Minutes - Executive Policy Committee – February 16, 2005

Minute No. 194
Report - Standing Policy Committee on Property and Development – February 1, 2005

Item No. 16 **Acquisition and Land Exchange - part of 715 St. Anne's Road and Lot 7, Plan 42013**
File FI-2(35)

EXECUTIVE POLICY COMMITTEE RECOMMENDATION:

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 "Surplus City Property" identified on Misc. Plan No. 12375 be declared surplus to the City's needs.

2. That the acquisition of "Faith Lutheran Property Below 230 meter contour", as identified on Misc. Plan No. 12375, be approved at a net price of $22,250.00 plus the "Surplus City Property" in accordance with the terms and conditions outlined in Schedule "A" to the report from the Director of Planning, Property and Development dated January 21, 2005.

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

Minutes - Executive Policy Committee – February 16, 2005

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DECISION MAKING HISTORY:

Moved by Councillor De Smedt,
That the recommendation of the Standing Policy Committee on Property and Development be concurred in and forwarded to Council.

Carried

STANDING COMMITTEE RECOMMENDATION:

On February 1, 2005, the Standing Policy Committee on Property and Development concurred in the administrative recommendation and submitted the matter to the Executive Policy Committee and Council.

SUBJECT: **Proposed Acquisition and Land Exchange –**
Part of 715 St. Anne's Road and Lot 7, Plan 42013
Riel Community
St. Vital Ward

For submission to: Standing Policy Committee on Property and Development

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

Report date: January 21, 2005

Recommendation(s):

1. That the "Surplus City Property" identified in the attached Misc. Plan No. 12375 be declared surplus to the City's needs.

2. That, subject to Recommendation No. 1 being approved, the proposed acquisition of "Faith Lutheran Property Below 230 meter contour" identified on the attached Misc. Plan No. 12375 be approved at a net price of $22,250.00 plus the "Surplus City Property" in accordance with the terms and conditions attached hereto as Schedule "A".

REPORT SUMMARY

Key Issues:

- Council must declare the "Surplus City Property" surplus in order to utilize it in a land exchange.
- The terms and conditions of the acquisition and land exchange require approval.

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 concerns relating to this land exchange.

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):

- Funding for this land exchange is available from the Seine River Waterway Account No. 003-293090-120001

REASON FOR THE REPORT:

Council must declare the Surplus City Property surplus in order to utilize it in a land exchange. The terms and conditions of the acquisition and land exchange require approval.

HISTORY:

Pursuant to Development Agreement AG 19/00 relating to the Royalwood Phase 2, Grandin Park Development Ltd. transferred to the City Lot 7, Plan 42013 for $1.00. This property was not required for the construction of the Shorehill Boulevard right-of-way. The part above the 230 meter contour is identified as "Surplus City Property" on the attached Misc. Plan No. 12375.

At its meeting held February 23, 2000, Council approved DAZ 232/99. The Servicing Agreement for DAZ 232/99 states that the developer (Faith Lutheran Church) be required to sell the riverbank land lying below the 755 foot contour line (230 meter contour as identified on the attached Misc. Plan No. 12375) to the City pursuant to the Seine River Parkway Plan. The price is to be determined by the Standing Policy Committee on Property and Development.

On April 30, 2004, the Land Development Branch advised the Real Estate Division that the Faith Lutheran Church was interested in pursuing a land exchange.

In November, 2004, the Faith Lutheran Church advised that it was now ready to develop the property and would like to complete the land exchange.

The City and Faith Lutheran Church have agreed upon the terms and conditions of a land exchange of the two aforementioned properties.

DISCUSSION:

An internal appraisal was completed on the Surplus City Property, which indicated a market value of $8,000.00.

Historically, the City purchases land lying below the 230 meter contour line adjacent the Seine River for $15,000.00 per acre. The Real Estate Division is of the opinion that this value would be applicable in this instance. Applied to the "Faith Lutheran Property Below 230 meter contour" identified on the attached Misc. Plan No. 12375 the result would be a value of $26,250.00.

The City initially proposed that the land exchange be completed under the above noted values. The Church advised that it did not want to pay anything more than $1.00 for the Surplus City Property. After several discussions with members of the Church and a meeting, the Church advised, in writing, that being a non-profit corporation it could only support paying $4,000.00 for the Surplus City Property.

After giving this matter consideration, the Real Estate Division is of the opinion that the City should complete the proposed acquisition and land exchange with the Faith Lutheran Church at a net cost to the City of $22,250.00 and in accordance with the terms and conditions contained within the attached Schedule "A". Although the value of the Surplus City Property is somewhat below its appraised market value, it is considered that the benefits of selling it would offset the loss in value. It has been determined that there is a large Manitoba Hydro box contained within the parcel that could hinder development of the parcel. The configuration of the Surplus City Property is substandard under the existing zoning regulations. The trend in this area is toward rezoning such lands for commercial or multiple family developments. Given the size/configuration of this lot, the best use would be to consolidate it with the adjoining land to the north. Not only will this relieve the City of any future maintenance, but also the property will now generate realty tax revenue. It should also be noted that the City acquired this property for $1.00 under AG 19/00.

The Water and Waste Department has advised that adequate funding for this proposed land exchange is available from the Seine River Waterway Account.

Financial Impact Statement

Date: January 18, 2005

Project Name:

Proposed Acquisition and Land Exchange – Part of 715 St. Anne's Road and Lot 7, Plan 42013 Riel Community St. Vital Ward

First Year of Program 2005

	2005	2006	2007	2008	2009
Capital					
Capital Expenditures Required	$ 22,918	$ -	$ -	$ -	$ -
Less: Existing Budgeted Costs	22,918	-	-	-	-
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	$ -	$ 2,063	$ 2,063	$ 2,063	$ 2,063
Less: Incremental Revenue/Recovery	668	-	-	-	-
Net Cost/(Benefit)	$ (668)	$ 2,063	$ 2,063	$ 2,063	$ 2,063
Less: Existing Budget Amounts	(668)	2,063	2,063	2,063	2,063
Net Budget Adjustment Required	$ -	$ -	$ -	$ -	$ -

Additional Comments:

Capital expenditures of $22,918 consist of the net purchase price of the land of $22,250 + short-term interest of $445 + a corporate admin fee of $223. These latter two amounts are offset by equal recoveries in the Corporate Finance's operating accounts. The $2,063 in direct costs from 2006-2009 represent internal debt & financing costs charged to the operating budget.

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

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

Water and Waste Department

THIS REPORT SUBMITTED BY:

Planning, Property and Development Department
Division: Real Estate Division
Prepared by: Karen Cann
PPD File #: 6801

Document name: o:\reports directive\real estate\acquisition\(kc)715stannes.doc

November 30, 2004

SCHEDULE "A"

1. The City agrees to purchase the land identified as “Faith Lutheran Property Below 230 meter contour” (Parcel A) on the attached Misc. Plan No. 12375 for an all-inclusive purchase price of TWENTY-SIX THOUSAND, TWO HUNDRED AND FIFTY ($26,250.00) DOLLARS.

2. The Faith Lutheran Church to purchase the land identified as “Surplus City Property” (Parcel B) on the attached Misc. Plan No. 12375 for an all inclusive purchase price of FOUR THOUSAND ($4,000.00) DOLLARS.

3. Both Parcel A and Parcel B are be conveyed to each party, hereto, free and clear of any liens and/or encumbrances except public utilities thereon.

4. The date for vacant possession - free of leasehold interest and adjustment of taxes, to be the date that a Caveat is filed by the City of Winnipeg in the Winnipeg Land Titles Office respecting a duly executed Purchase/Sale Agreement to be prepared by the City Solicitor regarding this transaction or by mutual agreement.

5. The Faith Lutheran Church declares that Parcel A complies with all applicable environmental laws, regulations and by-laws and further acknowledges and accepts that should the City determine that there are environmental concerns or contamination it may elect to cancel the proposed purchase.

6. The Faith Lutheran Church shall supply copies of any environmental studies undertaken on the Parcel A.

7. The Faith Lutheran Church to attend to any survey work required by the Winnipeg Land Titles Office in order to transfer Parcel A into the name of the City at no cost to the City.

8. The Faith Lutheran Church to attend to any survey work required by the Winnipeg Land Titles Office in order to consolidate Parcel B with the adjoining land to the north owned by Faith Lutheran Church at no cost to the City.

9. Each party hereto shall be responsible for their own legal costs.

10. The Faith Lutheran Church shall not remove any top soil or allow any dumping on the Parcel A.

11. The Faith Lutheran Church agrees to enter into an appropriate Purchase/Sale Agreement with the City embodying the within terms and conditions and in a form satisfactory to the City Solicitor; it is further acknowledged that the Purchase/Sale Agreement may be filed as a Caveat against the Faith Lutheran Church's title pending transfer of Parcel A into the City's name.

12. The Faith Lutheran Church agrees that Parcel A will not be conveyed, disposed of or encumbered in any manner whatsoever, except subject to this agreement.

13. The Faith Lutheran Church agrees to consent on a Real Owner Application form to add The City of Winnipeg as the Real Owner of Parcel A to the Assessment Rolls of the City.

14. The Faith Lutheran Church agrees to declare whether or not they are "Registrants" for the purposes of the "Goods and Services Tax" and if so, to provide their G.S.T. Registration number.

15. The Faith Lutheran Church to provide satisfactory evidence that it has adhered to the provisions of the Religious Societies Act Cap. R.S.M. 1987.

16. The City will self-assess any Goods and Services Tax owing on this transaction. Its GST Registration No. is R121682967.

17. This proposal is subject to approval by the City of Winnipeg Council or its delegated authority.

Faith Lutheran Church of St. Vital, the legally registered owner of the "Faith Lutheran Property Below 230 meter contour" shown on the attached Misc. Plan No. 12375, hereby agree to the proposed land exchange in accordance with the price, terms and conditions herein.

Faith Lutheran Church of St. Vital

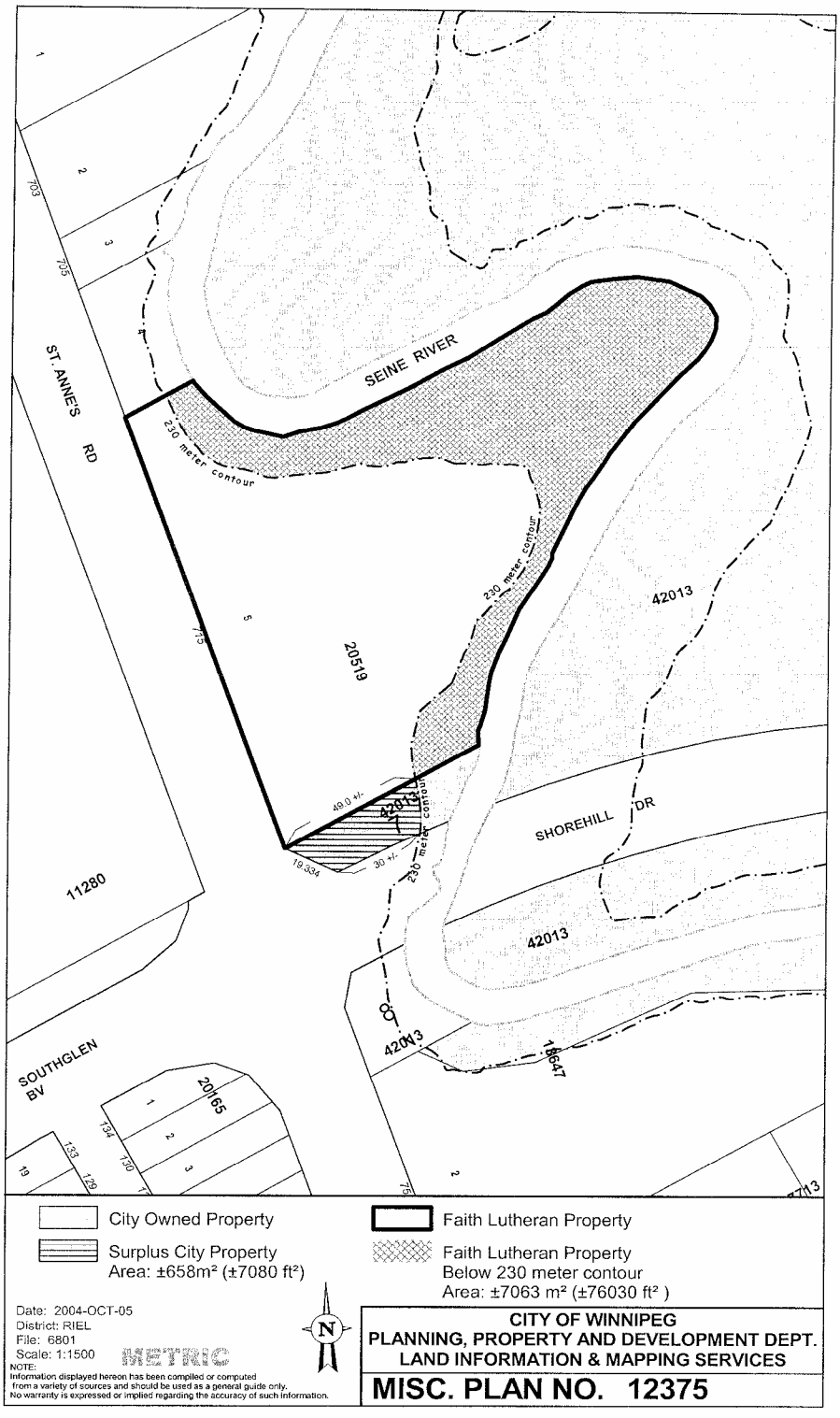
_____ _____

Date Officer

_____ _____

GST Registrant Number Officer

6202


ST. ANNE'S RD
SEINE RIVER
230 meter contour
20519
42013
SHOREHILL DR
11280
SOUTHGLEN BV
20165
49.0 +/-
30 +/-
19.334
18.647
City Owned Property
Surplus City Property
Area: ±658m² (±7080 ft²)
Faith Lutheran Property
Faith Lutheran Property
Below 230 meter contour
Area: ±7063 m² (±76030 ft²)
Date: 2004-OCT-05
District: RIEL
File: 6801
Scale: 1:1500
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.
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CITY OF WINNIPEG
PLANNING, PROPERTY AND DEVELOPMENT DEPT.
LAND INFORMATION & MAPPING SERVICES
MISC. PLAN NO. 12375