**Agenda - Executive Policy Committee – March 18, 2015**

**Report - Standing Policy Committee on Property and Development – March 10, 2015**

**Item No. 19 Approval to Waive that Portion of the City Policy Pertaining to the Sale or Lease of City Lands to Non-Profit Organizations – 547 Selkirk Avenue**
**(Mynarski Ward)**

STANDING COMMITTEE RECOMMENDATION:

On March 10, 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 portion of the City Policy pertaining to the sale or lease of City lands to non-profit organizations (Council authority October 31, 1990), paragraph 1(a) which requires that "The organization must provide a facility operated in its entirety by a non-profit organization for non-profit uses", be waived.

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

**Agenda - Executive Policy Committee – March 18, 2015**

**Report - Standing Policy Committee on Property and Development – March 10, 2015**

DECISION MAKING HISTORY:

STANDING COMMITTEE RECOMMENDATION:

On March 10, 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 to Waive that Portion of the City Policy Pertaining to the Sale or Lease of City Lands to Non-Profit Organizations – 547 Selkirk Avenue**

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

## AUTHORIZATION

| Author | Department Head | CFO | CAO |
|---|---|---|---|
| J. Zabudney | M. Pittet | N/A | M. Jack<br>A/CAO |

## RECOMMENDATIONS

1. That Council waives that portion of the City Policy pertaining to the sale or lease of City lands to non-profit organizations (Council authority October 31, 1990), paragraph 1(a) which requires that "The organization must provide a facility operated in its entirety by a non-profit organization for non-profit uses".

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

Approval authority rests with Council.

## IMPLICATIONS OF THE RECOMMENDATIONS

There are no regulatory or human resource implications associated with the report.

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.

The recommended sale of the subject City-owned property is in accordance with the City's "Offers to Purchase City-owned Property Policy". In accordance with the Policy, the Department may accept for consideration unsolicited offers for City-owned property and will sell these properties at or below market value when mandated by Council-

approved policies or programs. The Municipal Aboriginal Pathways Strategy (MAPS), the Affordable Housing Initiative (AHI), the Winnipeg Housing and Homelessness Initiative (WHHI), and the Economic Opportunity Framework are examples of these policies and programs.

## HISTORY

On May 27, 2014, Council approved the sale of the City-owned property shown as "Subject City Property – 547 Selkirk Avenue" on the attached Misc. Plan No. 10818/2, in favour of Merchants Corner Inc., for the purchase price of $1.00, upon terms and conditions that the Director of the Planning, Property and Development Department and the Acting Director of Legal Services and City Solicitor consider necessary to protect the interests of the City and to achieve the intent of the Standing Policy Committee on Property and Development.

Also on May 27, 2014, Council approved that the portion of the City Policy pertaining to the sale or lease of City lands to non-profit organizations (Council Authority October 31, 1990), which required that properties sold at less than market value revert back to the City at the conclusion of the economic life of the project, be waived in this instance.

Merchants Corner Inc. has now advised the Department of additional information pertaining to the operation and development of the educational space and affordable housing aspect of the proposed project.

Merchants Corner Inc. intends to ground lease the City owned property at 547 Selkirk Avenue and the adjoining property at 541-543 Selkirk Avenue to both The Manitoba Housing and Renewal Corporation (MHRC) and to Merchants Corner Inc. itself. An ownership structure will be entered into by these two parties, which may be via joint venture or through a co-owners agreement. The interest of Merchants Corner Inc. in the Selkirk Avenue site will be subleased the University of Winnipeg and CEDA/Pathways to Education project for educational programming. The portion of the Selkirk Avenue site in which MHRC holds an interest will be developed for housing purposes, targeted towards student families. This will allow Merchants Corner Inc. and Manitoba Housing and Renewal Corporation to move forward with their respective interests on the lands.

Therefore, as The Manitoba Housing and Renewal Corporation is a government agency which will have a leasehold interest in the subject City property, Council approval is required to waive that portion of the City Policy that requires "The organization must provide a facility operated in its entirety by a non-profit organization for non-profit uses."

The Ward Councillor was consulted with the intentions of the Department.

## FINANCIAL IMPACT

## Financial Impact Statement Date: February 23, 2015

## Project Name:

**To Seek Council Approval to Waive that Portion of the City Policy Pertaining to the Sale or Lease of City Lands to Non-Profit Organizations – 547 Selkirk**

**COMMENTS:**

There are no direct financial implications associated with the recommendations contained in this report.

*"Original Signed By"*
Mike McGinn, CA
Manager of Finance

## CONSULTATION

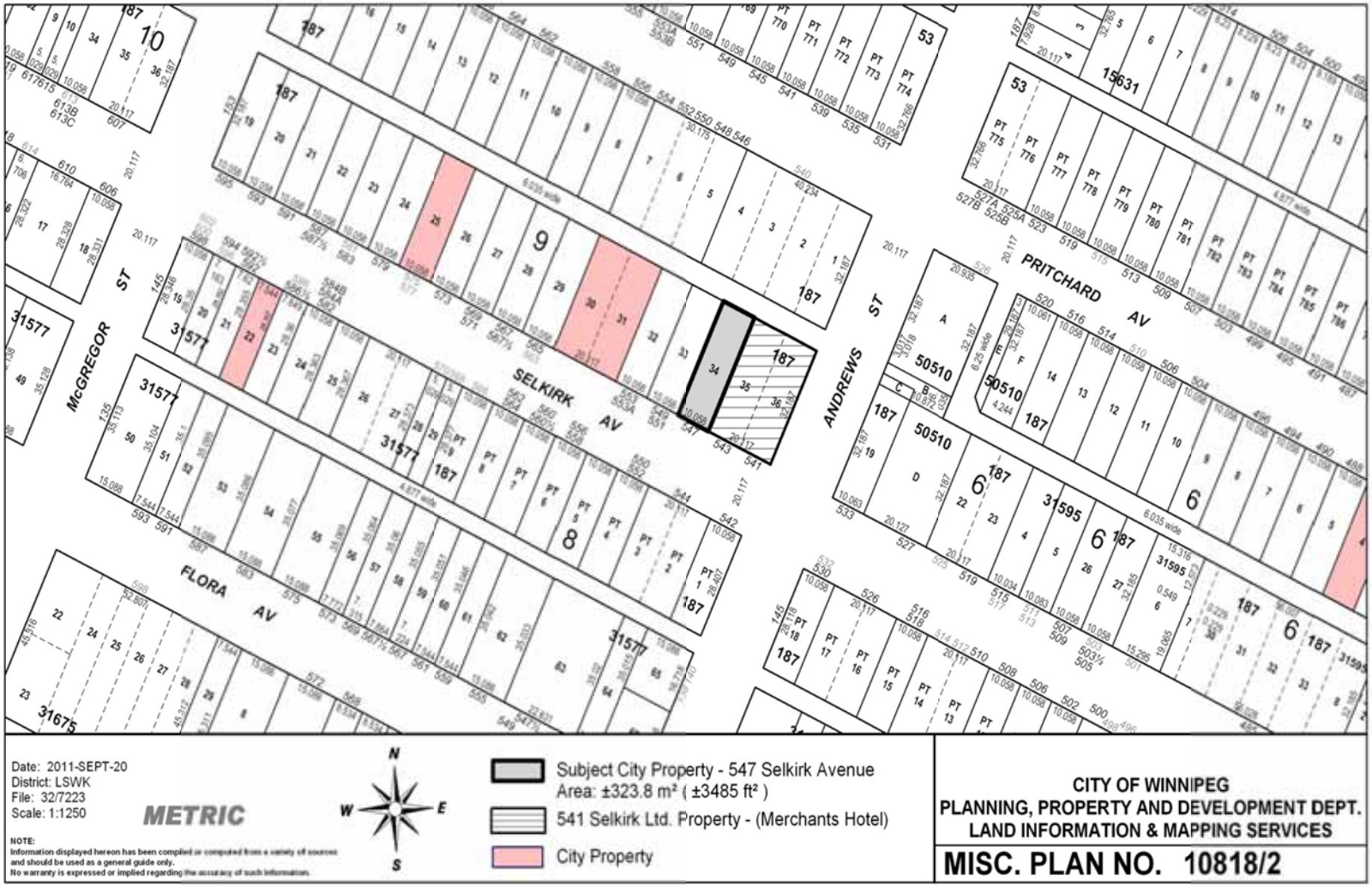
**In preparing this report there was consultation with:**

Legal Services Department as to legal issues.

## SUBMITTED BY

| | |
|---|---|
| Department | Planning, Property and Development |
| Division | Real Estate |
| Prepared by: | Chris Osborne |
| Date: | February 24, 2015 |
| File No. | 32/7223 |

o:\reports directive\real estate\sales\(co) 547 selkirk merchants revisionfeb24 2015.docx


McGREGOR ST
SELKIRK AV
ANDREWS ST
PRITCHARD AV
FLORA AV
Date: 2011-SEPT-20
District: LSWK
File: 32/7223
Scale: 1:1250
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.
N
W
E
S
Subject City Property - 547 Selkirk Avenue
Area: ±323.8 m² ( ±3485 ft² )
541 Selkirk Ltd. Property - (Merchants Hotel)
City Property
CITY OF WINNIPEG
PLANNING, PROPERTY AND DEVELOPMENT DEPT.
LAND INFORMATION & MAPPING SERVICES
MISC. PLAN NO. 10818/2