Minute No. 567
Report - Standing Policy Committee on Property and Development - July 9, 2004

Item No. 10 **Easement for Egress Purposes - Federated Co-operatives Limited - 1960 Notre Dame Avenue**
File EA(31)

COUNCIL DECISION:

Council concurred in the recommendation of the Standing Policy Committee on Property and Development and adopted the following:

1. That an Easement Agreement in favour of Federated Co-operatives Limited be approved for egress purposes over the City-owned property shown hatched and identified as "Proposed Easement" on Misc. Plan No. 12118/2, provided that the City receives a release of interest or approval of an easement from both the Canadian Pacific and the Canadian National Railway Companies.

2. That the Director of Planning, Property and Development be authorized to do all things necessary to finalize the said Easement Agreement in accordance with terms and conditions to be negotiated, as outlined in the report from the Director of Planning, Property and Development dated June 25, 2004, the Agreement to provide for such other terms and conditions as are deemed necessary by the Director of Planning, Property and Development and the City Solicitor/Manager of Legal Services to protect the City's interests.

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 - July 9, 2004

DECISION MAKING HISTORY:

Moved by Councillor Pagtakhan,
That the recommendation of the Standing Policy Committee on Property and Development be adopted by consent.

Carried

EXECUTIVE POLICY COMMITTEE RECOMMENDATION:

On July 14, 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 July 9, 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: Proposed Easement for Egress Purposes - Federated Co-operatives Limited, 1960 Notre Dame Avenue
Assiniboia Community
St. James – Brooklands Ward

For submission to: Standing Policy Committee on Property and Development

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

Report date: June 25, 2004

Recommendation(s):

1. Providing that the City receives a release of interest or approval of an easement from both the Canadian Pacific Railway Company and the Canadian National Railway Company, that an Easement Agreement in favour of Federated Co-operatives Limited be approved for egress purposes over the City-owned property shown hatched and identified as "Proposed Easement" on Misc. Plan No. 12118/2, attached.

2. That the Director of the Planning, Property and Development Department be authorized to do all things necessary to finalize the said Easement Agreement in accordance with terms and conditions to be negotiated as outlined herein; the Agreement to provide for such other terms and conditions as are deemed necessary by the Director of the Planning, Property and Development Department and by the City Solicitor/Manager of Legal Services to protect the City's interests.

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

REPORT SUMMARY

Key Issues:

The Planning, Property and Development Department has received a request from Federated Co-operatives Limited for the City to grant an Easement Agreement for egress purposes over the City-owned property shown hatched and identified as "Proposed Easement" on Misc. Plan No. 12118/2, attached.

This report seeks approval of the Easement Agreement in accordance with terms and conditions to be negotiated.

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):
There are no environmental implications associated with the recommendations of this report.

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:

In accordance with the Council Order of July 18, 1979, the Standing Policy Committee on Property and Development shall authorize the granting of easements over City properties for which the Director of the Planning, Property and Development Department has no authority.

HISTORY:

In 1961, the former City of St. James passed By-law No. 9357, which authorized the execution of an agreement between the Canadian Pacific Railway Company, the Canadian National Railway Company and The City of St. James respecting joint trackage in the industrial area. The Subject City-owned property shown outlined on Misc. Plan No. 12118/2, attached, forms part of the lands described in the said Agreement.

In September 2003, representatives of Federated Co-operatives Limited contacted the Planning, Property and Development Department and advised of its proposed expansion of its facility at 1960 Notre Dame Avenue. As part of its proposed expansion, Federated Co-operatives advised that it would need to acquire the subject City-owned property in order to meet fire code egress requirements under the existing building code (three fire exits would be constructed along the Southerly wall of the building).

DISCUSSION:

As part of the due diligence process to determine whether the subject City-owned property could in fact be sold, the Department contacted both the Canadian Pacific Railway Company and the Canadian National Railway Company for comment.

In May 2004, the Canadian National Railway advised the Department that it had reviewed the matter and determined that it no longer had any need for the subject City-own property and confirmed that it was prepared to release or discharge its interest in the site. The Canadian Pacific Railway is also in the process of reviewing its need for the subject City property, but has yet to determine whether any of its customers would be affected by its release of interest in the property.

In an attempt to facilitate the proposed expansion of the building at 1960 Notre Dame Avenue, the Department asked the Canadian Pacific Railway whether it would have any objections with the City providing Federated Co-operatives with an Easement Agreement for egress purposes over the City-owned property shown hatched and identified as "Proposed Easement" on Misc. Plan No. 12118/2, attached. In this regard, Canadian Pacific Railway has indicated that it would also review the easement alternative.

Federated Co-operatives are most anxious to proceed with its proposed expansion. Because Council and the Standing Policy Committees of Council meetings are prorogued from July 23 to September 3, 2004, the Department is requesting that the Director be authorized to do all things necessary to finalize the said Easement Agreement should the Canadian Pacific Railway Company and the Canadian National Railway Company City release its interest in the subject City-owned property or approve of the granting of an easement.

Briefly, the terms and conditions of the Easement Agreement to be negotiated are as follows: Providing that the City receives a release of interest or approval of an easement from both the Canadian Pacific Railway Company and the Canadian National Railway Company, the City grants an Easement Agreement in favour of Federated Co-operatives Limited for egress purposes over the City-owned property shown hatched and identified as "Proposed Easement" on Misc. Plan No. 12118/2.

Federated Co-operatives Limited to be responsible for retaining the services of a Manitoba Land Surveyor to prepare a Plan of Easement, if necessary, suitable for registration in The Property

Registry. Any costs associated with the preparation and registration of the plan will be borne by the Federated Co-operatives Limited.

The Easement Agreement shall remain in full force and effect until the egress requirement is no longer needed.
Federated Co-operatives Limited is required to obtain all appropriate permits and approvals before commencing with the development of the subject property for egress purposes.
The development and maintenance of the easement area will be the sole cost and expense of the Federated Co-operatives Limited.

Federated Co-operatives Limited is required to have General Liability Insurance of at least $2,000,000.00, naming the City of Winnipeg as additional insured and containing a cross-liability clause.

Any other terms and conditions as are deemed necessary by the Director of the Planning, Property and Development Department and by the City Solicitor/Manager of Legal Services to protect the City's interests.

The Planning, Property and Development Department would also propose that Federated Co-operatives Limited be required to pay to the City an amount equal to the market value of lands in the area discounted by 50%, taking into account that Federated Co-operatives Limited would only be acquiring a partial interest in the City lands, and not the full scope of rights. This being the case, the City has sold similar spur line trackage at $2.50/ft², so the value of the easement would be ±3,500 ft² x $2.50 x 50% = $4,375.00.

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

In preparing this report, no consultation was required.
This report submitted by:

Planning, Property and Development Department
Division: Real Estate
Prepared by: John S. Zabudney
PPD File #: 8458

Document name: o:\reports directive\real estate\leasing\(jz)federated co-operatives limited.doc

Financial Impact Statement

Date: June 16, 2004

Project Name:

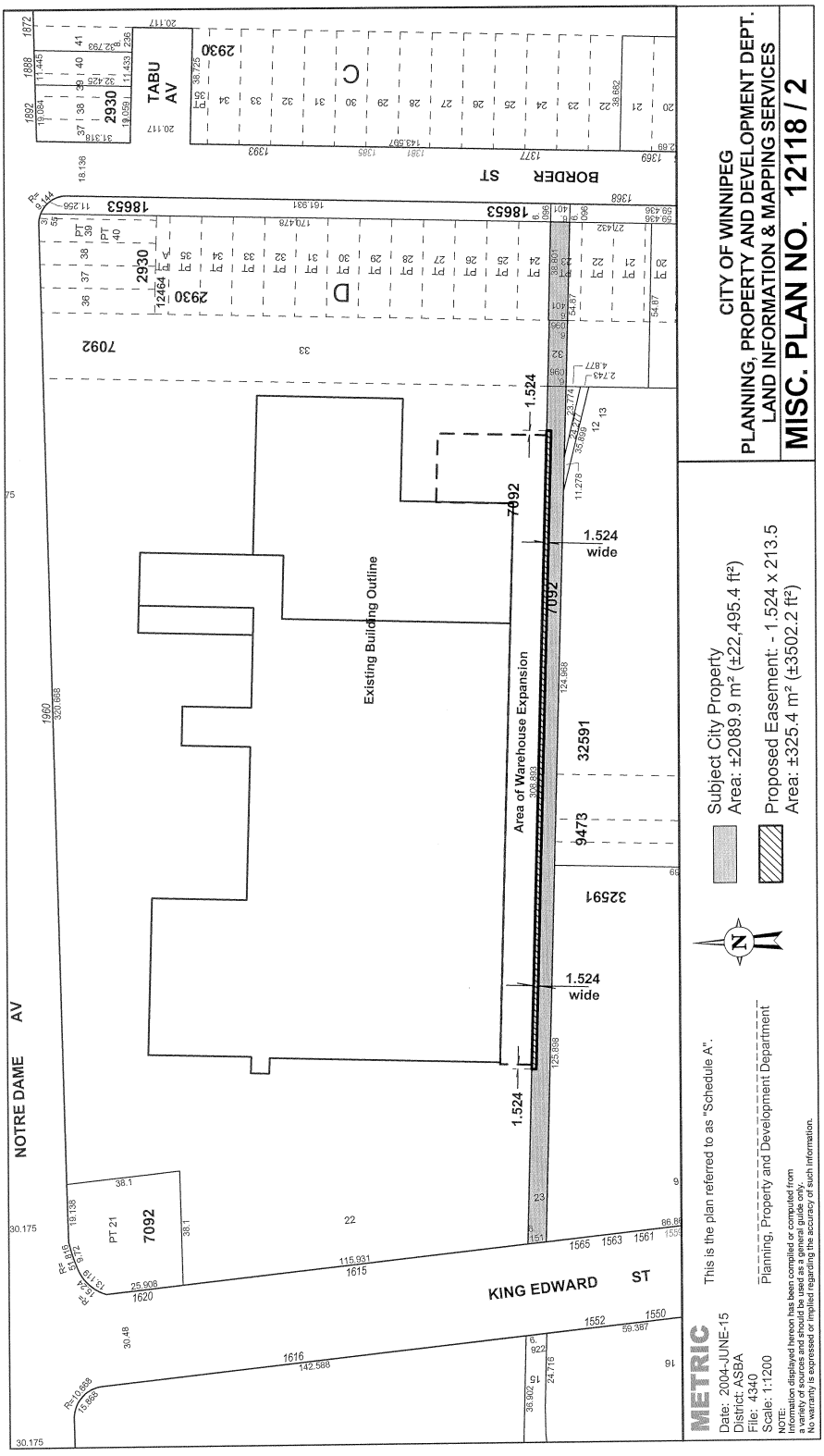
Proposed Easement for Egress Purposes - Federated Co-operatives Limited, 1960 Notre Dame Avenue

First Year of Program 2004

	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	4,375	-	-	-	-
Net Cost/(Benefit)	$ (4,375)	$ -	$ -	$ -	$ -
Less: Existing Budget Amounts		-	-	-	-
Net Budget Adjustment Required	$ (4,375)	$ -	$ -	$ -	$ -

Additional Comments:

"Original signed by"
Mike McGinn, CA
Manager of Finance


CITY OF WINNIPEG
PLANNING, PROPERTY AND DEVELOPMENT DEPT.
LAND INFORMATION & MAPPING SERVICES
MISC. PLAN NO. 12118 / 2
Subject City Property
Area: ±2089.9 m² (±22,495.4 ft²)
Proposed Easement: - 1.524 x 213.5
Area: ±325.4 m² (±3502.2 ft²)
Existing Building Outline
Area of Warehouse Expansion
1.524 wide
1.524 wide
NOTRE DAME AV
KING EDWARD ST
BORDER ST
TABU AV
METRIC
This is the plan referred to as "Schedule A".
Date: 2004-JUNE-15
District: ASBA
File: 4340
Scale: 1:1200
Planning, Property and Development Department
NOTE:
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