Agenda - Council - January 26, 2005

Report - Standing Policy Committee on Downtown Development - January 7, 2005

Item No. 1 **Proposal to declare the City-owned property at 585 Balmoral Street surplus to City requirements - Proposal to add this property to the City/Centre Venture Asset Agreement**
File EP-1.2.3

STANDING COMMITTEE RECOMMENDATION:

On January 19, 2005, the Executive Policy Committee concurred in the following recommendation of the Standing Policy Committee on Downtown Development and submits the following to Council:

1. That subject to no civic need for the subject property, or any portion thereof, that the lands located at 585 Balmoral Street, shown on Misc. Plan No. 11060/2, be declared surplus to the City's requirements.

2. That the subject property be added to Category "A" of the CentreVenture Asset Agreement.

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 Downtown Development - January 7, 2005

DECISION MAKING HISTORY:

EXECUTIVE POLICY COMMITTEE RECOMMENDATION:

On January 19, 2005, the Executive Policy Committee concurred in the recommendation of the Standing Policy Committee on Downtown Development and submitted the matter to Council.

STANDING COMMITTEE RECOMMENDATION:

On January 7, 2005, the Standing Policy Committee on Downtown Development concurred in administrative recommendations 2. and 3., and submitted the matter to the Executive Policy Committee and Council.

STANDING COMMITTEE DECISION:

On January 7, 2005, the Standing Policy Committee on Downtown Development received as information the administrative recommendation that the property known as 585 Balmoral Street, shown on Misc. Plan No. 11060/2, was acquired through the tax sale process.

Re: **Report on the Tax Sale Acquisition of 585 Balmoral Street and to Declare said Lands as Surplus to the City's Requirements**
City Centre Community
Daniel McIntyre Ward

For submission to: **Standing Policy Committee on Downtown Development**

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

Report date: December 30, 2004

Recommendation(s):

1. That the Standing Policy Committee on Downtown Development be informed that the subject property shown on Misc. Plan No. 11060/2 has been acquired through the tax sale process.
2. That, subject to no civic need for the subject property, or any portion thereof, Council declare the lands surplus to the City's requirements and add said property to Category "A" of the CentreVenture Asset Agreement.
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 subject property is located within the CentreVenture mandated area and in accordance with Clause B.(b) of the CentreVenture Asset Agreement, "That for the duration of the Asset Agreement, upon receipt of title and possession of future tax sale properties within the Downtown, each property be processed through the City's normal procedure to declare properties surplus and that each property be optioned to CentreVenture for the last three years of realty taxes, prior to its having become a City-owned property, net of interest and penalties."
- The Department is recommending that the property located at 585 Balmoral Street be declared surplus and added to the CentreVenture Asset Agreement, subject to no civic need being identified.

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:

☒ **No**

☐ **Yes**

Comment(s):

Environmental implications:

☒ **No**

☐ **Yes**

Comment(s):

- There are no anticipated environmental implications associated with the acquisition of 585 Balmoral Avenue.

Human resources implications:

☒ **No**

☐ **Yes**

Comment(s):

-

Financial implications:

☒ **Within approved current and/or capital budget**

☐ **Current and/or capital budget adjustment required**

Comment(s):

- An expenditure of $16,678.85 has already been incurred. This amount will be charged to the Land Operating Reserve.

REASON FOR THE REPORT:

The Planning, Property and Development Department is required to report to the Standing Policy Committee on Downtown Development on properties acquired by tax sale.

The Standing Policy Committee on Downtown Development has jurisdiction "where the matters relate to real property located entirely or primarily in the area covered by the Downtown Winnipeg Zoning By-law".

According to Clause B.(b) of the CentreVenture Asset Agreement that (for the duration of the Asset Agreement), upon receipt of title and possession of future tax sale properties within the Downtown, each property be processed through the City's normal procedure to declare properties surplus and that each property be optioned to CentreVenture for the last three years of realty taxes, prior to its having become a City-owned property, net of interest and penalties.

In order for this property to be made available to CentreVenture Development Corporation, it must first be declared surplus by Council.

HISTORY:

The subject property has been acquired through completion of the tax sale process.

Particulars of the subject property are as follows:

File No. 8229

Certificate of Title No. 2046944 for the subject property issued in the name of the City of Winnipeg on October 12, 2004, pursuant to Tax Sale No. 107/208.

Location:	585 Balmoral Street, between Cumberland and Sargent Avenues as shown on the attached Misc. Plan No. 11060/2
Legal description:	Lot 10 &11, Plan 24412 together with a Right of Way for all purposes
Assessment:	$8,600.00
Zoning:	D (Downtown Living Sector), Residential
Site size:	7.555 m x 21.906 m = +/-165.5 m2 (24.787 ft x 71.87 ft = +/-1,782 sq ft)
Property Description:	The subject property is a vacant lot. The City demolished a dwelling, which existed on this property, in January 2000.

The former owner, Charles Ponce, showed no interested in redeeming this property from tax sale. The costs incurred to date by the City pursuant to the tax sale process are in the amount of $16,678.85.

DISCUSSION:

Notice of the property acquisition will be circulated among various City Departments to identify any possible civic need. In the event that no civic need is identified for the property, or portions

thereof, the property located at 585 Balmoral Street will be added to the CentreVenture Asset Agreement, subject to Council's concurrence.

A sale of this property as a result of CentreVenture exercising its Option will:

- cause the property to be reinstated on the active realty tax roll;
- remove the City's responsibility for on-going maintenance of the property;
- provide an additional opportunity for redevelopment, enhancement and rejuvenation of Winnipeg's downtown.

Should CentreVenture exercise its option to purchase the subject property, the Land Operating Reserve will recover $2,504.14 (last three years of realty taxes, prior to it having become a City-owned property, net of interest and penalties).

Financial Impact Statement

Date: December 20, 2004

Project Name:

Proposal to Declare 585 Balmoral Street Acquired in Tax Sale as Surplus to the City's Needs.

First Year of Program 2005

	2005	2006	2007	2008	2009
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	$ 16,679	$ -	$ -	$ -	$ -
Less: Incremental Revenue/Recovery	3,105	115	115	115	115
Net Cost/(Benefit)	$ 13,574	$ (115)	$ (115)	$ (115)	$ (115)
Less: Existing Budget Amounts		-	-	-	-
Net Budget Adjustment Required					

Additional Comments:

Should Council adopt the recommendation, and assuming CentreVenture exercises its option to purchase the subject property effective January 1, 2005, the anticipated cost to the City (purchase cost of subject property less recovery of the three years of back taxes plus municipal realty taxes the City would receive) is $13,574 in 2005. Direct costs include a 3% GST component ($486) charged to the LOR that is offset by an equal recovery in Corporate Finance. The remaining revenue/recovery of $2,619 consists of back taxes of $2,504 and the municipal component of realty taxes estimated at $115. Recoveries of $115 in the years 2006 through to 2009 represent municipal realty taxes the City would receive and assumes no increases in the assessed value of the subject property, no change to the current mill rate, portioning rate, or zoning. Annual cost savings to the City resulting from not having to maintain the properties are not material and have not been taken into account.

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

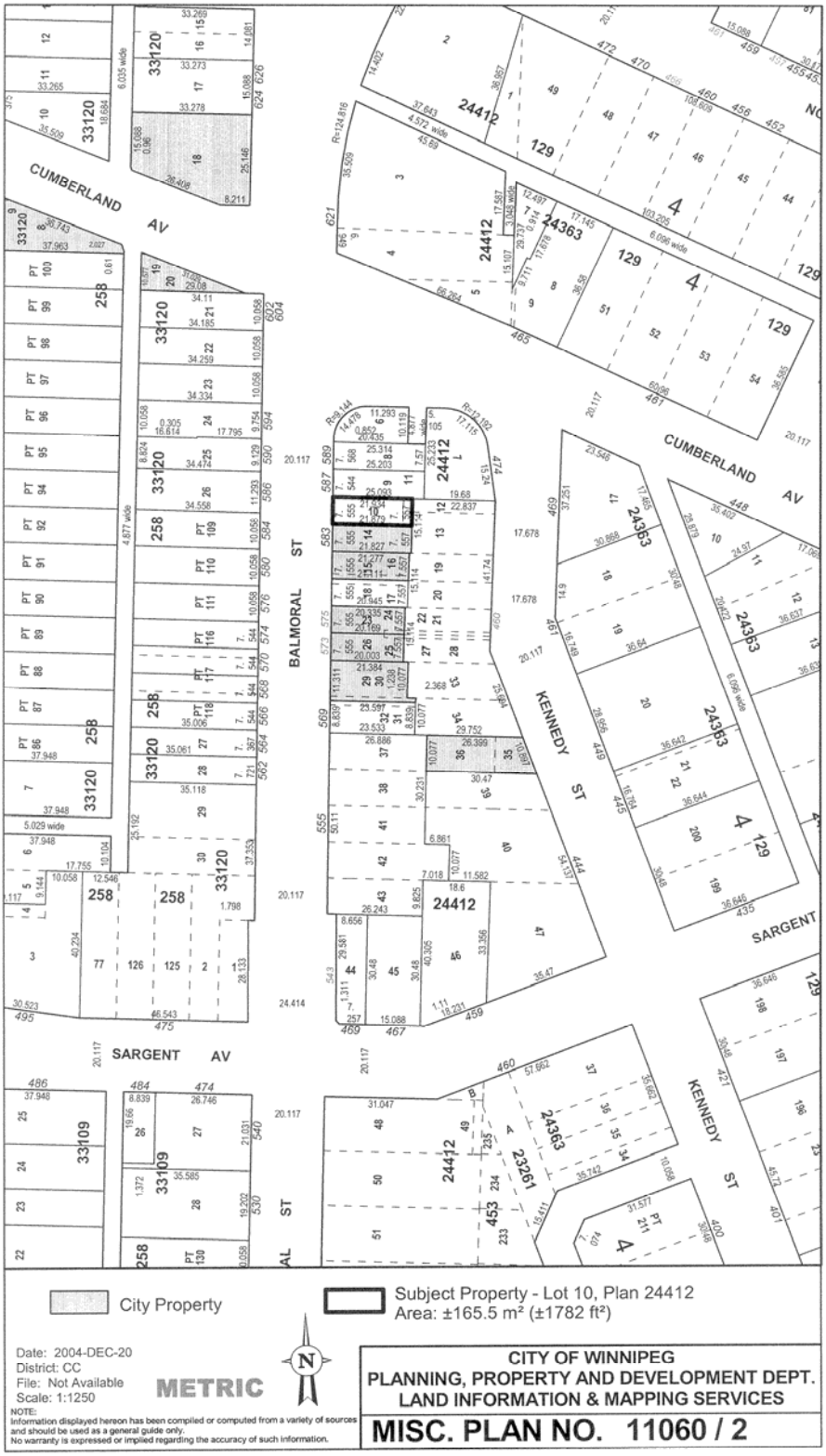
IN PREPARING THIS REPORT, THERE WAS CONSULTATION WITH AND CONCURRENCE BY:

No consultation was required.

THIS REPORT SUBMITTED BY:

Planning, Property and Development Department
Division: Real Estate
Prepared by: Joedi Pruden
PPD File #: 8229

Document name: o:\reports directive\real estate\sales(jp)tax sale 585 Balmoral Street


CUMBERLAND AV
BALMORAL ST
KENNEDY ST
SARGENT AV
SARGENT
City Property
Subject Property - Lot 10, Plan 24412
Area: ±165.5 m² (±1782 ft²)
Date: 2004-DEC-20
District: CC
File: Not Available
Scale: 1:1250
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. 11060 / 2