Agenda – Council – June 26, 2020

Report – Standing Policy Committee on Property and Development, Heritage and Downtown Development – June 16, 2020

Item No. 1 Sale of 572 Selkirk Avenue (Mynarski Ward)

STANDING COMMITTEE RECOMMENDATION:

On June 18, 2020, 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 Offers to Purchase City-owned Property Policy, adopted by Council on December 6, 2006, be waived for the sale of 572 Selkirk Avenue to the adjacent property owner at 580 Selkirk Avenue.

2. 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 – June 16, 2020

DECISION MAKING HISTORY:

EXECUTIVE POLICY COMMITTEE RECOMMENDATION:

On June 18, 2020, 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 16, 2020, 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: Sale of 572 Selkirk Avenue

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	M. Ruta, Interim CAO

EXECUTIVE SUMMARY

On April 20, 2020, the Standing Policy Committee on Property and Development, Heritage and Downtown Development directed the Public Service to sell 572 Selkirk Avenue (shown as "Subject City Property" on Misc. Plan 10817/2, attached as Schedule A) to the adjacent property owner at 580 Selkirk Avenue.

Marketing efforts for the Subject City Property have been unsuccessful to date and, therefore, the Public Service supports a direct sale in this instance.

572 Selkirk Avenue is considered a buildable lot and, where a direct sale is proposed for a buildable lot, Council must waive the Policy for Offers to Purchase City-owned Property.

RECOMMENDATIONS

1. That the Offers to Purchase City-owned Property Policy, adopted by Council on December 6, 2006, be waived for the sale of 572 Selkirk Avenue to the adjacent property owner at 580 Selkirk Avenue.

2. 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 April 20, 2020, the Standing Policy Committee on Property and Development, Heritage and Downtown Development concurred in the recommendation of the Lord Selkirk-West Kildonan Community Committee, and directed the Winnipeg Public Service to sell 572 Selkirk Avenue to the adjacent property owner at 580 Selkirk Avenue, subject to the following conditions:

1. The purchase price be determined by a market value appraisal conducted by an Accredited Appraiser;

2. The property revert back to the City at 90% of the purchase price should development not occur within two (2) years from the date of sale.

3. That if a signed purchase agreement for the sale of the subject property has not been received by December 31, 2020, the Winnipeg Public Service be directed to market the property for sale to the general public.

The Public Service inadvertently failed to identify to the Standing Policy Committee on Property and Development, Heritage Downtown Development that a Council policy waiver is required where direct sales are proposed for buildable lots. Only Council can waive Council policies.

IMPLICATIONS OF THE RECOMMENDATIONS

There are no immediate financial, regulatory, environmental, operational, human resources, or other implications to the recommendations of the report. The policy waiver must be approved for the Public Service to satisfy the intent of the Standing Policy Committee's direction.

HISTORY/DISCUSSION

The property located at 572 Selkirk Avenue (shown as "Subject City Property" on Misc. Plan 10817/2, attached as Schedule A) was acquired by the City on October 4, 2000 through the tax sale process (tax sale #102/216). The Subject City Property was declared surplus on October 10, 2017 after the property was circulated to all civic departments and no civic need was identified.

On January 17, 2017, the Standing Policy Committee on Property and Development, Heritage and Downtown Development directed the Winnipeg Public Service to sell the property at 572 Selkirk Avenue to the owner of Brothers Pharmacy, and his development partners, subject to the following conditions of sale:

1. The owner purchase 580 Selkirk Avenue;

2. The purchase price be determined by a market value appraisal conducted by an Accredited Appraiser;

3. The property revert back to the City at 90% of the purchase price should development not occur within two (2) years from the date of sale.

4. That if a signed purchase agreement for the sale of the subject property has not been received by December 31, 2017, the Winnipeg Public Service be directed to market the property for sale to the general public.

The purchaser was not able to complete their due diligence and feasibility study prior to the December 31, 2017 deadline. The Public Service subsequently marketed the Subject City Property through the William Whyte Pilot Project (the "Project"). No bids for the Subject City Property were submitted through the Project.

On April 20, 2020, Standing Policy Committee on Property and Development, Heritage and Downtown Development once again adopted a motion recommending the sale of the Subject City Property to the adjacent owner.

Inasmuch as the Subject City Property is considered buildable, a waiver of Council policy is required as the proposed sale does not comply with the Policy for Offers to Purchase City-owned Property, adopted by Council on December 6, 2006.

Marketing efforts for the Subject City Property have been unsuccessful to date and, therefore, the Public Service supports a direct sale in this instance. If the policy waiver is approved by Council, the Public Service can satisfy the intent of the Standing Policy Committee's adopted motion.

FINANCIAL IMPACT

Financial Impact Statement

Date: May 11, 2020

Project Name:

Sale of 572 Selkirk Avenue

COMMENTS:

There are no direct financial implications associated with the recommendations contained in this report.

Mike McGinn May 11, 2020

Mike McGinn, CPA, CA
Manager of Finance

CONSULTATION

This Report has been prepared in consultation with:

Legal Services, as to legal issues

OURWINNIPEG POLICY ALIGNMENT

Complete Communities
Areas of Stability > Mature Communities
Direction 1
Encourage conservation and upgrading of existing housing in mature areas and expand housing opportunities through infill development.

Mature communities consist of Winnipeg's earliest neighbourhoods and first suburbs which were mostly developed prior to the 1950s. Key features of these areas are a grid road network with back lanes and sidewalks, older housing stock in the form of low to moderate densities and a finer mix of land uses along many of the commercial streets. Generally, these communities have a full range of municipal services, but may require enhancements. Mature communities represent some of the most "complete" existing communities in Winnipeg. They present some of the best opportunities to accommodate infill development, to increase housing choice and to maximize the use of existing infrastructure. In many cases, these neighbourhoods are already well serviced by public transit and infrastructure.

WINNIPEG CLIMATE ACTION PLAN ALIGNMENT

Land Use: Section 4.1 – Key Directions and Actions - Increase Strategic Infill Development That Provides Access to and Capitalizes on Existing and Planned Corridors with Frequent Transit Service

"Explore opportunities for the City of Winnipeg to take a more direct role in advancing mixed use development that may include developing City-owned lands, assembling land for resale, partnering on development, or using City funds to leverage private investment."

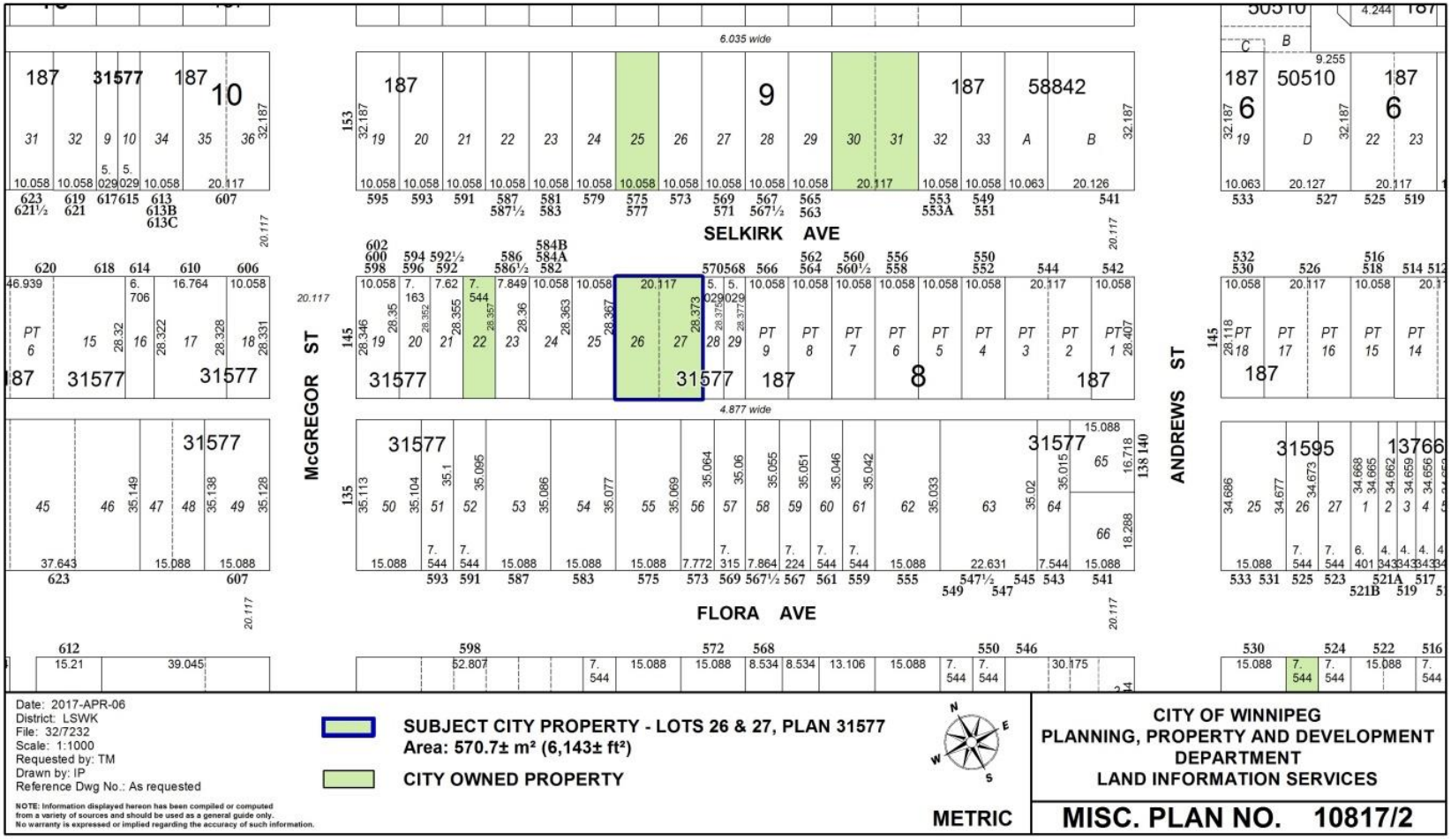
SUBMITTED BY

Department: Planning, Property and Development
Division: Real Estate and Land Development
Prepared by: Gord Chappell, Real Estate Administrator
Date: May 11, 2020
File No: N/A

Attachments:

Schedule A – Misc. Plan 10817/2

Schedule A


SELKIRK AVE
FLORA AVE
McGREGOR ST
ANDREWS ST
SUBJECT CITY PROPERTY - LOTS 26 & 27, PLAN 31577
Area: 570.7± m² (6,143± ft²)
CITY OWNED PROPERTY
METRIC
CITY OF WINNIPEG
PLANNING, PROPERTY AND DEVELOPMENT
DEPARTMENT
LAND INFORMATION SERVICES
MISC. PLAN NO. 10817/2