Agenda - Executive Policy Committee – January 21, 2015

Report - Standing Policy Committee on Property and Development - January 13, 2015

Item No. 14 Sale of City-owned Property between 508-530 Ferry Road (St. James-Brooklands Ward)

STANDING COMMITTEE RECOMMENDATION:

On January 13, 2015, 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" between 508-530 Ferry Road, shown outlined on Misc. Plan No. 9162/3, attached, in favour of A and S Construction Ltd. for the purchase price of $325,000.00 be approved in accordance with the terms and conditions of the Offer to Purchase dated December 15, 2014 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 Council approves the disposition of the City-owned property located between 508-530 Ferry Road in accordance with Section 205(2) of The City of Winnipeg Charter.

3. 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 – January 21, 2015

Report - Standing Policy Committee on Property and Development - January 13, 2015

DECISION MAKING HISTORY:

STANDING COMMITTEE RECOMMENDATION:

On January 13, 2015, 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 between 508-530 Ferry Road, shown as "Subject City Property" on Misc. Plan No. 9162/3**

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

AUTHORIZATION

Author	Department Head	CFO	CAO
J. Zabudney	M. Pittet	M. Ruta	D. Joshi A/CAO

RECOMMENDATIONS

1. That the sale of the "Subject City Property" between 508-530 Ferry Road, shown outlined on Misc. Plan No. 9162/3, attached, in favour of A and S Construction Ltd. for the purchase price of $325,000.00 be approved in accordance with the terms and conditions of the Offer to Purchase dated December 15, 2014 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 Council approves the disposition of the City-owned property located between 508-530 Ferry Road in accordance with Section 205(2) of The City of Winnipeg Charter.

3. 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. 9162/3, 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

The City acquired the subject property from the former Rural Municipality of St. James. The subject property fell under the jurisdiction of Parks and is located adjacent to the St. James Memorial Sports Park. The lands were formerly used to provide secondary frontage to the park.

On September 27, 2012, Council declared the subject property surplus to the City's needs.

The City property was marketed to the general public in October, 2012. A sale was approved by the CAO in November, 2012, by way of Delegated Authority for Real Property Transactions where the sale price is $500,000 or less, however, the transaction did not proceed to closing.

In April, 2013, the Department was advised by Legal Services that the Disposition of Lands used for Park and Cemetery Purposes, that had been declared surplus by Council, still needed to be approval by Council in accordance with Section 205(2) of the City of Winnipeg Charter.

In September, 2014, the property was remarketed to the general public for residential in-fill development, with no offers being received by the bid submission deadline of October 17, 2014. In accordance with standard procedure, the Department continued to market the property for sale.

On November 7, 2014, the Department received an offer of $325,000 from A and S Construction Ltd. The offer contains the City's standard terms and conditions, however it also provides for conditions for the benefit of the Purchaser that the Purchaser being satisfied within 120 days of the approval that: (1) approval is obtained for any required variances, subdivision or rezoning for approximately 5 - 25' lots with 3' side yards and (2) obtaining confirmation of contractor availability and costs for provision of services to the subject property.

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

- The proposed development would provide for infill housing
- It is the sole offer received after marketing the property and is within 7% of the appraised value
- The property would be placed on the tax roll at the closing of the sale
- The sale will eliminate the liability for the City associated with holding this property
- The Ward Councillor has been consulted with the intentions of the Department

The proceeds of the sale will be allocated to the Land Dedication Reserve fund.

FINANCIAL IMPACT

Financial Impact Statement

Date: December 18, 2014

Project Name:

Approval of the Sale of City-owned Property between 508-530 Ferry Road, shown as "Subject City Property" on Misc. Plan No. 9162/3

First Year of Program 2015

	2015	2016	2017	2018	2019
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	325,978	1,956	1,956	1,956	1,956
Net Cost/(Benefit)	$ (325,978)	$ (1,956)	$ (1,956)	$ (1,956)	$ (1,956)
Less: Existing Budget Amounts	(325,978)	(1,956)	(1,956)	(1,956)	(1,956)
Net Budget Adjustment Required	$ -	$ -	$ -	$ -	$ -

Additional Comments: Revenues in 2015 consist of the proposed sale price of $325,000 + estimated municipal realty taxes of $978. The latter amount is based on the assumptions that the sale price equals assessed value, portioning and mill rates of 45% and 0.013372 respectively, and that the property is added to the tax roll effective July 1, 2015. Revenues from 2016 onward are municipal realty taxes for the full year based on the same assumptions.

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

CONSULTATION

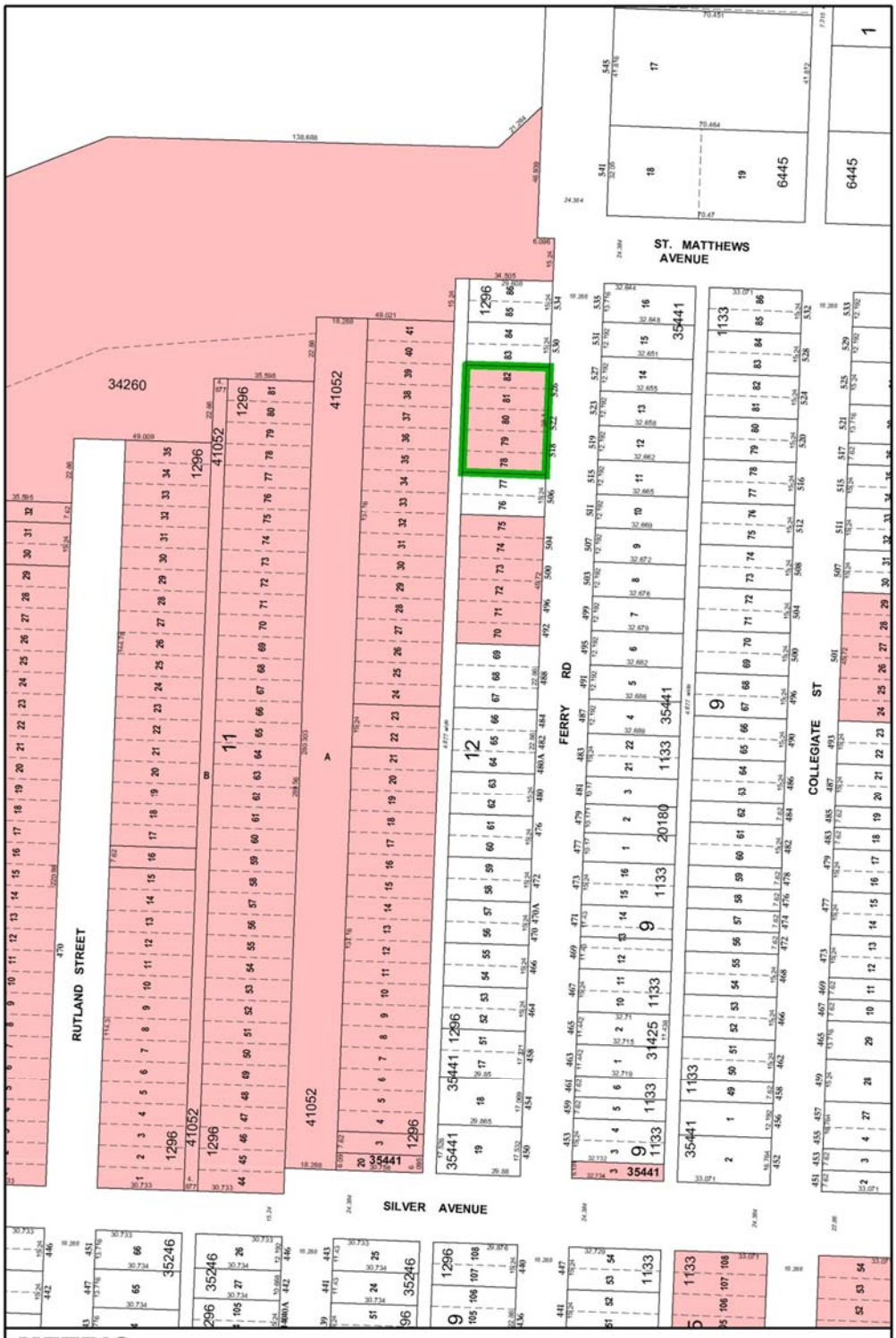
In preparing this report there was consultation with:

Legal Services as to legal issues
Planning and Land Use Division

SUBMITTED BY

Department:	Planning, Property and Development
Division:	Real Estate
Prepared by:	Kim Koszman
Date:	January 8, 2015
File No.	7346(V2)

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METRIC

Date: 2012-Sept-25
District: ASBA
File: 7346
Scale: 1:1700
Requested by: KK
Drawn by: MS
Reference Dwg No.: As per request

City Property

Subject City Property: ±1129.7 m² (±12,160 ft²)

N
W E
S

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 DEPARTMENT
LAND INFORMATION & MAPPING SERVICES

MISC. PLAN NO. 9162 / 3