Report - Standing Policy Committee on Property and Development - May 12, 2003

Item No. 4 **Proposed Acquisition of Property at 308 Bond Street for Parking and Future Expansion Purposes of the Transcona Historical Museum**
File FI-2(33) (Vol. 4)

STANDING COMMITTEE RECOMMENDATION:

On May 21, 2003, 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 subject to the adoption of Recommendation No. 2, the acquisition of the subject property as shown on the attached Misc. Plan No. 11194/1 at a purchase price of $25,000.00 plus ancillary costs and in accordance with the terms and conditions of the attached Schedule “A”, be approved.

2. That the East Kildonan-Transcona Land Dedication Reserve Fund be approved as the source of funding up to an amount of $41,000.00 for this proposed acquisition and ancillary costs.

3. That upon the City becoming the registered Owner of the property the Director of Planning, Property and Development be authorized to demolish the improvements on the subject property.

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.

Report - Standing Policy Committee on Property and Development - May 12, 2003

DECISION MAKING HISTORY:

EXECUTIVE POLICY COMMITTEE RECOMMENDATION:

On May 21, 2003, 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 May 12, 2003, the Standing Policy Committee on Property and Development concurred in the administrative recommendation, and submitted its recommendation to Executive Policy Committee and Council.

On January 9, 2003, the Standing Policy Committee on Property and Development authorized the Director of Planning, Property and Development to negotiate for the acquisition of 308 Bond Street, with the provision that all costs associated with the proposed acquisition be allocated from the East Kildonan-Transcona Land Dedication Reserve Fund.

COMMUNITY COMMITTEE RECOMMENDATION:

On December 3, 2002, the East Kildonan-Transcona Community Committee recommended to the Standing Policy Committee on Property and Development that funds be approved from the East Kildonan-Transcona Land Dedication Fund for the purchase of property located at 308 Bond Street (Roll No. 09-000394000) for future development by the Transcona Historical Museum, on the condition that the existing building be demolished.

Re: Proposed Acquisition of Property at 308 Bond Street, for Parking and Future Expansion Purposes of the Transcona Historical Museum
East Kildonan-Transcona Community
Transcona Ward

For submission to: **Standing Policy Committee on Property and Development**

Original report signed by: **Director of Planning, Property and Development**

Report date: April 29, 2003

Recommendation(s):

1. That, subject to the adoption of recommendation No. 2, the acquisition of the Subject Property as shown on the attached Misc. Plan No. 11194/1 at a purchase price of $25,000.00 plus ancillary costs and in accordance with the terms and conditions of the attached Schedule "A", be approved.

2. That the East Kildonan-Transcona Land Dedication Reserve Fund be approved as the source of funding up to an amount of $41,000.00 for this proposed acquisition and ancillary costs.

3. That upon the City becoming the registered Owner of the property the Director of the Planning, Property and Development Department be authorized to demolish the improvements on the Subject Property.

4. That the proper officers of the City be authorized to do all things necessary to implement the intent of the foregoing.

REPORT SUMMARY

Key Issues:

- At its meeting held on January 9, 2003, the Standing Policy Committee on Property and Development authorized the Director of Planning, Property and Development to negotiate for the acquisition of 308 Bond Street, with the provision that all costs associated with the proposed acquisition be allocated from the East Kildonan-Transcona Land Dedication Reserve Fund.
- The subject property is being proposed for acquisition to reduce the potential for damage to the adjacent museum and will be used by the museum for parking purposes until such future time as the lands are required for a future expansion of the Transcona Historical Museum.

- The president of Transcona Historical Museum advises that the vacant (since 1995) building on the property is located approximately 13 inches north of the Transcona Historical Museum Building and poses a significant fire hazard to the Museum and the 46,000 irreplaceable historical artifacts that are housed therein.
- The Department is, by this report, recommending for approval, the acquisition of this property at a price of $25,000 and subject to the other typical terms and conditions of sale.
- The Department is also seeking the approval to demolish the existing structures upon receipt of title and possession.
- The Purchase will be conditional upon Council's approval of a recommendation to finance this proposed acquisition and demolition from the East Kildonan-Transcona Land Dedication Reserve Fund.

Implications of the Recommendation(s):

General implications:

X	**None**
	For the organization overall and/or for other departments
	For the community and/or organizations external to the City of Winnipeg
	Involves a multi-year contract

Comment(s):

-

Policy implications:

X	**No**
	Yes

Comment(s):

-

Environmental implications:

X	**No**
	Yes

Comment(s):

- The Department is not proposing to conduct an environmental site assessment of this property and will rely upon the demolition of the structure to remove any waste materials.

Human resources implications:

X	**No**
	Yes

Comment(s):

-

Financial implications:

	Within approved current and/or capital budget
X	**Current and/or capital budget adjustment required**

Comment(s):

- The completion of this project is subject to the approval by Council of the required funding from the East Kildonan – Transcona Land Dedication Reserve Fund..

REASON FOR THE REPORT:

By this Report, the Planning, Property and Development Department is advising as to the results of negotiations to acquire this property and is seeking the approval of Council to the negotiated terms and conditions and to the utilization of funds from the East Kildonan-Transcona Community Committee Land Dedication Reserve Fund.

HISTORY:

On December 3, 2002, the East Kildonan-Transcona Community Committee considered a request from the Transcona Historical Museum and recommended that

> "funds be approved from the East Kildonan-Transcona Land Dedication Reserve Fund for the purchase of the property located at 308 Bond Street (Roll No. 09-00394000) for future development by the Transcona Historical Museum, on the condition that the existing building be demolished."

At its meeting held on January 9, 2003, the Standing Policy Committee on Property and Development authorized the Director of Planning, Property and Development to negotiate for the acquisition of 308 Bond Street, with the provision that all costs associated with the proposed acquisition be allocated from the East Kildonan-Transcona Land Dedication Reserve Fund.

Particulars of the subject property are as follows:

Location:	308 Bond Street, north of and adjacent to the Transcona Historical Museum at 141 Regent Avenue
Legal Description:	northerly 33 feet of Lot 21, Block 22, Plan 1504
Certificate of Title:	1416161
Registered Owner:	Security Glass Services Ltd.
Zoning:	"C2" Commercial District
Realty Roll:	09000394000
Assessed Value (2002):	$27,600
Current Taxes: (2002):	$1,101.87
Total Site Area:	107.58 sq. meters (1,155 sq. ft.)

Property Description: The property has a circa, 1928 two-storey vacant wood-frame structure that has a total gross floor area of approximately 1,458 square feet. The building has been gutted completely to the exterior walls and all of the utilities have been cut off. The building has undergone some preliminary structural renovations in 1997 including a built up tar and gravel roof as well as building leveling and a newer perimeter concrete surface foundation. The south portion of the subject structure itself is located approximately thirteen inches from the north face of the Transcona Historical Museum.

DISCUSSION:

The Executive of the Transcona Historical Museum, which is adjacent and immediately south of the subject property, has been for some time anxious to have the City of Winnipeg acquire the vacant building and demolish it to preclude any vandalism or arson which would place the adjacent Transcona Historical Museum and its 46,000 plus historical artifacts at risk.

The Transcona Historical Museum upon the City of Winnipeg acquiring the subject property and demolishing the building, plans to initially utilize the land for parking until such time as it is required for storage or display of Museum artifacts and archival materials.

The current Owner acquired the subject property in 1995. The building was then gutted to the outside walls, a new roof was installed and the building was raised, levelled and placed on a new perimeter surface foundation all at a cost of $10,593.00 in 1997. The current Owners had intended to completely renovate and eventually utilize the building. However, other business interests took precedence and the building has remained vacant.

Negotiations have resulted in the Owner agreeing to a sale of the property in accordance with the price, and terms and conditions outlined on the attached Schedule “A”.

The proposed purchase price of $25,000.00 is within the range of market value as estimated by Real Estate Division’s in-house appraisal.

The ancillary costs include up to $10,000.00 (estimate provided by the Civic Accommodations Division) for the estimated costs of demolition; plus amounts for the usual GST, Finance and Administration charges, Winnipeg Land Titles fees and a small contingency allowance.

The Real Estate and the Planning and Land Use Divisions of the Planning Property and Development Department support the acquisition of the subject property in accordance with the price, and terms and conditions of the attached Schedule “A” as being fair and reasonable and in the City’s best interests.

Financial Impact Statement

Date: May 2, 2003

Project Name:

Proposed Acquisition of property at 308 Bond Street related to the Transcona Historical Museum

First Year of Program 2003

	2003	2004	2005	2006	2007
Capital					
Capital Expenditures Required	$ -	$ -	$ -	$ -	$ -
Less: Existing Budgeted Costs	-	-	-	-	-
Additional Capital Budget Required	$ -	$ -	$ -	$ -	$ -
Funding Sources:					
Debt - Internal	$ -	$ -	$ -	$ -	$ -
External	-	-	-	-	-
Grants (Identify)	-	-	-	-	-
Reserves, Equity, Surplus, Other	-	-	-	-	-
Total Funding	$ -	$ -	$ -	$ -	$ -
Total Additional Capital Budget Required	$ -				
Total Additional Debt Required	$ -				
Current Expenditures/Revenues					
Direct Costs	$ 41,000	$ -	$ -	$ -	$ -
Less: Incremental Revenue/Recovery	-	-	-	-	-
Net Cost/(Benefit)	$ 41,000	$ -	$ -	$ -	$ -
Less: Existing Budget Amounts **(note)**	41,000	-	-	-	-
Net Budget Adjustment Required	$ -	$ -	$ -	$ -	$ -

Additional Comments:

(note) The completion of this project is subject to the approval by Council of this expenditure from the East Kildonan-Transcona Land Dedication Reserve Fund.

"Original signed by"
Gord Courage, Manager
Support Services Division

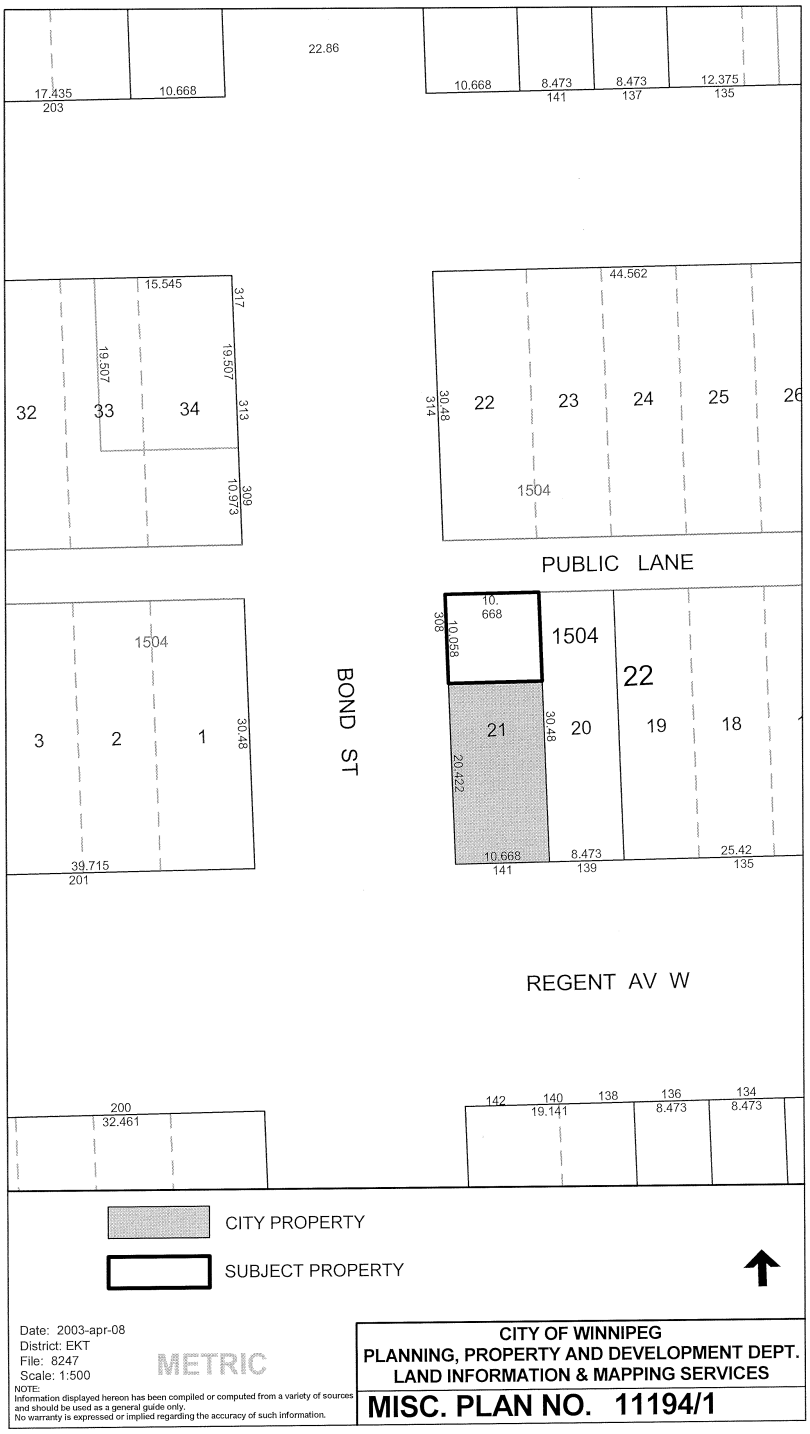
IN PREPARING THIS REPORT, THERE WAS CONSULTATION WITH AND CONCURRENCE BY:

The Planning and Land Use Division of the Planning, Property and Development Department

THIS REPORT SUBMITTED BY:

Planning, Property and Development Department
Division: Real Estate
Prepared by: Manuel Sousa
PPD File #: 8247

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CITY PROPERTY
SUBJECT PROPERTY
Date: 2003-apr-08
District: EKT
File: 8247
Scale: 1:500
METRIC
NOTE:
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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. 11194/1

April 8, 2003

Schedule "A"

Proposed terms and conditions for the purchase and sale of the subject property at **308 Bond Street**, shown as "SUBJECT PROPERTY" on the attached Misc. Plan No.11194/1.

1. **THE PROPOSAL OUTLINED HEREIN IS CONDITIONAL UPON OBTAINING THE FINAL APPROVAL OF THE CITY OF WINNIPEG COUNCIL OR ITS DELEGATED AUTHORITY.**

2. An all-inclusive purchase price of **TWENTY-FIVE THOUSAND ($ 25,000.00) DOLLARS** for the subject property shown as **" SUBJECT PROPERTY"** on the attached Misc. Plan No. 11194/1.

3. The subject property to be conveyed to the City free and clear of any liens, encumbrances or leasehold interests unless specifically noted herein.

4. The date for vacant possession – free of leasehold interest, payment of purchase price and adjustment of taxes, to be the date that a caveat is filed by the City of Winnipeg in the Winnipeg Land Titles Office respecting a duly executed purchase and sale agreement to be prepared by the City Solicitor regarding this transaction or by mutual agreement.

5. The Vendor shall supply copies of any environmental studies undertaken on the subject property.

6. The Vendor will permit the City at its discretion and expense, before the possession date, to conduct or have conducted on its behalf an Environmental Site Assessment together with any soil testing and analysis required.

7. The Vendor declares that to the best of his/her/its knowledge and belief:

   a) the subject property complies with all applicable environmental laws, regulations and bylaws;
   b) there are no outstanding governmental orders or requests for information;
   c) there are no existing, pending or threatened actions of an environmental nature;
   d) there are no waste disposal sites on the property, nor has the property ever been used as a landfill or waste disposal site, or for temporary storage of special wastes on an interim basis pending treatment or disposal.

8. The Vendor further acknowledges and accepts that should the City determine that there are environmental concerns or contamination, it may elect to cancel the proposed purchase.

9. The subject property, until possession is delivered to the City, shall remain at the risk and responsibility of the Vendor. In the event of substantial damage to the subject property

prior to possession being delivered, the City may elect to accept the proceeds of any insurance on the property and complete the purchase or alternatively, cancel the purchase.

10. That any professional fees, including but not limited to; legal fees, disbursements, commissions, appraisal or consulting fees and all applicable G.S.T. charges incurred by the Vendor with respect to the sale of the subject property shall be the sole responsibility of the Vendor unless specifically noted otherwise herein.

11. The Vendor agrees that the subject property will not be conveyed, disposed of or encumbered in any manner whatsoever, except subject to this agreement.

12. The Vendor agrees to consent on a Real Owner Application form to add The City of Winnipeg as the Real Owner of the subject property to the Assessment Rolls of the City.

13. The Vendor agrees to declare whether or not he/she/it is a "Registrant" for the purposes of the "Goods and Services Tax" and if so, to provide his/her/its G.S.T. Registration number.

14. The City will self-assess any Goods and Services Tax that it may owe on this transaction. Its G.S.T. Registration No. is R121682967.

15. The Vendor agrees to enter into an appropriate purchase and sale agreement with the City embodying the within terms and conditions and in a form satisfactory to the City Solicitor; it is further acknowledged that the purchase and sale agreement will be filed as a caveat against the Vendor's Title pending the transfer of land.

16. Subject to the City being able to obtain a demolition permit within 30 days after approval of this proposal by The City of Winnipeg Council or its delegated authority. The City may waive this condition at its option.

We, the authorized officials, of **SECURITY GLASS SERVICES LTD.,** the legally Registered Owners of the property shown on attached Misc. Plan No. 11194/1, hereby agree to the sale of the subject property in accordance with the price, terms and conditions outlined herein.

04/08/03
DATE

Grace Sanders
TITLE: PRESIDENT

D. Sanders
TITLE: SECRETARY TREASURER

AUTHORIZED OFFICIALS for
SECURITY GLASS LTD.

121512057
G.S.T. registration number
(if applicable)

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