Minutes – Executive Policy Committee – February 17, 2016

Report – Standing Policy Committee on Property and Development, Heritage and Downtown Development – February 16, 2016

Item No. 17 Sale of the Proposed Closed Public Lanes and strip of City Property Adjoining 761 North Drive (Fort Rouge – East Fort Garry Ward)

EXECUTIVE POLICY COMMITTEE RECOMMENDATION:

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 the City enter into an agreement for the sale of the areas shown as "Proposed Road Closing" and "Subject City Property" shown outlined as Areas 2, 3 and 5 on Misc. Plan No. 14876/5, attached, to 6981420 Manitoba Ltd., for the price of $180,000.00, and such other agreements as determined necessary by the Director of Legal Services and City Solicitor to implement the intent of the foregoing.

2. That the Director of Planning, Property and Development be authorized to negotiate and approve the terms and conditions of the agreement for sale and such other agreements in accordance with this report and such other terms and conditions determined necessary by the Director of Legal Services and City Solicitor to protect the interests of the City.

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.

Report – Standing Policy Committee on Property and Development, Heritage and Downtown Development – February 16, 2016

DECISION MAKING HISTORY:

Moved by Councillor Orlikow,

That Rule 10(3) of The Procedure By-law No. 50/2007 be suspended in order that the following item, which was received less than 96 hours preceding the committee meeting, be considered by Committee.

Carried

Moved by Councillor Orlikow,

That the recommendation of the Standing Policy Committee on Property and Development, Heritage and Downtown Development be concurred in and forwarded to Council.

Carried

STANDING COMMITTEE RECOMMENDATION:

On February 16, 2016, 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: **Sale of the Proposed Closed Public Lanes and strip of City Property Adjoining 761 North Drive**

Critical Path: **Standing Policy Committee on Property and Development, Heritage and 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 the City enter into an agreement for the sale of the areas shown as "Proposed Road Closing" and "Subject City Property" shown outlined as Areas 2, 3 and 5 on Misc. Plan No. 14876/5, attached, to 6981420 Manitoba Ltd., for the price of $180,000.00, and such other agreements as determined necessary by the City Solicitor/Director of Legal Services to implement the intent of the foregoing.

2. That the Director of Planning, Property and Development be authorized to negotiate and approve the terms and conditions of the agreement for sale and such other agreements in accordance with this report and such other terms and conditions determined necessary by the City Solicitor/Director of Legal Services to protect the interests of the City.

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

As per Section 205(2) of the City of Winnipeg Charter, a two-thirds majority vote of Council is required for the disposal of City parkland.

EXECUTIVE SUMMARY

Closing, subdividing and rezoning of lands related to 761 North Drive under DAC 2/2015 and DASZ 13/2015 were approved by Council on October 28, 2015, allowing the City to move forward and negotiate the terms of sale.

The Department has concluded its negotiations with the Applicant to purchase the subject rights of way and the Subject City property (Areas 2, 3 and 5) for market value.

IMPLICATIONS OF THE RECOMMENDATIONS

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

HISTORY

The Applicant acquired the former Wildewood Club at 761 North Drive around October of 2014. The Applicant intents on demolishing the existing building and constructing a multi-family complex, which includes 14 townhouses and a 5 storey, 41 unit multi-family building. They are calling this "Wildewood Village".

The Applicant also leases the Wildwood Golf Course from the City of Winnipeg. They have advised that the golf course and tennis courts will remain intact. The Applicant will be required to replace the pro shop that currently resides within the existing building which will soon be demolished.

Parts of the subject rights of way (Areas 2 and 3) and the Subject City Property (Area 5) were incorporated into the redevelopment of the Applicant's adjoining property under subdivision and rezoning application DASZ 13/2015. The Applicant applied to close the subject rights of ways under DAC 2/2015. Both DAC 2/2015 and DASZ 13/2015 were approved by Council on October 28, 2015, allowing the City to move forward and negotiate the terms of sale.

The Department has concluded its negotiations with the Applicant to purchase the subject rights of way and the Subject City property (Areas 2, 3 and 5) for market value. This value has taken into consideration the area required by the applicant to be dedicated to the City for the road opening (Area 1).

The City acquisition of Area 4, as shown on the attached Misc. Plan No. 14875/5, will be handled through the conditions of DASZ 13/2015.

The Golf Services Division is supportive of this proposed sale providing there are at minimum 48 parking stalls left for the golf course to continue to operate without disruption and also providing the Applicant builds a new Pro Shop in accordance with the golf course needs. The clubhouse design will be approved by the Chief Operating Officer of Golf Services.

The primary objective of Wildewood Village is to provide an affordable housing option in the area to ensure that the development responds to the demographics of East Fort Garry.

The Applicant is required to purchase the proposed closed rights of way and purchase the Subject City property for inclusion in their overall development.

Based on an internal appraisal, market value for the proposed closed rights of way and the Subject City Property is $180,000.00. This value has taken into consideration and has deducted the area required by the applicant to be dedicated to the City for the road opening (Area 1).

The Department supports and recommends approval of the proposed sale of the proposed closed rights of way to 6981420 Manitoba Ltd. for the price of $180,000.00 for the following reasons:

- The proposed closing and opening, subdivision and rezoning (DASZ 13/2015 and DAC 2/2015) has already been approved by Council on October 28, 2015.
- The Ward Councillor supports the sale.
- The property would be placed on the tax roll at the closing of the sale.

FINANCIAL IMPACT

Financial Impact Statement

Date: February 8, 2016

Project Name:

Sale of the Proposed Closed Public Lanes and strip of City Property Adjoining 761 North Drive

First Year of Program **2016**

	2016	2017	2018	2019	2020
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	181,601	1,633	1,665	1,699	1,733
Net Cost/(Benefit)	$ (181,601)	$ (1,633)	$ (1,665)	$ (1,699)	$ (1,733)
Less: Existing Budget Amounts	-	-	-	-	-
Net Budget Adjustment Required	$ (181,601)	$ (1,633)	$ (1,665)	$ (1,699)	$ (1,733)

Additional Comments: Revenues in 2016 consist of the $180,000 sale price + estimated municipal realty taxes of $1,601. The net proceeds of disposition will remain in the Land Operating Reserve Fund while tax revenues will be credited to the General Revenue Fund. The tax amount assumes an assessed value equal to the sale price and portioning and mill rates of 65% and 0.013682 respectively. Tax amounts have been increased annually by an assumed inflation factor of 2%.

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

CONSULTATION

Golf Services Division

Legal Services as to Legal issues

OURWINNIPEG POLICY ALIGNMENT

This portion of the Wildwood neighbourhood is designated as an Area of Stability. Policies which are relevant to this application are as follows:

1) Support low to moderate change in low-density neighbourhoods through development and redevelopment that is complimentary to the existing scale, character, and built form.

2) Promote the form of buildings and spaces that are sensitive to the community context and address the transition between new and existing developments.

3) In order to meet the full life cycle of housing needs within the community, promote a mix of housing type and tenure, such as duplexes, low rise apartments, secondary suites, semi-detached homes, and townhouses.

The proposed land use and site plan is consistent with OurWinnipeg and the Communites Direction Strategy.

SUBMITTED BY

Department: Planning, Property and Development
Division: Real Estate
Prepared by: Joedi Pruden, Senior Negotiator
Date: February 8, 2016
File No.: 5099/52 V.6
File Name:

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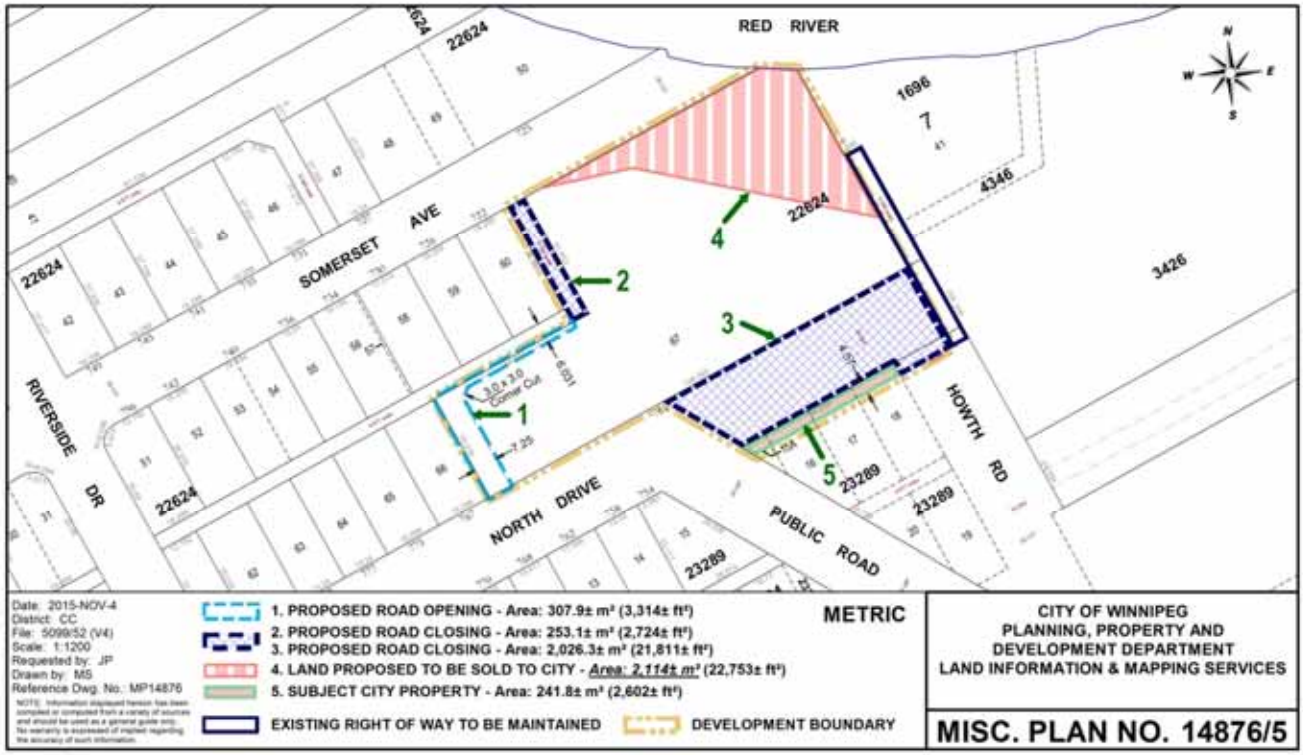
RED RIVER
SOMERSET AVE
RIVERSIDE DR
NORTH DRIVE
PUBLIC ROAD
HOWTH RD
22624
23289
1696
4346
3426
1
2
3
4
5
3.0 x 3.0 Corner Cut
Date: 2015-NOV-4
District: CC
File: 5099/52 (V4)
Scale: 1:1200
Requested by: JP
Drawn by: MS
Reference Dwg. No.: MP14876
1. PROPOSED ROAD OPENING - Area: 307.9± m² (3,314± ft²)
2. PROPOSED ROAD CLOSING - Area: 253.1± m² (2,724± ft²)
3. PROPOSED ROAD CLOSING - Area: 2,026.3± m² (21,811± ft²)
4. LAND PROPOSED TO BE SOLD TO CITY - Area: 2,114± m² (22,753± ft²)
5. SUBJECT CITY PROPERTY - Area: 241.8± m² (2,602± ft²)
EXISTING RIGHT OF WAY TO BE MAINTAINED
DEVELOPMENT BOUNDARY
METRIC
CITY OF WINNIPEG
PLANNING, PROPERTY AND
DEVELOPMENT DEPARTMENT
LAND INFORMATION & MAPPING SERVICES
MISC. PLAN NO. 14876/5