Agenda – Council – February 28, 2019

Report – Standing Policy Committee on Property and Development, Heritage and Downtown Development – February 4, 2019

Item No. 1 Closing – Paulin Street between Pacific and Ross Avenues (Point Douglas Ward) File DAC 5/2018

STANDING COMMITTEE RECOMMENDATION:

On February 19, 2019, 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, subject to Recommendation 2, the proposed street closing as shown on Misc. Plan No. 15461 be approved and that the land be declared surplus to the City's needs.

2. That the Director of Legal Services and City Solicitor be instructed to prepare and bring directly to Council for enactment a by-law to facilitate the street closing in accordance with Misc. Plan No. 15461 (attached as Appendix "B"), subject to:

    A. The approval of the conveyance of the land by Council or its delegated authority, and

    B. The applicant/purchaser entering into a Purchase and Sales Agreement with the City, which agreement shall include, among other things, a requirement that the applicant/purchaser fulfill the administrative conditions of approval outlined in Appendix "A" of this report.

3. That, in the event the subject closing is not proceeded with expeditiously and the by-law:

    A. Is not enacted within two (2) years following the date the subject report is approved by Council, and

    B. Is not registered in the Winnipeg Land Titles Office within one (1) year following the date it is enacted by Council,

    the matter shall be deemed to be concluded and shall not be proceeded with, unless an extension of time is applied for prior to the expiry of the two (2) year period referred to in clause (A) above and Council approves the extension.

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 – February 4, 2019

DECISION MAKING HISTORY:

EXECUTIVE POLICY COMMITTEE RECOMMENDATION:

On February 19, 2019, 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 February 4, 2019, 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.

PUBLIC HEARING SUMMARY

File:	DAC 5/2018
Before:	Standing Policy Committee on Property and Development, Heritage and Downtown Development Councillor Mayes, Chairperson Councillor Klein Councillor Lukes Councillor Rollins
Public Hearing:	February 4, 2019 Council Building, 510 Main Street
Applicant:	CentreVenture Development Corporation
Premises Affected:	Paulin Street between Pacific and Ross Avenues
Exhibits Filed:	1. Report from the Real Property Officer dated January 8, 2019 2. Inspection Report

REPRESENTATIONS:

In Support:

Angela Mathieson
Johanna Chabluk

In Opposition:

Nil

For Information:

Nil

For the City:

B. Buyachok, Real Property Officer, Planning, Property and Development Department
J. Kiernan, Director, Planning, Property and Development Department

Exhibit "1" referred to in File DAC 5/2018

ADMINISTRATIVE REPORT

Title: Proposed Closing of Paulin Street between Pacific and Ross Avenues – File DAC 5/2018

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

AUTHORIZATION

Author	Department Head	CFO	CAO
M. Pittet	J. Kiernan	N/A	D. McNeil

EXECUTIVE SUMMARY

CentreVenture Development Corporation ("CentureVenture") has submitted an application to close Paulin Street between Pacific and Ross Avenues.

CentreVenture is currently undertaking feasibility analyses to market and redevelop surplus City properties at 346 Pacific Avenue and 311 Ross Avenue optioned to them as part of their Council approved Business Plan entitled "Drive for 2020". The properties adjoin the subject street, the closing of which is proposed to enhance the development opportunities.

Before the street may be transferred to CentreVenture, it must be legally closed and declared surplus to the City's needs.

RECOMMENDATIONS

1. That, subject to Recommendation 2, the proposed street closing as shown on Misc. Plan No. 15461 be approved and that the land be declared surplus to the City's needs.

2. That the Director of Legal Services and City Solicitor be instructed to prepare and bring directly to Council for enactment a by-law to facilitate the street closing in accordance with Misc. Plan No. 15461 (attached as Appendix "B"), subject to:

   A. the approval of the conveyance of the land by Council or its delegated authority, and

   B. the applicant/purchaser entering into a Purchase and Sales Agreement with the City, which agreement shall include, among other things, a requirement that the applicant/purchaser fulfill the administrative conditions of approval outlined in Appendix "A" of this report.

3. That, in the event the subject closing is not proceeded with expeditiously and the by-law:

   A. is not enacted within two (2) years following the date the subject report is approved by Council, and

   B. is not registered in the Winnipeg Land Titles Office within one (1) year following the date it is enacted by Council,

   the matter shall be deemed to be concluded and shall not be proceeded with, unless an extension of time is applied for prior to the expiry of the two (2) year period referred to in clause (A) above and Council approves the extension.

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

All street and lane closings within the boundaries of the Downtown Winnipeg area, as defined by the Downtown Winnipeg Zoning By-Law No. 100/2004, must be considered by the Standing Policy Committee on Property and Development, Heritage and Downtown Development.

As per Section 3.1(i) of the City Organization By-law, only Council can declare City-owned property as surplus.

IMPLICATIONS OF THE RECOMMENDATIONS

There are no policy, regulatory, environmental, human resource or general implications associated with the recommendations.

All costs associated with the public street closing are the responsibility of the applicant. There are no financial implications for the City of Winnipeg.

HISTORY/DISCUSSION

At its meeting held on May 24, 2018, Council concurred in the recommendation of the Standing Policy Committee on Property and Development, Heritage and Downtown Development, as amended, and approved CentreVenture Development Corporation's Business Plan entitled "Drive for 2020". Council's approval included the option to purchase surplus City land for the nominal sum of $1.00 at 346 Pacific Avenue and 311 Ross Avenue, identified as "Subject City Property" on the attached copies of Misc. Plan Nos. 12212/2 and 10775/5 respectively. Both properties adjoin the proposed street closing.

Discussion

The Planning, Property and Development Department has received a request from CentreVenture to close Paulin Street, as shown on the attached copy of Misc. Plan No. 15461.

CentreVenture is currently undertaking feasibility analyses for the 346 Pacific Avenue and 311 Ross Avenue properties to market for sale and redevelopment in early 2019. The redevelopment proposal is for a mix of primarily multi-family residential units with the potential for commercial mixed use. The analyses also indicate that redevelopment opportunities improve if Paulin Street is closed as a public right of way.

CentreVenture has provided the following comments in support of the application and proposed development:

> *If Paulin Street is closed as a public right of way, the development opportunities of 311 Ross Avenue and 346 Pacific Avenue improve as follows:*
>
> - *Potential to create a street frontage on Pacific Avenue and Ross Avenue that complements existing buildings on the other sides of these streets.*
> - *Potential to provide accessibility improvements for 311 Ross Avenue.*
> - *Opportunity to negotiate with the owner of the surface parking lot at the corner of Pacific Avenue and Princess Street, to potentially enable development at the corner of Princess Street.*
> - *Potential to enclose accessory parking due to a greater developable area.*
> - *Potential to provide an economic development opportunity that achieves a high affordability threshold for the widest range of new downtown residents.*
> - *Opportunity to appropriately scale new development to complement the adjacent heritage buildings, a new City park and residential neighbourhood to the west.*

The subject street was originally designated as “Adelaide Street” and opened by Plan No. 24 WLTO in July of 1873. In March of 1891, By-law No. 502 changed the name of the street to “Fourth Street North”. In October of 1893, By-law No. 703 subsequently changed the name to its present designation.

Paulin Street was legally closed by Plan No. 13049 WLTO (By-law No. 1360/76) in November of 1976 under File DAC 3/76. The closing was initiated by Paulin Chambers Company Ltd. as part of a proposed development for the expansion of their facilities located at 311 Ross Avenue. Although the development and acquisition of the closed street was not proceeded with, the street remained physically open and continued to provide access to the Paulin Chambers building on Ross Avenue. To regularize this situation, Paulin Street was re-opened by Plan No. 15528 WLTO (By-law No. 2821/80) in January of 1981 under File DAO 12/79, thereby giving legal effect to the usage of the land.

Paulin Street currently provides access to the surface parking lot at 346 Pacific Avenue and to loading docks at 311 Ross Avenue, both of which will no longer be operational in CentreVenture’s redevelopment scenario.

FINANCIAL IMPACT

Financial Impact Statement

Date: December 28, 2018

Project Name:

Proposed Closing of Paulin Street between Pacific and Ross Avenues - File DAC 5/2018

COMMENTS:

All costs associated with the public street closing are the responsibility of the applicant. There are no financial implications for the City of Winnipeg.

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

CONSULTATION

This Report has been prepared in consultation with:

Internal Consultation:

Legal Services (as to legal issues)
Corporate Finance
Public Works
Water and Waste
Transit
Fire Department
Winnipeg Parking Authority

External Consultation:

Manitoba Hydro, Centra Gas, BellMTS, Shaw Cablesystems, Bell Canada, Crown Utilities, Rogers Communications, Telus and TeraSpan.

Imperial Oil, Norscan and Fibre did not respond to the request for comment on this application.

OURWINNIPEG POLICY ALIGNMENT

Section 235 of *The City of Winnipeg Charter* states that *"…public works, undertakings and development in the city must be consistent with Plan Winnipeg or any secondary plan."*

The subject closing does not contravene *OurWinnipeg* or the *Complete Communities Direction Strategy* and generally aligns with their overall vision and key directions.

SUBMITTED BY

Department: Planning, Property and Development
Division: Real Estate and Land Development
Prepared by: Bohdan Buyachok, Real Property Officer
Date: January 8, 2019
File No: DAC 5/2018

Attachments:

Appendix "A" – Administrative Approval/Comments

Appendix "B" – Miscellaneous Plans and Aerial View

APPENDIX "A"

Administrative Approval

The proposal has been considered by all affected City departments and public utilities. There are no administrative objections to the public street closing.

Administrative Comments

Geomatics Branch

- Approval is subject to the applicant/purchaser submitting or causing to have submitted a development application proposing a plan of subdivision (DAS, DASZ or DASSF as necessary) to facilitate incorporation of the closed right of way within the development of the adjacent property.

- The closing plan mylars, closing by-law, land transfer and any associated documents will be released together with the plan of subdivision mylars and subsequently registered in series with and prior to the associated plan of subdivision.

- The applicant/purchaser is responsible for all costs associated with the preparation of the necessary closing and subdivision plans and any associated documents, and registration of same at The Property Registry to facilitate legal closing of the right of way and its conveyance.

Fire Prevention

The Fire Department's approval is conditional on the provision for the maintenance of a fire lane, running the length of the proposed closing area from Pacific to Ross Avenues, until such time as the development plans for the adjoining City properties being acquired by CentreVenture are submitted. The fire lane shall be a minimum of 6m in width, and no closer than 10 feet to the building located at 311 Ross Avenue.

Public Works Department

Public Works advises that as part of a future development application, the Developer will be responsible to construct a sidewalk on Ross Avenue from the existing sidewalk abutting 311 Ross Avenue to the existing sidewalk west of the first public lane west of Paulin Street. There will also be a need for a pedestrian and/or cycling connection between Pacific and Ross Avenues, including lighting. Also, the pavement within Paulin Street and the existing street turnouts will require removal.

Winnipeg Parking Authority

The Winnipeg Parking Authority is responsible for the on-street paid parking of which the approval of this will result in a permanent reduction to the City of Winnipeg's on-street parking and associated revenues. The Winnipeg Parking Authority estimates a loss of 7 stalls on Paulin Street.

Real Estate Branch

The sale of the subject street should not occur until the applicant/purchaser exercises their option to purchase on 311 Ross Avenue and/or 346 Pacific Avenue.

Municipal Accommodations Division

Sufficient time is to be provided to Municipal Accommodations for the removal of any/all City of Winnipeg assets from 311 Ross Avenue prior to the subject street closure.

Plan Examination

Closing the street as a public thoroughfare means that the limiting distance line relocates from the centerline of the street to the property line, putting the existing building at 311 Ross Avenue into non-compliance, as it has openings along its west elevation. This may be a problem for several reasons:

- Many buildings in the Exchange have non-compliant spatial separation, especially where unprotected windows are adjacent to a property line.

- Any future development would need to be code compliant relative to the existing buildings, if remaining.

- If the properties are consolidated, the non-compliance issue is removed.

Urban Planning

The redevelopment of the Paulin Street right of way must conform to the West Alexander and Centennial Neighbourhood Plan, the Downtown Urban Design Guidelines and the Downtown Winnipeg Zoning By-law.

Water and Waste Department

Water Planning and Projects Delivery Branch

- We have 150mm diameter water mains north and south of the subject site. Available fire flows are adequate for protection of single family development style, but may not be sufficient for protection of larger/taller structures without water main upgrading. There appears to be a gap in the hydrant coverage for the subject property so an additional hydrant should be installed.

- We also have a 150mm water main in the Paulin right of way. This water main would have to be abandoned with the existing services re-connected to existing water mains on either Pacific or Ross Avenues.

- The Branch 1 Aqueduct is located a few metres north of the subject property and the Water and Waste Department has specific requirements for construction activities undertaken in close vicinity to protect the integrity of the pipeline.

Wastewater Planning and Projects Delivery Branch

- If the right of way is sold, the ownership of the combined sewer should transfer with it.

Land Drainage and Flood Protection Branch

- Paulin Street has a combined sewer main with catch basin connections to it. Depending on what they do with the land, they will need to either plug the sewer or take ownership of it.

Services Development Branch

The following requirements are stipulated:

- The Developer shall pay, on demand by the City, their proportionate share of the cost of the upgraded Ross Avenue water main, installed by others, in the event that either:

  1. the proposed development, once plans of development for the proposed closing area or the lands commonly known as 311 Ross Avenue and 346 Pacific Avenue are available, has been ascertained to require the improved servicing provided by the upgraded water main to adequately support the development.

  2. any connections to this City service are made from the proposed closing area, or the lands commonly known as 311 Ross Avenue and 346 Pacific Avenue.

  All as determined by and to the satisfaction of the Director of Water and Waste.

- The Developer shall enter into a Servicing Agreement with the City, to provide the City with interim security to guarantee the above payment as may be required, to the satisfaction of the Director of Water and Waste and the Director of Planning, Property and Development.

Land Development Branch

The closing would require a Variance for creating any lots with no frontage on Paulin Street, unless the redevelopment plan will require the lots to be consolidated in a way that facilitates the proposed development.

<u>Easements</u>

Manitoba Hydro and Centra Gas Manitoba Inc. have identified existing and/or future services within the closing area and will require easements for these facilities. Centra Gas also requires the preparation of a survey to locate their facilities. No permanent structures will be allowed within the easement area.

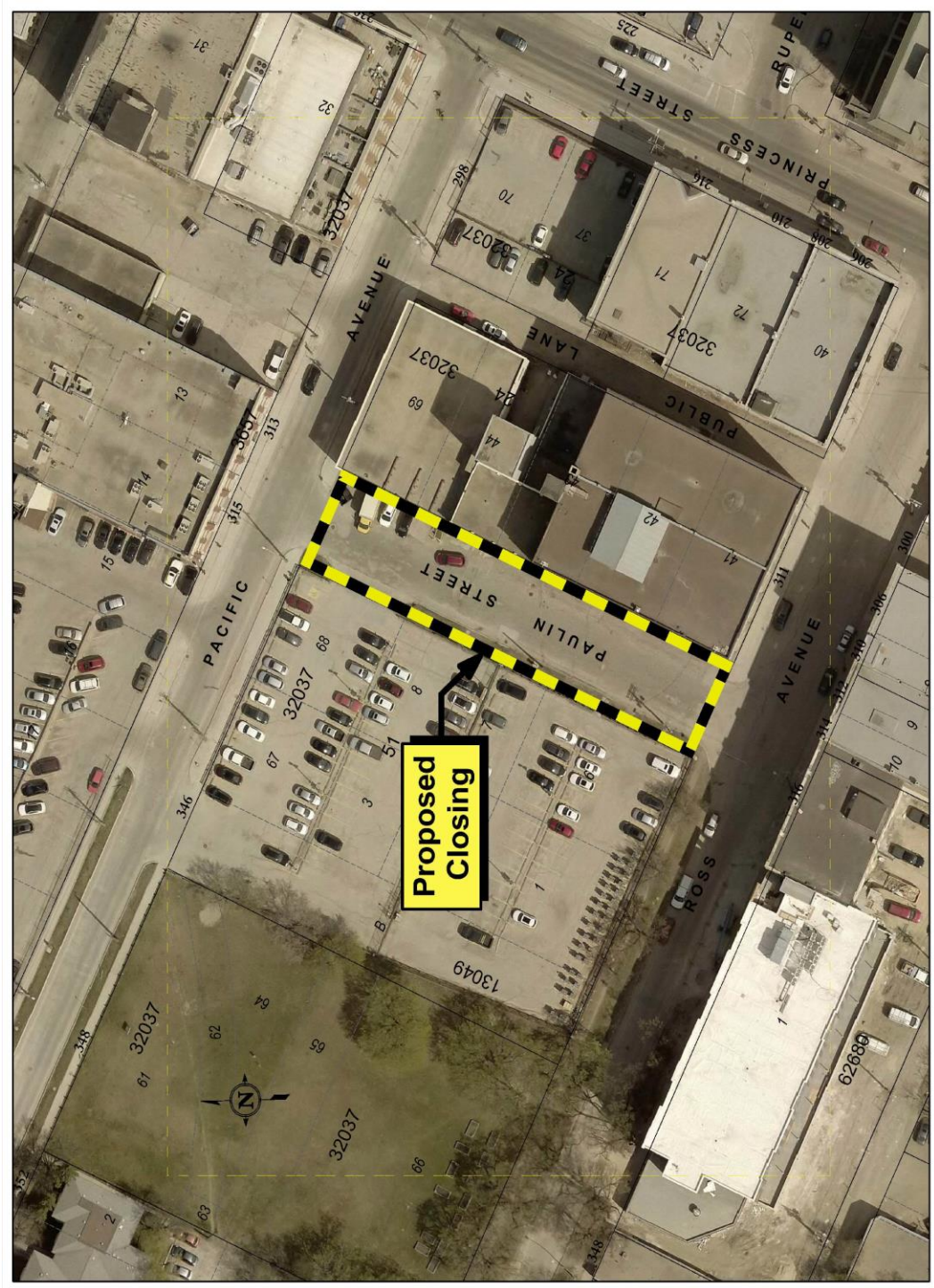
Any removal or relocation of existing facilities as a result of the proposed street closing will be at the expense of the applicant.

Transfer of Jurisdiction Over Public Rights-of-Way

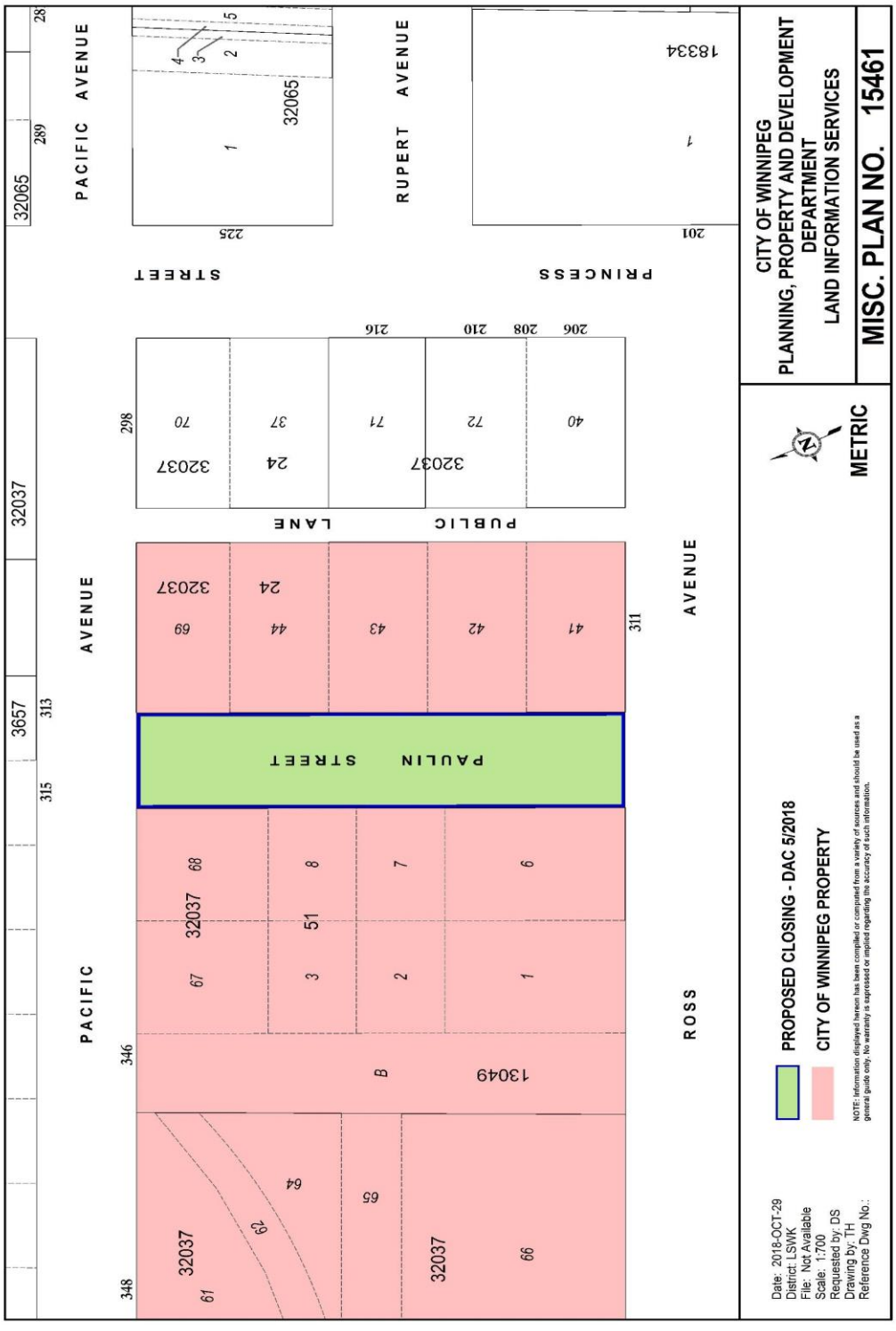
The street must be legally closed before it may be sold. Title to all public rights of way in Manitoba is vested in the name of the Province. The registration in the Winnipeg Land Titles Office of a closing by-law removes the public right of way status from the land and vests the ownership of the property in the City's name. The City is not entitled to dispose of the land until this has been done.

APPENDIX "B"

Aerial View of Subject Closing



Miscellaneous Plan No. 15461: Subject Closing



Miscellaneous Plan Nos. 12212/2 and 10775/5: City Properties Optioned to CentreVenture

