**Minutes – Executive Policy Committee – July 6, 2016**

**Report – Standing Policy Committee on Property and Development, Heritage and Downtown Development – July 5, 2016**

**Item No. 21 Completed Real Property Sale and Lease Transactions – 2015**

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 report be received as information.

## Report – Standing Policy Committee on Property and Development, Heritage and Downtown Development – July 5, 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 July 5, 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:** Completed Real Property Sale & Lease Transactions - 2015

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

## AUTHORIZATION

| Author | Department Head | CFO | CAO |
|---|---|---|---|
| J. Zabudney | J. Kiernan | M. Ruta | D. McNeil |

## RECOMMENDATIONS

That this report be received as information.

## REASON FOR THE REPORT

The 2013 Non-Monetary Real Estate Grants Audit recommended "…that the Manager of Real Estate work with the Director of PP&D to prepare a report for the consideration of Council making delegated authority usage reporting for WHHI transactions an annual requirement, report the usage in the annual report of non-monetary real estate grants, and document the process in the Division's policies and procedures manual, conditional upon Council's reissuance of the delegated authority."

Although the Winnipeg Housing and Homelessness Initiative (WHHI) has been disbanded, the intent of the recommendation was to report annual usage of delegated authority. In order to comply with the audit recommendation and provide full disclosure to Council, the Planning, Property and Development Department (PP&D) has compiled all completed sales and leases (including monetary and non-monetary transactions) during 2015 along with their associated authority level.

## EXECUTIVE SUMMARY

This report includes all sales and leases (including monetary and non-monetary) completed during 2015, along with the associated authority level. Upon receipt of this report, PP&D will have complied and implemented Recommendation No. 6 of the 2013 Non-Monetary Real Estate Grants Audit.

## IMPLICATIONS OF THE RECOMMENDATIONS

n/a

## HISTORY/DISCUSSION

PP&D will disclose all sale transactions and lease transactions which were completed during 2015 and include the associated authority level for each transaction.

It is important to note one key difference between the reporting of sales and leases.

- Completed sale transactions will be reported in the year in which the sale closes.
- Completed lease transactions will be reported in the year which the appropriate authority approves the transaction.

The difference in reporting between the two transaction types is due to the fact that approval of a sale transaction does not necessarily result in a closing, while the approval of a lease transaction typically results in tenant occupancy.

For clarity, lease transactions referred to in this report can include leases, encroachments and licenses.

Upon receipt of the following administrative report, PP&D will have complied and implemented Recommendation No. 6 of the 2013 Non-Monetary Real Estate Grants Audit.

A list of the relevant 2015 transactions is included in the appendix of this report as Appendix A (sale transactions) and Appendix B & C (lease transactions).

It is noted that in any case where a non-monetary grant is approved by the appropriate authority, the City of Winnipeg incurs a potential financial loss related to the fair market value of the rents the City would have otherwise recovered. In addition, decisions concerning potential sales of property occupied by non-monetary grant tenants are deferred until leases expire. This report has not identified any potential financial losses associated with non-monetary transactions. The analysis of potential financial losses should be completed when seeking approval of specific non-monetary transactions rather than the annual reporting of Completed Real Property Sale & Lease Transactions.

## FINANCIAL IMPACT

## Financial Impact Statement Date: May 31, 2016

## Project Name:

### Completed Real Property Sale & Lease Transactions - 2015

**COMMENTS:**

As this report is to be received for information only, there is no associated financial impact.

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

## CONSULTATION

Legal Services as to Legal Issues

## OURWINNIPEG POLICY ALIGNMENT

N/A

## SUBMITTED BY

Department: Planning, Property & Development
Division: Real Estate
Prepared by: Gordon Chappell, Senior Negotiator
Date: May 30, 2016
File: TBD

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Appendix A – Completed Sale Transactions

Appendix B – Completed Lease Transactions (City as Landlord)

Appendix C – Completed Lease Transactions (City as Tenant)

## Appendix A – Completed Sale Transactions

| Location | Recognition Date | Revenue | Authority Level |
|---|---|---|---|
| Adjacent to 742 Kildonan | 17-Sep-15 | $500.00 | Manager, R/E |
| Adjacent to 881 Lyon | 30-Oct-15 | $600.00 | Manager, R/E |
| Adjacent/ Rear of 497 Tissot | 28-Sep-15 | $650.00 | Manager, R/E |
| Rear of 474 Wellington Crescent | 17-Sep-15 | $1,500.00 | Manager, R/E |
| Adjacent to 431 Haney | 29-Sep-15 | $12,000.00 | Manager, R/E |
| Adjacent to 1485 Inkster | 31-Dec-15 | $28,000.00 | Manager, R/E |
| 669 Magnus | 29-Sep-15 | $36,000.00 | Manager, R/E |
| 742 Redwood | 19-Nov-15 | $51,000.00 | Manager, R/E |
| 1554 Alexander | 24-Sep-15 | $56,000.00 | Manager, R/E |
| 419 Martin West | 28-Sep-15 | $60,000.00 | Manager, R/E |
| 890 Pritchard | 24-Sep-15 | $62,390.50 | Manager, R/E |
| 505/507 Deniset | 24-Sep-15 | $133,333.00 | Manager, R/E |
| Meadowcrest & Knotwood | 28-Sep-15 | $1.00 | Director, PP&D |
| Rear of 528 & 532 Municipal | 28-Sep-15 | $500.00 | Director, PP&D |
| Adjacent to 885 Lyon | 30-Oct-15 | $500.00 | Director, PP&D |
| 130 Arnold | 7-Dec-15 | $145,000.00 | CAO |
| Carpenter and Public Lane | 29-Sep-15 | $160,000.00 | Acting CAO |
| Adjacent to 66 Mansfield | 29-Sep-15 | $2,000.00 | SPCPD |
| Adjacent to 3500 Beiko | 29-Sep-15 | $4,500.00 | SPCPD |
| 214 Berry (portion of 200 Berry) | 24-Sep-15 | $15,000.00 | SPCPD |
| 1710 Grosvenor | 29-Sep-15 | $410,000.00 | SPCPD |
| 265 Osborne | 7-Dec-15 | $424,435.00 | SPCPD |
| Closing Public Road Plan 9280, West of Kenaston | 7-Dec-15 | $1.00 | Council |
| 516-526 Ferry | 25-Sep-15 | $325,000.00 | Council |
| 492-504 Ferry | 25-Sep-15 | $390,000.00 | Council |

Appendix B – Completed Lease Transactions (City as Landlord)

| Location | Commencement | Term | Annual Rent | Authority |
|---|---|---|---|---|
| Part of 723 London | 1-Jul-14 | 5 years | $1.00 | Manager, M/A |
| Adj. to 268 Portage | 1-Apr-15 | Annually Continuing | $190.75 | Manager, M/A |
| Adj. to 520 Portage | 1-Apr-15 | Annually Continuing | $318.50 | Manager, M/A |
| Adj. to 2169 Portage | 1-Oct-15 | Annually Continuing | $693.00 | Manager, M/A |
| Adj. to 625 Portage | 1-Apr-15 | Annually Continuing | $1,099.00 | Manager, M/A |
| Adj. to 101 Day | 1-Aug-15 | Annually Continuing | $1,155.00 | Manager, M/A |
| Adj. to 691 Corydon | 1-Aug-15 | Annually Continuing | $1,186.50 | Manager, M/A |
| Adj. to 237 Mcdermot | 1-Apr-15 | Annually Continuing | $1,370.25 | Manager, M/A |
| Adj. to 270 Waterfront | 1-May-15 | Annually Continuing | $1,604.75 | Manager, M/A |
| Adj. to 179-A Bannatyne | 1-Aug-15 | Annually Continuing | $1,744.75 | Manager, M/A |
| Adj. to 2609 Portage | 1-Aug-15 | Annually Continuing | $1,990.45 | Manager, M/A |
| 200 Warman | 1-Sep-14 | 5 years | $42,000.00 | Manager, M/A |
| Adjacent to 80 Wiebe's | 1-Nov-15 | 5 Years | $1.00 | Director, PP&D |
| Adj. to 12 Worthington | 1-Feb-15 | 5 years | $1.00 | Director, PP&D |
| Adj. to 956 Merriam | 1-Nov-12 | 5 years | $1.00 | Director, PP&D |
| Adj. to 924 John Bruce | 1-Aug-15 | 5 years | $1.00 | Director, PP&D |
| Adj. to 1950 Pacific | 1-Aug-15 | Annually Continuing | $1.00 | SPCPDHDD |
| Sterling Lyon | 1-Jun-15 | 2 Years, 7 Months | $1.00 | SPCPDHDD |
| Windsor Park Golf Course | 1-Nov-14 | 5 Years plus Renewal | $1.00 | SPCPDHDD |
| 669 St. Matthews | 1-Jul-14 | 5 Years plus Renewal | $1.00 | SPCPDHDD |
| 759 Ross | 4-Nov-14 | 5 Years plus Renewal | $1.00 | SPCPDHDD |
| Part of 505 Ross | 1-Jan-15 | 5 Years plus Renewal | $1.00 | SPCPDHDD |
| 659 Alverstone | 15-Nov-12 | 5 Years plus Renewal | $1.00 | SPCPDHDD |
| 466 Gertrude | 1-Jan-15 | 5 years | $1.00 | SPCPDHDD |
| 410 Desalaberry | 1-Jan-15 | 20 Years | $1.00 | SPCPDHDD |
| 535 Oakdale | 1-Jul-15 | 1 year | $1.00 | SPCPDHDD |
| 80 Allard | 16-Aug-15 | 5 years | $1.00 | Council |
| 370 Southport | 1-Aug-15 | Annually continuing | $1.00 | Council |
| Henteleff Park | 1-Aug-15 | 15 Years | $1.00 | Council |
| 999 Sargent | 1-May-15 | 5 Years | $1.00 | Council |
| Adj. to 440 Don | 1-Jan-15 | Annually Continuing | $656.25 | Council |
| Adj. to 1710 Grosvenor | 1-Oct-15 | Annually Continuing | $1,031.25 | Council |
| Adj. to 1950 Pacific | 1-Aug-15 | Annually Continuing | $1,125.00 | Council |
| Pritchard Park | 1-Jan-15 | Annually Continuing | $1,156.25 | Council |
| Adj. to 422 Jarvis | 1-Oct-15 | Annually Continuing | $1,937.50 | Council |
| Adj. to 607 Dawson N | 1-Aug-15 | Annually Continuing | $2,187.50 | Council |
| Part of 517 Pandora E | 1-Sep-15 | 5 Years plus Renewal | $10,000.00 | Council |
| Part of 745 Kingsbury | 1-Apr-15 | 10 Years plus Renewal | $14,826.00 to $24,528.00 | Council |
| Part of 745 Kingsbury | 1-Apr-15 | 5 Years plus Renewal | $48,480.49 to $55,551.74 | Council |

All of the above leases were approved in 2015. Commencement dates prior to 2015 imply the tenant was in an overholding position.

For clarity, lease transactions referred to in this report can include leases, encroachments and licenses.

Appendix C – Completed Lease Transactions (City as Tenant)

| Address | Department | Commencement | Term | Annual Rent | Authority Level |
|---|---|---|---|---|---|
| 231 Goulet | Winnipeg Transit | 1-May-15 | 5 Years | $1.00 | Manager, M/A |
| 484 McPhillips | Winnipeg Transit | 1-Sep-14 | 5 years | $1.00 | Manager, M/A |
| 2160 McPhillips | Winnipeg Transit | 1-Sep-14 | 5 years | $1.00 | Manager, M/A |
| St. Vital Centre | WPS | 27-Mar-15 | One Day | $1.00 | Manager, M/A |
| 560 Broadway | PPD | 30-Sep-15 | 30 Years | $1.00 | Manager, M/A |
| 600 Sargent | PPD | 1-May-15 | 30 Years | $1.00 | Manager, M/A |
| 288 Portage | Corporate Services Communications | 1-Mar-15 | 5 Years | $13,500.00 | Manager, M/A |
| 55 Nassau | Corporate Services Communications | 1-Jan-16 | 3 years | $17,200.00 to $20,000.00 | Manager, M/A |
| St. Charles Rifle Range | WPS | 19-Oct-15 | 2 weeks | $200 per day | Manager, M/A |
| 969 St. Matthews | WPS | 12-Nov-15 | 2 Days | $1,000 for two days | Manager, M/A |
| Brenda Leipsic Dog Park | Public Works | 1-Oct-15 | Month to Month | $1,832.50 per mo. | Manager, M/A |
| 50 Myrtle | Archives | 1-Apr-16 | 1 Years | $81,270.00 | Manager, M/A |
| 850 Empress | WPS | 1-Aug-15 | 9 Months | $192,270.00 | Manager, M/A |
| 491 Portage | WPA | 1-Apr-15 | 3 Years | $2,400.00 | Manager, M/A |
| 491 Portage | WPS | 1-Nov-15 | 4 years, 5 Months | $4,224.00 | Manager, M/A |
| Hangar 16-17 Wing | WPS | 15-Oct-15 | 1 year | $49,863.45 | Manager, M/A |
| 50 Provencher | PPD | 1-Jul-15 | 5 Years | 5% Gross Sales May 1 – Sep 30 | Manager, M/A |
| 909 Cottonwood | Public Works | 1-Sep-15 | 5 Years | Proportionate share of Property Taxes | Manager, M/A |
| 414 Osborne | Transit | 1-Mar-15 | 8 Years | $198,237.00 | SPCPDHDD |
| 3514 Pembina | PPD | 30-Sep-15 | 30 Years | $1.00 | Council |
| One Lombard | Corporate Services Communications | 1-Mar-16 | 10 Years | $22,800.00 | Council |
| 251 Donald | Community Services | 1-Sep-15 | 5 Years | $25,500.00 | Council |

All of the above leases were approved in 2015. Commencement dates prior to 2015 imply the City was in an overholding position.

For clarity, lease transactions referred to in this report can include leases, encroachments and licenses.