Agenda – Council – December 9, 2015

Report – Standing Policy Committee on Property and Development, Heritage and Downtown Development – November 30, 2015

Item No. 8 Policy for City-Owned Industrial Land Sale

STANDING COMMITTEE RECOMMENDATION:

On December 2, 2015, the Executive Policy Committee concurred in the recommendation of the Standing Policy Committee on Property and Development, Heritage and Downtown Development and submitted the following to Council:

1. That Paragraph 21 of the Council approved "Amendments to Terms and Conditions Applied re Sale of City-owned Industrial, Residential and Commercial Lands" Policy from July 16th, 1980, which states *" That the selling price of the City's industrial lands be reviewed once a year – on January 1st and that any new prices approved as a result of said review become effective for all negotiations commenced, except where the applicant has executed an Application for Option to Purchase, submitted a deposit cheque to the City and has submitted plans to the Director of Land Surveys and Real Estate for approval by the Building Design Board, and that "condition of sale" of the City's industrial land be reviewed twice a year – on January 1st and July 1st."*, be rescinded.

2. That the Delegated Authority to "Approve Sales in the St. Boniface Industrial Park" which was delegated from the Standing Policy Committee on Property and Development to the Director of Planning, Property and Development on May 5,1988, and states *"Authority to approve Applications and Agreements for Options to Purchase lands in the St. Boniface Industrial Park that are in accordance with the City's standard terms and conditions and at a price that reflects the current City asking price at the time a 90 day reservation is made on the property, provided that the City receives a signed application along with the necessary deposit during the 90 day reservation period"*, be rescinded.

3. That subject to the approval of Recommendation No. 1 and No. 2 the Policy for City-Owned Industrial Land – Sale, attached hereto as Appendix "A" be adopted:

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

Report – Standing Policy Committee on Property and Development, Heritage and Downtown Development – November 30, 2015

DECISION MAKING HISTORY:

EXECUTIVE POLICY COMMITTEE RECOMMENDATION:

On December 2, 2015, the Executive Policy Committee concurred in the recommendation of the Standing Policy Committee on Property and Development, Heritage and Downtown Development, and submitted the matter to Council.

STANDING COMMITTEE RECOMMENDATION:

On November 30, 2015, the Standing Policy Committee on Property and Development, Heritage and Downtown Development concurred in the recommendation of the Winnipeg Public Service and submitted the matter to the Executive Policy Committee and Council.

ADMINISTRATIVE REPORT

Title: **Policy for City-Owned Industrial Land - Sale**

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

AUTHORIZATION

Author	Department Head	CFO	CAO/COO
J. Zabudney	J. Kiernan	M. Ruta	M. Jack COO

RECOMMENDATIONS

1. That Paragraph 21 of the Council approved "Amendments to Terms and Conditions Applied re Sale of City-owned Industrial, Residential and Commercial Lands" Policy from July 16th, 1980, which states *" That the selling price of the City's industrial lands be reviewed once a year – on January 1st and that any new prices approved as a result of said review become effective for all negotiations commenced, except where the applicant has executed an Application for Option to Purchase, submitted a deposit cheque to the City and has submitted plans to the Director of Land Surveys and Real Estate for approval by the Building Design Board, and that "condition of sale" of the City's industrial land be reviewed twice a year – on January 1st and July 1st.",* be rescinded.

2. That the Delegated Authority to "Approve Sales in the St. Boniface Industrial Park" which was delegated from the Standing Policy Committee on Property and Development to the Director of Planning, Property and Development on May 5,1988, and states *"Authority to approve Applications and Agreements for Options to Purchase lands in the St. Boniface Industrial Park that are in accordance with the City's standard terms and conditions and at a price that reflects the current City asking price at the time a 90 day reservation is made on the property, provided that the City receives a signed application along with the necessary deposit during the 90 day reservation period",* be rescinded.

3. That subject to the approval of Recommendation No. 1 and No. 2 the Policy for City-Owned Industrial Land – Sale, attached hereto as Appendix "A" be adopted:

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

REASON FOR THE REPORT

Based on the Real Estate Management Review of 2014 (Recommendation No. 16), the Public Service is required to prepare a report for the Standing Policy Committee on Property and Development to update the policy for the valuation and sale of industrial park land. The Review identified that the policy should specifically address the frequency of valuations and how transactions are dealt with that are in progress during a change in value. Since the intent of the Recommendation No. 16 is a policy change, Council approval is required.

The proposed Policy included in this report has been expanded beyond the recommendation of the Review to include other types of industrial land since the July 16, 1980 Policy, which has been recommended to be rescinded, was applicable to all City-owned industrial land.

EXECUTIVE SUMMARY

The following report addresses a specific recommendation of the Real Estate Management Review of 2014. The report also recommends a new policy and delegation of authority for the sale of industrial land which, if approved, will replace an out-of-date policy.

IMPLICATIONS OF THE RECOMMENDATIONS

There are no financial, regulatory, environmental, human resources implications associated with this report.

HISTORY

On May 5, 1976, Council approved the Policy entitled "Proposed Terms and Conditions for Sale of City-owned Industrial, Residential and Commercial Lands". The policy contained Paragraph V. which stated:

> That the selling price and "conditions of sale' of the City's industrial lands be reviewed twice a year – on January 1st and July 1st – and that any new prices approved as a result of said review become effective for all negotiations commenced, except where the applicant has executed an Application for Option to Purchase, submitted a deposit cheque to the City and has had plans approved by the Building Design Board.

On July 16, 1980, Council approved the Policy entitled "Amendments to Terms and Conditions Applied re Sale of City-owned Industrial, Residential and Commercial Lands". The policy contained proposed Paragraph 21 which replaced the existing Paragraph 21 (formerly Paragraph V from the May 5, 1976 Policy) with the following:

> That the selling price of the City's industrial lands be reviewed once a year – on January 1st and that any new prices approved as a result of said review become effective for all negotiations commenced, except where the applicant has executed an Application for Option to Purchase, submitted a deposit cheque to the City and has submitted plans to the Director of Land Surveys and Real Estate for approval by the Building Design Board, and that "conditions of sale' of the City's industrial land be reviewed twice a year – January 1st and July 1st.

The current policy for valuation of City-owned industrial land has not been revised since 1980, and is out-of-date.

Presently, the City owns industrial park land within the St. Boniface Industrial Park. The proposed annual review would only include land within the St. Boniface Industrial Park at this time. However, if and when the City develops another industrial park, the annual review will be expanded to include other industrial parks.

FINANCIAL STATEMENT

Financial Impact Statement **Date:** October 22, 2015

Project Name:

Sale of City-Owned Industrial Land

COMMENTS:

There is no direct financial impact associated with the recommendations contained in this report.

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

CONSULTATION

Legal Services as to legal issues

OURWINNIPEG POLICY ALIGNMENT

Not applicable

SUBMITTED BY

Department: Planning, Property and Development
Division: Real Estate
Prepared by: Gordon Chappell
Date: November 19, 2015
File No.: 4225/10-B-1 V3

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Attachments: Appendix A – New City of Winnipeg Policy – Policy for City-Owned Industrial Land - Sale



Appendix A - City Policy Template