Plan No. 11987/6 be declared surplus to the needs of the City.

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

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

DECISION MAKING HISTORY:

EXECUTIVE POLICY COMMITTEE RECOMMENDATION:

On June 16, 2010, 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 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

ISSUE: **To Obtain Council Approval for the Acquisition of 6,808.1 Sq. M. of the Sugar Beet Spur Line Between the East side of Fultz and Kenaston Boulevard**

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

AUTHORIZATION

Author	Department Head	CFO	CAO
B. Thorgrimson	D. Joshi	M. Ruta	P. Sheegl Deputy CAO

RECOMMENDATIONS

1. That the acquisition of the Canadian Pacific Railway property shown outlined and identified as "Proposed Acquisition" on the attached Misc. Plan No.11987/6 for the purpose of continuous public right of way and land drainage be approved at a purchase price of $195,000.00, and in accordance with the terms and conditions as outlined in the attached Schedule "A".

2. Subject to the approval of Recommendation 1, that the property shown hatched on Misc. Plan No. 11987/6 be declared surplus to the needs of the City.

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

IMPLICATIONS OF THE RECOMMENDATIONS

The Canadian Pacific Railway has abandoned the Sugar Beet Spur line at the location where it crosses Kenaston Boulevard. To have a continuous public right-of-way and to protect the investment in these streets, it is considered that the missing section of Kenaston Boulevard should be purchased and opened as street right-of-way.

On July 6, 2003, Standing Policy Committee on Public Works concurred in the administrative recommendation, namely, that the Director of the Planning, Property and Development

Department be authorized to negotiate the acquisition of the abandoned Canadian Pacific Railway Sugar Beet Spur line at Kenaston Boulevard and Fultz Boulevard.

Originally, the Fultz Boulevard right of way formed part of this acquisition. Subsequently, the City has acquired this portion of land by way of dedication through Development Application 23/07.

Negotiations have concluded and the Canadian Pacific Railway has agreed to sell to the City the lands shown outlined on Misc. Plan No. 11987/6. Once acquired, the land shown hatched on the said Misc. Plan will be offered for sale to the adjoining owners, being The Governing Board for South Winnipeg Technical Center Regional Vocational School located to the north of said parcel and 2113686 Manitoba Ltd. located to the south of said parcel, in order to recover some costs associated with this transaction.

HISTORY

On July 6, 2003, Standing Policy Committee on Public Works concurred in the administrative recommendation, namely, that the Director of the Planning, Property and Development Department be authorized to negotiate the acquisition of the abandoned Canadian Pacific Railway Sugar Beet Spur line at Kenaston Boulevard and Fultz Boulevard.

In July 2003, the Public Works Department, under the authority granted in 2003, instructed the Planning, Property and Development Department to pursue the immediate acquisition of the Canadian National Railway Company required lands.

The City of Winnipeg conducted an internal appraisal and valued the said property at between $150,000 and $195,000.

The Canadian Pacific Railway also conducted an appraisal and valued the property at $203,278.00.

Final Settlement: $195,000.00

Funding will be charged to the following Public Works accounts:

- 003-181000-180603-1832000408 – Property - $146,456.00
- 001-182000-630801-63033006WL – PURCHPROP - $48,544.00

FINANCIAL IMPACT

Financial Impact Statement

Date: May 20, 2010

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

Acquisition of 6,808.1 Sq. M. of the Sugar Beet Spur Line Between the East side of Fultz and the West side of Kenaston Blvd

	2010	2011	2012	2013	2014
Capital					
Capital Expenditures Required	$ 198,900	$ -	$ -	$ -	$ -
Less: Existing Budgeted Costs	198,900	-	-	-	-
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	$ -	$ 17,901	$ 17,901	$ 17,901	$ 17,901
Less: Incremental Revenue/Recovery	3,900	-	-	-	-
Net Cost/(Benefit)	$ (3,900)	$ 17,901	$ 17,901	$ 17,901	$ 17,901
Less: Existing Budget Amounts	(3,900)	17,901	17,901	17,901	17,901
Net Budget Adjustment Required	$ -	$ -	$ -	$ -	$ -

Additional Comments: Capital expenditures in 2010 consist of the $195,000 proposed acquisition cost + $3,900 in short-term financing charges; the latter amount being offset by an equal recovery in the current budget of the Corporate Finance Department. Direct costs from 2011 onward represent debt & finance charges on the 2010 capital expenditure and will be charged to the Public Works Department's current budget.

"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	Michelle Granger
Date:	May 20, 2010
File No.	8426

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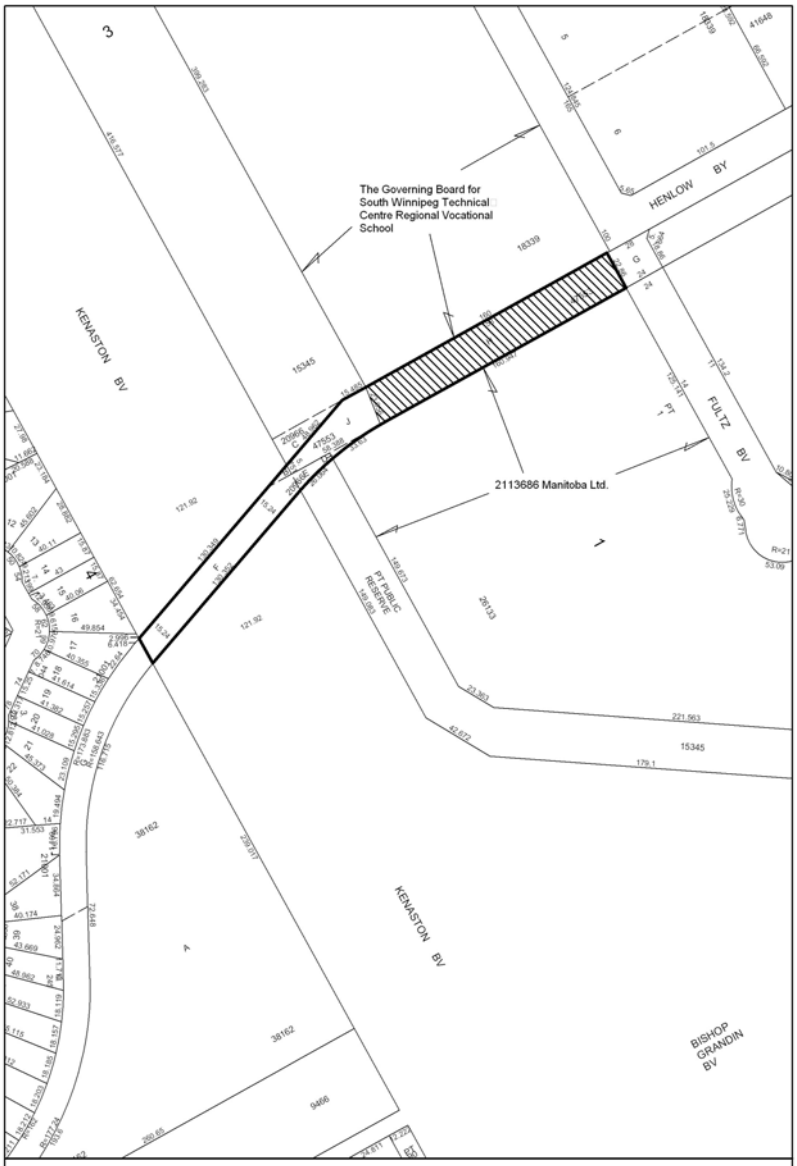
The Governing Board for South Winnipeg Technical Centre Regional Vocational School
2113686 Manitoba Ltd.
KENASTON BV
HENLOW BV
FULTZ BV
BISHOP GRANDIN BV
PT PUBLIC RESERVE
Proposed Acquisition 6808.1 sq.m.
Parcel A To be declared Surplus 3645.6 sq.m.
METRIC
Date: 2010-APRIL-13
District: ASBA , CC
File: 8426
Scale: 1:2500
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.
CITY OF WINNIPEG
PLANNING, PROPERTY AND DEVELOPMENT DEPT.
LAND INFORMATION & MAPPING SERVICES
MISC. PLAN NO. 11987 / 6

SCHEDULE "A"

PROPOSED ACQUISITION OF 6808.1 SQ. M. OF THE SUGAR BEET SPUR LINE BETWEEN THE EAST SIDE OF FULTZ BLVD. AND THE WEST SIDE OF KENASTON BLVD.

1. A proposed purchase price of **ONE HUNDRED AND NINTY FIVE THOUSDAND (**$195,000.00) **DOLLARS** for the property shown as "Proposed Acquisition", on attached Misc. Plan No.11987/6, (Subject Property).

2. The Subject Property to be conveyed to the City free and clear of any liens, encumbrances or leasehold interests, excepting any utility easements registered against the Subject Property.

3. The date of vacant possession and adjustment of taxes to be 30 days from the date of final approval by the City of Winnipeg's Council, or its delegated authority or as mutually agreed upon by the City of Winnipeg and Canadian Pacific Railway.

4. The City to attend to the survey work required by the Winnipeg Land Titles Office in order to dedicate the Subject Property, or part there of, as a public right-of-way at no cost to the Vendor.

5. The Vendor covenants, warrants and represents to the City, and it is a condition of the agreement, that to the best of the Vendor's knowledge:

    a) there are no outstanding orders, notices or similar requirements relating to the land either issued by any environmental, fire, health, labor or police authorities or from any other federal, provincial, municipal authority and there are no matters under discussion with any such authorities relating to such orders, notices or similar requirements;

    b) no hazardous materials, wastes, pollutants or similar substances as those defined by current applicable laws and regulations and no other materials intended for use or generated at the Subject Property have been or are used, stored, treated or otherwise disposed of in violation of current applicable laws and regulations.

6. The Vendor will permit the City, at its discretion and expense, before the date of possession, to conduct or have conducted on its behalf an environmental assessment together with any soil testing and analysis required. The Vendor acknowledges and agrees that should the City determine that there are environmental concerns or contamination it may elect to cancel the proposed sale.

7. Each party will be responsible for their own legal fees with respect to this agreement.

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8. The property, until possession is delivered to the City, shall remain at the sole risk and responsibility of the Vendor.

9. The Vendor agrees to enter into an appropriate Purchase/Sale Agreement with the City in a form and embodying the within terms and conditions and any other such terms and conditions as deemed necessary by the City Solicitor and as found acceptable by Canadian Pacific Railway legal council. It is further acknowledged that the said Purchase/Sale Agreement may be filed as a Caveat against the Vendor's title pending conveyance of the Subject Property to the City.

10. The Vendor agrees that the Subject Property will not be conveyed, disposed of or encumbered in any manner whatsoever, except subject to this agreement and that monies payable in respect of this agreement will only be paid at such time as all the required conveyance documents, consents, discharges or other evidence required are provided by the Vendor.

11. The Vendor agrees to declare whether or not it is a "Registrant" for the purposes of the Goods and Services Tax and if so to provide their G.S.T. Registration number on request.

12. The City (Goods and Services Tax Registrant No. R121682967) will self-assess any tax payable on the acquisition of the Subject Property.

13. This proposal is subject to final approval the by the City of Winnipeg's Council, or its delegated authority.

I/We, _____, being duly authorized to act on

(Please Print)

behalf of Canadian Pacific Railway, the registered owner of the land identified as "Proposed Acquisition", on attached Misc. Plan No.11987/6, hereby consent to the sale of the Subject Property to the City of Winnipeg in accordance with the proposed purchase price and terms and conditions specified herein.

_____ _____

DATE ***Authorized Representative for Canadian Pacific Railway***

_____ _____

DATE ***Authorized Representative for Canadian Pacific Railway***