Agenda - Executive Policy Committee - May 12, 2004

Report - Standing Policy Committee on Property and Development - April 27, 2004

Item No. 19 **Sale - Part Lots 1/3, Block 5, Plan 1987 and Parcel A, Plan 21647 - southeast corner Keewatin Street and Gallagher Avenue - Weston Gospel Church or Nominee**
File FI-2.4(34)

STANDING COMMITEE RECOMMENDATION:

On April 27, 2004, the Standing Policy Committee on Property and Development concurred in the administrative recommendation and submits the following to Council:

1. That the subject City property, shown on Misc. Plan No. 8088/2, be declared surplus to the City's requirements.

2. That the sale of the Subject City Property, shown on Misc. Plan No. 8088/2, to the Weston Gospel Church or Nominee, be approved for the price of $54,000.00, in accordance with the terms and conditions of the Offer to Purchase.

3. That the City Solicitor/Manager of Legal Services be authorized to do all things necessary to effect the intent of the foregoing.

Agenda - Executive Policy Committee - May 12, 2004

Report - Standing Policy Committee on Property and Development - April 27, 2004

DECISION MAKING HISTORY:

STANDING COMMITTEE RECOMMENDATION:

On April 27, 2004, the Standing Policy Committee on Property and Development concurred in the administrative recommendation and submitted the matter to the Executive Policy Committee and Council.

Re: Sale of Part Lots 1/3 Block 5 Plan 1987 and Parcel A Plan 21647 at the Southeast Corner of Keewatin Street and Gallagher Avenue to the Weston Gospel Church or Nominee
Lord Selkirk/West Kildonan Community
Point Douglas Ward

For submission to: The Standing Policy Committee on Property and Development

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

Report date: March 15, 2004

Recommendation(s):

That Council declare the subject City property as shown on Misc. Plan No. 8088/2 to be surplus to the City's requirements.

That approval be given for sale of the Subject City Property as shown on Misc. Plan No. 8088/2 to the Weston Gospel Church or Nominee for the price of $54,000.00, in accordance with the terms and conditions of the attached Offer to Purchase.

That the City Solicitor be instructed to do all things necessary to effect the intent of the foregoing.

REPORT SUMMARY

Key Issues:

The Subject City Property was acquired in 1989 by expropriation as part of a total requirement for the Keewatin Street Underpass Project. The portion of the expropriated lands required for the Keewatin Street Underpass has been separated from the total lands and was opened as street right-of-way in 1990. The Streets and Transportation Department has indicated that the subject City property, as shown on Misc. Plan No. 8088/2, is surplus to their requirements.

The Planning, Property and Development Department is in receipt of a letter and Offer to Purchase the subject City property. The letter/Offer is from the adjacent owner to the east (the Weston Gospel Church). The Weston Gospel Church is a growing church with a multitude of outreach programs to serve the adjacent community (see attached letter).

A current appraisal of the subject City property reflects a price of $54,000.00. The price is based on the highest and best use of the property as a commercial site. The adjacent CIBC Bank building is surplus to the Bank's requirements and will be put up for sale shortly. It is anticipated that the purchaser of the bank building would be interested in acquiring the City land and

possibly the lane for an addition to their property. The Weston Gospel Church has indicated that they have a serious interest in acquiring the bank building and lane to accommodate their growth.

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):
The sale of this property will generate revenue for the City and remove the City's responsibility for maintenance of the site.

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):

REASON FOR THE REPORT:

The Planning Property and Development Department is in receipt of an Offer to Purchase the Subject City Property and Standing Policy Committee on Property and Development consideration is required.

HISTORY:

The subject City property was acquired in 1989 by expropriation as part of a total requirement for the Keewatin Street Underpass Project. The portion of the expropriated lands required for the Keewatin Street Underpass has been separated from the total lands and was opened as street right-of-way in 1990. The Streets and Transportation Department has indicated that the subject City property, as shown on Misc. Plan No. 8088/2, is surplus to their requirements.
There were offers received for the subject city property in 1990 and 1992, neither of which resulted in sales of the property.

The first offer, dated December 7, 1990 in the amount of $61,900.00 was subsequently withdrawn as a result of the area Councillor's desire to have Gallagher Street closed in the future to make more land available for the Weston Memorial Community Center. The proposed purchaser acquired a different location because of a lack of parking in the area.
The second offer that the City received for the subject property was dated April 5, 1992 and was in the amount of $45,000.00. The proposed purchaser was Chicken Delight Restaurants who were looking for a "drive thru" access for the restaurant. The Manager of Traffic Engineering at the time expressed concern that access to the site on Keewatin Street would interfere with the existing bus stop and had suggested that vehicular access on Keewatin Street be limited to a 3 meter private approach widening of the public lane. Chicken Delight did not pursue the offer to purchase the subject City property.

There have been no other offers for the subject City property in the last 12 years.
The Planning, Property and Development Department is in receipt of a letter and Offer to Purchase the subject City property. The letter/Offer is from the adjacent owner to the east (the Weston Gospel Church). The Weston Gospel Church is a growing church with a multitude of outreach programs to serve the adjacent community (see attached letter).
Details are as follows:

Location: South East corner of Keewatin Street and Gallagher Avenue W. (as shown on Misc. Plan No. 8088/2)
Legal Description: Part Lots 1/3, Block 5, Plan 1987 and Parcel A Plan 21647
Size: 851.8 meters (9,168 sq. ft.) irregular shape
Zoning: Lots 1/3, R-2A Residential District, Parcel A, C-1 Commercial District
Roll Number: 13091010100, 13091012100, 13090988000
Certificate of Title: 1129955, 1201880, H 81720

Appraised Value: **$**54,000.00

Assessed Value (2003): $22,950.00
Price Offered: $54,000.00
Purchaser: Weston Gospel Church or Nominee, 1787 Logan Avenue, Winnipeg, Manitoba

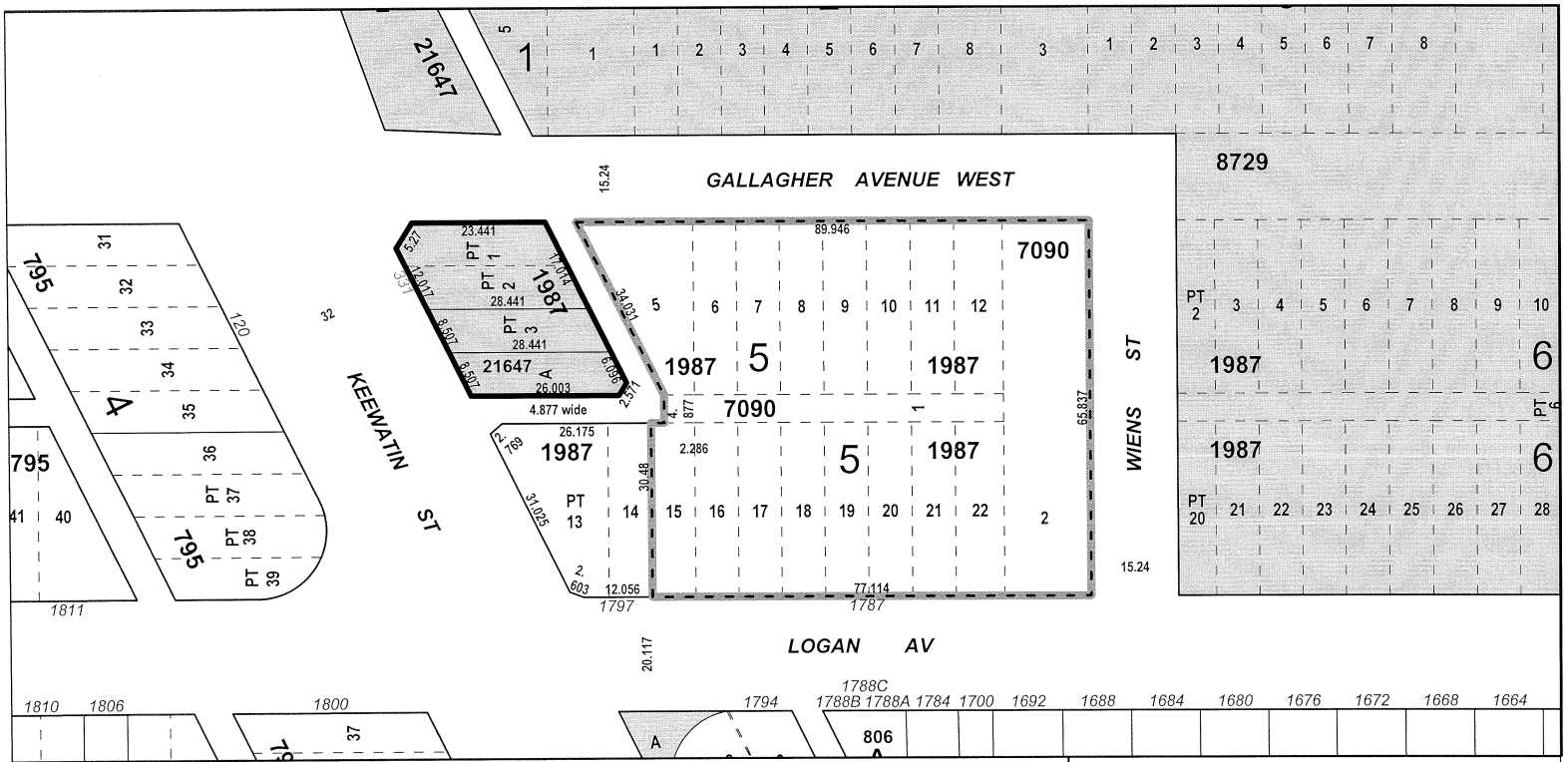
The Offer is in accord with the City's standard terms and conditions for the sale of commercial property, and is subject to the purchaser's lawyer approving the offer to purchase within 3 working days of the date of approval by the City, the purchaser arranging financing for the property and the purchaser rezoning the property for the requirements of the church.

DISCUSSION:

A current appraisal of the subject City property reflects a price of $54,000.00. The price is based on the highest and best use of the property as a commercial site. The adjacent CIBC Bank building is surplus to the banks requirements and will be put up for sale shortly. It is anticipated that the purchaser of the Bank's building would be interested in acquiring the City land and possibly the lane for an addition to their property. The Weston Gospel Church has indicated that they have a serious interest in acquiring the bank building and lane to accommodate their growth.

The Weston Gospel Church originally offered $23,100.00 for the subject City property and after further negotiations with the Planning Property and Development Department increased their offer to $54,000.00.

The City's asking price was previously established at $68,500 and no offers or letters of interest had been received for the property. There have been minimal enquiries with regard to the subject City property over the last 12 years. The size of the property has been a serious deterrent to its sale, as it does not easily accommodate a building and parking and access issues exist. The highest and best use would be for the adjacent property owner to acquire the property. The price of $54,000.00 offered is consistent with the appraised value as established by the Planning Property and Development Department.



Date: 2004-JAN-06
District: LSWK
File: 4262/11-13
Scale: 1:850

METRIC

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.

City Property

Applicant's Property

Subject City Property
Area: ±851.8 m² (±9168.6 ft²)

CITY OF WINNIPEG
PLANNING, PROPERTY AND DEVELOPMENT DEPT.
LAND INFORMATION & MAPPING SERVICES

MISC. PLAN NO. 8088/2

Financial Impact Statement 2-Jan-04

Project Name: **First Year of Program** 2004

Sale of part Lots 1/3 Block 5 Plan 1987 and Parcel A Plan 21647 at the S E corner of Keewatin Street and Gallagher Avenue to the Weston Gospel Church or Nominee.

	2004	2005	2006	2007	2008
Capital					
Capital Expenditures Required	$ -	$ -	$ -	$ -	$ -
Less: Existing Budgeted Costs	-	-	-	-	-
Additional Capital Budget Required	$ -	$ -	$ -	$ -	$ -
Funding Sources:					
Debt - Internal	$ -	$ -	$ -	$ -	$ -
External	-	-	-	-	-
Grants (Identify)	-	-	-	-	-
Reserves, Equity, Surplus, Other	-	-	-	-	-
Total Funding	$ -	$ -	$ -	$ -	$ -
Total Additional Capital Budget Required	$ -				
Total Additional Debt Required	$ -				
Current Expenditures/Revenues					
Direct Costs	$ -	$ -	$ -	$ -	$ -
Less: Incremental Revenue/Recovery	54,000				
Net Cost/(Benefit)	$ (54,000)	$ -	$ -	$ -	$ -
Less: Existing Budget Amounts	(54,000)				
Net Budget Adjustment Required	$ -	$ -	$ -	$ -	$ -

Additional Comments:

"Original signed by"
Gord Courage, Manager
Support Services Division

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

This report submitted by:

Planning, Property and Development Department
Division: Real Estate
Prepared by: Gerry Anderson
PPD File #: 4262/12

Document name: o:\reports directive\real estate\sales\(ga)secor keewatin&gallager-weston gospel.doc

Weston Gospel Church

1787 Logan Avenue West
Mailing Address: P.O. Box 32066 Dickens, Winnipeg, MB R3E 3M7
Phone: (204) 632-7322 Fax: (204) 632-9294
Pastor, Rev. Alan S. Duncalfe

Richard Neumann
(794-6222)

Monday, December 22, 2003

City of Winnipeg
Planning Property & Development Dept.
2nd Floor, 65 Garry St.
Winnipeg, MB R3C 4K4

Attention: Mr. Gerry Anderson

Dear Mr. Anderson:

Re: Vacant land at South East Corner of Keewatin St. & Gallagher
Legal description: Part Lots 1/3, Block 5, Plan 1987 & Pcl. A, Plan 21647

I trust you will recall our recent phone conversation wherein, I expressed interest on behalf of Weston Gospel Church (WGC) concerning the possible acquisition of the above property.

As a growing Church, with a multitude of programs, whose priority it is to meet the needs of the surrounding communities, we feel that owning this property has become essential. We anticipate that the continued growth of our church and its programs will require future space.

Weston Gospel Church's commitment to serve the community in practical ways is well recognized and appreciated in the surrounding districts, particularly, Weston, Brooklands & Tyndall Park, by both the members and non-members of WGC.

Some of the regular events and activities which are available and benefit the community at large include:

- 55+ Seniors fellowship, meetings luncheons, etc
- Weekly Children's (ages 3-12) program, "Kid's Club"
- Weekly Friday night youth events (year-round)
- Annual community carnival (free fun, games & food)
- Women's Ministry (e.g., Caring for the students @ Adolescent Parent's Centre)
- "Caring & Sharing" (Benevolence) Program (providing clothing, food, etc. to the community at large)
- Making parking available whenever possible to accommodate adjacent community centre, playing fields, and local businesses (at no cost!)

... /2

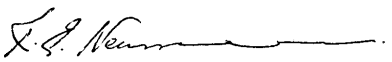
- Children & youth summer programs, camps & retreats
- We make our building & facilities available to the community, FREE of CHARGE for events such as, Community clean-up (headquarters), Community meetings, hearings & Townhall & the Mobile Breast Screening Unit (early 2004).

In view of the above mentioned contributions to the community as a whole, we respectfully request that the City of Winnipeg consider making the property available to us at the City's assessed value of $23,100.

If you need further information or verification, please feel free to call me or Reverend Alan Duncalfe.

Thank you for your time!

Sincerely,



Richard Neumann
Buildings & Property Trustee

File No: 4262/11-13

INDUSTRIAL/COMMERCIAL

OFFER TO PURCHASE

The Undersigned (hereinafter called "the Purchaser") hereby offers to purchase from The City of Winnipeg (the "City") the following lands: -

Part lots 1/3 Block 5 Plan 1987 and Parcel "A" Plan 21647 shown as Subject City Property on Misc. Plan No. CCFR 8088.

(hereinafter called the "lands")

for the sum of $54,000.00 cash, and upon the following terms and conditions:

1. (1) Attached to this Offer is the Purchaser's certified cheque payable to "The City of Winnipeg" in the amount of $3,465.00 which the Purchaser tenders by way of deposit, and which sum shall be applied to the purchase price if the sale is approved by the City's Standing Policy Committee on Property and Development and/or City Council (in the event that Council approval is required). The Purchaser agrees to pay the balance of the purchase price, interest and adjustments on or before the date of closing.

(2) If the Purchaser fails to pay the balance of the purchase monies, interest and adjustments on or before the date of closing as in sub-clause (1) above provided, the City may, at its option, cancel the sale and retain the deposit as liquidated damages.

2. (1) The date of Closing, Possession and adjustments shall be on or before 210 days from the date of approval of the sale.

(2) The Purchaser agrees to pay as an adjustment an amount equal to the total of such taxes, rates and charges which would have been levied or charged against the Lands as though the Lands had been entered on the assessment rolls of the City as privately owned and subject to taxation, which adjustment shall be calculated from the date of adjustments to and including the last day of the current taxation year.

(3) The Purchaser shall pay interest in lawful money of Canada on all monies remaining outstanding and payable to the City as of the date of adjustments, which interest shall be calculated at the rate per annum equivalent to the prime lending rate in force by the City's Banker at the date of adjustments plus one (1%) percent, computed from the date of adjustments to and including the date all such monies and interest as aforesaid have been fully paid to the City.

3. Goods and Services Tax

(1) The Purchaser agrees to pay to the City all Goods and Services Tax applicable on the sale of the Lands or, if the Purchaser is a registrant under the Goods and Services legislation, the Purchaser shall advise the City in writing of its registration number The Goods and Services Tax is to be paid or the registration number provided to the City on or before the date of closing.

(2) If the Purchaser fails to pay the Goods and Services Tax or fails to provide its registration number as prescribed in sub-clause (1) of this Clause, the Purchaser agrees that all of the Purchaser's rights and interests in respect of the Lands shall, at the City's sole discretion, be fully ended without notice or any formality and all monies paid to the City by the Purchaser shall be retained by the City free from every claim.

4. The Purchaser will obtain possession of the Lands at the Purchaser's own expense.

5. The Purchaser will accept Title to the Lands subject to all exceptions, reservations and encumbrances expressed or implied in the City's Title.

6. The sale of the Lands to the Purchaser shall be subject to the provisions of the By-laws of the City of Winnipeg and all amendments thereto.

7. The Purchaser agrees that the City may register and maintain a caveat against the Lands to ensure the performance of the covenants on the part of the Purchaser herein set forth, and the Purchaser agrees to grant and does hereby grant to the City an interest in the Lands according to the tenor of this Offer.

8. Upon closing of the sale, the Purchaser agrees to make application to the City Assessor (in form set out in Exhibit "A" attached) to have the Purchaser's name added to the Assessment Roll of the City as the Real Owner in respect of the lands.

9. The Purchaser agrees that in the event the Purchaser, at its sole cost, conducts or causes to be conducted an Environmental Site Assessment of the Lands, it shall

(1) ensure that all work done in connection with such Environmental Site Assessment is completed no later than ninety (90) days from the Date of Approval, and

(2) maintain the Lands in safe condition at all times during the conduct of any work done in pursuance of this Clause 9; and

(3) restore the Lands to the same condition as prior to its entering in or upon same in pursuance of this Clause 9; and

(4) indemnify and save harmless the City from and against all damages and claims arising out of or in any way attributable to the conduct of any such Environmental Site Assessment; and

(5) provide copies of any such Environmental Site Assessment of the said Lands to the City for its own use, at no cost to the City.

AND in the event it is determined as a result of said Environmental Site Assessment, that contamination levels exceed Provincial Environmental Standards for the intended use of the Lands and documentation to that effect is produced to the City within ninety (90) days following the Date of Approval, the City, at its sole option, shall be entitled to:

take remedial action to bring the contamination levels to within the Provincial Environmental Standards;

OR

cancel the sale and return all monies paid in respect of the proposed sale by the Purchaser to that date, PROVIDED that the Applicant shall have first satisfied all conditions of this Clause 9.

AND FURTHER if the City has not been advised of any non-compliance of the lands to Provincial Environmental standards within 90 days from the Date of Approval, the Purchaser agrees to complete its purchase as herein contemplated and to indemnify the City against any and all claims arising from or in any way connected with the existence of contaminants of any kind at the Lands.

10 (1) The Purchaser agrees that the sale of the Lands shall be subject to any easement which may be required by a public utility, including, but not limited to the Manitoba Hydro, Manitoba Telephone System, Centra Gas, or The City of Winnipeg, for the maintenance of existing and future facilities together with the right to enter upon the Lands at any time, with or without equipment for said purposes and subject to the owner covenanting not to erect or cause to be erected upon the easement area any building or structure without the prior written consent of the public utility or The City of Winnipeg requiring such easement.

(2) The Purchaser to enter into agreements satisfactory to the said utilities or the City of Winnipeg.

(3) The Purchaser acknowledges that the City may grant the easements before the Transfer of Land issues.

11. The Purchaser acknowledges and agrees that notwithstanding any other terms, conditions or provisions in this agreement that:

1) the City has given no representations or warranties with respect to the Lands or with respect to the value thereof or with respect to the Purchaser's intended uses or development or redevelopment thereof or with respect to the environmental condition of the Lands;

2) the Purchaser has inspected or investigated the Lands, the title thereto, the Permitted Encumbrances, any tenancies and all other matters material to the Purchase and the proposed use of the Lands and that it is relying solely upon its own independent inquiries and investigations and the advice of its own consultants and there are no representations, warranties, guarantees, conditions, collateral agreements, covenants and agreements except those expressly set forth herein;

3) the Purchaser agrees that it is purchasing the Lands on an "as is", "where is" basis, and is purchasing the Lands based entirely on its own examinations without any representation by or on behalf of the City or any agent of the City. The Purchaser acknowledges that it has relied entirely upon its own inspection and investigation with respect to quantity, quality and value of the Lands;

4) any information supplied to the Purchaser by the City or its agents or representatives is and was supplied without any representation or warranty, and that the responsibility for verification of any such information shall be the responsibility of the Purchaser; and

5) the Lands are deemed to be taken by the Purchaser at the Purchaser's own risk with all faults and imperfections whatsoever. The Purchaser agrees with the City that the application of "Buyer Beware" shall apply to the offer in the strictest meaning.

6) The Purchaser is aware that there are two existing water services and four existing sewer services to the lot which must be abandoned according to the Water and Sewer By-Laws. The cost of abandoning these services are the responsibility of the Purchaser.

7) The Purchaser is responsible for all costs related to the rezoning application, variance application and conditional use applications including any dedication fees that are applicable.

12 .It is understood and agreed that the Purchaser has 180 days from the date of approval of the sale to satisfy the following due diligence conditions:

a) Rezoning the subject property to satisfy the Purchasers requirements.

b) Arranging financing.

The Purchaser is to advise the City in writing on or before 180 days from the date of approval of the offer as to the satisfaction of the due diligence conditions. If the City has not been advised on or before 180 days from the date of approval of the sale, the sale will become null and void and the deposit monies will be returned to the Purchaser.

13. It is understood and agreed that:

a) The Offer to Purchase is subject to approval of the Purchaser's solicitor within three business days of Council's acceptance of the Offer to Purchase.

b) The Offer to Purchase is open for acceptance by the City until 12 noon on April 22, 2004, failing which this Offer to Purchase is null and void and the deposit monies are to be returned to the Purchaser.

14. Time shall be of the essence of this Offer.

15. The Purchaser will not file any caveat or other encumbrance against the Lands before the transfer of the Lands to the Purchaser.

16. The word "Purchaser" shall have a plural meaning in the event that more than one party is making this offer, and the masculine shall mean the feminine or neuter as the case may be.

17. The Purchaser is hereby advised that soil conditions in Winnipeg are of the glacial till variety which are composed of Lacustrine Clays with Silt Intrusions. The Purchaser

shall be responsible for any increased costs of development due to this random stratification.

18. The Purchaser acknowledges and agrees that sale of the Lands by the City is subject to the approval of City Council or its delegated authority.

19. The full, true and correct name of the Purchaser is as follows: -

Weston Gospel Church or Nominee P.O. Box 32066 Dickens Dr. Wpg. Mb.
Name (Please Print) Address

Purchaser's Registration No. (G.S.T.) 1192952510001

IN WITNESS WHEREOF the Purchaser has signed this document in

WINNIPEG, MANITOBA, this 2nd day of MARCH 2004

Witness

Authorized Signature

REV. ALAN DUNCALFE - PASTOR / CHAIRMAN
Name and Title of Authorized Signature (Please print)

Witness

Authorized Signature

R.E. NEUMANN - MEMBER BOARD OF DIRECTORS
Name and Title of Authorized Signature (Please print)

ACCEPTED this _____day of _____, A.D., 2004

THE CITY OF WINNIPEG

Per:_____

DIRECTOR

Planning,Property and Development Department

Approved:

_____

Planning Property and Development Department

Certified as to form:

_____

for City Solicitor/Manager of Legal Services

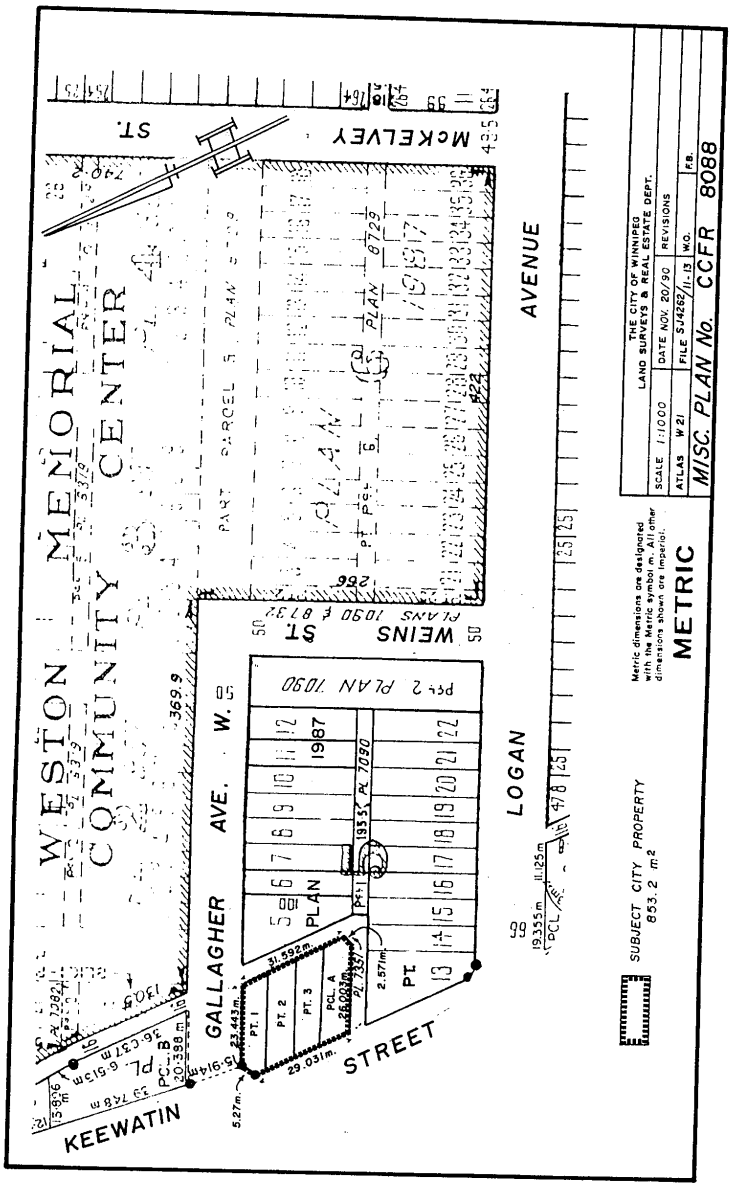

WESTON MEMORIAL
COMMUNITY CENTER
McKELVEY ST.
WEINS ST.
GALLAGHER AVE. W.
LOGAN AVENUE
KEEWATIN STREET
PLAN 1090
PLAN 8729
PLAN 1987
PT. 1
PT. 2
PT. 3
PCL. A
PCL. B
SUBJECT CITY PROPERTY
853.2 m²
Metric dimensions are designated with the Metric symbol m. All other dimensions shown are imperial.
METRIC
THE CITY OF WINNIPEG
LAND SURVEYS & REAL ESTATE DEPT.
SCALE 1:1000
DATE NOV. 20/90
REVISIONS
ATLAS W21
FILE SJ4262/11-13
W.O.
F.B.
MISC. PLAN No. CCFR 8088

EXHIBIT "A"

Real Owner Application

To the City Assessor

(Name of Municipality) Roll No. _____

1. I/We _____
(Print Full Name)

request that my/our name(s) appear in the Assessment Roll of the City of Winnipeg in respect to the following property, pursuant to Section 12(1) of "The Municipal Assessment Act", Cap. M 226 S.M..

2. Description of Properties: (Give description of all property in respect of which you wish your name to appear).

Part of Lot or Section	Lot or Section	Block or Township	Plan or [illegible]	Interest in Property

DRAFT

3. Mailing Address _____
4. Place of Residence _____
5. Name and Address of Registered Owner _____
(Print)

_____
(Print)

6. Description of building on property:

Dwellings _____

Other Buildings _____

7. Date of Purchase _____ 8. Purchase Price _____

Date: _____ 19 ___ _____
(Signature of Applicant)

Office of the City Assessor
The City of Winnipeg _____
(Signature of Registered Owner)