Minutes – Executive Policy Committee – December 9, 2020

Report – Standing Policy Committee on Property and Development, Heritage and Downtown Development – December 7, 2020

Item No. 4 Proposed Land Exchange – 1513 Rothesay Street (North Kildonan Ward)

EXECUTIVE POLICY COMMITTEE RECOMMENDATION:

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 a land exchange between the City and the Owner of 1513 Rothesay Street be approved in accordance with the terms and conditions set out in Schedule B.

2. That the City enter into, execute and deliver a Land Exchange Agreement with the Owner of 1513 Rothesay Street and such other agreements as determined necessary by the City Solicitor/Director of Legal Services to implement the intent of the foregoing (the "Ancillary Agreements").

3. That the Chief Administrative Officer be authorized to negotiate and approve the terms and conditions of the Land Exchange Agreement and any Ancillary Agreements in accordance with this report and such other terms and conditions determined necessary by the City Solicitor/Director of Legal Services to protect the interests of the City.

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 – December 7, 2020

DECISION MAKING HISTORY:

Moved by Councillor Rollins,

That Rule 10(3) of The Procedure By-law No. 50/2007 be suspended in order that the following item, which was received less than four business days preceding the committee meeting, be considered by Committee.

Carried

Moved by Councillor Gilroy,

That the recommendation of the Standing Policy Committee on Property and Development, Heritage and Downtown Development be concurred in and forwarded to Council.

Yea:	Bowman, Allard, Browaty, Gillingham, Gilroy, Mayes, Rollins	7
Nay:		0

Carried

STANDING COMMITTEE RECOMMENDATION:

On December 7, 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: Proposed Land Exchange - 1513 Rothesay Street

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	P. Olafson, Interim CFO	M. Ruta, Interim CAO

EXECUTIVE SUMMARY

On May 27, 2009, Council approved the Chief Peguis Trail Extension Project Conceptual Design (the "Project"). In addition to the four-lane extension of Chief Peguis Trail, the Project included intersection improvements, roadway realignments and closures.

In order to complete the Project, the City required a portion of 1513 Rothesay Street to create a hammerhead turnaround. Council approved the road opening and closing at 1513 Rothesay Street on October 26, 2016 under File No. DAOC 2/2016.

The City and the owner of 1513 Rothesay Street have recently agreed to a land exchange for the lands identified on Misc. Plan 13865/4 (attached as Schedule A). The City will obtain the lands required for the hammerhead turnaround, as shown on Misc. Plan No.13865/4, and identified as "Parcel A – Proposed Acquisition". In exchange, the owner of 1513 Rothesay Street will acquire the land identified as "Parcel B – Proposed Land Exchange". Should the land exchange be approved, the property owner will receive a payment of $3,000.00 plus ancillary costs.

RECOMMENDATIONS

1. That a land exchange between the City and the Owner of 1513 Rothesay Street be approved in accordance with the terms and conditions set out in Schedule B.

2. That the City enter into, execute and deliver a Land Exchange Agreement with the Owner of 1513 Rothesay Street and such other agreements as determined necessary by the City Solicitor/Director of Legal Services to implement the intent of the foregoing (the "Ancillary Agreements").

3. That the Chief Administrative Officer be authorized to negotiate and approve the terms and conditions of the Land Exchange Agreement and any Ancillary Agreements in accordance with this report and such other terms and conditions determined necessary by the City Solicitor/Director of Legal Services to protect the interests of the City.

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

Council approval is required to enter into a Land Exchange Agreement.

IMPLICATIONS OF THE RECOMMENDATIONS

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

The Public Service recommends a $1.00 land exchange with the Owner plus ancillary costs, including a $3,000.00 cash settlement.

The Public Works Department has sufficient funds to cover the cost of the land exchange in the Public Works Land Acquisition – Transportation Right of Way Budget, under account number 003-181000-1834000120.

If approved, the land exchange will allow for the registration of the opening and closing plan and the associated by-law, in accordance with the Council approval of DAOC 2/2016.

HISTORY/DISCUSSION

On December 18, 2007, Council approved funding in the 2008 Capital Budget and the 2009 to 2013 Five Year Forecast related to the Chief Peguis Trail Extension – Henderson Highway to Lagimodiere Boulevard Project (CPTEP) for procurement, administration, internal contract work and property acquisition (up-front costs) in 2008 and 2009.

On November 19, 2008, Council authorized the Public Service to proceed with the Project and the Director of Planning, Property and Development was authorized to negotiate the acquisition of land required for the Project. Portions of six properties were identified as being required for the Project, including 1513 Rothesay Street.

The northeast corner of 1513 Rothesay Street was required for a hammerhead turnaround as the existing rear lane would no longer connect to Rothesay Street as a result of a grade separation. Once the lane on the north side of 1513 Rothesay Street was out of use, it would become surplus to the City's needs and available for consolidation. The Public Service and the owner of 1513 Rothesay Street (the "Owner") negotiated a land exchange for the two properties referenced above, as noted on Misc. Plan 13865/4 (attached as Schedule A).

On April 4, 2011, the Owner signed Terms and Conditions for a Land Exchange with the City. In accordance in principal with the agreement, the City constructed the hammerhead turnaround and the Owner's fence was relocated to the north.

After signing the Land Exchange Agreement, the Owner sought to amend the original Terms and Conditions, claiming damages to his house as a result of Project construction.

While negotiations continued, the Public Service moved forward with DAOC 2/2016, which was approved by Council on October 26, 2016. Under DAOC 2/2016, the closed lane was declared surplus to the City's needs and a portion of the Owner's property was opened as right-of-way.

Rather than dispute the Owner's claim of damages and be forced to expropriate the required property, the Public Service recommends a cash settlement of $3,000.00 to cover the repairs. The Public Service has not verified the cost of the work but has received three quotes that align with the Owner's suggested costs. It is important to note that the anticipated expense to verify the damage may exceed the cost of the repairs.

The Public Service completed appraisals for both the City's land and the Owner's land. The City's land was valued at $10,000.00 and the Owner's land was valued at $7,000.00. The highest and best use of the properties was considered to be redevelopment based on the Residential Two-Family (R2) zoning.

The original terms and conditions negotiated and agreed to by the Owner, are identified within Schedule B. In addition, the Public Service recommends an additional cash settlement fee of $3,000.00 and the requirement for the Owner to provide a Release and Quit Claim for all claims relating to this matter.

It is important to note that the cost of this settlement proposal is less than what it would cost for the City to expropriate the Owner's land.

The Ward Councillor has been advised on the intentions of the Public Service and the Public Works Department supports the proposed Land Exchange.

FINANCIAL IMPACT

Financial Impact Statement

Date: October 27, 2020

Project Name:

First Year of Program 2020

Proposed Land Exchange - 1513 Rothesay Street

	2020	2021	2022	2023	2024
Capital					
Capital Expenditures Required	$ 3,099	$ -	$ -	$ -	$ -
Less: Existing Budgeted Costs	-	-	-	-	-
Additional Capital Budget Required	$ 3,099	$ -	$ -	$ -	$ -
Funding Sources:					
Debt - Internal	$ 3,099	$ -	$ -	$ -	$ -
Debt - External	-	-	-	-	-
Grants (Enter Description Here)	-	-	-	-	-
Reserves, Equity, Surplus	-	-	-	-	-
Other - Enter Description Here	-	-	-	-	-
Total Funding	$ 3,099	$ -	$ -	$ -	$ -
Total Additional Capital Budget Required	$ 3,099				
Total Additional Debt Required	$ 3,099				
Current Expenditures/Revenues					
Direct Costs	$ -	$ -	$ -	$ -	$ -
Less: Incremental Revenue/Recovery	98	-	-	-	-
Net Cost/(Benefit)	$ (98)	$ -	$ -	$ -	$ -
Less: Existing Budget Amounts	(98)	-	-	-	-
Net Budget Adjustment Required	$ -	$ -	$ -	$ -	$ -

Additional Comments: Capital expenditures consist of the nominal $1 purchase price and a $3,000 cash settlement plus short-term financing and corporate admin fees of $98. The latter amount will be offset by an equal recovery in the current budget of the Corporate Finance Department. Given appraisals for both the City's land ($10,000) and the Owner's land ($7,000), there is also an opportunity cost to the City of $3,000 in foregone net revenue based on the assumption that a market exists for these properties.

Mike McGinn October 27, 2020

Mike McGinn, CPA, CA
Manager of Finance

CONSULTATION

This Report has been prepared in consultation with:

Legal Services (as to legal issues)
Public Works Department

OURWINNIPEG POLICY ALIGNMENT

Under section 1-1b of OurWinnipeg the following policy applies:

- Create a safe, efficient and equitable transportation system for people, goods and services.

WINNIPEG CLIMATE ACTION PLAN ALIGNMENT

Through the extension of Chief Peguis Trail, the following Climate Action Plan goals have been met:

3.1 Increase Use and Efficiency of Public Transit Systems
3.3 Design New Suburban Communities to Enable Enhanced Transit Services and Access to Transit Corridors
3.4 Increase Active Transportation Rates
3.5 Reduce Traffic Congestion

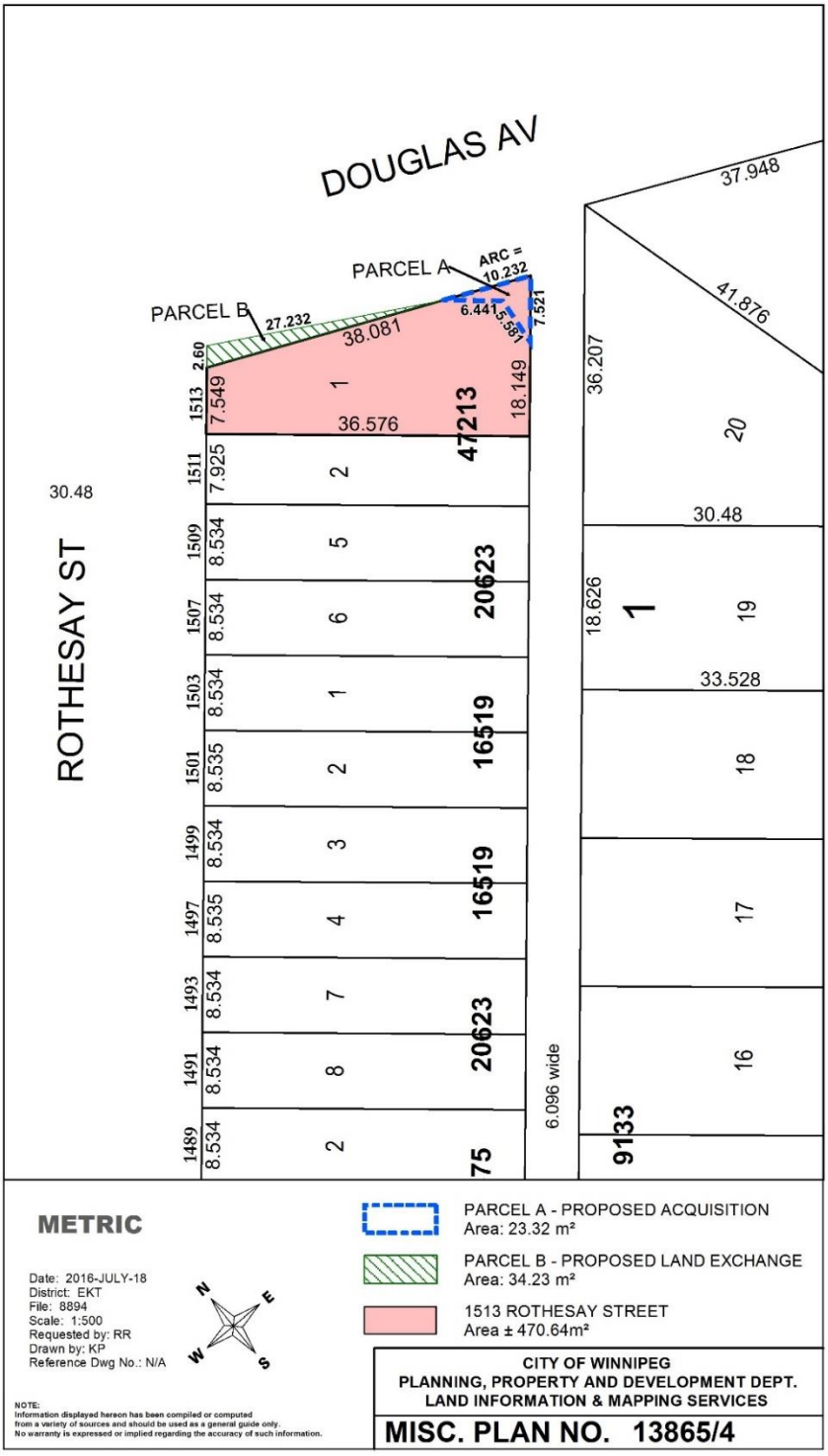
SUBMITTED BY

Department: Planning, Property and Development
Division: Real Estate and Land Development
Prepared by: Leah Furedi, Senior Negotiator
Date: October 28, 2020
File No:

Attachments:

Schedule A – Misc. Plan No. 13865/4
Schedule B – Terms and Conditions

Schedule A


DOUGLAS AV
PARCEL A
PARCEL B
ARC = 10.232
27.232
38.081
6.441
5.581
7.521
2.60
1513
7.549
1
36.576
18.149
47213
1511
7.925
2
1509
8.534
5
1507
8.534
6
20623
1503
8.534
1
1501
8.535
2
16519
1499
8.534
3
1497
8.535
4
16519
1493
8.534
7
1491
8.534
8
20623
1489
8.534
2
75
6.096 wide
30.48
ROTHESAY ST
37.948
41.876
36.207
20
30.48
18.626
1
19
33.528
18
17
16
9133
METRIC
Date: 2016-JULY-18
District: EKT
File: 8894
Scale: 1:500
Requested by: RR
Drawn by: KP
Reference Dwg No.: N/A
N
E
W
S
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.
PARCEL A - PROPOSED ACQUISITION
Area: 23.32 m²
PARCEL B - PROPOSED LAND EXCHANGE
Area: 34.23 m²
1513 ROTHESAY STREET
Area ± 470.64m²
CITY OF WINNIPEG
PLANNING, PROPERTY AND DEVELOPMENT DEPT.
LAND INFORMATION & MAPPING SERVICES
MISC. PLAN NO. 13865/4

Schedule B

Parties:	The City of Winnipeg The Owner of 1513 Rothesay Street
Price:	$1.00 plus $3,000.00 cash settlement
Lands to be Exchanged:	City land shown as “PARCEL B – PROPOSED LAND EXCHANGE Area: 34.23 m²” with the portion of Owner’s land at 1513 Rothesay Street shown as “PARCEL A – PROPOSED ACQUISITION Area: 23.32 m²” on Misc. Plan No. 13865/4.
Closing Date:	The date of vacant possession and adjustment of taxes to be 30 days from the date of final approval by the City of Winnipeg’s Council, or its delegated authority or on a mutually acceptable date.
Other Terms:	The City to cover the cost to provide the Owner with a Building Location Certificate. The City to cover the Owner’s reasonable legal fees. The City to be responsible for all survey costs, the Plan of Subdivision and the DAOC. The Owner to provide a Release and Quit Claim for all claims relating to this matter.