Agenda - Executive Policy Committee – September 18, 2013

Report - Standing Policy Committee on Property and Development – September 10, 2013

Item No. 19 Sale of the City-owned property located at 405 Allard Avenue (St. Charles Ward)

STANDING COMMITTEE RECOMMENDATION:

On September 10, 2013, the Standing Policy Committee on Property and Development concurred in the recommendation of the Winnipeg Public Service and submitted the following to Council:

1. That the sale of the "Subject City Property" shown outlined on Misc. Plan No. 10994/9, attached, in favour of A and S Construction Ltd. for the purchase price of $609,000.00 be approved in accordance with the terms and conditions of the Offer to Purchase dated August 9, 2013 and Amending Agreement dated August 15, 2013, and upon such additional terms and conditions that the Director of the Planning, Property and Development Department and the Director of Legal Services/City Solicitor consider necessary to protect the interests of the City.

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

Pursuant to Section 205(2) of The City of Winnipeg Charter, disposal of land owned or acquired by the City for park or cemetery purposes requires approval by two-thirds of all Members of Council.

Agenda - Executive Policy Committee – September 18, 2013

Report - Standing Policy Committee on Property and Development – September 10, 2013

DECISION MAKING HISTORY:

STANDING COMMITTEE RECOMMENDATION:

On September 10, 2013, 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: **To Seek Council Approval of the Sale of City-owned Property at 405 Allard Avenue, shown as "Subject City Property" on Misc Plan No. 10994/9**

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

AUTHORIZATION

Author	Department Head	CFO	CAO
J. Zabudney	B. Thorgrimson	M. Ruta	D. Joshi

RECOMMENDATIONS

1. That the sale of the "Subject City Property" shown outlined on Misc. Plan No. 10994/9, attached, in favour of A and S Construction Ltd. for the purchase price of $609,000.00 be approved in accordance with the terms and conditions of the Offer to Purchase dated August 9, 2013 and Amending Agreement dated August 15, 2013, and upon such additional terms and conditions that the Director of the Planning, Property and Development Department and the Director of Legal Services/City Solicitor consider necessary to protect the interests of the City.

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

- The Planning, Property and Development Department is in receipt of an Offer to Purchase for the "Subject City Property" shown outlined on Misc. Plan No. 10994/9, attached.
- All sales of property designated or acquired for park or cemetery purposes require approval of at least two-thirds of the members of Council pursuant to Section 205(2) of The City of Winnipeg Charter.

IMPLICATIONS OF THE RECOMMENDATIONS

- The recommended sale of the subject City-owned property is in accordance with the City's *"Offers to Purchase City-owned Property Policy"*. The subject property was marketed for sale to the general public.

- The City's standard terms and conditions of sale will include provisions to protect the City's interests in the event that environmental contamination is discovered.

- There are no regulatory or human resources implications associated with this report.

HISTORY

At its meeting of February 27, 2013, City Council concurred in the recommendation of the Standing Policy Committee on Property and Development and adopted the following:

1. That the City-owned property located at 405 Allard Avenue, identified as "Parcel A" on Misc Plan No. 10994/9 be declared surplus to the needs of the City.

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

The net sale proceeds are to be allocated to the Land Dedication Reserve Fund for alternate park needs in the Community.

The Subject City Property was listed for sale on the open market on June 21, 2013 for $599,000. The Department received three offers and has completed its review of the submitted offers.

The Department has concluded its negotiations with A and S Construction Ltd. and is recommending that the sale of the Subject City Property be approved at a purchase price of $609,000.00 and in accordance with the terms and conditions of the Offer to Purchase dated August 9, 2013 and Amending Agreement dated August 15, 2013. The Offer is considered to be the highest and best Offer.

Salient terms and conditions of the sale are as follows:

Purchase Price:	$609,000.00
Deposit:	$ 91,350.00
Intended Development:	A multi-family residential development, two storey's in height, containing 25 residential units

The Department supports and recommends approval of the proposed sale of the Subject City Property to A and S Construction Ltd. for the following reasons:

- the Ward Councillor concurred with the sale of the property

- the Proponent’s intended development is supported by the Ward Councillor and Area Planner.
- the property would be placed on the tax roll at the closing of the sale
- the proposed purchase price is in accordance with the estimated market value of the property as determined by an internal appraisal report
- the sale would eliminate the liability for the City associated with holding this property

FINANCIAL IMPACT

Financial Impact Statement **Date:** August 23, 2013

Project Name: **First Year of Program** **2013**

Approval of the Sale of City-owned Property at 405 Allard Avenue, shown as "Subject City Property" on Misc Plan No. 10994/9

	2013	2014	2015	2016	2017
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	$ -	$ -	$ -	$ -	$ -
Less: Incremental Revenue/Recovery	609,000	-	-	-	-
Net Cost/(Benefit)	$ (609,000)	$ -	$ -	$ -	$ -
Less: Existing Budget Amounts	(609,000)	-	-	-	-
Net Budget Adjustment Required	$ -	$ -	$ -	$ -	$ -

Additional Comments: Revenues consist of the proposed purchase price, which will be credited to the Land Dedication Reserve Fund. Incremental property tax revenues have been excluded from the analysis as the amounts are not material.

"Original signed by"
Mike McGinn, CA
Manager of Finance

CONSULTATION

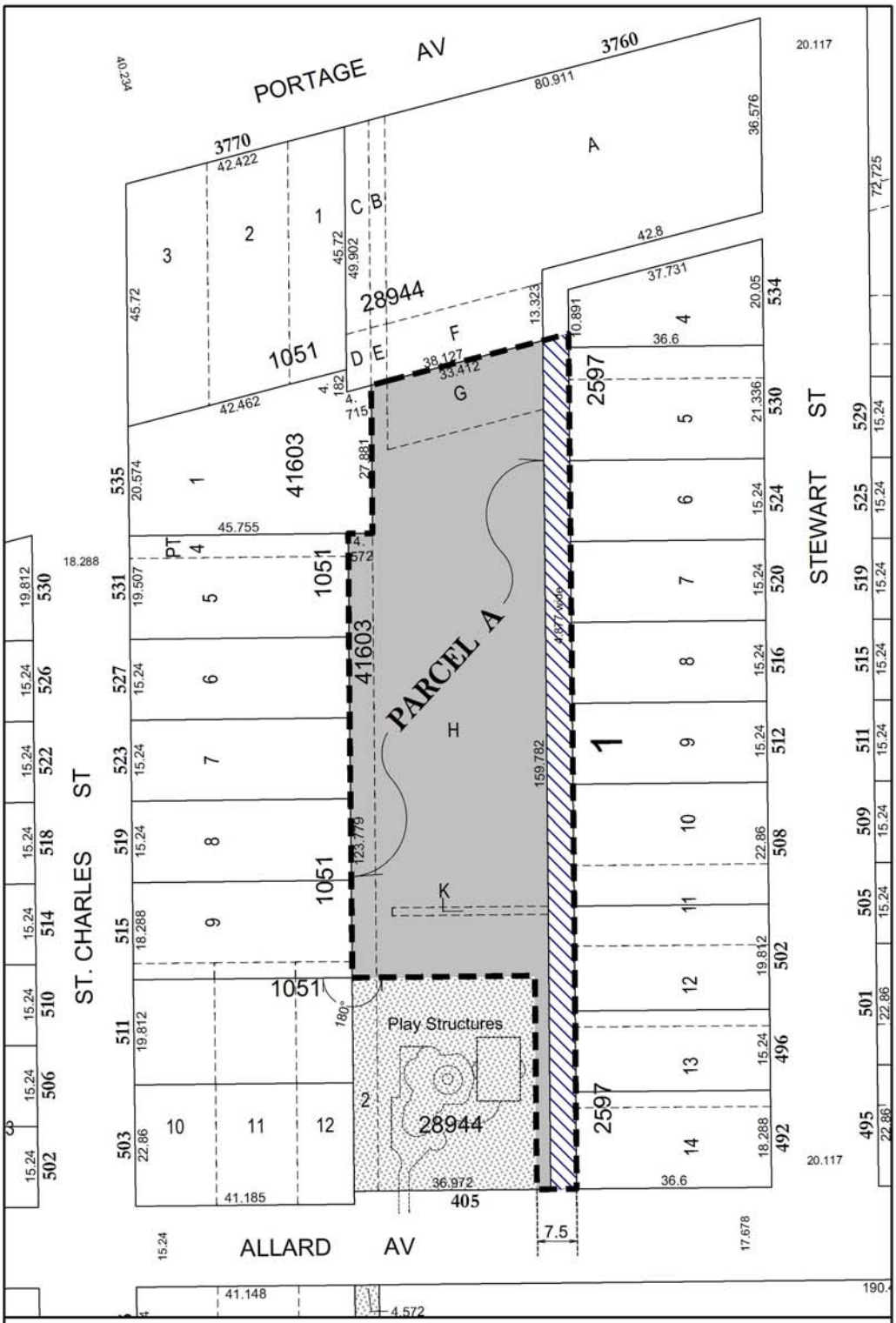
In preparing this report there was consultation with:

N/A

SUBMITTED BY

Department:	Planning, Property and Development
Division:	Real Estate
Prepared by:	Kim Koszman
Date:	August 23, 2013
File No.	7565(V2)

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PORTAGE AV
ALLARD AV
ST. CHARLES ST
STEWART ST
PARCEL A
Play Structures
SUBJECT CITY PROPERTY - Area: ±5,012.1 m² (±1.239 acres)
PROPOSED CLOSING
PARCEL A, Area: ±4,231.3 m² (±45,545 ft²)
CITY OWNED PROPERTY
N
S
E
W
Date: 2012-JUNE-14
Amended Date: 2013-APRIL-29
District: ASBA
File: 7565
Scale: 1: 900
Requested by: KK
Drawn by: MS
Reference Dwg. No.: n/a
METRIC
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. 10994/9