Annual Review of Industrial Land Sales Prices in the St. Boniface Industrial Park File FI-2.4.5 (Vol. 17)

3. By Order of Council dated July 16, 1990, the selling price of the City's industrial park lands is to be reviewed once a year in January.

The Standing Policy Committee on Property and Development has been advised that the current price of lands in the St. Boniface Industrial Park on a per acre basis is $62,000.00 per acre without trackage, and $66,000.00 per acre with trackage.

The Planning, Property and Development Department has completed an examination and analysis of industrial sales data, vacancy, rental rates and market trends of industrial use properties within the City of Winnipeg in order to estimate a competitive asking price for the St. Boniface Industrial Park lands for 2002. In particular, asking prices and availability of industrial lands within other industrial parks within the City of Winnipeg were examined. This analysis has led the Department to the opinion that a price increase in the range of 10% is justifiable at this time.

If the recommended price increase is approved, the price of lots within the St. Boniface Industrial Park will still be below the asking prices of other historically more popular, location-wise, industrial parks in the City, e.g. Inksbrook, Fort Garry, Murray Industrial and Inkster Industrial Park.

Of the 487 acres of available serviced and imminently serviceable lands within Industrial Parks in the City of Winnipeg, only 119 acres are not being marketed on a build-to-suit basis. These remaining 119 acres are split fairly evenly between the St. Boniface Industrial Park and Keewatin Estates, which is a proposed six-lot industrial park at the southeast corner of Jefferson Avenue and Keewatin Street. This proposed park is owned by Sun-X Properties, whose other industrial holdings are generally marketed as build-to-suit. To-date, the development of Keewatin Estates has not proceeded past the application stage, leaving St. Boniface Industrial Park, as virtually the sole source of land within an Industrial Park for purchasers not wanting to enter into a build-to-suit arrangement.

The industrial land prices for the St. Boniface Industrial Park have been historically much less than the land prices of comparable industrial parks. In recent years, the City has been increasing the pricing for the St Boniface Industrial Park on a phased basis to eventually bring these prices into line with the market.

On the basis of this recommended increase the Planning, Property and Development Department believes the prices will now be consistent with the market. The Department's recommendation to increase the prices will, in its opinion not negatively impact on its ability to sell the land.
For these reasons the Department recommends that the sales prices for St. Boniface Industrial Park for the year 2002 be set as follows:

Sites without trackage:	proposed increase from $62,000.00 per acre to $68,000.00 per acre (9.6% increase)

Sites with trackage:	proposed increase from $66,000.00 per acre to $72,000.00 per acre (9% increase)

The Financial Impact Statement regarding this matter, prepared by the Planning, Property and Development Department, is on file in the office of the City Clerk.

The Standing Policy Committee on Property and Development recommends:

I. That the price of $68,000.00 per acre (without trackage) and $72,000.00 per acre (with trackage) for the sale of sites in the St. Boniface Industrial Park for 2002 be approved; this price increase to be effective the date of approval.

II. That the existing prices for sites in the St. Boniface Industrial Park be honoured for reserved properties and any offers received prior to the date of approval of this price increase for up to a maximum of sixty (60) days.

III. 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.