Minute No. 618
Report – Standing Policy Committee on Property and Development – June 27, 2023

Item No. 5 **Request to Rescind Proposed Sale of City-owned Property at 219 Provencher Boulevard and 212 Dumoulin Street - RFP 982-2019 to Manitoba Possible**
(St. Boniface Ward)

COUNCIL DECISION:

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

1. That the sale approved by the Standing Policy Committee on Property and Development, Heritage and Downtown Development on February 12, 2021, for the City-owned properties located at 219 Provencher Boulevard and 212 Dumoulin Street to Manitoba Possible, identified as "Subject City Property" on Misc. Plan 12063/31 (attached as Schedule A to this report), be rescinded.

2. That the Public Service be directed to undertake public engagement regarding sale and/or lease options for the future use of 219 Provencher Boulevard and 212 Dumoulin Street and report back in 180 days regarding the future use of 219 Provencher Boulevard and 212 Dumoulin Street based on public engagement for sale and/or lease options.

3. 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:

Moved by Councillor Rollins,

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

Carried

EXECUTIVE POLICY COMMITTEE RECOMMENDATION:

On July 5, 2023, 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:

One June 27, 2023, the Standing Policy Committee on Property and Development concurred in the recommendation of the Winnipeg Public Service, with the following amendment:

- In Recommendation 2 add the words “and 212 Dumoulin Street” immediately after “219 Provencher Boulevard”

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

The following persons submitted communications in support of the matter:

- Walter Kleinschmidt, Les Ami.e.s du carré civique de Saint-Boniface
- Robert Loiselle

STANDING COMMITTEE RECOMMENDATION:

On June 1, 2023, the Standing Policy Committee on Property and Development laid the matter over to its meeting on June 27, 2023.

ADMINISTRATIVE REPORT

Title: Request to Rescind Proposed Sale of City-owned Property at 219 Provencher Boulevard and 212 Dumoulin Street - RFP 982-2019 to Manitoba Possible

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

AUTHORIZATION

Author	Department Head	CFO	CAO
G. Chappell (Acting)	M. Pittet (Acting)	C. Kloepfer	M. Jack

EXECUTIVE SUMMARY

On February 12, 2021, the Standing Policy Committee on Property and Development, Heritage and Downtown Development approved the sale of 219 Provencher Boulevard and 212 Dumoulin Street ("Subject City Property") to Manitoba Possible.

On March 3, 2023, Manitoba Possible notified the Public Service that they would not be proceeding with the purchase of the Subject City Property due to the financial hardships brought on by the COVID-19 pandemic. Manitoba Possible was able to terminate the sale since the offer to purchase was negotiated but not yet signed.

As a result, the Public Service recommends that the sale approval of the Subject City Property to Manitoba Possible be rescinded.

The sale process for 212 Dumoulin Street will be re-initiated since the building is vacant and in need of renovation. No action will be taken with 219 Provencher Boulevard until public engagement is undertaken.

Proposed options for community consideration of 219 Provencher Boulevard will include:

- Sale of the building at market value.
- Sale of the building at below market value to a non-profit organization that aligns with City policy.
- Lease of the building at market value.
- Lease of the building at below market value to non-profit organization(s) that align with City policy, ensuring the rent is sufficient to allow for ongoing maintenance.
- A combination of leases at market value and below market value, ensuring alignment with City policy and ensuring financial feasibility.

RECOMMENDATIONS

1. That the sale approved by the Standing Policy Committee on Property and Development, Heritage and Downtown Development on February 12, 2021, for the City-owned properties located at 219 Provencher Boulevard and 212 Dumoulin Street to Manitoba Possible, identified as "Subject City Property" on Misc. Plan 12063/31 (attached as Schedule A to this report), be rescinded.

2. That the Public Service be directed to undertake public engagement regarding sale and/or lease options for the future use of 219 Provencher Boulevard and report back in 180 days regarding the future use of 219 Provencher Boulevard based on public engagement for sale and/or lease options.

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 the "Declaration as Surplus and Sale of Property" policy, adopted by Council on September 29, 2021, and amended on May 26, 2022, the Standing Policy Committee on Property and Development is authorized to approve all Sales, Land Exchanges and Sale settlement claims in excess of $700,000.00.

The sale of the Subject City Property could not be completed and requires the Committee to rescind its prior approval.

Council approval is required to undertake public engagement.

IMPLICATIONS OF THE RECOMMENDATIONS

Rescinding the sale of the Subject City Property will conclude Request For Proposal ("RFP") 982-2019.

The Public Service will remarket 212 Dumoulin Street. The property will be marketed through an RFP with criteria approved by the Standing Policy Committee on Property and Development. Should a sale be recommended at a later date, Council approval is now required to sell a Historical Resource. The exact boundaries of the 212 Dumoulin Street property will be established through the RFP and may differ slightly from Misc. 12063/31.

The Public Service will engage with the community on how to best use, manage and/or dispose of the City-owned property located at 219 Provencher Boulevard, identified as "Proposed Lot 3" on Misc. Plan 12063/31. A recommendation regarding the future use of 219 Provencher Boulevard will be provided at a later date.

HISTORY/DISCUSSION

The Subject City Property is part of a larger landholding owned by the City, known as the Old St. Boniface City Hall Campus. The Campus was originally comprised of 219, 227, and 233 Provencher Boulevard and 212 Dumoulin Street.

The two buildings on the Subject City Property are listed as Historical Resources:

- 212 Rue Dumoulin Street – Former St. Boniface Fire Hall No. 1, listed Sept. 14, 1987 (identified as “Proposed Lot 2” on Misc. Plan 12063/31); and
- 219 Provencher Boulevard - Former St. Boniface City Hall, listed Nov. 2, 1981 (identified as “Proposed Lot 3” on Misc. Plan 12063/31).

On October 24, 2007, Council declared the Old St. Boniface City Hall Campus surplus to the City’s needs. The building located at 227 Provencher Boulevard was intended to be sold first, but the marketing of this property was suspended until City staff no longer occupied the building. Marketing of 227 Provencher Boulevard and 212 Dumoulin Street both commenced in 2010.

On October 4, 2011, the Standing Policy Committee on Property and Development approved the sale of 212 Dumoulin Street. The sale of 212 Dumoulin Street could not be concluded with the purchaser and was terminated in 2015.

On December 12, 2012, Council approved the sale of 227 Provencher Boulevard.

On November 13, 2019, the Public Service issued RFP 982-2019 to solicit purchase proposals for the Subject City Property. The building located at 233 Provencher Boulevard and the sculpture garden were not included in the RFP (“Proposed Lot 4”).

The RFP closed on November 6, 2020, and four proposals were submitted. Manitoba Possible received the highest score among all bidders and was the recommended proponent.

On February 12, 2021, the Standing Policy Committee on Property and Development, Heritage and Downtown Development approved the sale of the Subject Property to Manitoba Possible.

Throughout the COVID-19 pandemic, Manitoba Possible worked with the Public Service to negotiate an offer to purchase and began work on their development proposal. Unfortunately, the financial hardships brought on by the pandemic resulted in a project that was no longer feasible for the purchaser to undertake. On March 3, 2023, Manitoba Possible terminated the sale and, by extension, RFP 982-2019.

The sale process for 212 Dumoulin Street will be re-initiated since the building is vacant and in desperate need of renovation. The significance of the building will continue to be respected in the next RFP in an attempt to find a development proposal that is suitable.

If supported by Council, no action will be taken with 219 Provencher Boulevard until public engagement is undertaken. Under normal circumstances, the opportunity for stakeholder feedback occurs prior to recommending that a City Property be declared surplus (in accordance with the Declaration as Surplus and Sale of Property Policy). Given the length of time between the declaration of surplus (2007) and the marketing of 219 Provencher Boulevard (2019), it is understandable that views may have changed. In recognition of the feedback provided by the community during RFP 982-2019, the Public Service will seek community input on the future of the building and report back to Council in 180 days.

Proposed options for community consideration of 219 Provencher Boulevard will include:

- Sale of the building at market value.
- Sale of the building at below market value to a non-profit organization that aligns with City policy.
- Lease of the building at market value.
- Lease of the building at below market value to non-profit organization(s) that align with City policy, ensuring the rent is sufficient to allow for ongoing maintenance.
- A combination of leases at market value and below market value, ensuring alignment with City policy and ensuring financial feasibility.

219 Provencher Boulevard is a unique property which has historical, cultural and greenspace significance. Most civic sites do not share the same attributes as 219 Provencher Boulevard and as a result, public engagement on sale and/or lease options is typically not approached in this way. The outcome of the public engagement will be reported to Council; any recommendations for the property will be in keeping with the Boulevard Provencher Planned Development Overlay (PDO-1).

“Proposed Lot 4” (233 Provencher Boulevard and the Sculpture Garden) will remain status quo. The declaration of surplus for the Sculpture Garden was rescinded on February 25, 2021, while 233 Provencher Boulevard was listed as a Historical Resource on January 17, 2022.

FINANCIAL IMPACT

Financial Impact Statement

Date: March 23, 2023

Project Name:

Request to Rescind Proposed Sale of City-owned Property at 219 Provencher Boulevard and 212 Dumoulin Street - RFP 982-2019 to Manitoba Possible

COMMENTS:

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

Mike McGinn Mar. 23, 2023
Mike McGinn, CPA, CA
Manager of Finance

CONSULTATION

This Report has been prepared in consultation with:

- Legal Services (as to legal issues)
- Office of Public Engagement, Customer Service and Communications Department

OURWINNIPEG POLICY ALIGNMENT

1. According to Complete Communities 2.0, the Subject City Property is located in a Mature Community. Mature Communities consist of Winnipeg's earliest neighbourhoods and were mostly planned 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. These neighbourhoods present some of the best opportunities to accommodate infill development, increase housing choice and make the best use of existing infrastructure. A growing population within our Established Neighbourhoods will enhance local schools and commercial amenities while contributing to neighbourhood renewal and revitalization. Strengthening public transit and active transportation will be key considerations to improve mobility and quality of life.

2. Boulevard Provencher Planned Development Overlay (PDO-1)

   The purpose of the Overlay is to encourage the protection of Provencher Boulevard with its cultural and historic significance to the French community as the neighbourhood main street for St. Boniface. This overlay shall apply to the lands fronting Provencher Boulevard, between Avenue Tache and Rue Langevin.

   This area is intended to encourage properties on Provencher Boulevard to develop higher density mixed use developments subject to design review through a plan approval application process. The goal of the design review process is to ensure a built form that promotes a vibrant pedestrian environment.

   Key Plan Considerations:

   a) Promote a vibrant, mixed-use main street that creates places for people.

   b) Density ranges should be between multifamily medium and large zoning categories.

   c) Design review for all multiple family residential, commercial and mixed-use developments.

d) Parking should not be visible from the street, is to be located at the rear of the property and accessed from the lane.

A sale of the Subject City Property aligns with the above direction strategies and also with the recommendations of this report.

WINNIPEG CLIMATE ACTION PLAN ALIGNMENT

Land Use: Facilitate Compact, Complete Development and Increase Density – Section 4.1

> *"Increase Strategic Infill Development that Provides Access to and Capitalizes on Existing and Planned Corridors with Frequent Transit Service (Primary Responsibility: Planning, Property and Development Department)."*

The recommendations of this report align with the Winnipeg Climate Action Plan as a proposed sale of this property would result in the infill development of this site.

WINNIPEG POVERTY REDUCTION STRATEGY ALIGNMENT

N/A

SUBMITTED BY

Department: Planning, Property and Development
Division: Real Estate and Land Development
Prepared by: Clifford Bignall, Senior Negotiator
Date: April 12, 2023
File No: 4904 (V5)

Attachments:

Schedule A – Misc. Plan No. 12063/31

SCHEDULE A – MISC. PLAN NO. 12063/31

