Report - Standing Policy Committee on Property and Development - June 8, 2004

Item No. 38 Disposition of City-owned property - northwest corner Redonda Street and Pandora Avenue
File FI-2.4(33)

STANDING COMMITTEE RECOMMENDATION:

On June 16, 2004, the Executive Policy Committee concurred in the recommendation of the Standing Policy Committee on Property and Development and submits the following to Council:

1. That the Offer from Global Homes Ltd. in the amount of $75,000.00 for the Subject City Property, shown on Misc. Plan No. 10462/1, be accepted.

2. That Lot 17, Block 4, Plan 8568, between Victoria Avenue and Pandora Avenue east of Brelade Street, as shown on Misc. Plan No. 10462, be declared surplus to the City's requirements.

3. That the property shown as Parcel "B" on Misc. Plan No. 10462, be offered for sale to the general public to be developed for single-family use only.

4. That the revenue from the sale of the subject properties be allocated fifty (50) percent to the East Kildonan-Transcona Land Dedication Fund for the purpose of development of Victoria Jason Park (formerly Crocus Park) and fifty (50) percent to the Land Operating Reserve Account.

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

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DECISION MAKING HISTORY:

EXECUTIVE POLICY COMMITTEE RECOMMENDATION:

On June 16, 2004, the Executive Policy Committee concurred in the recommendation of the Standing Policy Committee on Property and Development and submitted the matter to Council.

STANDING COMMITTEE RECOMMENDATION:

On June 8, 2004, the Standing Policy Committee on Property and Development concurred in the administrative recommendation with the following amendments, namely:

- Recommendation 1
  Delete the words “rejected and the deposit monies returned” and substitute therefore the word “accepted”.

- Delete Recommendation 3 in its entirety

- Add a new Recommendation 4 as follows:

  “4. That the revenue from the sale of the subject properties be allocated fifty (50) percent to the East Kildonan-Transcona Land Dedication Fund for the purpose of development of Victoria Jason Park (formerly Crocus Park) and fifty (50) percent to the Land Operating Reserve Account.”

- Re-number the balance of the recommendations accordingly,

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

On April 27, 2004, the Standing Policy Committee on Property and Development referred the recommendation of the East Kildonan-Transcona Community Committee to the administration for review and report back to the meeting of the Committee to be held on June 7, 2004.

COMMUNITY COMMITTEE RECOMMENDATION:

On April 6, 2004, the East Kildonan-Transcona Community Committee concurred in the administrative recommendation as amended by adding the following conditions, namely:

Report - Standing Policy Committee on Property and Development - June 8, 2004

DECISION MAKING HISTORY (continued)

1. That the property be developed for single-family use only.

2. That proceeds be allocated entirely to the East Kildonan-Transcona Land Dedication Reserve Fund,

Report - Standing Policy Committee on Property and Development - June 8, 2004

DECISION MAKING HISTORY (Continued):

and submitted its recommendation to the Standing Policy Committee on Property and Development.

STANDING COMMITTEE RECOMMENDATION:

On March 4, 2004, the Standing Policy Committee on Property and Development referred the following recommendation to the East Kildonan-Transcona Community Committee for consideration and report back to the March 26, 2004, meeting of the Committee, namely:

"2. That Council declare Lot 17, Block 4, Plan 8568, between Victoria and Pandora Avenues east of Brelade Street, shown on Misc. Plan No. 10462, to be surplus to the City's requirements."

COUNCIL DECISION:

On February 25, 2004, Council referred back Item 9 of the Report of the Standing Policy Committee on Property and Development dated February 5, 2004, which recommended as follows:

1. That the Offer from Global Homes Ltd. in the amount of $75,000.00 for the subject City property, shown on Misc. Plan No. 10462/1, be rejected and the deposit monies returned.

2. That Council declare Lot 17, Block 4, Plan 8568, between Victoria and Pandora Avenues east of Brelade Street, shown on Misc. Plan No. 10462, to be surplus to the City's requirements.

3. That the subject City property, which includes a portion of Lot 17, Block 4, Plan 8568, as shown on Misc. Plan No. 10462/1, be offered for sale to the general public.

4. That the property shown as Parcel "B" on Misc. Plan No. 10462, be offered for sale to the general public.

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

Re: Proposed Disposition of City-owned Property at the Northwest Corner of Redonda Street and Pandora Avenue
East Kildonan-Transcona Community
Transcona Ward

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

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

Report date: May 28, 2004

Recommendation(s):

1. That the Offer from Global Homes Ltd. in the amount of $75,000.00 for the Subject City Property, shown on Misc. Plan No. 10462/1, attached, (the "Subject City Property") be rejected, and the deposit monies returned.
2. That Council declare Lot 17, Block 4; Plan 8568, between Victoria Avenue and Pandora Avenue east of Brelade Street, on Misc. Plan No. 10462, attached, to be surplus to the City's requirements.
3. That the Subject City Property, (which includes a portion of Lot 17, Block 4, Plan 8568), be offered for sale to the general public, to be developed for single family use only.
4. That the property shown as Parcel "B" on Misc. Plan No. 10462, be offered for sale to the general public to be developed for single family use only.

REPORT SUMMARY

Key Issues:

On November 19, 1997 Council adopted the recommendation of the Committee on Protection, Parks and Culture dated November 3, 1997, (as amended by the Executive Policy Committee), to declare the properties identified as Parcel A and Parcel B on Misc. Plan No. 10462, (located at the Northeast and Northwest corners of Pandora Avenue East at Redonda Street) surplus to the City's Parks and Recreation requirements, and that the property identified as Parcel C on Misc. Plan No. 10462 ***not*** be declared surplus to the City's requirements.

The Planning, Property and Development Department is in receipt of an offer from Global Homes Ltd. to purchase the Subject City Property.

The Department recognizes that the offer submitted by Global Homes is a reasonable offer for the Subject City Property. Nevertheless, there is concern over accepting an unsolicited offer prior to conducting an offering to the general public, as this might create a perception of bias or lack of transparency.

Upon approval of the recommendations in this report, the Department will undertake a full marketing program for the Subject City Property, and for Parcel "B" as shown on Misc. Plan No. 10462. Global Homes, as well as any other parties which have expressed interest in these properties, will be advised of the availability of both of these properties and have an opportunity to submit proposals along with the general public on either or both of these properties.

On April 6, 2004 the East Kildonan-Transcona Community Committee recommended to the Standing Policy Committee on Property and Development that Lot 17, Block 4, Plan 8568, between Victoria and Pandora Avenues east of Brelade Street, shown on Misc. Plan No. 10462, be declared surplus to the City's requirements, subject to the following conditions:

That the property be developed for single-family use only.
That proceeds be allocated entirely to the East Kildonan-Transcona Land Dedication Reserve Fund.
The decision-making history specifically identifies that only proceeds from the sale of Lot 17, Block 4, Plan 8568, be allocated to the East Kildonan-Transcona Land Dedication Reserve Fund. The Councillor for the area has expressed a desire that the entire net revenue from the sale of the subject properties should be allocated to the land dedication reserve account to be earmarked for Victoria Jason Park (formerly Crocus Park). The Planning Property and Development Department does not support this position, in that existing policy dictates that the net revenues be allocated to the Land Operating Reserve Account.

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):

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 has received an Offer to Purchase a portion of the City-owned Property at the Northwest Corner of Redonda Street and Pandora Avenue, (the Subject City Property), which requires the consideration of the Standing Policy Committee on Property and Development.

HISTORY:

Parcels A, B and C, on Misc. Plan No. 10462 were acquired by the City in tax sale in 1985. On November 19, 1997, Council adopted the recommendation of the Committee on Protection, Parks and Culture, dated November 3, 1997, amended by the Executive Policy Committee as follows:

That the properties identified as Parcel A and Parcel B on Misc. Plan No. 10462, located at the Northeast and Northwest corners of Pandora Avenue East at Redonda Street be declared surplus to the City's parks and recreation requirements, with the sale of Parcel A and Parcel B for residential purposes only, i.e. "R1" or "R2" housing only, and be disposed of accordingly;

That the property identified as Parcel C on Misc. Plan No. 10462 and located at the Northeast corner of Pandora Avenue East at Redonda Street, ***not*** be declared surplus to the City's requirements and be retained by the City of Winnipeg under the jurisdiction of the Parks and Recreation Department.

That the Proper Officers of the City be authorized to do all things necessary to implement the foregoing recommendations, including the execution of any documents related thereto.

Previously, John Wiebe of North Grassie Properties expressed an interest in acquiring the Parcel A, as shown on Misc. Plan No. 10462, but on June 29, 2000 the Standing Policy Committee on Property and Development instructed the Planning, Property and Development Department to return Mr. Wiebe's letter of interest on the property since the property was not ready to be brought to market at that time. Since 2002, the Department has received further letters of interest with regard to Parcel A, on Misc. Plan No. 10462/1 from both North Grassie Properties and Global Homes. In addition, the Department continues to receive expressions of interest in the Subject City Property, as well as in Parcel "B" on Misc. Plan No. 1046.

The Planning, Property and Development Department received an Offer to Purchase the Subject City Property in November 2003. Details of the Offer are as follows:

Location:	Northwest corner of Redonda Street and Pandora Avenue
Description:	Pt. NW 3-11-4E and Pt. Lots 17/18, Block 4; Plan 8568, shown as Subject City Property on Misc. Plan No. 10462/1
Size:	6,995 sq.m. (75,296 sq.ft.) 1.728 acres
Roll No.:	Part 09001726000 – Pt. NW 3-11-4E Part 09001575500 - Pt. Lots 17/18, Block 4; Plan 8568
Certificate of Title:	Part 1705923 - Pt. NW 3-11-4E Part A21680 - Pt. Lots 17/18, Block 4; Plan 8568
Zoning:	A-5 Agriculture R1-5 Residential
Price Offered:	$75,000
Deposit:	$1,000
Purchaser:	Global Homes Ltd.

The Offer is subject to the Purchaser securing approval for the subdivision, servicing and development of the Subject City Property on or before September 1, 2004.

A portion of the Subject City Property is existing buffer running between Pandora and Victoria Avenues. A 1993 report entitled "Proposed Surplus Public Open Space in the East Kildonan/Transcona Community", prepared by the Parks and Recreation Department, indicated that Lots 17 and 18 in Block 4 Plan 8568 exist as sodded buffers, but that they are not required for buffer strip purposes.

On February 5, 2004, the Standing Policy Committee on Property and Development concurred in the recommendations contained within this report (but without a proposed requirement that the use be restricted to single family residential) and submitted the matter to the Executive Policy Committee. On February 18, 2004, the Executive Policy committee concurred in that recommendation and submitted the matter to Council. On February 25, 2004, Council referred the matter back to the Standing Policy Committee on Property and Development, who on March 4, 2004, referred the matter to the East Kildonan-Transcona Community Committee for consideration.

On April 6, 2004, the East Kildonan-Transcona Community Committee recommended to the Standing Policy Committee on Property and Development that Lot 17, Block 4 Plan 8568, between Victoria and Pandora Avenues east of Brelade Street, shown on Misc. Plan No. 10462, be declared surplus to the City's requirements, subject to the following conditions:

That the property be developed for single-family use only.

That proceeds be allocated entirely to the East Kildonan-Transcona Land Dedication Reserve Fund.

The decision-making history specifically identifies that only proceeds from the sale of Lot 17, Block 4, Plan 8568, be allocated to the East Kildonan-Transcona Land Dedication Reserve Fund.

The Councillor for the area has expressed a desire that the entire net revenue from the sale of the subject properties should be allocated to the land dedication reserve account to be earmarked for Victoria Jason Park (formerly Crocus Park). The Planning Property and Development Department does not support this position, in that existing policy dictates that the net revenues be allocated to the Land Operating Reserve Account.

DISCUSSION:

The Planning, Property and Development Division advises that a very slim margin for profit exists in a potential development of the Subject City Property by the City itself. The Department continues to receive expressions of interest in both the Subject City Property and Parcel "B" on Misc. Plan No. 1046 from various developers. This interest indicates enough market demand to support the recommendation that both the Subject City Property and Parcel "B" on Misc. Plan No. 1046 be offered for sale to the general public.

The Department recognizes that the offer submitted by Global Homes for the Subject City Property is reasonable. However, in light of the continued expressions of interest in the Subject City Property, as well as in Parcel "B" on Misc. Plan No. 1046, and in order to avoid public perception of bias or lack of transparency, the Planning, Property and Development Department recommends:

That the Offer from Global Homes Ltd. in the amount of $75,000.00 for the Subject City Property as shown on Misc. Plan No. 10462/1 be rejected and the deposit monies returned.

That Council declare Lot 17, Block 4, Plan 8568 between Victoria Avenue and Pandora Avenue east of Brelade Street on Misc. Plan No. 10462 to be surplus to the City's requirements.

That the Subject City Property, (which includes a portion of Lot 17, Block 4; Plan 8568, as shown on Misc. Plan No. 10462/1), be offered for sale to the general public, to be developed for single-family use only.

That the Parcel "B" on Misc. Plan No. 10462, be offered for sale to the general public, to be developed for single family use only.

Upon approval of the recommendations in this report the Department will undertake a full marketing program for both the Subject City Property as shown on Misc. Plan No. 10462/1, and Subject Property shown as Parcel" B as shown on Misc. Plan No. 10462. Global Homes, along with North Grassie Properties, and any other parties who have already expressed interest in the Subject City Property will be advised of the availability of both of these sites and have an opportunity to submit proposals along with the general public on either or both of these sites.

In accordance with Council policy, from January 17, 1979, proceeds from the sale of parkland in Community Committee areas are to be credited to the respective Community Committee Cash Dedication Reserve Fund. Therefore, the portion of the sales proceeds attributable to Lot 17, Block 4; Plan 8568 will be credited to the East Kildonan-Transcona Community Committee.

IN PREPARING THIS REPORT, THERE WAS CONSULTATION WITH AND CONCURRENCE BY:
NO CONSULTATION WAS REQUIRED IN the PREPARATION OF this REPORT.

This report submitted by:

Planning, Property and Development Department
Division: Real Estate
Prepared by: Gerry Anderson
PPD File #: 32/6368

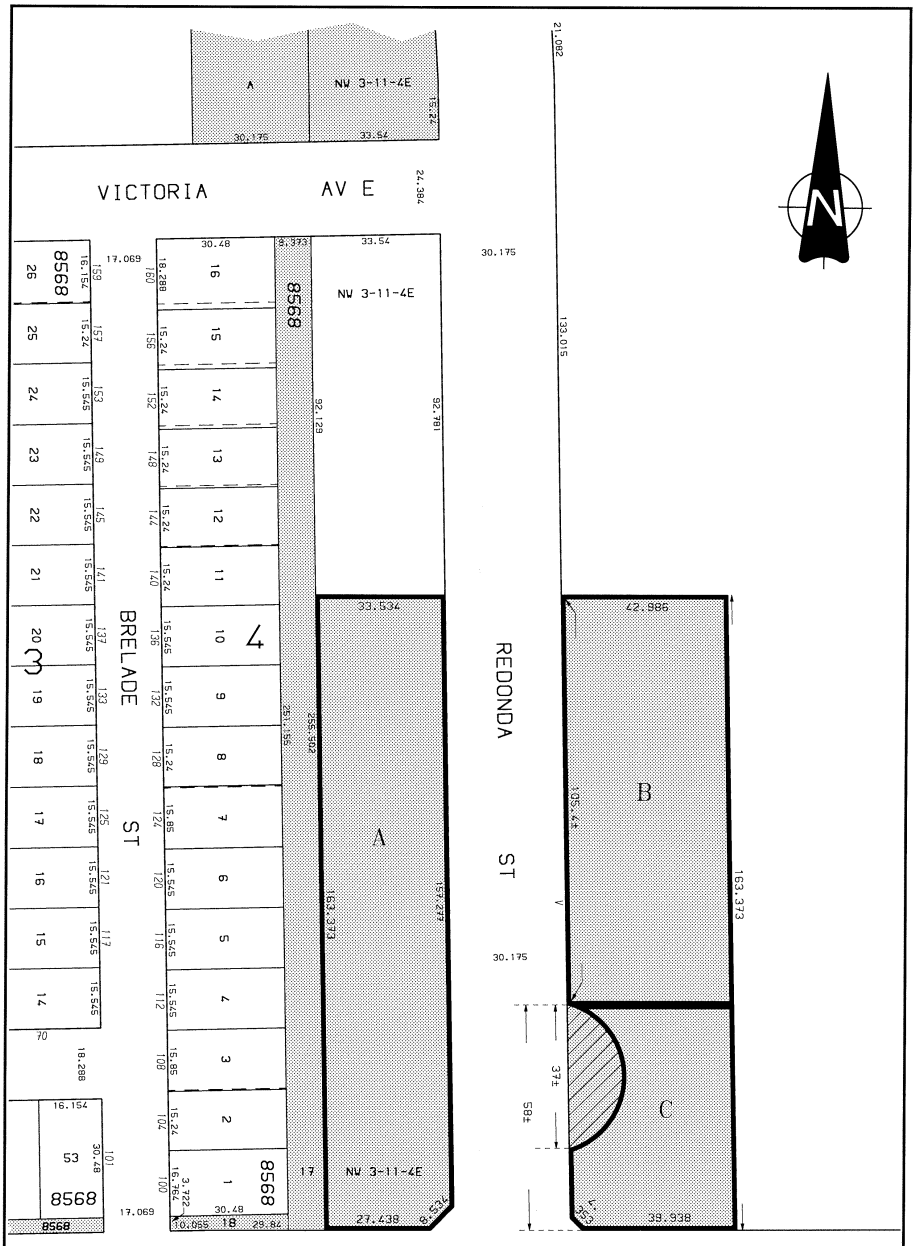
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Financial Impact Statement May 17 2004

COMMENTS:

There is no Financial Impact at this time as a sale is not recommended.

"Original Signed By"
Mike McGinn, CA
Manager of Finance

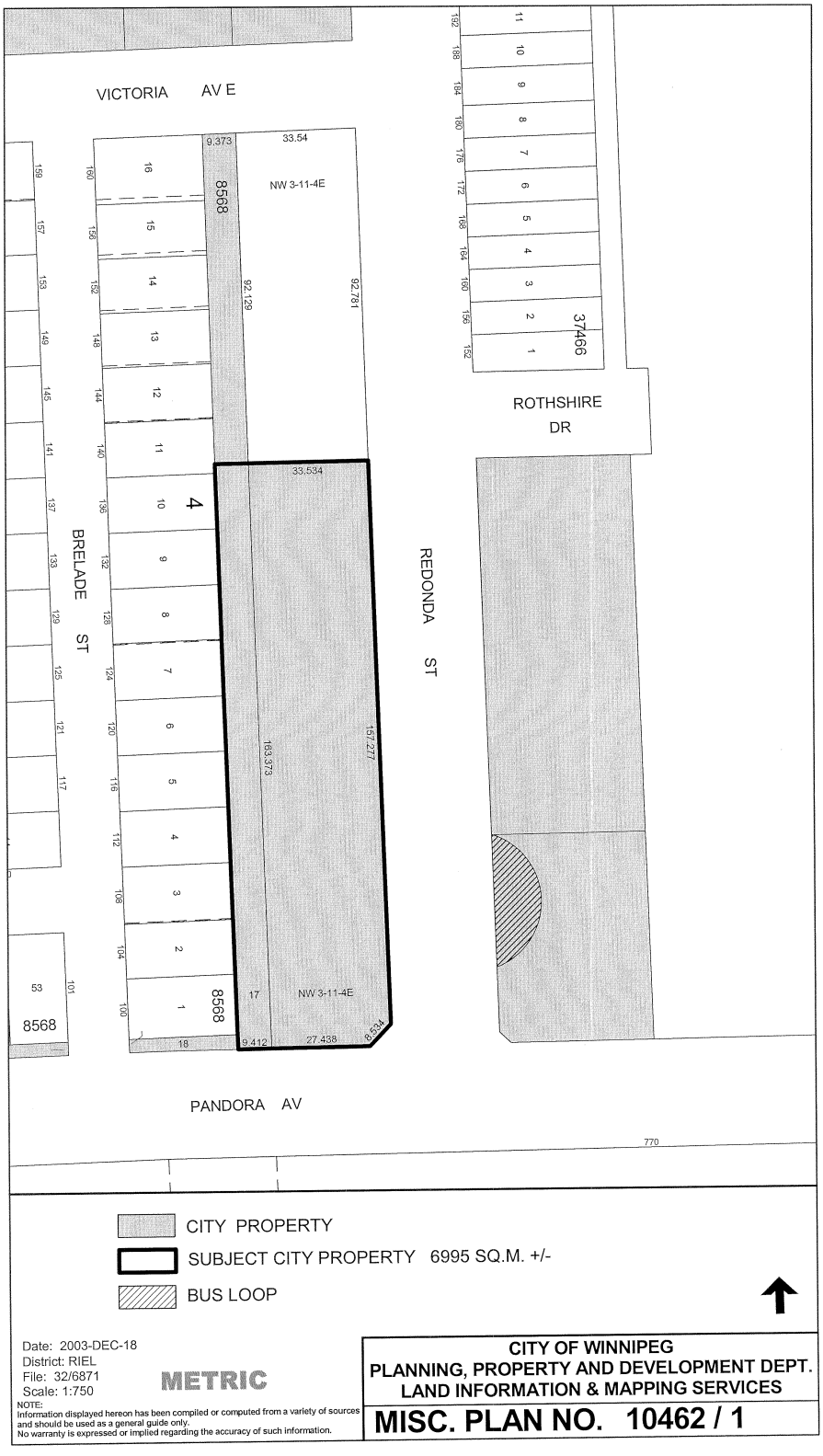


CITY OF WINNIPEG
PROPERTY AND DEVELOPMENT SERVICES DEPT.

SCALE: 1:1250	DATE: 98-JLY-30	DISTRICT: EKT
ATLAS: F18D1	FILE: TR32/6368	
MISC. PLAN No.: 10462		

BAR

All dimensions are approximate.
No warranty is expressed or implied
regarding the accuracy of such information.



Date: 2003-DEC-18
District: RIEL
File: 32/6871
Scale: 1:750

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

MISC. PLAN NO. 10462 / 1