Minutes - Executive Policy Committee – July 14, 2010

Minute No. 441
Report - Standing Policy Committee on Property and Development – July 6, 2010

Item No. 26 **Acquisition - 2.5 Acre Parcel of Land at Higgins Avenue and McFarlane Street**
(Point Douglas Ward)
eFile FI-2(34)

EXECUTIVE POLICY COMMITTEE RECOMMENDATION:

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 privately-owned 2.5 acre parcel of land located at Higgins Avenue and McFarlane Street, shown outlined on Misc. Plan No. 13700, be approved in accordance with the terms and conditions contained in Schedule "A" to the report from the Winnipeg Public Service dated June 28, 2010.

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

Minutes - Executive Policy Committee – July 14, 2010

Report - Standing Policy Committee on Property and Development – July 6, 2010

DECISION MAKING HISTORY:

Moved by Councillor Steeves,

That the recommendation of the Standing Policy Committee on Property and Development be concurred in and forwarded to Council.

Carried

STANDING COMMITTEE RECOMMENDATION:

On July 6, 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 to Acquire the Privately-owned 2.5 Acre Parcel of Land at Higgins Avenue and McFarlane Street**

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

AUTHORIZATION

Author	Department Head	CFO	CAO
B. Thorgrimson	D. Joshi	Jo-Anne Ferrier, Acting CFO	Phil Sheegl, Deputy CAO

RECOMMENDATIONS

1. That Council approve the acquisition of the privately-owned 2.5 acre parcel of land located at Higgins Avenue and McFarlane Street shown outlined on the attached Misc. Plan No. 13700, in accordance with the terms and conditions contained in Schedule "A", attached.
2. That the Proper Officers of the City be authorized to do all things necessary to implement the intent of the foregoing.

REASON FOR THE REPORT

- Due to the lack of green space in this area, the acquisition of the subject property is required to be incorporated into a future riverbank trail.
- Council approval is required for all acquisitions that are not included in a Council approved Capital Program.

IMPLICATIONS OF THE RECOMMENDATIONS

- There are no regulatory, environmental or human resource implications associated with this report.
- Due to the lack of green space in this area, the acquisition of the subject property would be incorporated into a future riverbank trail.
- Adequate funding exists for the proposed negotiated settlement:
    - 6321100108 - $328,000
    - 6321100110 - $200,000
    - 63970000NS - $ 12,000

$540,000

HISTORY

In November, 2009, the Planning, Property and Development Department became aware that owner of the subject privately-owned property shown outlined on Misc. Plan No. 13,700 may be interested in selling his property to the general public.

Details of the subject property are described below:

Legal Description:	Lot E, Plan 17940
Certificate of Title:	1394652
Registered Owner:	2999421 Manitoba Ltd. (Donald Borys)
Realty Roll No.:	13091412500
Zoning:	VINCU – Vacant Industrial
Site Size:	2.5 acres
Description:	Vacant Riverbank Land

The Department determined that there was currently a lack of community green space in this portion of the Pointe Douglas neighborhood. The acquisition of the subject property would not only aide in this deficiency, but could also be incorporated into a future riverbank trail.

The owner has agreed to sell the 2.5 acres to the City for $500,000.00. Based on an internal appraisal report completed by the Planning, Property and Development Department the proposed purchase price is considered reasonable and would recommend approval of the acquisition.

The total estimated cost of the acquisition is $540,000.00. This amount includes the proposed purchase price, Winnipeg Land Title Charges, GST and Finance and Administration Charges.

FINANCIAL IMPACT

Financial Impact Statement

Date: June 24, 2010

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

Acquisition of the Privately-owned 2.5 Acre Parcel of Land at Higgins Avenue and McFarlane Street

	2010	2011	2012	2013	2014
Capital					
Capital Expenditures Required	$ 540,000	$ -	$ -	$ -	$ -
Less: Existing Budgeted Costs	540,000	-	-	-	-
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	$ -	$ 48,600	$ 48,600	$ 48,600	$ 48,600
Less: Incremental Revenue/Recovery	15,728	-	-	-	-
Net Cost/(Benefit)	$ (15,728)	$ 48,600	$ 48,600	$ 48,600	$ 48,600
Less: Existing Budget Amounts	(15,728)	48,600	48,600	48,600	48,600
Net Budget Adjustment Required	$ -	$ -	$ -	$ -	$ -

Additional Comments: Capital expenditures in 2010 consist of the proposed acquisition cost of $500,000 + $24,272 in other estimated costs (e.g. WLTO fees, etc.) + $15,728 in short-term financing and corporate admin fees, the latter amount being offset by equal recoveries in the Corporate Finance Dept.'s current budget. Direct costs from 2011 onward represent debt & finance charges on the 2010 capital expenditure and will be charged to the current budget of the Planning, Property and Development Department.

"Original signed by"

Mike McGinn, CA
Manager of Finance

CONSULTATION

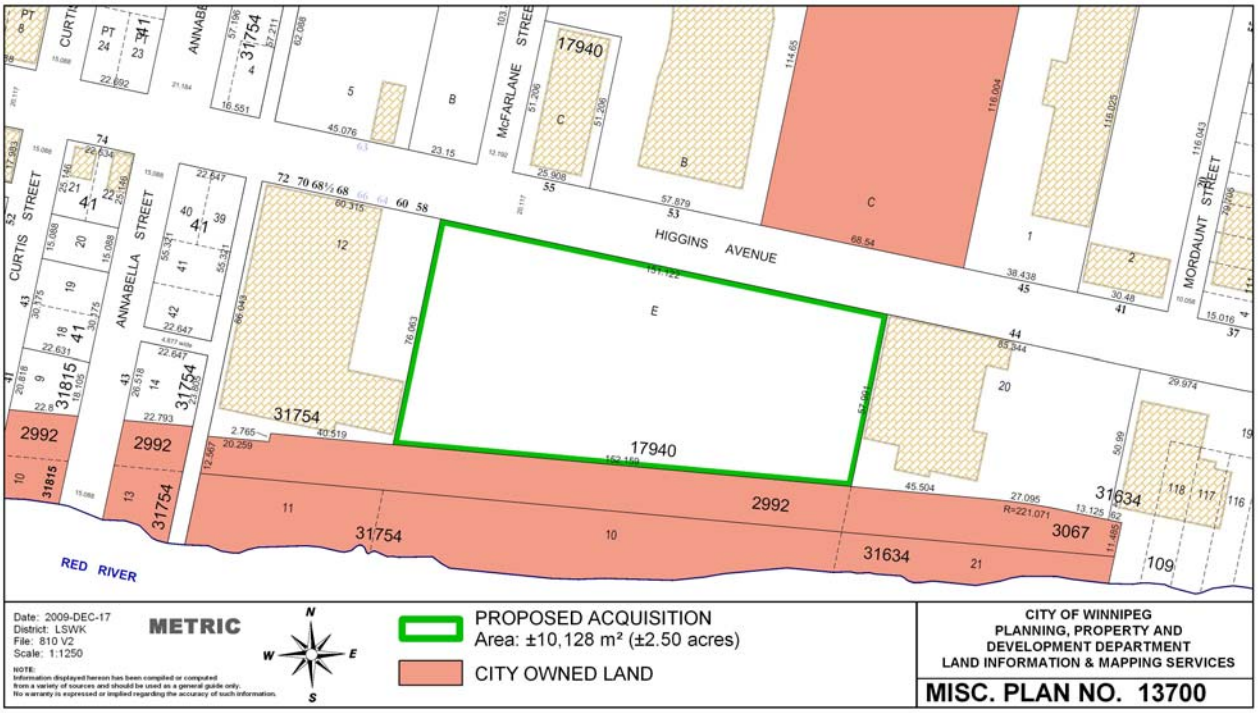
In preparing this report there was consultation with:

N/A

SUBMITTED BY

Department:	Planning, Property and Development
Division:	Real Estate
Prepared by:	Karen Cann
Date:	June 28, 2010
File No.	810 V2

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HIGGINS AVENUE
McFARLANE STREET
CURTIS STREET
ANNABELLA STREET
MORDAUNT STREET
RED RIVER
17940
31754
31815
31634
2992
3067
Date: 2009-DEC-17
District: LSWK
File: 810 V2
Scale: 1:1250
METRIC
PROPOSED ACQUISITION
Area: ±10,128 m² (±2.50 acres)
CITY OWNED LAND
CITY OF WINNIPEG
PLANNING, PROPERTY AND
DEVELOPMENT DEPARTMENT
LAND INFORMATION & MAPPING SERVICES
MISC. PLAN NO. 13700

SCHEDULE "A"

1. An all-inclusive purchase price of FIVE HUNDRED THOUSAND ($500,000.00) DOLLARS for the subject property shown as "Proposed Acquisition" on the attached Misc. Plan No. 13700.

2. The subject property to be conveyed to the City free and clear of any liens and/or encumbrances.

3. The date for vacant possession - free of leasehold interest and adjustment of taxes, to be by mutual agreement.

4. The Owner declares, to the best of their knowledge, that the subject property complies with all applicable environmental laws, regulations and by-laws and further acknowledges and accepts that should the City determine that there are environmental concerns or contamination it may elect to cancel the proposed purchase prior to the possession date.

5. The Owner shall supply copies of any environmental studies that exist and are available, on the subject property.

6. Each party hereto shall be responsible for their own legal costs.

7. The Owner agrees to enter into an appropriate Purchase/Sale Agreement with the City embodying the within terms and conditions and in a form satisfactory to the City Solicitor and the Owner; it is further acknowledged that the Purchase/Sale Agreement may be filed as a Caveat against the Owner's Title pending registration of the necessary transfer documents by the City.

8. The Owner shall provide immediate notification to the City should they receive another purchase proposal. The City would then have 30 days to complete or cancel the purchase.

9. The Owner agrees to declare whether or not they are "Registrants" for the purposes of the "Goods and Services Tax" and if so, to provide their G.S.T. Registration number.

10. The City will self-assess any Goods and Services Tax owing on this transaction. Its GST Registration No. is R121682967.

11. This proposal is subject to approval by the City of Winnipeg Council.

