Minute No. 165
Report – Standing Policy Committee on Property and Development, Heritage and Downtown Development – January 8, 2018

Item No. 14 Sale of City-owned Property – Vimy Arena – 255 Hamilton Avenue (St. Charles Ward)

COUNCIL DECISION:

Council concurred in the recommendation of the Standing Policy Committee on Property and Development, Heritage and Downtown Development Committee, as amended by the Executive Policy Committee and Council and adopted the following:

1. That the sale of the Vimy Arena, shown as "Subject City Property" on the attached Misc. Plan 14441/2, in favour of Manitoba Housing and Renewal Corporation for the purchase price of $1.00, be approved, and Condition 2 of the policy titled "Offers to Purchase City-Owned Property" approved by Council on December 6, 2006, be waived in this instance.

2. That a $1.4 million commitment from the Land Operating Reserve, for investment in the development of recreation amenities within the Assiniboia Community Committee area per the intention of Recommendation 7 of Item 9 of the Report of the Executive Policy Committee dated February 22, 2013, adopted by Council on February 27, 2013, be referred to the 2019 Budget review process,

3. That a portion of the $1.4 million be used in consultation with the Public Service to enhance the trails, lighting, security and green space along Sturgeon Creek in the area of 255 Hamilton Avenue;

4. That, per the intention of Recommendation 9 of Item 9. of the Report of the Executive Policy Committee adopted by Council on February 27, 2013, a public consultation process be implemented within the proximity of 255 Hamilton Avenue, subsequent to approval of the $1.4 million in the 2019 Budget, to seek community input on the development of recreation amenities with the remainder of the $1.4 million;

5. That the public consultation be funded from the Commitment Reserve out of $50,000 set aside in the 2014 budget per the intention of Recommendation 9 of Item #9 of the Report of the Executive Policy Committee dated February 22, 2013, adopted by Council on February 27, 2013.

Report – Standing Policy Committee on Property and Development, Heritage and Downtown Development – January 8, 2018

COUNCIL DECISION (continued):

6. That the City of Winnipeg Public Service include a reversionary clause in the land sale agreement with Manitoba Housing and Renewal Corporation ("MHRC") for 255 Hamilton Avenue (the "Property") that includes the following elements, and if such elements are not complied with the Property shall revert back to the City:

    A. That MHRC and/or the proponent of the addictions treatment and recovery center (the "Proponent") submit a complete application to the City of Winnipeg for all necessary planning, subdivision and rezoning approvals required to permit the use of the Property for an addictions treatment and recovery center and that such necessary planning, subdivision and rezoning approvals be obtained from the City of Winnipeg within two years after the sale of the Property from the City to MHRC.

    B. That MHRC enter into a Ground Lease Agreement ("Agreement") with the Proponent within four years after the sale of the Property from the City of Winnipeg to MHRC that requires the exclusive use of the Property as an addictions treatment and recovery center, and such Agreement shall be terminated if Recommendation 6C is not satisfied.

    C. That MHRC and/or the proponent be required to build an addictions treatment and recovery center and obtain an unconditional occupancy permit therefor within four years after the sale of the Property from the City of Winnipeg to MHRC;

    D. That MHRC and/or the Proponent provide a letter of credit in an amount sufficient to restore the land to its original condition in the event that construction for an addictions treatment and recovery center is initiated but not completed.

7. That the City enter into, execute and deliver an Offer to Purchase and such other agreements as determined necessary by the City Solicitor/Director of Legal Services to implement the intent of the foregoing (the "Ancillary Agreements").

8. That the authority be delegated to the Chief Financial Officer to negotiate and approve the terms and conditions of the Offer to Purchase and the Ancillary Agreements, in accordance with this report and such other terms and conditions deemed necessary by the City Solicitor/Director of Legal Services to protect the interests of the City.

9. 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 – January 8, 2018

DECISION MAKING HISTORY:

Moved by Councillor Orlikow,

That the recommendation of the Standing Policy Committee on Property and Development, Heritage and Downtown Development, as amended by the Executive Policy Committee, be adopted.

In amendment,

Moved by Councillor Dobson,
Seconded by Councillor Eadie,

WHEREAS the Winnipeg Public Service has advised that the appraised value of $1.43 million for the Vimy Arena was essentially based on the value of the land as the building had no value;

AND WHEREAS the current Asset Report lists virtually all equipment, including lights, water heaters, washroom fixtures a new chiller and brine system as "aged" and needs to be replaced;

AND WHEREAS replacing aged equipment may not necessarily be required and are purposely used to inflate the asset's immediate needs, affecting the actual appraisal value;

AND WHEREAS giving away this facility would be a disservice to the citizens of Winnipeg whose tax dollars paid for it, especially when there is possibility that it could be repurposed as a year round recreational facility;

THEREFORE BE IT RESOLVED That Item 14 of the Report of the Standing Policy Committee on Property and Development, Heritage and Downtown Development dated January 8, 2018 be referred back to the Standing Policy Committee to allow the Winnipeg Public Service to report back to Council within 60 days with the following information:

1. A new Asset Assessment of the Vimy Arena based on the premise that the building would be repurposed as a year round recreational facility and not an indoor ice rink and that existing equipment that does not need to be replaced would be maintained.

2. A new appraisal of the property based on the new Asset Assessment.

3. Clarification that the current appraisal was based on the value of the land only.

Report – Standing Policy Committee on Property and Development, Heritage and Downtown Development – January 8, 2018

DECISION MAKING HISTORY (continued):

In amendment,
Moved by Councillor Gillingham,
Seconded by Councillor Orlikow,

THEREFORE BE IT RESOLVED That Recommendation 6 of Item No. 14 of the Report of the Standing Policy Committee on Property and Development Heritage and Downtown Development dated January 8, 2018 be deleted in its entirety and replaced with the following:

"6. That the City of Winnipeg Public Service include a reversionary clause in the land sale agreement with Manitoba Housing and Renewal Corporation ("MHRC") for 255 Hamilton Avenue (the "Property") that includes the following elements, and if such elements are not complied with the Property shall revert back to the City:

A. That MHRC and/or the proponent of the addictions treatment and recovery center (the "Proponent") submit a complete application to the City of Winnipeg for all necessary planning, subdivision and rezoning approvals required to permit the use of the Property for an addictions treatment and recovery center and that such necessary planning, subdivision and rezoning approvals be obtained from the City of Winnipeg within two years after the sale of the Property from the City to MHRC.

B. That MHRC enter into a Ground Lease Agreement ("Agreement") with the Proponent within four years after the sale of the Property from the City of Winnipeg to MHRC that requires the exclusive use of the Property as an addictions treatment and recovery center, and such Agreement shall be terminated if Recommendation 6C is not satisfied.

C. That MHRC and/or the proponent be required to build an addictions treatment and recovery center and obtain an unconditional occupancy permit therefor within four years after the sale of the Property from the City of Winnipeg to MHRC;

D. That MHRC and/or the Proponent provide a letter of credit in an amount sufficient to restore the land to its original condition in the event that construction for an addictions treatment and recovery center is initiated but not completed."

Report – Standing Policy Committee on Property and Development, Heritage and Downtown Development – January 8, 2018

DECISION MAKING HISTORY (continued):

The motion moved by Councillor Dobson and seconded by Councillor Eadie was put.

Councillor Gerbasi called for the yeas and nays as follows:

Yea: Councillors Dobson and Schreyer. 2

Nay: His Worship Mayor Bowman, Councillors Allard, Eadie, Gerbasi, Gillingham, Gilroy, Lukes, Mayes, Morantz, Orlikow, Pagtakhan and Sharma. 12

and the motion from Councillor Dobson and seconded by Councillor Eadie was declared lost.

The motion moved by Councillor Gillingham and seconded by Councillor Orlikow was put.

Councillor Sharma called for the yeas and nays as follows:

Yea: His Worship Mayor Bowman, Councillors Allard, Gerbasi, Gillingham, Gilroy, Lukes, Mayes, Morantz, Orlikow, Pagtakhan and Sharma. 11

Nay: Councillors Dobson, Eadie and Schreyer. 3

and the motion moved by Councillor Gillingham and seconded by Councillor Orlikow was declared carried.

The motion for adoption of the item, as amended, was put.

Councillor Morantz called for the yeas and nays as follows:

Yea: His Worship Mayor Bowman, Councillors Allard, Gerbasi, Gillingham, Gilroy, Lukes, Mayes, Morantz, Orlikow, Pagtakhan and Sharma. 11

Nay: Councillors Dobson, Eadie and Schreyer. 3

and the motion for adoption of the item, as amended, was declared carried.

Report – Standing Policy Committee on Property and Development, Heritage and Downtown Development – January 8, 2018

EXECUTIVE POLICY COMMITTEE RECOMMENDATION:

On January 17, 2018, the Executive Policy Committee concurred in the recommendation of the Standing Policy Committee on Property and Development, Heritage and Downtown Development, with the following amendments:.

WHEREAS Vimy Arena, at 255 Hamilton Avenue, was declared surplus per Recommendation 5. of Item 9. of the Report of the Executive Policy Committee dated February 22, 2013, adopted by Council on February 27, 2013;

AND WHEREAS the Public Service has stated redevelopment of the Vimy Arena site will be cost prohibitive to the City and not best use of recreational budgets;

AND WHEREAS net proceeds from the sale of Vimy Arena were to be reinvested into the development of recreation amenities within the current Assiniboia Community Committee area as per Recommendation 7. of Item 9. of the Report of the Executive Policy Committee dated February 22, 2013, adopted by Council on February 27, 2013;

AND WHEREAS transferring 255 Hamilton Avenue to the province of Manitoba for $1 will mean the City is unable to realize net proceeds of a land sale at the appraised value of $1,430,000;

AND WHEREAS the Assiniboia Community Committee area needs additional recreation amenities;

AND WHEREAS the community has expressed concerns about the preservation of green space and public access to Sturgeon Creek in the area of 255 Hamilton;

AND WHEREAS the proponents of the Bruce Oake Recovery Centre have publicly committed to preserving green space at the Vimy Arena site;

Report – Standing Policy Committee on Property and Development, Heritage and Downtown Development – January 8, 2018

DECISION MAKING HISTORY (continued):

EXECUTIVE POLICY COMMITTEE RECOMMENDATION (continued):

AND WHEREAS there is a pressing need for an addiction treatment and recovery centre in Winnipeg;

AND WHEREAS 255 Hamilton Avenue has been identified as a potential site for a treatment centre;

AND WHEREAS the intention of Recommendation 9. of Item 9. of the Report of the Executive Policy Committee dated February 22, 2013, adopted by Council on February 27, 2013, is that a public consultation process be implemented within the proximity of 255 Hamilton Avenue to seek community input on the development of recreation amenities with the net proceeds of the sale of 255 Hamilton;

AND WHEREAS the City of Winnipeg Recreation, Leisure and Library Facilities Policy seeks to empower the community to reconfigure its recreation, leisure, and library facilities in a way that is more responsive to local needs.

THEREFORE BE IT RESOLVED that the recommendation of the Standing Policy Committee on Property and Development, Heritage and Downtown Development be concurred in with the following amendments:

- Add the following new Recommendations and renumber the remaining recommendations accordingly:

    2. That a $1.4 million commitment from the Land Operating Reserve, for investment in the development of recreation amenities within the Assiniboia Community Committee area per the intention of Recommendation 7. of Item 9. of the Report of the Executive Policy Committee dated February 22, 2013, adopted by Council on February 27, 2013 , be referred to the 2019 Budget review process,

    3. That a portion of the $1.4million be used in consultation with the Public Service to enhance the trails, lighting, security and green space along Sturgeon Creek in the area of 255 Hamilton Avenue;

Report – Standing Policy Committee on Property and Development, Heritage and Downtown Development – January 8, 2018

DECISION MAKING HISTORY (continued):

EXECUTIVE POLICY COMMITTEE RECOMMENDATION (continued):

4. That, per the intention of Recommendation 9. of Item 9. of the Report of the Executive Policy Committee adopted by Council on February 27, 2013, a public consultation process be implemented within the proximity of 255 Hamilton Avenue, subsequent to approval of the $1.4 million in the 2019 Budget, to seek community input on the development of recreation amenities with the remainder of the $1.4 million;

5. That the public consultation be funded from the Commitment Reserve out of $50,000 set aside in the 2014 budget per the intention of Recommendation 9 of Item #9 of the Report of the Executive Policy Committee dated February 22, 2013, adopted by Council on February 27, 2013.

6. That the City of Winnipeg Public Service include a reversionary clause in the land sale agreement with Manitoba Housing and Renewal Corporation (MHRC) for 255 Hamilton Avenue that includes the following elements:

    A. That the proponent be required to build an addictions treatment and recovery center within four years after the sale of this property from the City of Winnipeg to MHRC;

    B. That MHRC and/or the proponent of the addictions treatment and recovery center obtain all necessary planning, subdivision and rezoning approvals for this property from the City of Winnipeg;

    C. That the proponent enters into an agreement with MHRC for the exclusive use of this property as an addictions treatment and recovery center.

and submitted the matter to Council.

Report – Standing Policy Committee on Property and Development, Heritage and Downtown Development – January 8, 2018

DECISION MAKING HISTORY (continued):

EXECUTIVE POLICY COMMITTEE RECOMMENDATION (continued):

The following persons provided submissions in opposition to the matter:

Amar Demeku-Ousman
Andrew Peckham
Annabela Darvill
Anthony Barenz
Arianna Davis
Ashley Barenz
Barb Voth
Brent and Jodi Adam
Bruce F Johnson
Bryan Johnson
Bryson Maternick
Candi Houston
Chris Fredrickson and Janine Thomson
Chris Wengel
Correna Peck
Cory Schoenberger
Crystal Shorting
David Woodward
Deanne Evans
Debbie Camp
Debbie Glenewinkel
Debra L Johnson
Denise Batterton
Derek Edward
Dierdre Logan
Donna Rattray
Doug Darvill
Gérald Danais
Greg Hammond

Report – Standing Policy Committee on Property and Development, Heritage and Downtown Development – January 8, 2018

DECISION MAKING HISTORY (continued):

EXECUTIVE POLICY COMMITTEE RECOMMENDATION (continued):

Glenn Charles Beghin and Margaret Joy Beghin
Heather Hammond
Hon. Stephen Fletcher MLA Assiniboia
Ian McHale
James Ballany
James Derek Prefontaine
James Freedy
Jamie Dasilva
Jeanne Fronda
Jeannette Teichgrab
Jennifer Anderson
Jennifer Schoenberger
Jesimine Radke
John Casanova
John Teichgrab
Josie Sy
Karen Pfeifer
Karl Houston
Katherine Ballany
Katie DaSilva
Kelly Dowling
Kenda Ibbetson
Kevin and Leslie Sommerfield
Kevin Station
Kim Riddell
Larry Dunmall
Laurie and Blair Switzer
Leo Saites
Lesley Trinder
Lise Wilson
Lorena Davis
Lori Brown
Lori Jackson
Louellla Bingham
Marelyn Ballany
Marianna Fedoryshyn
Marianne Nuttall
Mark Casanova
Mary Forbes
Melanie Station
Nevan Davis
Normand Gauthier
Peter F. Voth
Ray and Marva Kroll
Robert Fabro
Robert Fedoryshyn
Robin Leonzio
Rod Nuttall
Ron and Gertrude (Pat) Menzies
Russ Zitaruk
Russell Wilson
Ryan and Jennifer Thomas
Sarah Nesbitt
Shannon Weiss, Ted Cade and Brendan Cade
Sharon Dudko
Stephen Peck
Tammy Hodgins-Rector
Ted and Stephanie Dandewich
Terry and Karen Ardron
Tilman Goetting
Tom Glenewinkel
Tracy Caton
Valerie McHale
Valerie Robertson
Villamor Adatan JR
Wes Johnson

STANDING COMMITTEE RECOMMENDATION:

On January 8, 2018, the Standing Policy Committee on Property and Development, Heritage and Downtown Development concurred in the recommendation of the Winnipeg Public Service, with the following amendment:

Report – Standing Policy Committee on Property and Development, Heritage and Downtown Development – January 8, 2018

DECISION MAKING HISTORY (continued):

STANDING COMMITTEE RECOMMENDATION (continued):

- Delete Recommendation1 in its entirety and replace it with the following:

    1. That the sale of the Vimy Arena, shown as "Subject City Property" on the attached Misc. Plan 14441/2, in favour of Manitoba Housing and Renewal Corporation for the purchase price of $1.00, be approved, and Condition 2 of the policy titled "Offers to Purchase City-Owned Property" approved by Council on December 6, 2006, be waived in this instance.

and submitted the matter to the Executive Policy Committee and Council.

The following person provided a submission in support of the matter:

- Kat Degner

The following persons provided submissions in opposition of the matter:

Bill Kearns
DJ and N Horne
Ashley Wade
Steven Fletcher, MLA Assiniboia
Diana Hanlan
Lorena Davis
Sean Adair
Greg Hammond
Gérald Danais on behalf of Tracy Caton
Doug McLennan

ADMINISTRATIVE REPORT

Title: **Sale of City-owned Property commonly known as the Vimy Arena located at 255 Hamilton Avenue**

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

AUTHORIZATION

Author	Department Head	CFO	A/CAO
M. Pittet	J. Kiernan	M. Ruta	M Jack

EXECUTIVE SUMMARY

The Vimy Arena located at 255 Hamilton Avenue was declared surplus to the City's needs on February 27, 2013 subject to a number of conditions, including a requirement for the Winnipeg Public Service to report back to Council with a disposition strategy for the property.

On October 27, 2017, the Manitoba Housing and Renewal Corporation (MHRC) submitted a request for a government-to-government transfer of the Vimy Arena for the purpose and development of the operation of the Bruce Oake Recovery Centre. An independent external appraisal was undertaken to determine value was completed on November 24, 2017

In accordance with the "Offers to Purchase City-Owned Property" Policy adopted by Council on December 6, 2006, the Department recommends that the Vimy Arena be sold to the Province of Manitoba for the appraised value of $1,430,000.

On December 21, 2017, the City received an offer of $1 for the Vimy Arena from MHRC. The transfer of the Vimy Arena to MHRC will be subject to a successful rezoning and subdivision (the subdivision will identify the final configuration of the site), environmental testing.

MHRC has obtained Board of Directors approval for the $1 acquisition, in addition to a proposed 99 year ground lease with the Bruce Oake Recovery Centre with an annual rent of $1.00.

RECOMMENDATIONS

1. That the sale of the Vimy Arena, shown as "Subject City Property" on the attached Misc. Plan 14441/2, in favour of Manitoba Housing and Renewal Corporation for the purchase price of $1,430,000.00 be approved in accordance with the Council approved policy titled "Offers to Purchase City-Owned Property"

2. That the City enter into, execute and deliver an Offer to Purchase and 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 authority be delegated to the Chief Financial Officer to negotiate and approve the terms and conditions of the Offer to Purchase and the Ancillary Agreements, in accordance with this report and such other terms and conditions deemed 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

On February 27, 2013, Council declared the Vimy Arena surplus to its needs. The Council approval included a condition that the property not be marketed or sold until such time as the newly developed Seven Oaks Arena was ready for its intended occupancy and a requirement for the Planning, Property and Development Department to submit a disposition strategy for Council’s consideration.

The Seven Oaks Arena opened for public use in September 2015. The Department may act on an unsolicited offer to purchase City-owned property when a government agency or body is seeking to acquire the property. The agreed price should reflect a valuation completed by an accredited appraiser – the property has been appraised at $1,430,000.

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.

Inasmuch as the Department is recommending the sale of this property to Manitoba Housing and Renewal Corporation, further reporting on a disposition strategy for the site is not required.

IMPLICATIONS OF THE RECOMMENDATIONS

There are no regulatory or human resource implications associated with the report. The recommended sale of the subject City property is in accordance with the City’s “Offers to Purchase City-owned Property” policy.

It is noted that a sale of the Subject City Property would be subject to:

- a cross access agreement with the adjoining private land;

- a Waterways Permit if the building is expanded
- a possible shared services agreement with the adjoining private lands
- a subdivision application
- a possible rezoning/public hearing depending on the proposed use

The net proceeds from the sale will be reinvested into City-run recreation, leisure, and library facilities in accordance with the Council approved *Recreation, Leisure, and Library Facilities* (RLALF) Policy.

It is noted that Community Services and Legal Services provided concurrence to the final version of the administrative report on December 20th and 21st respectively. Subsequent to their concurrence and the initiation of the Independent Fairness Commissioner review, Manitoba Intergovernmental Affairs provided the Department with a brief term sheet outlining the terms and conditions for an Offer to Purchase. The purchase price proposed by the Province is $1.00.

HISTORY/DISCUSSION

On February 27, 2013, Council adopted Item 9 from the Report of the Executive Policy Committee dated February 22, 2013, namely the Multi-pad Arena Development Proposal – Garden City Community Centre "The Seven Oaks Arena Project". The Vimy Arena was declared surplus, pursuant to the following conditions of approval:

"1. That the City of Winnipeg enter into a tripartite funding partnership with the Garden City Community Centre (GCCC) and the Province of Manitoba in support of a multi-pad (twin) arena development and multi-use facility project, known as the Seven Oaks Arena Project; subject to confirmation satisfactory to the Chief Financial Officer of each partner committing to fund a 1/3 share of the $17 million capital cost."

"5. That the Vimy Arena and Old Exhibition Arena be declared surplus properties and that such properties not be marketed or sold until such time as the newly developed Seven Oaks Arena is ready for its intended occupancy, at which time the Planning, Property and Development Department shall develop a property disposition strategy for such sites, and that Recommendation 1 of the report be subject to such approval."

"7. That further to the intent of the Recreation Leisure and Libraries Facilities policy, the net proceeds derived from the property sale or disposition of City of Winnipeg recreational facilities, namely the Vimy Arena and Old Exhibition Arena, be reinvested into the development of recreational amenities within the Community Committee area where the property sale occurs."

"9. That a public consultation process within each of the Assiniboia Community Committee and the Lord Selkirk-West Kildonan Community Committee areas be implemented in order to seek community input on the future reinvestment of the sale proceeds of the Vimy and Old Exhibition arenas within those geographic areas; and further that $50,000 in incremental operating funding to the Community Services

Department for consultant services to facilitate the consultations be referred to the 2014 operating budget process".

The Vimy Arena property was circulated to all Civic Departments and no civic need was identified. The Public Works Department advised that the existing access for the adjoining property, the Assiniboine Memorial Curling Club, is via the subject City-owned property so a cross access agreement will be required as a condition of any proposed sale. A shared services agreement with the adjoining property may also be required and any proposed Purchaser intending to redevelop the property with new or additional buildings will be required to apply for a Waterways Permit.

In September 2015, the Seven Oaks Arena at Garden City Community Centre officially opened for public use, bringing two new, year round ice pads to the neighbourhood.

On March 31, 2017, the Department was provided with a copy of a letter from the Province of Manitoba (co-authored by the Minister of Families and Minister of Health, Seniors and Active Living) to the Bruce Oake Foundation outlining the Province's endorsement of the Foundation's advocacy efforts for bringing a long-term treatment facility to the City.

On April 24, 2017, the Chief Administrative Officer wrote a letter to the Deputy Minister of Municipal Relations seeking confirmation that the Province was interested in partnering with the Bruce Oake Foundation to bring a long-term alcohol and drug addiction treatment facility to the City of Winnipeg. The Chief Administrative Officer identified the Vimy Arena site as a potential option for the proposed facility and advised that the City would be willing to enter into further discussions but any final arrangement would be subject to Council approval.

In August 2017, the Province requested specific facility condition information on the Vimy Arena.

In September 2017, Equal Opportunities West, which is a non-profit organization, advised the Department of their interest in acquiring the Vimy Arena. The "Offers to Purchase City-Owned Property" policy does not include a provision to sell property directly to non-profit organizations. As a result, Equal Opportunities West was advised to monitor the City's website for available property.

On October 27, 2017, Manitoba Housing and Renewal Corporation declared their interest in acquiring the Vimy Arena through a government-to-government transfer.

In order to comply with the Department's Real Estate Transaction Management Framework, the Vimy Arena would normally be sold on the open market. However, the "Offers to Purchase City-Owned Property" policy allows for direct transfers to the Province at the appraised value. The Vimy Arena was appraised on November 24, 2017 for $1,430,000 by an external accredited appraiser.

A transfer to the Province would need to include a condition of sale outlining that the transaction would not close if the Province (or applicant) was unable to successfully rezone and subdivide

the subject lands. This is a standard City provision within all sale agreements that require a rezoning and/or subdivision.

On December 21, 2017, the Province provided the City with an offer to purchase the Vimy Arena for $1. MHRC would acquire the property, conditional upon successful rezoning, subdivision and environmental testing; and require a facility to be constructed within a specified timeframe. MHRC would subsequently enter into a ground lease with the Bruce Oake Recovery Centre for 99 years at an annual rent of $1.00. MHRC has obtained Board of Directors approval for the proposed offer.

The Ward Councillor has been consulted and does not approve of the proposed transaction.

According to the Council approved *Recreation, Leisure, and Library Facilities* (RLALF) Policy, any net proceeds from property sales that may arise as a result of property sale, disposition or facility rationalization will be reinvested into City-run recreation, leisure, and library facilities. The policy indicates that a reserve fund is to be established for such proceeds. Inasmuch as a new reserve fund has not been created, the Land Operating Reserve will be used to secure and hold the net sale proceeds of the Vimy Arena for subsequent use as a funding source for reinvestment. The net proceeds from the disposition of the Vimy Arena will be held until such time as the public consultation process can occur in accordance with the February 27, 2013 Council decision.

FINANCIAL IMPACT

Financial Impact Statement

Date: December 18, 2017

Project Name:

First Year of Program 2018

Sale of City-owned Property commonly known as the Vimy Arena located at 255 Hamilton Avenue

	2018	2019	2020	2021	2022
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	$ 130,000	$ -	$ -	$ -	$ -
Less: Incremental Revenue/Recovery	1,430,000	-	-	-	-
Net Cost/(Benefit)	$ (1,300,000)	$ -	$ -	$ -	$ -
Less: Existing Budget Amounts	(1,300,000)	-	-	-	-
Net Budget Adjustment Required	$ -	$ -	$ -	$ -	$ -

Additional Comments: Incremental revenue represents the appraised market value of the Vimy site while direct costs consist of the net book value of the Vimy Arena building & the historical cost of the land on which it sits. Estimated municipal property tax revenue has not been included in this analysis and is considered to be immaterial in nature. The sale is assumed to be concluded during 2018. Net proceeds of $1.3 million will be held in the Land Operating Reserve.

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

CONSULTATION

This Report has been prepared in consultation with:

Community Services Department
Legal Services Department as to Legal Issues

OURWINNIPEG POLICY ALIGNMENT

VIMY ARENA

The subject site falls within the Areas of Stability (recent Communities) policy area under the Complete Communities Direction strategy.

Areas of Stability are primarily understood as the residential areas where the majority of Winnipeggers currently live. Unlike Transformative Areas that will experience significant change over the coming years, Areas of Stability will accommodate low to moderate density infill development to support more efficient use of land, infrastructure and services as well as enhance housing choice and affordability. Infill in areas of stability will be supported with the intent of creating more complete communities.

When new development occurs in Areas of Stability, it should be contextually suitable and enhance and celebrate what makes them unique. To that point, intensification should be accommodated within existing communities in a sensitive manner which recognizes the existing form and the character of its location (p.79, Complete Communities).

Policies for Areas of Stability

- Support low to moderate change in low-density neighbourhoods through development and redevelopment that is complementary to the existing scale, character and built form.
- Promote the form of buildings and spaces that are sensitive to the community context and address the transition between new and existing developments.
- Promote a quality public realm with a high level of accessibility to community services and amenities and opportunities for gathering and social interaction
- Encourage intensification to occur at centres and along corridors.
- Focus housing growth to areas that have municipal service capacity to support intensification, in addition to commercial and recreational amenities.
- Support Complete Communities by ensuring diverse and high quality housing stock.
- 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, townhouses.
- Support a mix of commercial services and employment uses that serve the local community.
- Provide opportunities to increase multi-modal connectivity when redevelopment occurs.

- Where intensification/densification of housing occurs, ensure that the types of open space – passive, active, and plazas – respond to community needs.
- Ensure that existing public open spaces meet the neighbourhood's current and future requirements.

SUBMITTED BY

Department: Planning, Property and Development
Division: Real Estate and Land Development
Prepared by: Marc Pittet, Manager
Date: December 28, 2017
File No: 4710

Attachments:

Schedule "A" - Misc. Plans 14441/2

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Schedule “A”


CRESTVIEW PARK DR
HAMILTON AVE
PARKHILL ST
VIMY RD
WHARTON BLVD
SUBJECT CITY PROPERTY
Area: 9981.5± m² (2.47± acres)
METRIC
Date: 2015-DEC-16
District: ASBA
File: 4710
Scale: 1:1500
Requested by: JP
Drawn by: IP
Reference Dwg No.: N/A
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.
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CITY OF WINNIPEG
PLANNING, PROPERTY AND
DEVELOPMENT DEPARTMENT
LAND INFORMATION, GEOMATICS
AND MAPPING SERVICES
MISC. PLAN NO. 14441/2