Report - Standing Policy Committee on Property and Development - September 4, 2003

Item No. 26 **Sale of City lands adjacent to 50 Omands Creek Boulevard to Marcoux Bros. Ltd.**
File DAOC 2/2003

STANDING COMMITTEE RECOMMENDATION:

On September 17, 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 the portion of Bull Avenue shown as “proposed closing” on Misc. Plan No. 9367/9, be declared surplus to the City’s requirements.

2. That the sale of the property shown as “proposed closing” on Misc. Plan No. 9367/9, to Marcoux Bros. Ltd. at a price of $1,872.00 be approved, subject to approval of the street opening and closing under DAOC 2/2003, and upon terms and conditions similar to those that apply to the initial approved sale of lands shown on Misc. Plan No. 9367/7.

3. That consistent with Council Policy of May 16, 1973, the proceeds resulting from the sale of the subject property be credited to the Land Operating Reserve Fund.

4. That the Proper Officers of the City be authorized to do all things necessary to carry out the intent of the foregoing.

Report - Standing Policy Committee on Property and Development - September 4, 2003

DECISION MAKING HISTORY:

EXECUTIVE POLICY COMMITTEE RECOMMENDATION:

On September 17, 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 DECISION:

On September 4, 2003, the Standing Policy Committee on Property and Development concurred in administrative recommendation No. 1, and approved an extension of time to satisfy the due diligence conditions on the sale of the "subject City property" as shown on Misc. Plan No. 9367/7 to Marcoux Bros. Ltd. from July 19, 2003 to December 31, 2003, with the date of closing, possession and adjustment to be on or before January 31, 2004.

STANDING COMMITTEE RECOMMENDATION:

On September 4, 2003, the Standing Policy Committee on Property and Development concurred in the administrative recommendation Nos. 2 to 5 inclusive, and submitted the matter to Executive Policy Committee and Council.

Re: **Request for Extension of Time and a further Sale of City Lands Adjacent to 50 Omands Creek Boulevard to Marcoux Bros. Ltd.**
Assiniboia Community
St. James Ward

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

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

Report date: August 14, 2003

Recommendation(s):

1. That approval be given for an extension of time to satisfy the due diligence conditions on the sale of the "subject City property" as shown on the attached Misc. Plan No. 9367/7 to Marcoux Bros. Ltd. from July 19, 2003 to December 31, 2003, with the date of closing, possession and adjustment to be on or before January 31, 2004.

2. That Council declare the portion of Bull Avenue shown as "proposed closing" on the attached Misc. Plan No. 9367/9, to be surplus to the City's requirements.

3. That approval be given for a sale of the property shown as "proposed closing" on Misc. Plan No. 9367/9, to Marcoux Bros. Ltd. at a price of $1,872.00, subject to approval of the street opening and closing under DAOC 2/2003, and upon terms and conditions similar to those that apply to the initial approved sale referred to in recommendation no. 1 herein.

4. That to be consistent with Council Policy of May 16, 1973, the proceeds resulting from the sale of the subject property be credited to the Land Operating Reserve Fund.

5. That the proper officers of the City be authorized to do all things necessary to carry out the intent of the foregoing.

REPORT SUMMARY

Key Issues:

- Marcoux Bros. requires an extension of time to December 31, 2003, to complete it's due diligence conditions (principally, the rezoning) applicable to a sale approved by the Standing Policy Committee on Property and Development on January 9, 2003.
- Marcoux Bros. wishes to purchase additional street right-of-way, once closed and declared surplus by Council, from the City as shown on Misc. Plan No. 9367/9.

- Marcoux Bros. has applied for an opening and closing as shown on Misc. Plan No. 9367/9 under DAOC 2/2003. The entire process, including preparation of a Plan of Survey, is anticipated to be completed by early December.

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

Human resources implications:

X	**No**
	Yes

Comment(s):

-

Financial implications:

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

Comment(s):

-

REASON FOR THE REPORT:

Marcoux Bros. Ltd. has requested an extension of time to satisfy its due diligence and closing from July 19, 2003 to December 31, 2003, with the date of closing, possession and adjustment to be on or before January 31, 2004; and has also requested to close and purchase additional public street adjacent to the land that it is currently acquiring from the City.

HISTORY and DISCUSSION:

On January 9, 2003, the Standing Policy Committee on Property and Development approved the sale of the "subject City property" as shown on Misc. Plan No. 9367/7, to Marcoux Bros. Ltd. for the price of $80,000.00 and in accordance with certain terms and conditions and subject to Council's enactment of the proposed street closing by-law pursuant to DAC 14/2001.

The Yanke Group of Companies (Marcoux Bros. Ltd.) filed an application to legally close portions of the streets and lane as shown on the attached Misc. Plan No. 9367/5. On September 11, 2001, the Lord Selkirk-West Kildonan Community Committee (in which Community this property was located prior to a boundary change) considered application DAC 14/01 and recommended as follows:

1. That the City Solicitor/Manager of Legal Services be instructed to prepare the necessary by-law for submission to Council to effect the closing in accordance with schedule "A", Misc. Plan No. 9367/5.

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

Marcoux Bros. Ltd. had until July 19, 2003 to satisfy its due diligence conditions; namely, having the property rezoned for the Purchaser's intended use of the lands as a truck terminal, including vehicle storage and vehicle parking.

Marcoux Bros. had been attempting to acquire additional adjacent land within the City's corporate limits, but owned by the RM of Rosser. This would be to enable Marcoux Bros. to extensively expand its operation and to include these additional lands into its rezoning application. Marcoux Bros. has been unsuccessful in its negotiations with the RM of Rosser, however, it has acquired the private property shown as "applicant's property" on Misc. Plan No. 9367/9 and now wishes to purchase the intervening street right-of-way from the City.

Marcoux Bros. has experienced a delay in obtaining its rezoning as a result of the protracted negotiations with the RM of Rosser, and it has requested an extension of time to satisfy its due diligence conditions. On March 24, 2003 Marcoux Bros. filed a subdivision and rezoning application, which will not be dealt with by the Assiniboia Community Committee until September. Accordingly, an extension is required until at least the end of November for the rezoning process to be completed; December 31, 2003 provides a margin for any slippage in the process.

Marcoux Bros. has also applied to close a portion of Bull Avenue as shown on Misc. Plan No. 9367/9. As a result of the closing, a road opening (i.e. a vehicular turn around) will be required over a portion of the land that Marcoux Bros. is purchasing (January 9, 2003, the Standing Policy Committee on Property and Development) from the City. The net difference in land area between the street closing and opening is 303.6 sq. metres (3,268 sq. ft.). The market value of this land pro-rated to the price paid on the initial sale is $1,872.00.

The Planning, Property and Development Department recommends approval of the request for an extension of time to complete the initial sale, and approval of the offer to purchase additional land from the City.

Financial Impact Statement

Date: August 6, 2003

Project Name:

EXTENSION OF TIME AND SALE OF CITY LANDS ADJACENT TO 50 OMANDS CREEK BOULEVARD TO MARCOUX BROS. LTD.

First Year of Program 2004

	2004	2005	2006	2007	2008
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	$ -	$ -	$ -	$ -	$ -
Less: Incremental Revenue/Recovery	1,952	80	80	80	80
Net Cost/(Benefit)	$ (1,952)	$ (80)	$ (80)	$ (80)	$ (80)
Less: Existing Budget Amounts	(1,952)	(80)	(80)	(80)	(80)
Net Budget Adjustment Required	$ -	$ -	$ -	$ -	$ -

Additional Comments:

In the current year of the program, proceeds of the sale of $1,952.00 includes year 2004 realty taxes based upon the closing of the transaction occuring in early January 2004 and represents a net benefit to the City. Recoveries of $80.00 in 2005 through 2008 represents realty taxes the City will receive and assumes no increases in the assessed value of the subject property nor any change to the municipal mill rate.

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

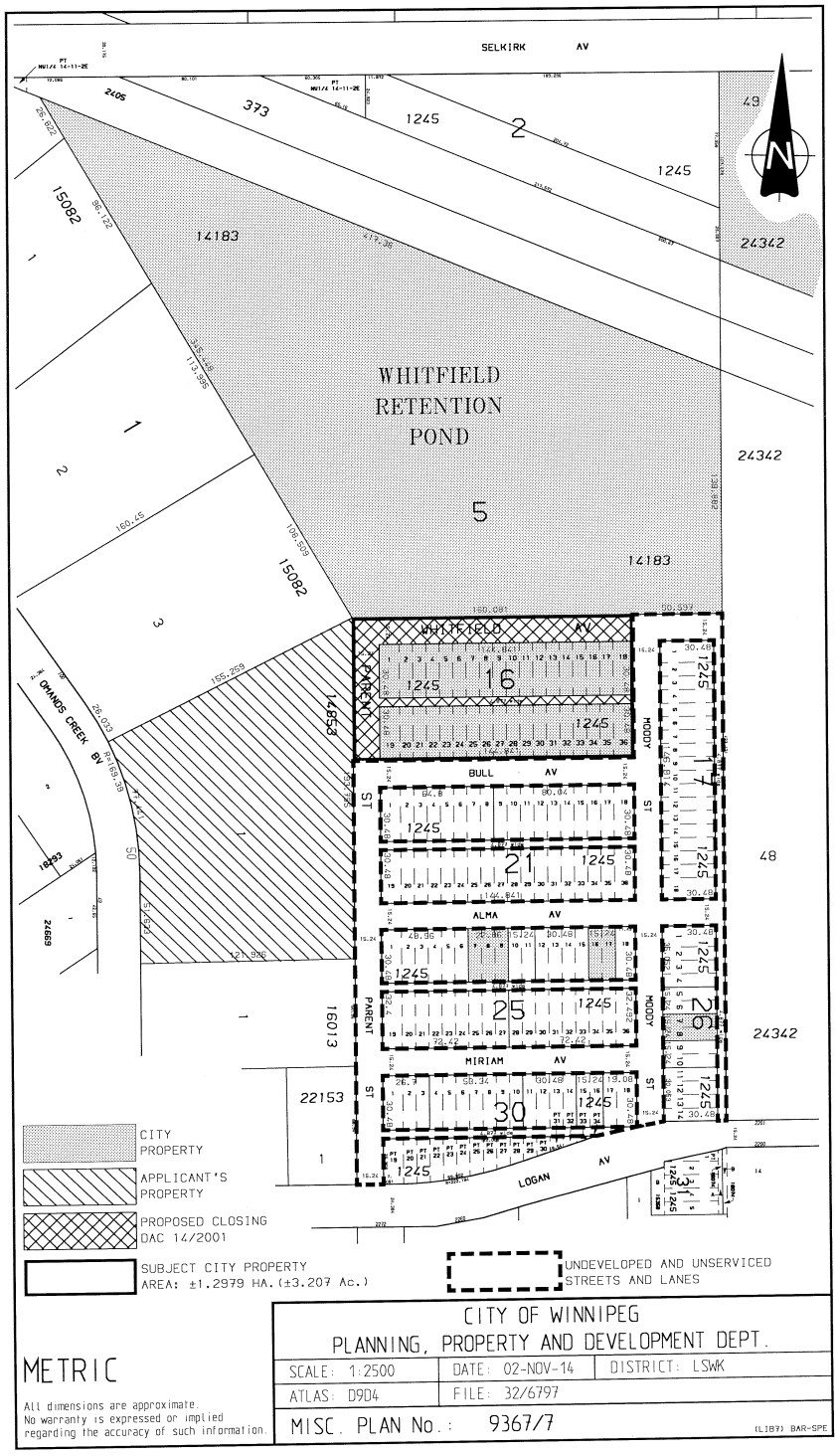
IN PREPARING THIS REPORT, THERE WAS CONSULTATION WITH AND CONCURRENCE BY:

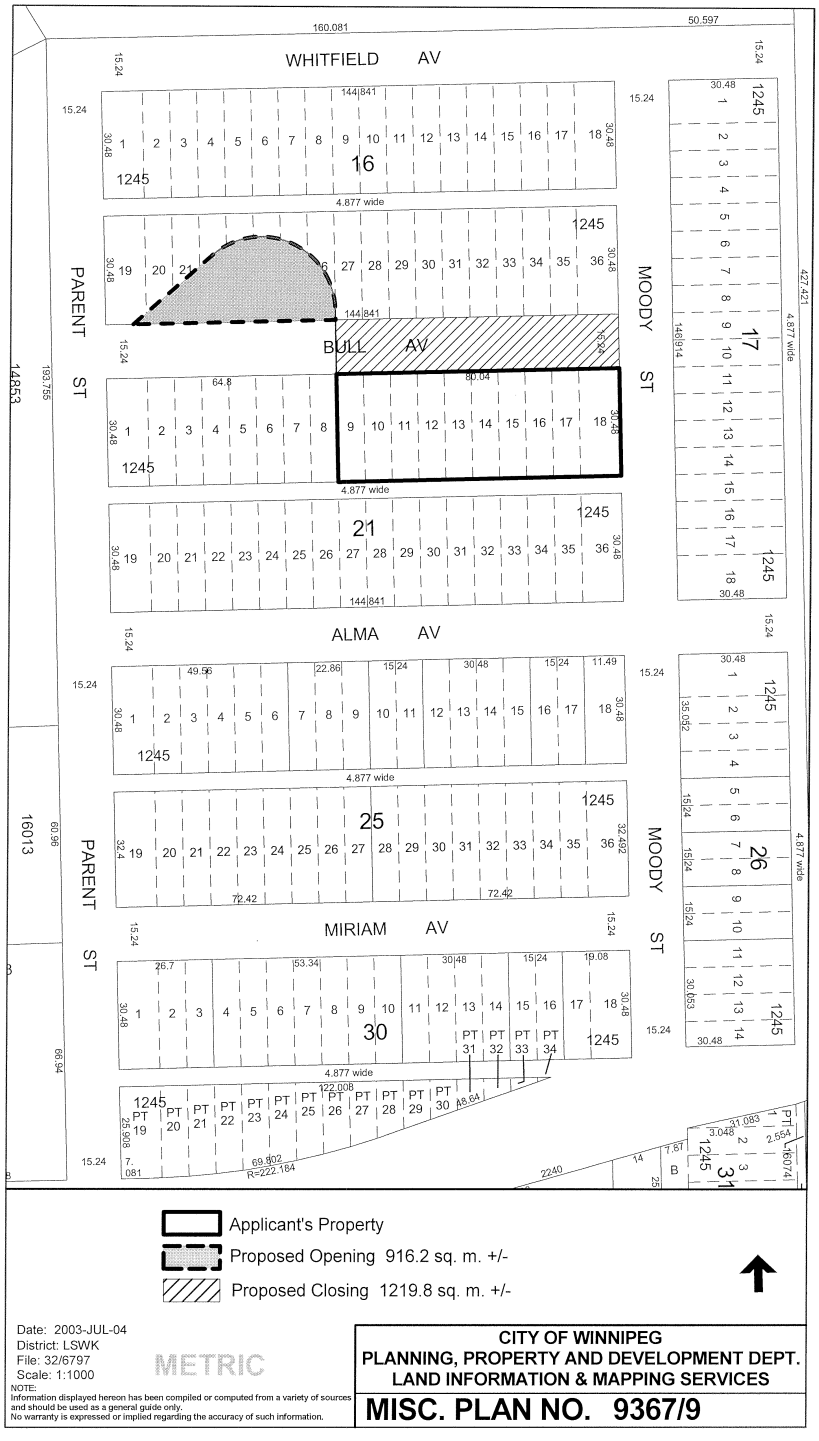
The Legal Services Division was consulted.

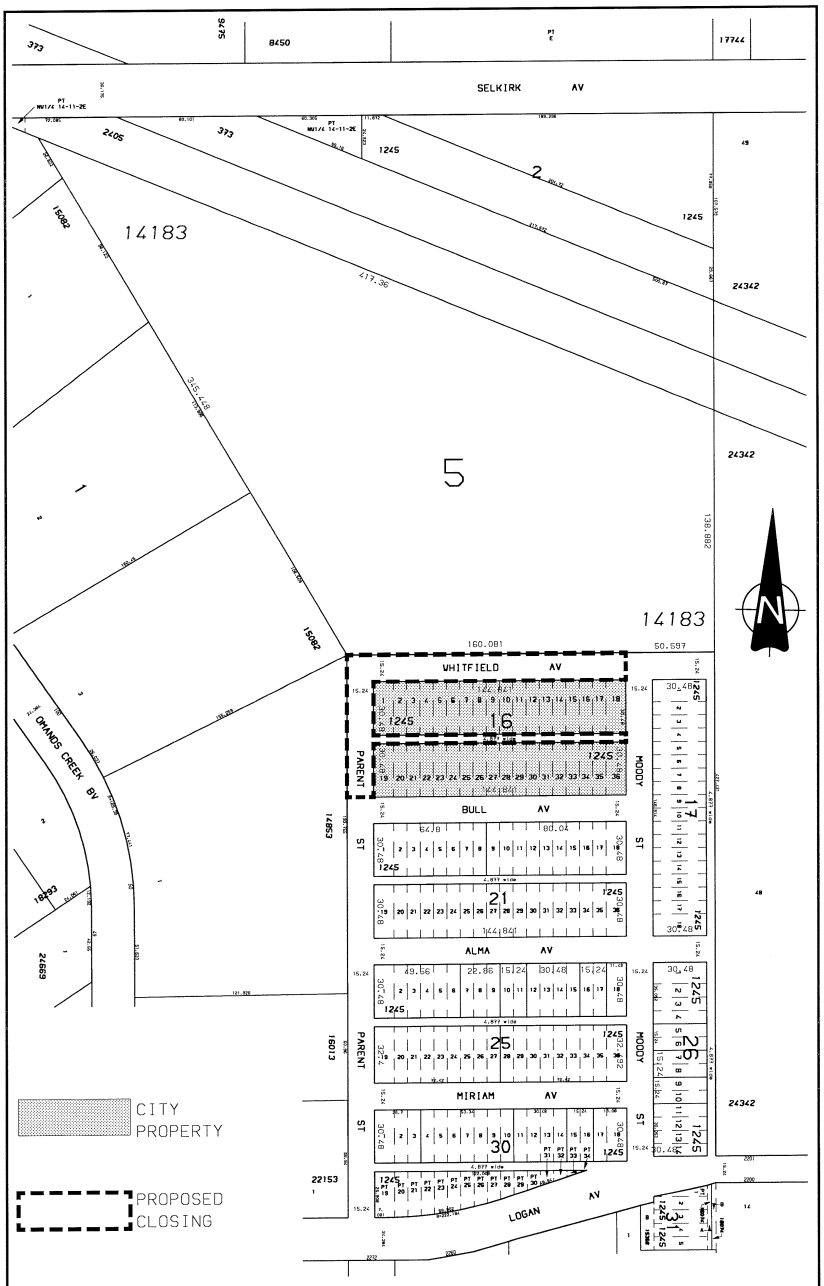
THIS REPORT SUBMITTED BY:

Planning, Property and Development Department
Division: Real Estate
Prepared by: Gerry Anderson
PPD File #: 32/6797

Document name: o:\reports directive\real estate\sales\(ga)50omandscreek.doc


SELKIRK AV
WHITFIELD RETENTION POND
WHITFIELD AV
BULL AV
ALMA AV
MIRIAM AV
LOGAN AV
PARENT ST
MOODY ST
OHNDS CREEK BV
CITY PROPERTY
APPLICANT'S PROPERTY
PROPOSED CLOSING DAC 14/2001
SUBJECT CITY PROPERTY AREA: ±1.2979 HA.(±3.207 Ac.)
UNDEVELOPED AND UNSERVICED STREETS AND LANES
METRIC
All dimensions are approximate. No warranty is expressed or implied regarding the accuracy of such information.
CITY OF WINNIPEG
PLANNING, PROPERTY AND DEVELOPMENT DEPT.
SCALE: 1:2500
DATE: 02-NOV-14
DISTRICT: LSWK
ATLAS: D9D4
FILE: 32/6797
MISC. PLAN No.: 9367/7
(L187) BAR-SPE


WHITFIELD AV
BULL AV
ALMA AV
MIRIAM AV
PARENT ST
MOODY ST
16
17
21
25
26
30
31
1245
4.877 wide
Applicant's Property
Proposed Opening 916.2 sq. m. +/-
Proposed Closing 1219.8 sq. m. +/-
Date: 2003-JUL-04
District: LSWK
File: 32/6797
Scale: 1:1000
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. 9367/9


SELKIRK AV
14183
5
WHITFIELD AV
BULL AV
ALMA AV
MIRIAM AV
LOGAN AV
PARENT ST
MOODY ST
OMANDS CREEK BY
CITY PROPERTY
PROPOSED CLOSING
METRIC
All dimensions are approximate.
No warranty is expressed or implied regarding the accuracy of such information.
CITY OF WINNIPEG
PLANNING, PROPERTY AND DEVELOPMENT DEPT.
SCALE: 1:2500
DATE: 01-JUL-06
DISTRICT: LSWK
ATLAS: D9D4
FILE: 32/6797
MISC. PLAN No.: 9367/5
(LIB1) BAR