Report - Standing Policy Committee on Property and Development - February 5, 2004

Item No. 9 Sale of northeast Corner of Redonda Street and Pandora Avenue File FI-2.4(33)

STANDING COMMITTEE RECOMMENDATION:

On February 18, 2004, the Executive Policy Committee concurred in the recommendation of the Standing Policy Committee on Property and Development and submits the following to Council:

1. That the Offer from Global Homes Ltd. in the amount of $75,000.00 for the subject City property, shown on Misc. Plan No. 10462/1, be rejected and the deposit monies returned.

2. That Council declare Lot 17, Block 4, Plan 8568, between Victoria and Pandora Avenues east of Brelade Street, shown on Misc. Plan No. 10462, to be surplus to the City's requirements.

3. That the subject City property, which includes a portion of Lot 17, Block 4, Plan 8568, as shown on Misc. Plan No. 10462/1, be offered for sale to the general public.

4. That the property shown as Parcel "B" on Misc. Plan No. 10462, be offered for sale to the general public.

5. 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 - February 5, 2004

DECISION MAKING HISTORY:

EXECUTIVE POLICY COMMITTEE RECOMMENDATION:

On February 18, 2004, the Executive Policy Committee concurred in the recommendation of the Standing Policy Committee on Property and Development and submitted the matter to Council.

STANDING COMMITTEE RECOMMENDATION:

On February 6, 2004, the Standing Policy Committee on Property and Development concurred in the administrative recommendation and submitted the matter to the Executive Policy Committee and Council.

Re: Proposed Sale of NE Corner of Redonda Street and Pandora Avenue

For submission to: The Standing Policy Committee on Property and Development

Original report signed by: Director of Planning, Property and Development

Report date: January 30, 2004

Recommendation(s):

1. That the Offer from Global Homes Ltd. in the amount of $75,000.00 for the Subject City Property as shown on Misc. Plan No. 10462/1 be rejected and the deposit monies returned.

2. That Council declare Lot 17, Block 4, Plan 8568 between Victoria Avenue and Pandora Avenue east of Brelade Street on Misc. Plan No. 10462 to be surplus to the City's requirements.

3. That the Subject City Property which includes a portion of lot 17 block 4 plan 8568, as shown on Misc. Plan No. 10462/1, be offered for sale to the general public.

4. That the property shown as Parcel "B" on Misc. Plan No. 10462, be offered for sale to the general public.

REPORT SUMMARY

Key Issues:

On November 19, 1997 Council adopted the recommendation of the Committee on Protection, Parks and Culture dated November 3, 1997 as amended by the Executive Policy Committee as follows:

That the properties identified as Parcel A and Parcel B on Misc. Plan No. 10462 and located at the northeast and northwest corners of Pandora Avenue East at Redonda Street <u>be declared surplus to the City's parks and recreation requirements, with the sale of Parcel A and Parcel B for residential purposes only, i.e. "R1" or "R2" housing only, and be disposed of accordingly</u>; That the property identified as Parcel C on Misc. Plan No. 10462 and located at the northeast corner of Pandora Avenue East at Redonda Street, not be declared surplus to the City's requirements and be retained by the City of Winnipeg under the jurisdiction of the Parks and Recreation Department.

That the Proper Officers of the City be authorized to do all things necessary to implement the foregoing recommendations, including the execution of any documents related thereto.
The Planning, Property and Development Department is in receipt of an offer from Global Homes Ltd. to purchase the subject city property as shown on Misc. Plan No. 10462/1.

The Department recognizes that the offer submitted by Global Homes is a reasonable offer for the Subject City Property as shown on Misc. Plan No. 10462/1. Nevertheless there is concern over accepting an unsolicited offer prior to conducting an offering to the general public. This could create the perception that the sale was completed in an improper manner on the basis that other potential purchasers were not given an equal opportunity to acquire the land.

Upon approval of the recommendations in this report the Department will undertake a full marketing program for both the Subject City Property as shown on Misc. Plan No. 10462/1 and Parcel B as shown on Misc. Plan No. 10462. Global Homes will be advised of the availability of both of these sites and have an opportunity to submit proposals along with the general public on either or both of these sites.

Implications of the Recommendation(s):

All members of the general public will have an opportunity to submit proposals for either one or both of the sites.

General implications:

X	None
	For the organization overall and/or for other departments
	For the community and/or organizations external to the City of Winnipeg
	Involves a multi-year contract

Comment(s):

Policy implications:

X	**No**
	Yes

Comment(s):

Environmental implications:

X	**No**
	Yes

Comment(s):

Human resources implications:

X	**No**
	Yes

Comment(s):

Financial implications:

X	Within approved current and/or capital budget
	Current and/or capital budget adjustment required

Comment(s):

REASON FOR THE REPORT:

The Planning Property and Development Department has received an Offer to Purchase a portion of the City owned property at the NW corner of Redonda Street & Pandora Avenue, which requires the consideration of the Standing Policy Committee on Property and Development.

HISTORY:
Parcels A, B and C shown as Subject Property on Misc. Plan No. 10462 were acquired by the City in tax sale in 1985.

On November 19, 1997 Council adopted the recommendation of the Committee on Protection, Parks and Culture dated November 3, 1997 as amended by the Executive Policy Committee as follows:

That the properties identified as Parcel A and Parcel B on Misc. Plan No. 10462 and located at the northeast and northwest corners of Pandora Avenue East at Redonda Street be declared surplus to the City's parks and recreation requirements, with the sale of Parcel A and Parcel B for residential purposes only, i.e. "R1" or "R2" housing only, and be disposed of accordingly; That the property identified as Parcel C on Misc. Plan No. 10462 and located at the northeast corner of Pandora Avenue East at Redonda Street, not be declared surplus to the City's requirements and be retained by the City of Winnipeg under the jurisdiction of the Parks and Recreation Department.

That the Proper Officers of the City be authorized to do all things necessary to implement the foregoing recommendations, including the execution of any documents related thereto.

John Wiebe of North Grassie Properties expressed an interest in acquiring Parcel A, as shown on Misc. Plan No. 10462 and on June 29, 2000 the Standing Policy Committee on Property and Development instructed the Planning, Property and Development Department to return Mr. Wiebe's letter of interest on the property since the property was not ready to be brought to market at that time. In 2002 the Department received further letters of Interest with regard to Parcel A from both North Grassie Properties and Global Homes.

The Planning, Property and Development Department has received an Offer to Purchase the subject city property, as shown on Misc. Plan No. 10462/1. Details of the Offer are as follows:

Location:	Northwest corner of Redonda Street and Pandora Avenue
Description:	Shown as Subject City Property on Misc. Plan No. 10462/1
Size:	6,995 sq.m. (75,296 sq.ft.) 1.728 acres
Roll No.:	Part 09001726000 Part 09001575500
Certificate of Title:	Part 1705923 Part A21680
Note:	Parcels A, B & C Misc. Plan No. 10462 are all on the same title and roll number
Zoning:	A-5 Agriculture R1-5 Residential
Price Offered:	$75,000
Deposit:	$1,000
Purchaser:	Global Homes Ltd.

The Offer is subject to the Purchaser securing approval for the subdivision, servicing and development of the Subject City Property on or before September 1, 2004.

A portion of the subject property is existing buffer running between Pandora and Victoria Avenues. A 1993 report entitled Proposed Surplus Public Open Space in the East Kildonan/Transcona Community prepared by the Parks and Recreation Department indicated that Lots 17 and 18 in Block 4 Plan 8568 exist as sodded buffers and that they are not required for buffer strip purposes.

DISCUSSION:

The Real Estate Division's Land Enhancement Specialist reviewed the details of the Offer and provided the following comments:

Calculations indicate that a very slim margin for profit exists in the development of these lands.

It is not recommended that the City attempt development when the Real Estate Division may be able to sell off these lands at the price offered. It is not likely that the City could get a better offer from other developer/builders at this price, as their calculations would confirm that there may not be any profit at all at the price offered.

The Department recognizes that the offer submitted by Global Homes is a reasonable offer for the Subject City Property as shown on Misc. Plan No. 10462/1. Nevertheless there is concern over accepting an unsolicited offer prior to conducting an offering to the general public. This could create the perception that the sale was completed in an improper manner on the basis that other potential purchasers were not given an equal opportunity to acquire the land.

The Planning, Property and Development Department therefore recommends the following:

That the Offer from Global Homes Ltd. in the amount of $75,000.00 for the Subject City Property as shown on Misc. Plan No. 10462/1 be rejected and the deposit monies returned.

That Council declare Lot 17, Block 4, Plan 8568 between Victoria Avenue and Pandora Avenue east of Brelade Street on Misc. Plan No. 10462 to be surplus to the City's requirements.

That the subject city property which includes a portion of lot 17 block 4 plan 8568, as shown on Misc. Plan No. 10462/1, be offered for sale to the general public.

That the property shown as Parcel "B" on Misc. Plan No. 10462, be offered for sale to the general public.

Upon approval of the recommendations in this report the Department will undertake a full marketing program for both the Subject City Property as shown on Misc. Plan No. 10462/1 and Parcel B as shown on Misc. Plan No. 10462. Global Homes will be advised of the availability of both of these sites and have an opportunity to submit proposals along with the general public on either or both of these sites.

Financial Impact Statement 23-Dec-03

COMMENTS:

There is no Financial Impact at this time as a sale is not recommended.

Gord Courage, Manager
Support Services Division

IN PREPARING THIS REPORT, THERE WAS CONSULTATION WITH AND CONCURRENCE BY:

This report submitted by:

Planning, Property and Development Department
Division: Real Estate
Prepared by: Gerry Anderson
PPD File #: 32/6871

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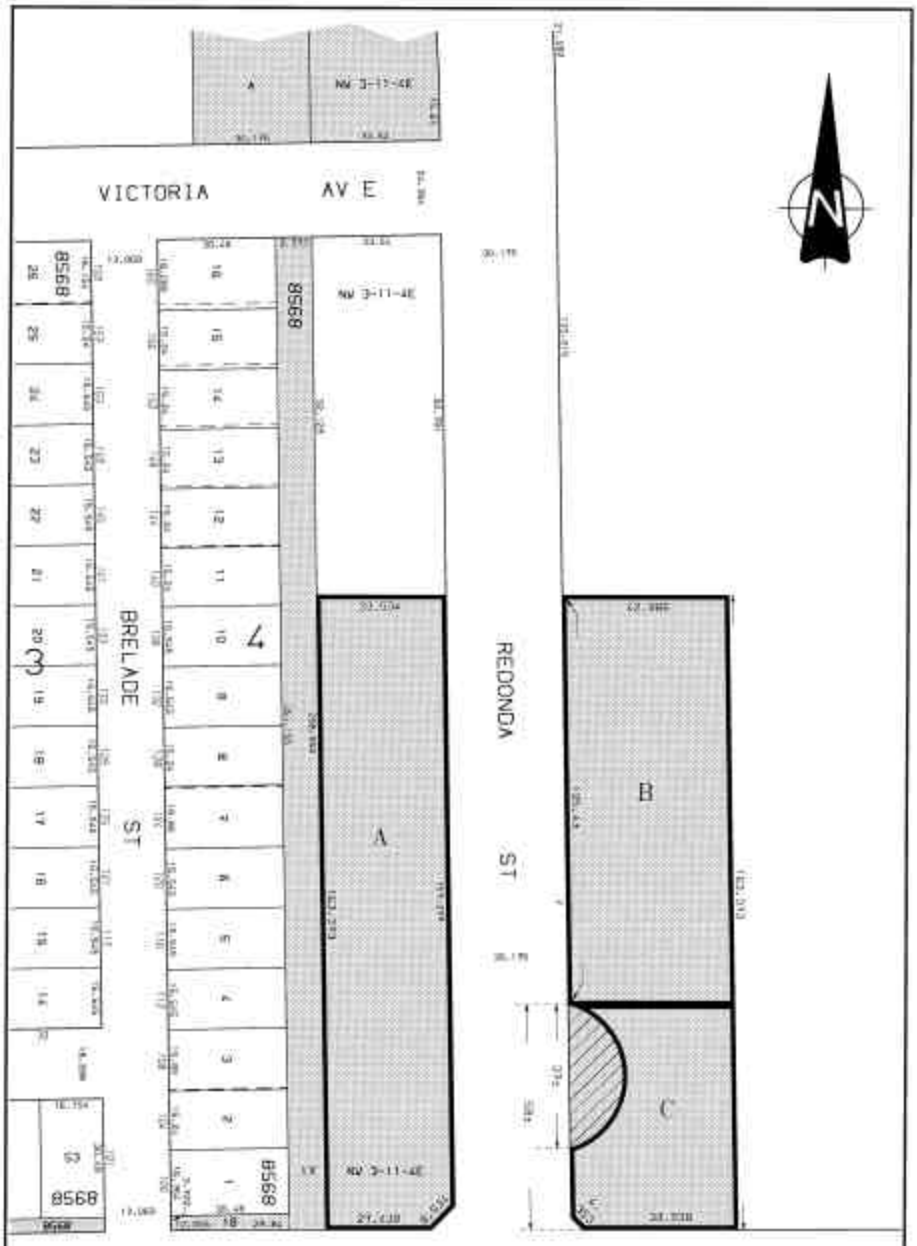
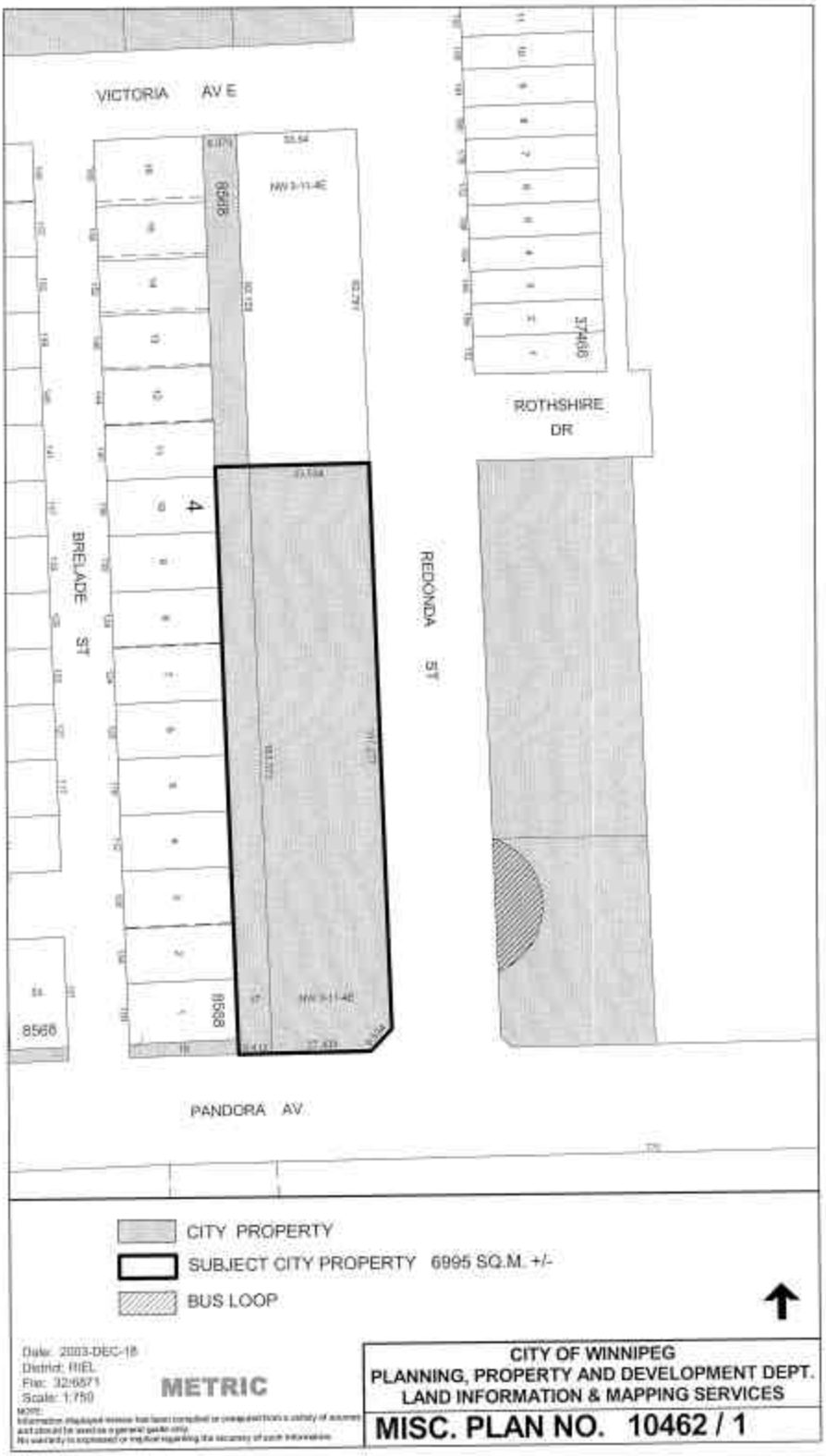


CITY OF WINNIPEG
PROPERTY AND DEVELOPMENT SERVICES DEPT.

SCALE: 1:1250	DATE: 99-JLY-30	DISTRICT: EKT
ATLAS: F1801	FILE: TR32/6366	
MISC. PLAN No: 10462		

All dimensions are approximate. No warranty is expressed or implied regarding the accuracy of such information.


VICTORIA AV E
8565
NW 3-11-4E
ROTHSHIRE DR
37466
BRELADE ST
REDONDA ST
4
8568
8566
PANDORA AV
CITY PROPERTY
SUBJECT CITY PROPERTY 6995 SQ.M. +/-
BUS LOOP
Date: 2003-DEC-18
District: RIEL
File: 32/6571
Scale: 1:750
METRIC
CITY OF WINNIPEG
PLANNING, PROPERTY AND DEVELOPMENT DEPT.
LAND INFORMATION & MAPPING SERVICES
MISC. PLAN NO. 10462 / 1