Agenda – Council – June 21, 2017

Report – Standing Policy Committee on Property and Development, Heritage and Downtown Development – June 6, 2017

Item No. 17 Declaration and Sale of Surplus Land Adjacent to 761 North Drive (Fort Rouge-East Fort Garry Ward)

STANDING COMMITTEE RECOMMENDATION:

On June 14, 2017, 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-owned property located south of 761 North Drive, identified as "Subject City Property" on the attached Misc. Plan No. 13671/3, be declared surplus to the needs of the City.

2. That, subject to the approval of Recommendation No. 1, the City enter into, execute and deliver an agreement for the sale of the area identified as "Subject City Property" on the attached Misc. Plan No. 13671/3 with 6981420 Manitoba Ltd., which is in accordance with the terms and conditions set out in Schedule "A" at a price of $40,000.00, and enter into, execute and deliver such other agreements as determined necessary by the City Solicitor/Director of Legal Services to implement the intent of the foregoing (the "Ancillary Agreements").

3. That the Chief Administrative Officer be authorized to negotiate and approve the terms and conditions of the agreement for sale and any Ancillary 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.

4. 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 – June 6, 2017

DECISION MAKING HISTORY:

EXECUTIVE POLICY COMMITTEE RECOMMENDATION:

On June 14, 2017, 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 June 6, 2017, 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: Declaration and Sale of Surplus Land Adjacent to 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
B. Lucyk	J. Kiernan	M. Ruta	D. McNeil

EXECUTIVE SUMMARY

6981420 Manitoba Ltd. (the Developer), who is the owner of 761 North Drive, has approached the City to acquire the land identified as “Subject City Property” on Misc. Plan 13671/3 (attached as Schedule “B”). The City land sought by the Developer is designated as parkland (currently leased and used as a parking lot by the Wildewood Golf Course) and is considered to be an unbuildable lot. Based on the use of the Subject City Property, the sale requires Council approval.

The Developer requires the land in order to construct a flood protection berm for the benefit of the adjacent land which was subdivided and rezoned under DASZ 13/2015.

RECOMMENDATIONS

1. That the City-owned property located south of 761 North Drive, identified as “Subject City Property” on the attached Misc. Plan No. 13671/3, be declared surplus to the needs of the City.

2. That, subject to the approval of Recommendation No. 1, the City enter into, execute and deliver an agreement for the sale of the area identified as “Subject City Property” on the attached Misc. Plan No. 13671/3 with 6981420 Manitoba Ltd., which is in accordance with the terms and conditions set out in Schedule “A” at a price of $40,000.00, and enter into, execute and deliver such other agreements as determined necessary by the City Solicitor/Director of Legal Services to implement the intent of the foregoing (the “Ancillary Agreements”).

3. That the Chief Administrative Officer be authorized to negotiate and approve the terms and conditions of the agreement for sale and any Ancillary 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.

4. 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

According to the “Policy for the Sale, Acquisition, Rental, Leasing and Management of Properties”, all sales of property designated or acquired for park purposes shall be subject to Section 144(2) of The City of Winnipeg Act "approval of at least two-thirds of the members of Council". It is noted that Section 144(2) of The City of Winnipeg Act has been replaced by Section 205(2) of The City of Winnipeg Charter Act, which requires approval by a vote of 2/3 of all members of Council.

The proposed transaction is a direct sale which is in accordance with the “Policy - Offers to Purchase City-Owned Property”, whereby the City may act on unsolicited offers for City-owned property from an adjacent existing owner when the property in question is not developable on its own.

IMPLICATIONS OF THE RECOMMENDATIONS

There are no regulatory, environmental, operational or human resource implications of this report.

The property would be placed on the tax roll at the closing of the sale.

HISTORY/DISCUSSION

The subject property forms part of the former Wildewood Club, which consisted of a privately owned recreational building at 761 North Drive, in addition to a golf course and tennis club on leased City-owned land. The recreational building was demolished in 2015 and is currently being redeveloped into a multi-family development by 6981420 Manitoba Ltd. (“Developer”) that is known as Wildewood Village.

The golf course and tennis club continue to operate, even though the golf course clubhouse was located within the recreational building - since 2016, a trailer functions as the temporary clubhouse. The land lease for the golf course and tennis club was originally with the Wildewood Club for a 25-year term commencing in 1999, but was assigned to the Developer in 2014. Since the Wildewood Club no longer exists, the golf course and tennis club now operate on separate sub-leases from the Developer.

The Developer purchased 761 North Drive in 2014, and submitted a development application for the property shortly thereafter. On October 28, 2015, Council approved the subdivision and rezoning for Wildewood Village (DASZ 13/2015 & DAC 2/2015). The approval also delegated to the Director of the Planning, Property and Development Department (“Department”), the authority to negotiate a sale for City-owned land adjacent to 761 North Drive. Council approved the sale of the adjacent lands on February 24, 2016, identified on Misc. Plan 14876/5 for $180,000.

Subsequent to the land sale negotiated as part of DASZ 13/2015, the Developer recently approached the City for additional land that is identified on Misc. Plan 13671/3. Due to alterations to the Developer's flood protection (i.e. proposed construction of a berm), additional City-owned land is sought by the Developer.

The "Subject City Property" on Misc. Plan 13671/3 forms part of the Wildewood Golf Course parking lot which is estimated to have 47 stalls before the proposed sale and 41 stalls after. The slight reduction in parking stalls will have a limited impact to the operation of the golf course The City-owned land identified on Misc. Plan 13671/3 is currently under the jurisdiction of Parks and is utilized by Golf Services. As the property is used for park purposes, at least two-thirds of Council must approve the sale.

The Department is proposing a direct sale with the Developer, as the sale conforms to the "Policy - Offers to Purchase City-Owned Property", whereby the City may act on unsolicited offers for City-owned property from an adjacent existing owner when the property in question is not developable on its own. The proposed sale price of $40,000 is above the appraised value.

The property was circulated to all City Departments and no civic need was identified. The Ward Councillor was consulted and concurs with the intentions of the Department.

FINANCIAL IMPACT

Financial Impact Statement

Date: June 1, 2017

Project Name:

First Year of Program **2017**

Declaration and Sale of Surplus Land Adjacent to 761 North Drive

	2017	2018	2019	2020	2021
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	40,000	-	-	-	-
Net Cost/(Benefit)	$ (40,000)	$ -	$ -	$ -	$ -
Less: Existing Budget Amounts	(40,000)	-	-	-	-
Net Budget Adjustment Required	$ -	$ -	$ -	$ -	$ -

Additional Comments: Incremental revenue represents the sale price of the subject City property, the net proceeds of which will be credited to the Cash in Lieu of Land Dedication Reserve Fund. Incremental municipal taxes are not material and have been excluded from the analysis.

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

CONSULTATION

This Report has been prepared in consultation with:

Golf Services
Legal Services, as to legal issues
Ward Councillor

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:

Complete Communities - 04 Areas of Stability
Direction 1: Support the Completion of Areas of Stability

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 Communities Direction Strategy.

SUBMITTED BY

Department: Planning, Property and Development
Division: Real Estate
Prepared by: Gord Chappell, Senior Negotiator
Date: June 1, 2017
File No: 5099/52 V6
O:\Reports Directive\Real Estate\Sales\(gc) declare surplus sale - land adj to 761 North V2.docx

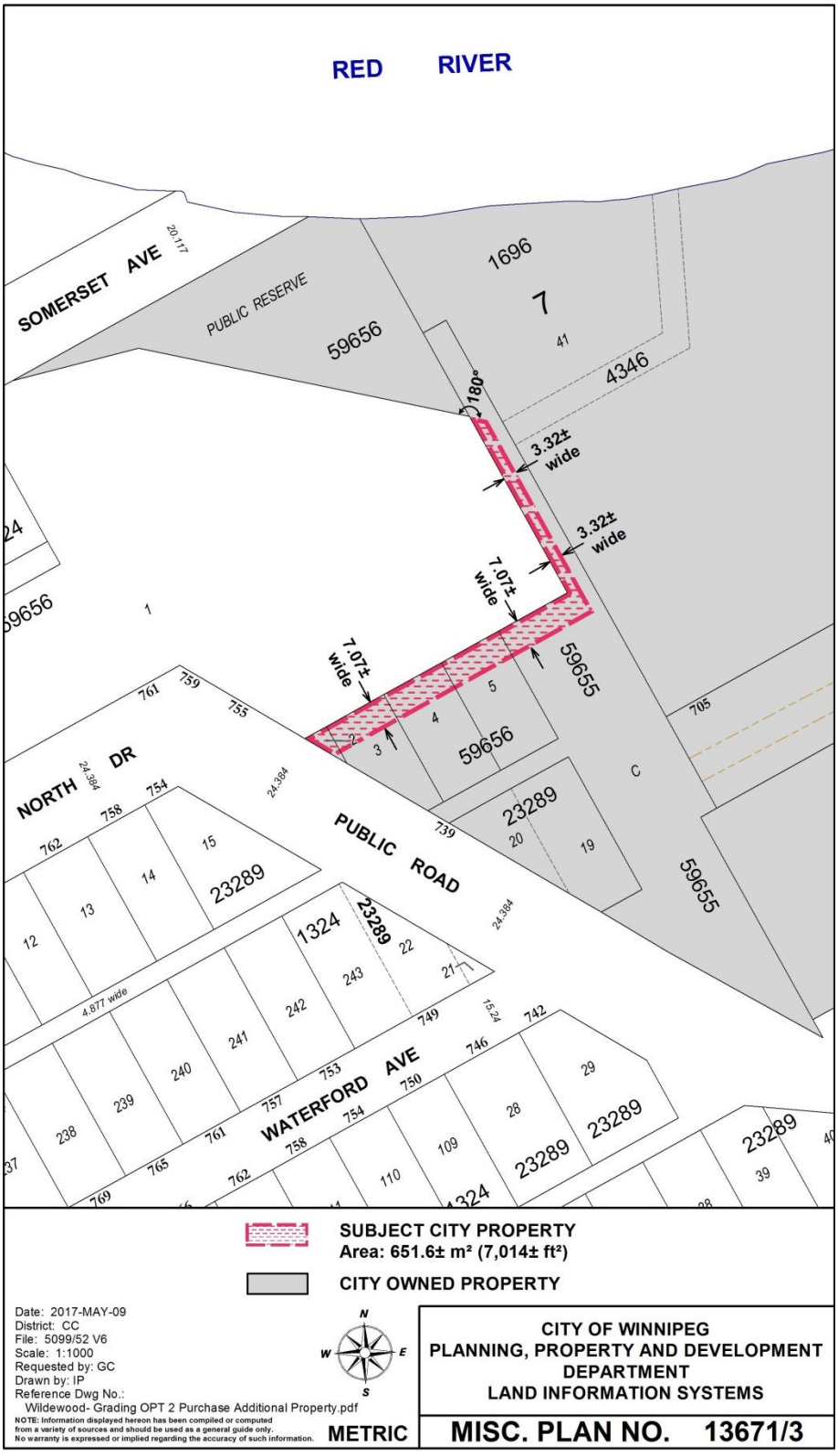
Attachments:

Schedule “A” – Terms and Conditions
Schedule “B” – Misc. Plan 13671/3 (Current Purchase)
Schedule “C” – Misc. Plan 14876/5 (Previous Purchase)

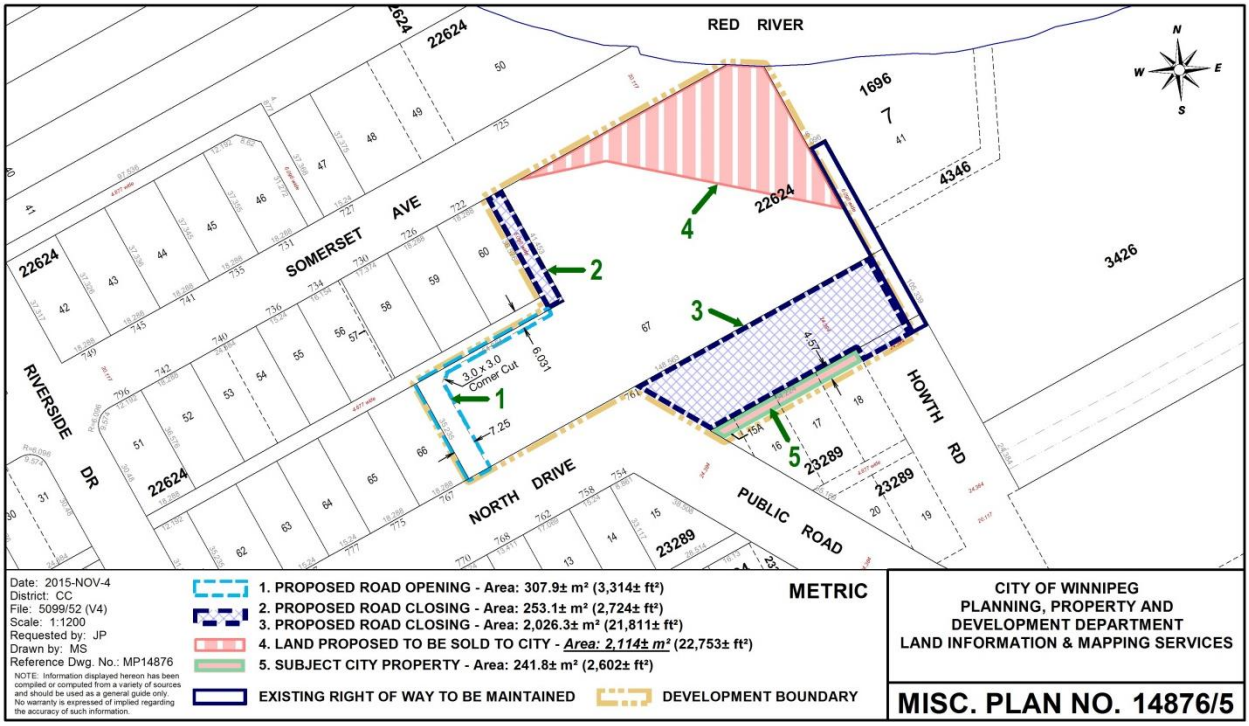
SCHEDULE "A"

Purchaser:	6981420 Manitoba Ltd.
Vendor:	City of Winnipeg
Purchase Price:	$40,000.00 plus G.S.T.
Lands to be Purchased:	Misc. Plan No. 13671/3
Closing Date:	30 days following the completion and approval by the Winnipeg Land Titles Office and the City of a Plan of Subdivision to facilitate the legal creation of the Lands and satisfaction of all conditions required for the subdivision, or subdivision and rezoning, of the Subject City Property, or a date to be mutually agreed to between the parties, to be approved by the City's Chief Administrative Officer.
Other Terms:	That the Purchaser apply for a subdivision, or subdivision and rezoning, of the Subject City Property (as the development application process dictates), together with an Agreement to be registered on title which will protect the berm elevation provided that if such Agreement is not registrable, the Purchaser will consolidate the Subject City Property with its existing land.

SCHEDULE "B"


RED RIVER
SOMERSET AVE
PUBLIC RESERVE
59656
1696
7
41
4346
180°
3.32± wide
3.32± wide
7.07± wide
7.07± wide
59655
59656
NORTH DR
PUBLIC ROAD
23289
59655
1324
23289
WATERFORD AVE
23289
23289
23289
SUBJECT CITY PROPERTY
Area: 651.6± m² (7,014± ft²)
CITY OWNED PROPERTY
Date: 2017-MAY-09
District: CC
File: 5099/52 V6
Scale: 1:1000
Requested by: GC
Drawn by: IP
Reference Dwg No.:
Wildewood- Grading OPT 2 Purchase Additional Property.pdf
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.
METRIC
CITY OF WINNIPEG
PLANNING, PROPERTY AND DEVELOPMENT DEPARTMENT
LAND INFORMATION SYSTEMS
MISC. PLAN NO. 13671/3

SCHEDULE "C"


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
6.031
7.25
4.57
15A
Date: 2015-NOV-4
District: CC
File: 5099/52 (V4)
Scale: 1:1200
Requested by: JP
Drawn by: MS
Reference Dwg. No.: MP14876
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 of implied regarding the accuracy of such information.
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