Agenda - Executive Policy Committee - April 14, 2004

REPORTS

Item No. 12 Heritage Conservation Tax Credit - Transfer to the new owner of 361 Hargrave Street
File G-3.1.5

ADMINISTRATIVE RECOMMENDATION:

1. That Council approve the transfer of heritage conservation tax credits to 4698585 Manitoba Limited, the new owners of the former Film Exchange Building, 361 Hargrave Street.

2. That the Proper Officers of the City be authorized to do all things necessary to effect the intent of the foregoing.

Re: **APPROVAL TO TRANSFER HERITAGE CONSERVATION TAX CREDIT TO THE NEW OWNER OF 361 HARGRAVE STREET**

For submission to: **Executive Policy Committee**

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

Report date: March 15, 2004

Recommendation(s):

- That City Council approve the transfer of heritage conservation tax credits to 4698585 Manitoba Limited, the new owners of the former Film Exchange Building, 361 Hargrave Street.
- That the Proper Officers of the City be authorized to do all things necessary to effect the intent of the foregoing.

REPORT SUMMARY

Key Issues:

- Winnipeg City Council approved a Heritage Conservation Tax Credit of $136,000.00 to Carlton Call Centre Inc. On March 1, 2003, 4698585 Manitoba Limited acquired the building.
- Winnipeg City Council must approve the transfer of the tax credit to the new building owners.
- The new owners agree to sign a legal agreement assuming all obligations of the previous owner.

Implications of the Recommendation(s):

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):

- There are no additional financial implications resulting from the report other than costs associated with commitments made to the previous property owner. The report is recommending the transfer of amounts already considered as being committed by the City.

REASON FOR THE REPORT:
Under the terms of the Heritage Conservation Tax Credit By-law No. 7155/98 (as amended), Winnipeg City Council must approve the transfer of the tax credit to the new building owners.

HISTORY:
On February 27, 2002, under the terms of the Heritage Conservation Tax Credit By-law No. 7155/98 (as amended), Winnipeg City Council approved a tax incentive of $136,000.00 to Carlton Call Centre Inc.

On March 1, 2003, 4698585 Manitoba Limited became owners of the building.

On February 13, 2004, the owner advised that they have agreed to sign a legal agreement to assume all the obligations of the original applicants.

DISCUSSION:
The heritage building located at 361 Hargrave Street has been sold and the new owner of the building is advising their agreement to meet all the obligations of the Heritage Conservation Tax Credit By-law No. 7155/98 (as amended) and is requesting Executive Policy Committee's approval for the transfer of the tax credits.

The Heritage Conservation Tax Credit By-law No. 7155/98 (as amended) states:

> 13(1) Subject to subsection (2), if an applicant wishes to sell or transfer title or the long-term lease in the designated structure, any approved tax credit or portion thereof which has not been released to the applicant is not transferable and will be cancelled.
>
> 13(2) If Council so approves and if the new owner or long-term tenant of the designated structure agrees to assume all obligations of the applicant as hereinbefore set out, the approved tax credit or portion thereof may be transferred to the new owner or long-term tenant.

FINANCIAL IMPLICATIONS:
This is a standard request and if approved will provide for the ongoing upkeep and maintenance of the building for the duration of the terms of the tax credit. There are no additional costs to the City beyond what was originally approved.

Financial Impact Statement **Date:** 11-Mar-04

COMMENTS:

There are no financial impacts associated with this report's recommendations as the transfer of tax credits will not change the total of financial commitments previously approved by City Council.

Gord Courage, Manager
Support Services Division

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

THIS REPORT SUBMITTED BY:

Planning, Property and Development Department
Division: Planning and Land Use
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PPD File #: HTC 09-2001

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