Agenda – Council – May 27, 2021

Report – Standing Policy Committee on Property and Development, Heritage and Downtown Development – May 11, 2021

Item No. 1 Sale of 138 Argyle Street North and 129 Sutherland Avenue (Mynarski Ward)

STANDING COMMITTEE RECOMMENDATION:

On May 18, 2021, 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 City-owned property located at 138 Argyle Street North, identified as "Subject City Property" on Misc. Plan No. 4790/3, attached hereto as Schedule A, be declared surplus to the needs of the City.

2. That the Offers to Purchase City-owned Property Policy, adopted by Council on December 6, 2006, be waived for the direct sale of:

   A. 138 Argyle Street North to the Manitoba Indigenous Culture and Education Centre, located at 119 Sutherland Avenue, for appropriate fair market value.

   B. 129 Sutherland Avenue to the Manitoba Indigenous Culture and Education Centre, located at 119 Sutherland Avenue, for appropriate fair market value.

3. That if signed purchase agreements for the sale of both vacant properties have not been received by December 31, 2021, the Winnipeg Public Service be directed to market the properties for sale to the general public.

4. That authority be delegated to the Chief Administrative Officer to negotiate and approve the terms and conditions of the Offer to Purchase, in accordance with this report and such other terms and conditions deemed necessary by the City Solicitor/Director of Legal Services to protect the interests of the City.

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, Heritage and Downtown Development – May 11, 2021

DECISION MAKING HISTORY:

EXECUTIVE POLICY COMMITTEE RECOMMENDATION:

On May 18, 2021, 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 May 11, 2021, the Standing Policy Committee on Property and Development, Heritage and Downtown Development concurred in the recommendation of the Winnipeg Public Service, with the following amendments:

- Delete Recommendation 2 in its entirety and replace it with the following new recommendations:

    "2. That the Offers to Purchase City-owned Property Policy, adopted by Council on December 6, 2006, be waived for the direct sale of:

        A. 138 Argyle Street North to the Manitoba Indigenous Culture and Education Centre, located at 119 Sutherland Avenue, for appropriate fair market value.

        B. 129 Sutherland Avenue to the Manitoba Indigenous Culture and Education Centre, located at 119 Sutherland Avenue, for appropriate fair market value.

    3. That if signed purchase agreements for the sale of both vacant properties have not been received by December 31, 2021, the Winnipeg Public Service be directed to market the properties for sale to the general public.

    4. That authority be delegated to the Chief Administrative Officer to negotiate and approve the terms and conditions of the Offer to Purchase, in accordance with this report and such other terms and conditions deemed necessary by the City Solicitor/Director of Legal Services to protect the interests of the City."

Report – Standing Policy Committee on Property and Development, Heritage and Downtown Development – May 11, 2021

DECISION MAKING HISTORY (continued):

STANDING COMMITTEE RECOMMENDATION (continued):

- Renumber the remaining recommendation accordingly;

and submitted the matter to the Executive Policy Committee and Council.

COUNCIL DECISION:

On March 25, 2021, 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 Winnipeg Public Service be directed to report back within 60 days on the following:

    A. That 138 Argyle Street North be declared surplus to the city's needs.

    B. That the Offers to Purchase City-owned Property Policy, adopted by Council on December 6, 2006, be waived for the direct sale of 138 Argyle Street North to the Manitoba Indigenous Culture and Education Centre, located at 119 Sutherland Avenue, for appropriate fair market value.

    C. That if a signed purchase agreement for the sale of the vacant property has not been received by October 31, 2021, the Winnipeg Public Service be directed to market the property for sale to the general public.

    D. That authority be delegated to the Chief Administrative Officer to negotiate and approve the terms and conditions of the Offer to Purchase, in accordance with this report and such other terms and conditions deemed necessary by the City Solicitor/Director of Legal Services to protect the interests of the City.

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 – May 11, 2021

DECISION MAKING HISTORY (continued):

COUNCIL DECISION (continued):

On March 25, 2021, 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 Winnipeg Public Service be directed to report back within 60 days on the following:

    A. That the Offers to Purchase City-owned Property Policy, adopted by Council on December 6, 2006, be waived for the direct sale of 129 Sutherland Avenue to the Manitoba Indigenous Culture and Education Centre, located at 119 Sutherland Avenue, for appropriate fair market value.

    B. That if a signed purchase agreement for the sale of the vacant property has not been received by October 31, 2021, the Winnipeg Public Service be directed to market the property for sale to the general public.

    C. That authority be delegated to the Chief Administrative Officer to negotiate and approve the terms and conditions of the Offer to Purchase, in accordance with this report and such other terms and conditions deemed necessary by the City Solicitor/Director of Legal Services to protect the interests of the City.

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

ADMINISTRATIVE REPORT

Title: Proposed Sale of 138 Argyle Street North and 129 Sutherland Avenue

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

AUTHORIZATION

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

EXECUTIVE SUMMARY

The Public Service recommends that the City-owned properties located at 138 Argyle Street North and 129 Sutherland Avenue and identified as “Subject City Property” on Misc. Plan No. 4790/4, attached as Schedule B, be declared surplus and publicly marketed.

RECOMMENDATIONS

1. That the City-owned property located at 138 Argyle Street North, identified as “Subject City Property” on Misc. Plan No. 4790/3, attached hereto as Schedule A, be declared surplus to the needs of the City.

2. That the Public Service be directed to publicly market 138 Argyle Street North and 129 Sutherland Avenue (identified as “Subject City Property” on Misc. Plan No. 4790/4, attached hereto as Schedule B) in accordance with the Offers to Purchase City-owned Property Policy.

3. 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 March 25, 2021, Council instructed the Winnipeg Public Service to report back to the Standing Policy Committee on Property and Development, Heritage and Downtown Development on the following two items within 60 days, namely:

<u>138 Argyle Street North</u>

A. That 138 Argyle Street North be declared surplus to the City’s needs.

B. That the Offers to Purchase City-owned Property Policy, adopted by Council on December 6, 2006, be waived for the direct sale of 138 Argyle Street North to the Manitoba Indigenous Culture and Education Centre, located at 119 Sutherland Avenue, for appropriate fair market value.

C. That if a signed purchase agreement for the sale of the vacant property has not been received by October 31, 2021, the Winnipeg Public Service be directed to market the property for sale to the general public.

D. That authority be delegated to the Chief Administrative Officer to negotiate and approve the terms and conditions of the Offer to Purchase, in accordance with this report and such other terms and conditions deemed necessary by the City Solicitor/Director of Legal Services to protect the interests of the City.

129 Sutherland Avenue

A. That the Offers to Purchase City-owned Property Policy, adopted by Council on December 6, 2006, be waived for the direct sale of 129 Sutherland Avenue to the Manitoba Indigenous Culture and Education Centre, located at 119 Sutherland Avenue, for appropriate fair market value.

B. That if a signed purchase agreement for the sale of the vacant property has not been received by October 31, 2021, the Winnipeg Public Service be directed to market the property for sale to the general public.

C. That authority be delegated to the Chief Administrative Officer to negotiate and approve the terms and conditions of the Offer to Purchase, in accordance with this report and such other terms and conditions deemed necessary by the City Solicitor/Director of Legal Services to protect the interests of the City.

IMPLICATIONS OF THE RECOMMENDATIONS

The City's standard terms and conditions of the sale include provisions to protect the City's interests where environmental contamination is discovered.

There are no direct financial implications to this report.

HISTORY/DISCUSSION

138 Argyle Street North

On July 26, 1976, Council approved the acquisition of property located at 138 Argyle Street North (the "Argyle Property") through the Neighbourhood Improvement Program.

The Argyle Property was formerly used as an auto garage and the derelict building was demolished shortly after the City took possession of the property. Two underground storage tanks were discovered on site.

In 2019, a Phase 2 Environmental Site Assessment of the Argyle Property was conducted and it was determined that site impacts did not exceed Provincial contamination guidelines.

In 2020, the Argyle Property was circulated to City departments and no objections to a sale were received. It is proposed that the Argyle Property be declared surplus to the needs of the City.

129 Sutherland Avenue

On January 20, 2011, 129 Sutherland Avenue (the "Sutherland Property") was acquired through the Taking Title Without Compensation ("TTWC") process. Subsequently, the derelict building on the property was demolished.

In 2020, the Sutherland Property was circulated to City departments and no objections to a sale were received.

The Director of Planning, Property and Development has delegated authority to declare TTWC acquisitions surplus to the needs of the City. On April 9, 2021, the Director declared the Sutherland Property surplus to the City's needs.

The Argyle Property and the Sutherland Property are collectively referred to as "Subject City Property" on the attached Schedule B.

Discussion

On March 25, 2021, Council instructed the Public Service to report back to the Standing Policy Committee on Property and Development, Heritage and Downtown Development on the motions to sell the Subject City Property directly to the Manitoba Indigenous Culture and Education Centre.

The Offers to Purchase City-owned Property Policy requires that all buildable land be publicly marketed unless direct sale conditions are met. With respect to the proposed motions recommending the sale of the Subject City Property to Manitoba Indigenous Culture and Education Centre, none of the City's four direct sale criteria are satisfied.

A property meets the direct sale criteria when it is:

- unbuildable,
- acquired by a level of government or utility,
- part of a Council-approved land sale program, or
- part of a land exchange.

As a result, Council policy requires that the Subject City Property be publicly marketed.

The City's current real estate policies highlights a gap between the Offers to Purchase City-owned Property Policy and Winnipeg's Indigenous Accord (the "Accord"). The Accord's principles are aligned with the Truth and Reconciliation Commission of Canada "Principles of Reconciliation", namely:

1. The United Nations Declaration on the Rights of Indigenous Peoples is the framework for reconciliation at all levels and across all sectors of Canadian society.

2. First Nations, Inuit, and Métis peoples, as the original peoples of this country and as self-determining peoples, have Treaty, constitutional, and human rights that must be recognized and respected.

3. Reconciliation is a process of healing of relationships that requires public truth sharing, apology, and commemoration that acknowledge and redress past harms.

4. Reconciliation requires constructive action on addressing the ongoing legacies of colonialism that have had destructive impacts on Indigenous peoples' education, cultures and languages, health, child welfare, the administration of justice, and economic opportunities and prosperity.
5. Reconciliation must create a more equitable and inclusive society by closing the gaps in social, health, and economic outcomes that exist between Indigenous and non-Indigenous Canadians.

6. All Canadians, as Treaty peoples, share responsibility for establishing and maintaining mutually respectful relationships.

7. The perspectives and understandings of Indigenous Elders and Traditional Knowledge Keepers of the ethics, concepts, and practices of reconciliation are vital to long-term reconciliation.

8. Supporting Indigenous peoples' cultural revitalization and integrating Indigenous knowledge systems, oral histories, laws, protocols, and connections to the land into the reconciliation process are essential.

9. Reconciliation requires political will, joint leadership, trust building, accountability, and transparency, as well as a substantial investment of resources.

10. Reconciliation requires sustained public education and dialogue, including youth engagement, about the history and legacy of residential schools, Treaties, and Indigenous rights, as well as the historical and contemporary contributions of Indigenous peoples to Canadian society.

In order to act on the "Principles of Reconciliation", the Public Service intends to bring forward new real estate policies for Council's consideration that will enable direct sales to Indigenous Peoples that facilitate specific action items noted above.

The Ward Councillor has been advised as to the intentions of the Public Service.

FINANCIAL IMPACT

Financial Impact Statement

Date: April 14, 2021

Project Name:

Proposed Sale of 138 Argyle Street North and 129 Sutherland Avenue

COMMENTS:

There are no direct financial implications associated with the recommendations contained in this report. The properties are to be sold at fair market value and net proceeds (i.e. sale price less cost of land sold) will be recorded in the Land Operating Reserve Fund.

Mike McGinn April 14, 2021

Mike McGinn, CPA, CA
Manager of Finance

CONSULTATION

This Report has been prepared in consultation with:

- Legal Services Department (as to legal issues)

OURWINNIPEG POLICY ALIGNMENT

Areas of Stability – Mature Communities: Support a Mix of Uses Within Buildings Located on Commercial Streets.

Mature Communities consist of Winnipeg's earliest neighbourhoods and were mostly developed before 1950. Key features of Mature Communities include well-connected sidewalk networks, grid street patterns, and public lanes. Mature Communities are characterized by older housing stock and low to high residential densities. They also provide employment opportunities and a variety of neighbourhood amenities, including grocery stores, restaurants, community facilities, schools, and child care facilities that are typically within a short walk, bicycle trip, or transit ride.

If the recommendations of this report are approved, the Subject City Property could lead to new development and would support the viability of commercial amenities while contributing to neighbourhood renewal and revitalization.

WINNIPEG CLIMATE ACTION PLAN ALIGNMENT

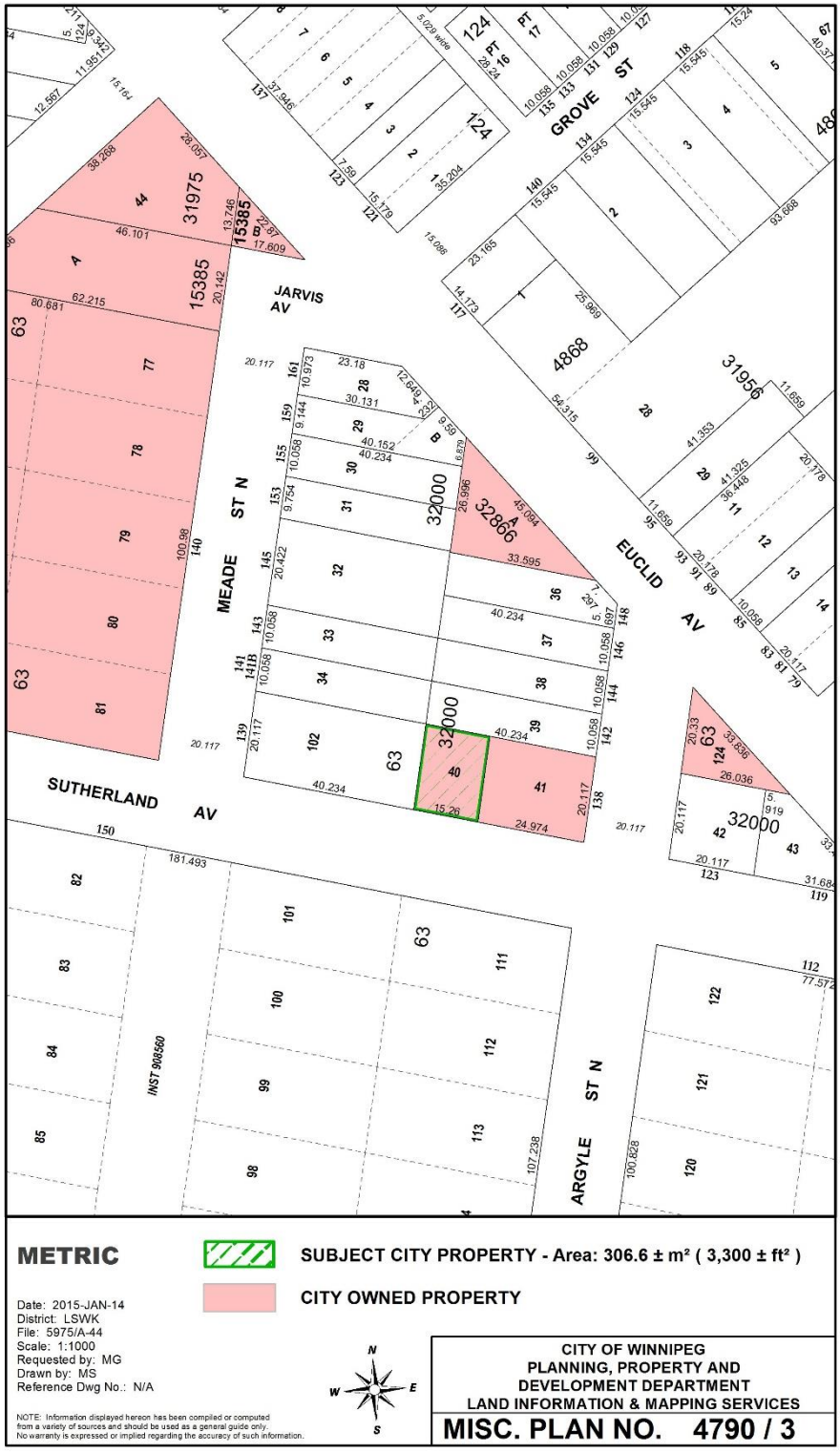
Strategic Opportunity #4 – Land Use

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:	Nikola Vujadin, Real Estate Officer
Date:	April 15, 2021
File No:	5975/A-44 (V2)
Attachments:	Schedule A – Misc. Plan No. 4790/3
	Schedule B – Misc. Plan No. 4790/4

Schedule A


JARVIS AV
GROVE ST
MEADE ST N
EUCLID AV
SUTHERLAND AV
ARGYLE ST N
INST 908560
METRIC
SUBJECT CITY PROPERTY - Area: 306.6 ± m² (3,300 ± ft²)
CITY OWNED PROPERTY
Date: 2015-JAN-14
District: LSWK
File: 5975/A-44
Scale: 1:1000
Requested by: MG
Drawn by: MS
Reference Dwg No.: N/A
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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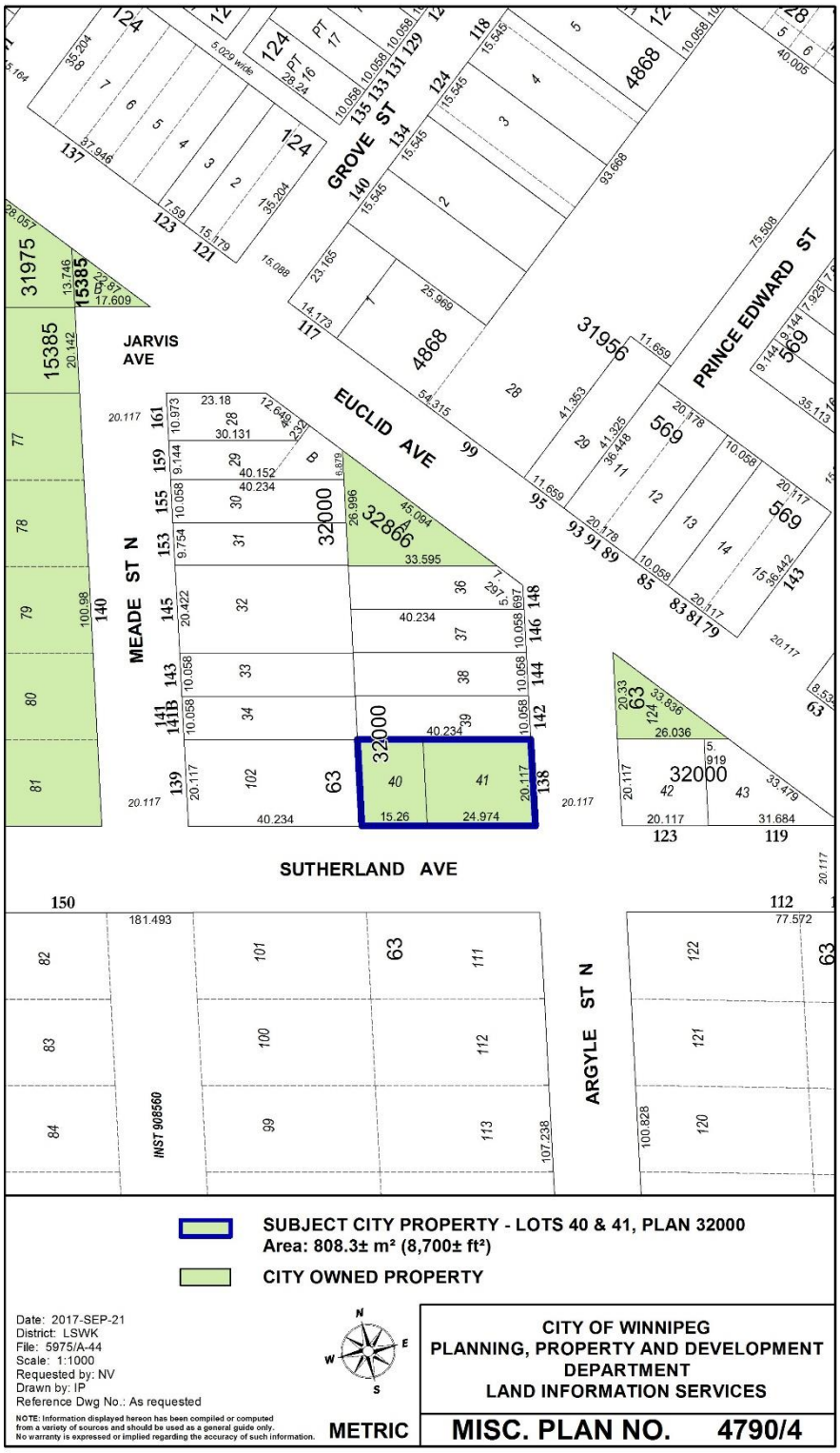
CITY OF WINNIPEG
PLANNING, PROPERTY AND
DEVELOPMENT DEPARTMENT
LAND INFORMATION & MAPPING SERVICES
MISC. PLAN NO. 4790 / 3

Schedule B


JARVIS AVE
EUCLID AVE
GROVE ST
PRINCE EDWARD ST
MEADE ST N
SUTHERLAND AVE
ARGYLE ST N
INST 908560
SUBJECT CITY PROPERTY - LOTS 40 & 41, PLAN 32000
Area: 808.3± m² (8,700± ft²)
CITY OWNED PROPERTY
Date: 2017-SEP-21
District: LSWK
File: 5975/A-44
Scale: 1:1000
Requested by: NV
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. 4790/4