Minute No. 553
Report – Standing Policy Committee on Property and Development, Heritage and Downtown Development – September 17, 2020

Item No. 4 Extension of Time for Option to Purchase and Offer to Purchase Agreements – CentreVenture Development Corporation

COUNCIL DECISION:

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

1. That the Council decision of May 24, 2018 to provide CentreVenture an option to purchase The Market Lands, identified as "Subject City Property" on Misc. Plan No. 13684/9 (attached as Schedule A), be amended to extend the option period to December 31, 2022.

2. That the Council decision of May 24, 2018 to provide CentreVenture an option to purchase Properties No. 4 and 5 identified as "Surplus City-owned Properties originally optioned to CentreVenture under expired Asset Agreement" on Misc. Plan No. 15182/4 (attached as Schedule B), be amended to extend the option period to December 31, 2022.

3. That the Council decision of January 30, 2020 to permit CentreVenture to enter into an Offer to Purchase Agreement for the Proposed Closing referenced in DAC 5/2018, identified as "Proposed Closing" on Misc. Plan No. 10775/6 (attached as Schedule C), be amended to extend the amount of time to enter into an Offer to Purchase Agreement to December 31, 2022.

4. That the Council decision of March 20, 2020 to extend the CentreVenture options to purchase a portion of the public lane north of MacDonald Avenue, east of Maple Street, and Lot 33 Plan 32416 on the north side of MacDonald Avenue, identified as "For Conveyance to CentreVenture Development Corporation" on Misc. Plan No. 15182/2 (attached as Schedule D), be amended to extend the option period to December 31, 2022.

5. That, subject to approval of Recommendations 1 to 4, the City enter into, execute and deliver Option to Purchase Agreements (or Offer to Purchase Agreement) and such other agreements as determined necessary by the Director of Legal Services and City Solicitor to implement the intent of the foregoing (the "Ancillary Agreements").

Report – Standing Policy Committee on Property and Development, Heritage and Downtown Development – September 17, 2020

COUNCIL DECISION (continued):

6. That the authority be delegated to the Chief Administrative Officer to negotiate and approve the terms and conditions of the Option to Purchase Agreements (or Offer to Purchase Agreement) and any Ancillary Agreements in accordance with this report and such other terms and conditions determined necessary by the Director of Legal Services and City Solicitor to protect the interests of the City.

7. 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 – September 17, 2020

DECISION MAKING HISTORY:

Moved by Councillor Gilroy,

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

Carried

EXECUTIVE POLICY COMMITTEE RECOMMENDATION:

On September 21, 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 September 17, 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: Extension of Time for Option to Purchase and Offer to Purchase Agreements – CentreVenture Development Corporation

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

AUTHORIZATION

Author	Department Head	CFO	CAO
G. Chappell	J. Kiernan	N/A	M. Ruta, Interim CAO

EXECUTIVE SUMMARY

On May 24, 2018 and March 20, 2020, Council granted CentreVenture Development Corporation ("CentreVenture") the option to purchase various City-owned properties.

CentreVenture has completed transactions for some of the optioned properties but requires an extension of time to exercise their option to purchase for the following properties:

1) The Market Lands, identified as "Subject City Property" on Misc. Plan No. 13684/9 (attached as Schedule A);

2) Properties No. 4 and 5, identified as "Surplus City-owned Properties originally optioned to CentreVenture under expired Asset Agreement" on Misc. Plan No. 15182/4 (attached as Schedule B);

3) A portion of the public lane north of MacDonald Avenue, east of Maple Street, and Lot 33 Plan 32416 on the north side of MacDonald Avenue, identified as "For Conveyance to CentreVenture Development Corporation" on Misc. Plan No. 15182/2 (attached as Schedule D).

The Public Service recommends that the time to exercise the aforementioned options to purchase be extended to December 31, 2022.

On January 30, 2020, Council approved the sale to CentreVenture of the Proposed Closing referenced in DAC 5/2018, identified as "Proposed Closing" on Misc. Plan No. 10775/6 (attached as Schedule C). The Terms and Conditions of the sale indicated that CentreVenture may enter into an Offer to Purchase Agreement for this property prior to December 31, 2020.

The Public Service recommends that the time to enter into an Offer to Purchase Agreement for this property be extended to December 31, 2022.

RECOMMENDATIONS

1. That the Council decision of May 24, 2018 to provide CentreVenture an option to purchase The Market Lands, identified as “Subject City Property” on Misc. Plan No. 13684/9 (attached as Schedule A), be amended to extend the option period to December 31, 2022.

2. That the Council decision of May 24, 2018 to provide CentreVenture an option to purchase Properties No. 4 and 5 identified as “Surplus City-owned Properties originally optioned to CentreVenture under expired Asset Agreement” on Misc. Plan No. 15182/4 (attached as Schedule B), be amended to extend the option period to December 31, 2022.

3. That the Council decision of January 30, 2020 to permit CentreVenture to enter into an Offer to Purchase Agreement for the Proposed Closing referenced in DAC 5/2018, identified as “Proposed Closing” on Misc. Plan No. 10775/6 (attached as Schedule C), be amended to extend the amount of time to enter into an Offer to Purchase Agreement to December 31, 2022.

4. That the Council decision of March 20, 2020 to extend the CentreVenture options to purchase a portion of the public lane north of MacDonald Avenue, east of Maple Street, and Lot 33 Plan 32416 on the north side of MacDonald Avenue, identified as “For Conveyance to CentreVenture Development Corporation” on Misc. Plan No. 15182/2 (attached as Schedule D), be amended to extend the option period to December 31, 2022.

5. That, subject to approval of Recommendations 1 to 4, the City enter into, execute and deliver Option to Purchase Agreements (or Offer to Purchase Agreement) and such other agreements as determined necessary by the Director of Legal Services and City Solicitor to implement the intent of the foregoing (the “Ancillary Agreements”).

6. That the authority be delegated to the Chief Administrative Officer to negotiate and approve the terms and conditions of the Option to Purchase Agreements (or Offer to Purchase Agreement) and any Ancillary Agreements in accordance with this report and such other terms and conditions determined necessary by the Director of Legal Services and City Solicitor to protect the interests of the City.

7. 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

Council approval is required to amend the May 24, 2018 and March 20, 2020 Council Decisions and extend the term of the options to purchase to December 31, 2022.

Council approval is required to amend the January 30, 2020 Council Decision and extend the amount of time to enter into an Offer to Purchase Agreement to December 31, 2022.

IMPLICATIONS OF THE RECOMMENDATIONS

There are no regulatory, environmental, financial, operational, human resources or other implications associated with this report.

If the options to purchase approved by Council are extended until December 31, 2022, it will provide CentreVenture an opportunity to revitalize various underdeveloped parcels of City-owned land.

A subsequent report may be required in order to extend the deadline for DAC 5/2018, identified as "Proposed Closing" on Misc. Plan No. 10775/6 and attached as Schedule C. This will be determined at a later date.

HISTORY/DISCUSSION

Recommendation #1 & 2

On May 24, 2018, Council granted CentreVenture the option to purchase the following properties as part of the CentreVenture Development Corporation: Drive for 2020 program:

A. The Market Lands, identified as "Subject City Property" on Misc. Plan No. 13684/9;
B. 346 Pacific Avenue, identified as "Subject City Property" on Misc. Plan No. 12212/2;
C. 311 Ross Avenue, identified as "Subject City Property" on Misc. Plan No. 10775/5;
D. Public Lane proposed to be closed and identified as "Proposed Closing – DAC 2/2017) on Misc. Plan No. 15256;
E. Properties identified as "Surplus City-owned Properties originally optioned to CentreVenture under expired Asset Agreement" on Misc. Plan No. 15182/4.

CentreVenture has exercised their option to purchase and completed the conveyance for four of the seven optioned properties. CentreVenture has requested an extension of the option period for:

A. The Market Lands, identified as "Subject City Property" on Misc. Plan No. 13684/9 and attached as Schedule A;

   The Public Service has been working with CentreVenture to achieve the intent of the Market Lands Project Vision, as adopted by Council on July 18, 2019. Due to the complexity of this transaction and development proposal, CentreVenture has requested, and the Public Service recommends, that Council extend the time to complete the option to purchase to December 31, 2022.

E. Properties No. 4 and 5 identified as “Surplus City-owned Properties originally optioned to CentreVenture under expired Asset Agreement” on Misc. Plan No. 15182/4 and attached as Schedule B.

Development is not imminent on either Property No. 4 or No. 5. As a result, CentreVenture has requested, and the Public Service recommends, that Council extend the time to complete the option to purchase to December 31, 2022.

Recommendation #3

On January 30, 2020, Council approved the sale of Paulin Street to CentreVenture, shown as “Proposed Closing” on Misc. Plan No. 10775/6 and attached as Schedule C.

The Terms and Conditions of the sale indicated that CentreVenture may enter into an Offer to Purchase Agreement prior to December 31, 2020.

Paulin Street is located between 311 Ross Avenue and 346 Pacific Avenue; both of these properties were optioned by CentreVenture and sold as a combined redevelopment package in December 2019. The same purchaser wishes to include Paulin Street as part of their future development plans.

CentreVenture has requested, and the Public Service recommends, an amendment to extend the amount of time to enter into an Offer to Purchase Agreement to December 31, 2022.

Recommendation #4

On March 20, 2020, Council extended CentreVenture’s option to purchase the portion of the Public Lane North of MacDonald Avenue, East of Maple Street to be closed and Lot 33, Plan 32416 on the North side of MacDonald Avenue (and attached as Schedule D).

The above noted properties are to be conveyed in one transaction to the adjacent owner. The owner engaged a surveyor to prepare the closing plan and plan of subdivision in an effort to complete the transaction. Both CentreVenture and the adjacent owner have been acting in good faith to complete this transaction.

CentreVenture has requested, and the Public Service recommends, that Council extend the time to complete the option to purchase to December 31, 2022.

FINANCIAL IMPACT

Financial Impact Statement

Date: August 19, 2020

Project Name:

Extension of Time for Option to Purchase and Offer to Purchase Agreements – CentreVenture Development Corporation

COMMENTS:

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

Mike McGinn August 19, 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

Our Winnipeg
01-3-4: Support a thriving and vibrant Downtown as a citywide destination and Winnipeg's window to the world.
01-3-4: Ensure that the important and distinct roles of partnering agencies are united with a clear mission.
01-3-7: When appropriate, assist with land assembly to create viable sites for commercial and employment land development in locations that support complete communities.
01-3-7: Prioritize long-term development projects in the existing public realm based on their ability to catalyze private sector investment and area revitalization.
01-4-6: Promote downtown living with developers and potential residents.

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.

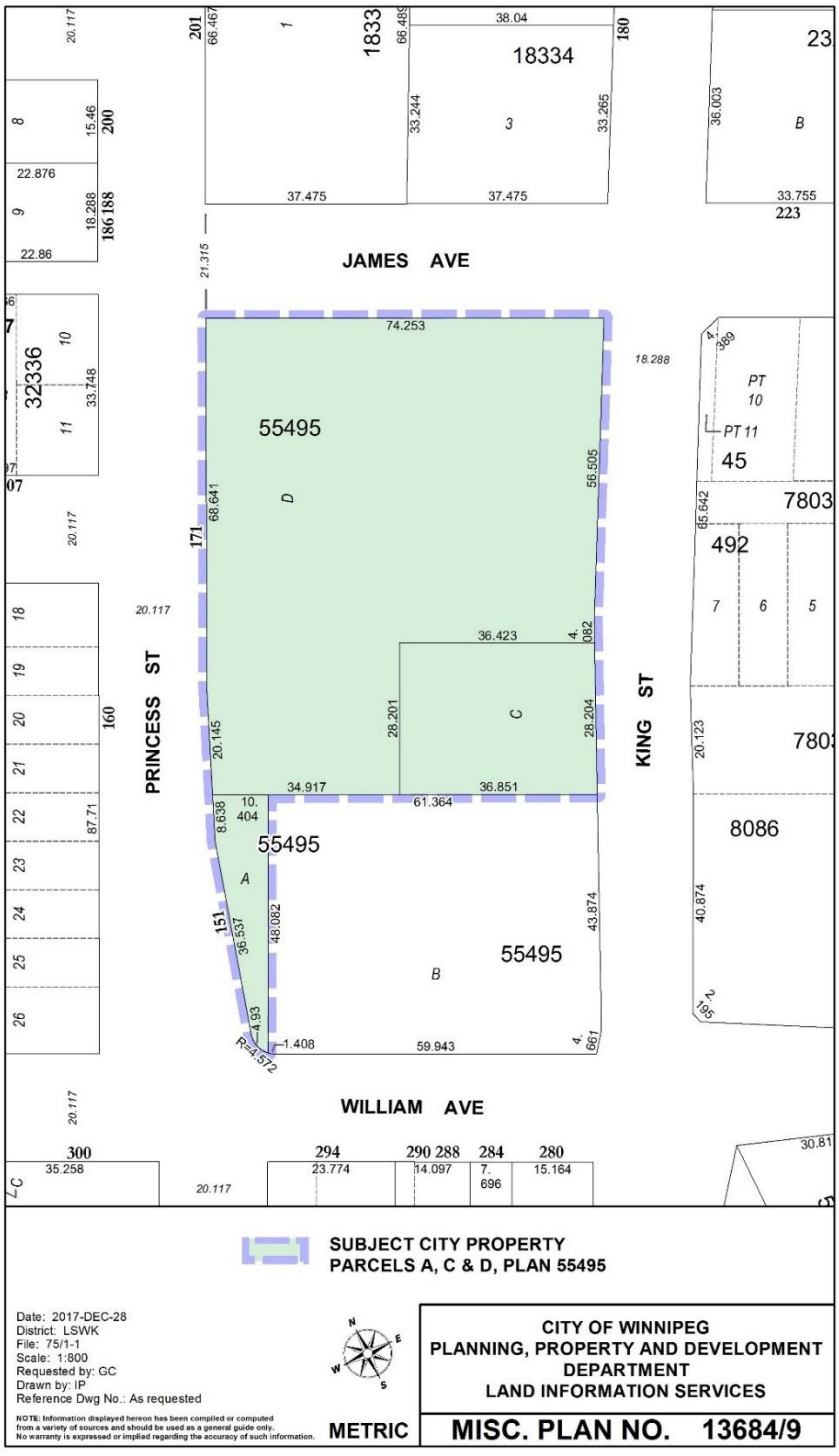
SUBMITTED BY

Department: Planning, Property and Development
Division: Real Estate and Land Development Division
Prepared by: Julian Roberts, Senior Negotiator
Date: August 21, 2020
File No:

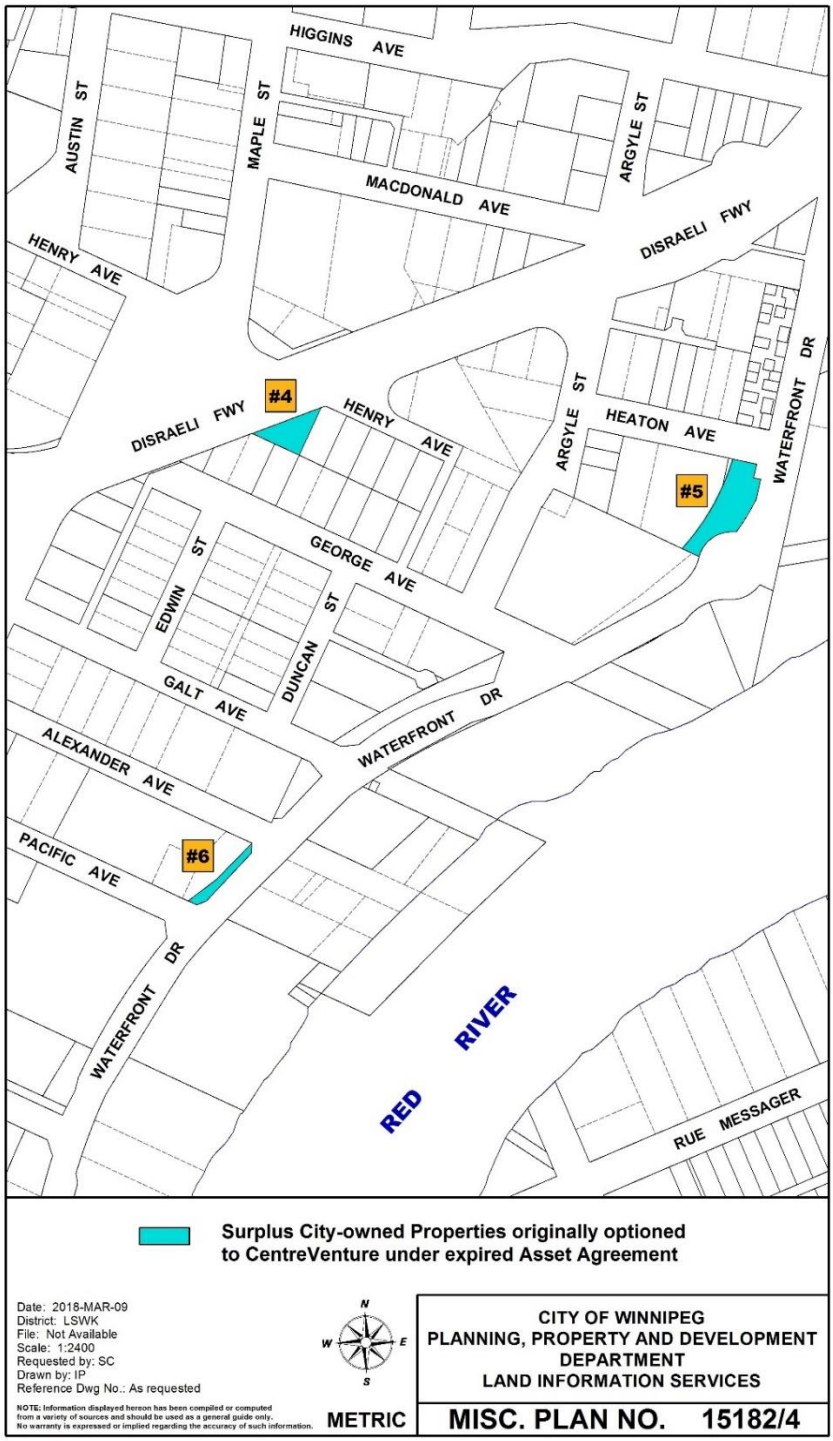
Attachments:

Schedule A – Misc. Plan No. 13684/9
Schedule B – Misc. Plan No. 15182/4
Schedule C – Misc. Plan No. 10775/6
Schedule D – Misc. Plan No. 15182/2

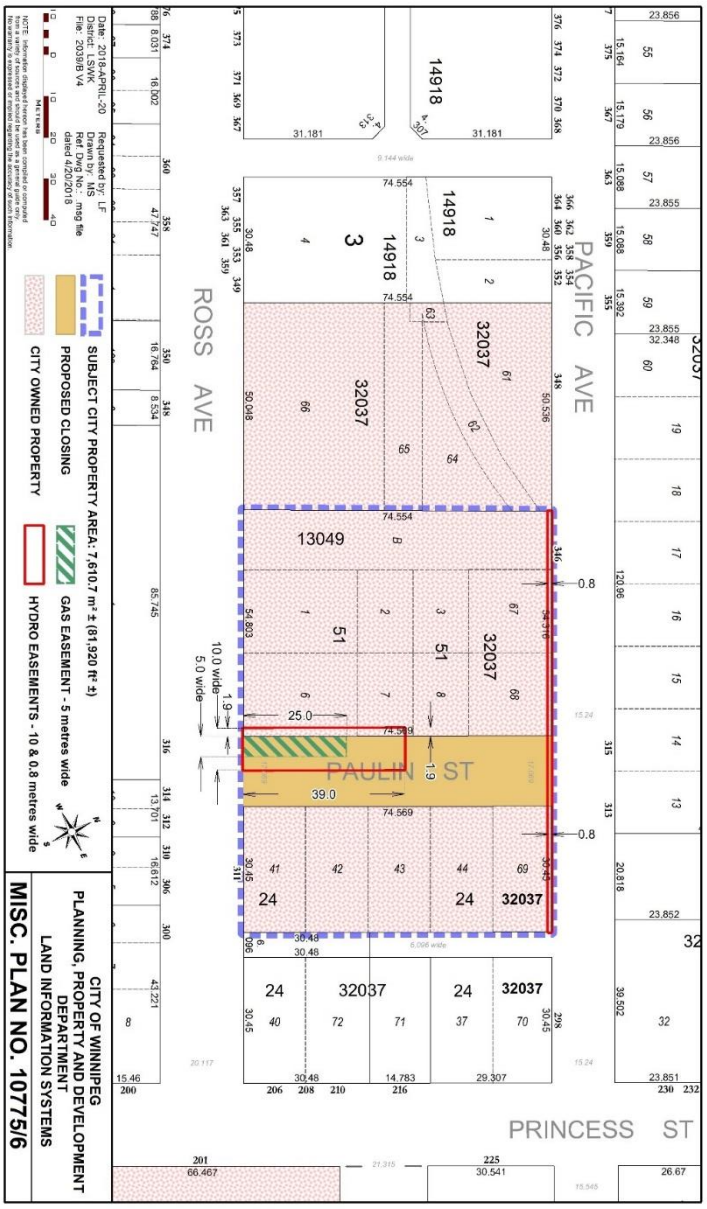
Schedule A


JAMES AVE
WILLIAM AVE
PRINCESS ST
KING ST
55495
D
C
A
B
18334
32336
74.253
68.641
56.505
36.423
28.201
28.204
20.145
34.917
36.851
61.364
8.638
10.404
36.537
48.082
43.874
59.943
1.408
4.93
R24.572
37.475
33.244
33.265
38.04
33.755
22.876
22.86
21.315
20.117
87.71
PT 10
PT 11
45
7803
492
8086
35.258
23.774
14.097
15.164
SUBJECT CITY PROPERTY
PARCELS A, C & D, PLAN 55495
Date: 2017-DEC-28
District: LSWK
File: 75/1-1
Scale: 1:800
Requested by: GC
Drawn by: IP
Reference Dwg No.: As requested
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.
METRIC
CITY OF WINNIPEG
PLANNING, PROPERTY AND DEVELOPMENT DEPARTMENT
LAND INFORMATION SERVICES
MISC. PLAN NO. 13684/9

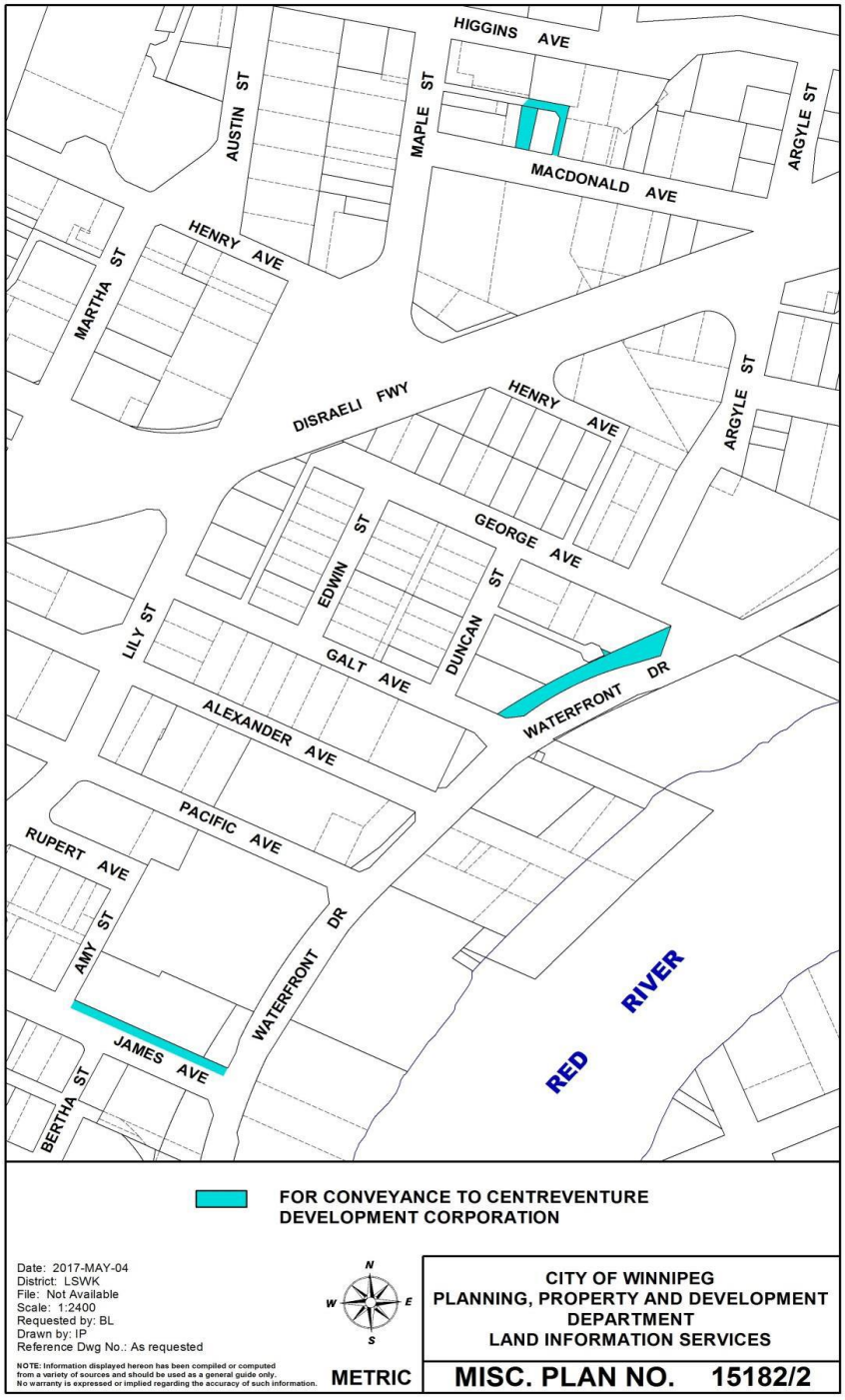
Schedule B


HIGGINS AVE
AUSTIN ST
MAPLE ST
ARGYLE ST
MACDONALD AVE
DISRAELI FWY
HENRY AVE
#4
#5
#6
HEATON AVE
WATERFRONT DR
GEORGE AVE
EDWIN ST
DUNCAN ST
GALT AVE
ALEXANDER AVE
PACIFIC AVE
RED RIVER
RUE MESSAGER
Surplus City-owned Properties originally optioned to CentreVenture under expired Asset Agreement
Date: 2018-MAR-09
District: LSWK
File: Not Available
Scale: 1:2400
Requested by: SC
Drawn by: IP
Reference Dwg No.: As requested
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.
METRIC
CITY OF WINNIPEG
PLANNING, PROPERTY AND DEVELOPMENT DEPARTMENT
LAND INFORMATION SERVICES
MISC. PLAN NO. 15182/4

Schedule C


PACIFIC AVE
ROSS AVE
PAULIN ST
PRINCESS ST
14918
13049
32037
SUBJECT CITY PROPERTY AREA: 7,610.7 m² ± (81,920 ft² ±)
PROPOSED CLOSING
CITY OWNED PROPERTY
GAS EASEMENT - 5 metres wide
HYDRO EASEMENTS - 10 & 0.8 metres wide
CITY OF WINNIPEG
PLANNING, PROPERTY AND DEVELOPMENT
DEPARTMENT
LAND INFORMATION SYSTEMS
MISC. PLAN NO. 10775/6

Schedule D


HIGGINS AVE
AUSTIN ST
MAPLE ST
ARGYLE ST
MACDONALD AVE
HENRY AVE
MARTHA ST
DISRAELI FWY
HENRY AVE
ARGYLE ST
GEORGE AVE
EDWIN ST
DUNCAN ST
LILY ST
GALT AVE
WATERFRONT DR
ALEXANDER AVE
PACIFIC AVE
RUPERT AVE
AMY ST
WATERFRONT DR
JAMES AVE
BERTHA ST
RED RIVER
FOR CONVEYANCE TO CENTREVENTURE DEVELOPMENT CORPORATION
Date: 2017-MAY-04
District: LSWK
File: Not Available
Scale: 1:2400
Requested by: BL
Drawn by: IP
Reference Dwg No.: As requested
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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METRIC
CITY OF WINNIPEG
PLANNING, PROPERTY AND DEVELOPMENT DEPARTMENT
LAND INFORMATION SERVICES
MISC. PLAN NO. 15182/2