Agenda – Council – September 29, 2021

Report – Standing Policy Committee on Property and Development, Heritage and Downtown Development – September 14, 2021

Item No. 5 Annual Review of Part II Section 3 (Land Value) of the 2002 Development Agreement Parameters

STANDING COMMITTEE RECOMMENDATION:

On September 21, 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 annual market value for Part II, Section 3 (Land Value) of the Development Agreement Parameters be $115,000 per acre for Non-Industrial developments.

2. That the annual market value for Part II, Section 3 (Land Value) of the Development Agreement Parameters be $45,000 per acre for Industrial developments.

3. 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 14, 2021

DECISION MAKING HISTORY:

EXECUTIVE POLICY COMMITTEE RECOMMENDATION:

On September 21, 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 September 14, 2021, 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: Annual Review of Part II Section 3 (Land Value) of the 2002 Development Agreement Parameters

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, Acting	J. Kiernan	C. Kloepfer	M. Jack

EXECUTIVE SUMMARY

According to Part II, Section 3 (Land Value) of the 2002 Development Agreement Parameters, the City is required to complete an annual review to determine the appraised market land value for raw acreage that has imminent development potential.

An appraisal was completed, and the Public Service is recommending that the 2021 appraised market value be $115,000 per acre for all Non-Industrial land, and $45,000 per acre for all Industrial land. The recommended values are unchanged from the previous year.

RECOMMENDATIONS

1. That the annual market value for Part II, Section 3 (Land Value) of the Development Agreement Parameters be $115,000 per acre for Non-Industrial developments.

2. That the annual market value for Part II, Section 3 (Land Value) of the Development Agreement Parameters be $45,000 per acre for Industrial developments.

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

Pursuant to Part II, Section 3 (Land Value) of the Development Agreement Parameters adopted by Council on July 17, 2002, the cost or value of land acquired by the City is to be determined annually by the City.

IMPLICATIONS OF THE RECOMMENDATIONS

For 2021, the City's cost to purchase land in accordance with Part II, Section 3 (Land Value) of the Development Agreement Parameters will remain the same from the previous year.

HISTORY/DISCUSSION

On July 17, 2002, Council adopted the Development Agreement Parameters. Part II, Section 3 (Land Value) of the agreement states that:

> "The cost or value of land will be determined by the City annually upon the appraised market value of raw acreage that has imminent development potential."

The interpretation of the phrase "imminent development" is considered to be lands, recently purchased, with a development expectation within the foreseeable future (approximately one to three years), as opposed to any immediate development.

The Land Value section of the Parameters is applied to several clauses within Part II, Section 18 (Street Rights-of-Way).

An internal appraisal was completed, and the Public Service recommends that the 2021 appraised market value be $115,000 per acre for all Non-Industrial land, and $45,000 per acre for all Industrial land. The recommended values are unchanged from the previous year.

FINANCIAL IMPACT

Financial Impact Statement

Date: June 30, 2021

Project Name:

Annual Review of Part II Section 3 (Land Value) of the 2002 Development Agreement Parameters

COMMENTS:

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

Mike McGinn June 30, 2021
Mike McGinn, CPA, CA
Manager of Finance

CONSULTATION

N/A

OURWINNIPEG POLICY ALIGNMENT

N/A

WINNIPEG CLIMATE ACTION PLAN ALIGNMENT

N/A

SUBMITTED BY

Department: Planning, Property & Development
Division: Real Estate and Land Development
Prepared by: Kevin Brite, Senior Appraiser
Date: July 7, 2021
File No: 5000/26 - B V4