Minute No. 300
Report - Standing Policy Committee on Property and Development - March 7, 2005

Item No. 19 **Purchase of Vacant land at 518 Raglan Road - Future Expansion of Current Storm Sewer Pipe and Gate Chamber**
File FI-2(32)

COUNCIL DECISION:

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

1. That the acquisition of the "Subject Property" shown on Misc. Plan No. 4229/9 be approved at a purchase price of $62,500.00, funded by the Water and Waste Department, in accordance with the terms and conditions contained in Schedule "A" attached to the report from the Director of Planning, Property and Development dated February 14, 2005.

2. 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 - March 7, 2005

DECISION MAKING HISTORY:

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

Carried

EXECUTIVE POLICY COMMITTEE RECOMMENDATION:

On March 16, 2005, 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 March 7, 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.

Re: Proposed Purchase of Vacant land at 518 Raglan Road for the Future Expansion of Current Storm Sewer Pipe and Gate Chamber
City Centre Community
Daniel McIntyre Ward

For submission to: **Standing Policy Committee On Property and Development**

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

Report date: **February 8, 2005**

Recommendation(s):

That the proposed acquisition of the "Subject Property" shown on the attached Misc. Plan No. 4229/9, be approved at a purchase price of $62,500.00, funded by the Water and Waste Department, in accordance with the terms and conditions contained in the attached Schedule "A".

REPORT SUMMARY

Key Issues:

- In 1979 the City obtained a $1.00 easement for a sewer pipe that encumbers the entire lot thus, rendering the lot unbuildable. Negotiations of various alternatives have occurred since that time. The Water and Waste Department now needs to purchase this lot in order to expand the sewer pipe and protect options for combined sewer overflow control for the neighbouring areas.

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):

- The subject property does not appear to be environmentally impacted. In any event, the proposed transaction includes terms and conditions to protect the City's interest in this regard.

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 proposed acquisition is budgeted in the Sewage Disposal System Fund 444 Account of the Water and Waste Department.

REASON FOR THE REPORT:

The Water and Waste Department requires the Subject Property in order to expand an existing sewer pipe and to protect options for combined sewer overflow control for the neighbouring areas. Negotiations have been completed for the proposed purchase, which requires Council approval.

HISTORY:

The attached Misc. Plan No. 4229-1 shows the easement area obtained by the City from the Portage Avenue Mennonite Brethren Church (PAMBC) on September 24, 1979 for $1.00 to construct a sewer system pipe and maintain it from time to time.

At its meeting held on February 26th, 1986, Council authorized an acquisition of the Subject Property at a price determined by the Committee on Finance not exceed $38,500.00, in order to transfer it to the Parks and Recreation Department.

At its meeting held on May 1st, 1986, the Board of Commissioners instructed the Land Surveys and Real Estate Department to negotiate the acquisition of the subject property. However, the PAMBC wanted a land exchange with the City in order to expand the church parking lot. This proposed land exchange for parking was opposed by the local residents.

After several rounds of negotiation, the PAMBC's Board of Trustees indicated that it wanted to retain title to the property for future development options.

At its meeting held on March 9th, 1989, the Board of Commissioners instructed the Land Surveys and Real Estate Department to terminate negotiations for acquisition of the Subject Property.

On April 18, 1991 the PAMBC requested the City to discharge its Caveat on the Subject Property so that a house can be constructed for the church's Minister. The City advised the Church that the easement must remain because of the existence of a storm relief sewer located 2.97m south of the north property line of the lot.

The City suggested a partial discharge of the easement and a land exchange as shown on attached Misc. Plan No. 4229/8. Parcel A, Plan 31770 was proposed to be exchanged for the northerly 20 feet of the Subject Property, i.e. to make an unencumbered 50 foot wide lot.

On September 7th, 1993, the City Centre Community Committee did not agree with a proposal to physically open a relocated West/East lane over the northerly 20 feet of the Subject Property due to the opposition of the local residents, but agreed with the lane closing and then transferring the land comprising the former lane to the Parks and Recreation Department.

On November 24th, 1993, the PAMBC decided that it would not pursue the land exchange because the City could not get approval to physically open the lane. The PAMBC wanted the City to buy the subject property and compensate the Church for the loss of its buildable lot.

On March 27th, 1996, the Church asked the City to buy the subject property at a price of $60,000.00.

At its meeting held on May 16th, 1996, the Board of Commissioners instructed that negotiations for a land exchange be terminated.

The City later suggested a land exchange with the PAMBC for a City owned lot in a different area. On November 27th, 1996, the Church agreed to consider a land exchange if a suitable City-owned lot worth $65,000.00 could be identified and was found to be acceptable to the PAMBC. However, the City advised the PAMBC that the Subject Property, at that time, had a market value of $45,000.00. The land exchange plan was no longer pursued.

In 2003, the PAMBC asked the City to buy the Subject Property for $65,000.00.

Recently the Water and Waste Department advised that it required the entire Subject Property in order to expand its current sewer pipe and protect options for combined sewer overflow control for the neighbouring areas.

After several rounds of negotiation, the PAMBC has agreed to sell the subject property to the City at a market-based price of $62,500.00, in accordance with the terms and conditions attached hereto as Schedule "A".

Particulars of the Subject Property are as follows:

Location:	518 Raglan Road; west side, south of Portage Avenue
Legal Description:	Lot 9, Block A, Plan 3305
Certificate of Title:	1670518
Register Owner:	Portage Avenue Mennonite Brethren Church
Realty Roll:	12-080264000
Assessment:	$6,000.00 (with easement)
Zoning:	R2A, Two Family (Residential)
Area:	15.24 m x 36.576m = 577.4m2 (50 ft x 120 ft = 6,000 sq ft)
Description:	Vacant lot with all municipal services available.

DISCUSSION:

The PAMBC used to own Lots 5 to 9, Block A, Plan 3305 on Raglan Road. There are four residential dwellings on Lots 5 to 8, which have been sold. Lot 9 once contained a house, which was demolished in 1977 due to its poor condition, and the lot has remained vacant. The PAMBC still own this Lot.

The PAMBC granted an easement to the City in September 1979. The circumstances at the time were such that the PAMBC had asked the City to close the public lane between Lots 5 to 9, Block A, Plan 3305 and the Church parking lot, and to then sell it to the PAMBC for the purpose of extending its parking lot. The City then would have cut a curb and opened an access from Raglan Road to the City pumping station on Omand's Creek. The PAMBC would also use this lane and part of Lot 9 for parking at peak periods. However, this project was vigorously opposed by the area residents and later rejected by the Community Committee.

The Water and Waste Department advises that it will soon require the entire Subject Property to expand the current sewer system and build an overflow sewer system control for the neighbouring areas. Following extensive negotiations, the PAMBC has agreed to a proposed price of $62,500.00, in accordance with the terms and conditions contained in the attached Schedule “A”, which is subject to Council’s approval. This proposed price is reasonably supported by market value estimates, both internal and supplied by the PAMBC.

It may also be noted that the PAMBC has been paying property taxes on this lot for the past 25 years, but could not make any effective use of it.

Funding for this acquisition has been allocated from the Sewer Disposal System Fund 444 Account of the Water and Waste Department.

Financial Impact Statement

Date: February 8, 2005

Project Name: **First Year of Program** 2005

Proposed Land Acquisition For Sewer Disposal System at 518 Gaglan Road - Lot 9, Block A, Plan 3305.

	2005	2006	2007	2008	2009
Capital					
Capital Expenditures Required	$ 64,375	$ -	$ -	$ -	$ -
Less: Existing Budgeted Costs	64,375	-	-	-	-
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	$ -	$ 5,794	$ 5,794	$ 5,794	$ 5,794
Less: Incremental Revenue/Recovery	1,875	-	-	-	-
Net Cost/(Benefit)	$ (1,875)	$ 5,794	$ 5,794	$ 5,794	$ 5,794
Less: Existing Budget Amounts	(1,875)	5,794	5,794	5,794	5,794
Net Budget Adjustment Required	$ -	$ -	$ -	$ -	$ -

Additional Comments:

Funding is available from Sewer Diposal System Fund of the Water and Waste Department.

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

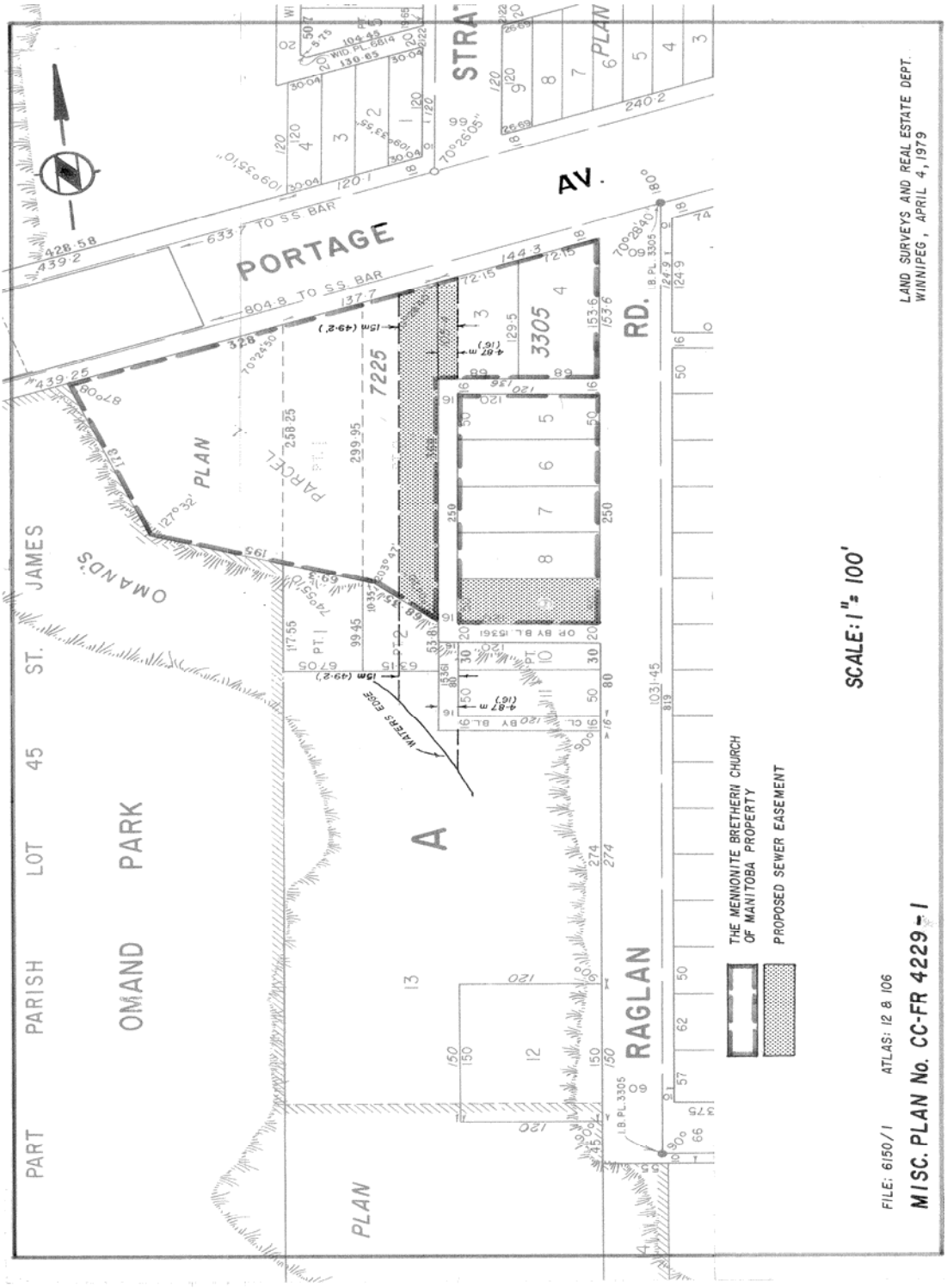
IN PREPARING THIS REPORT, THERE WAS CONSULTATION WITH AND CONCURRENCE BY:

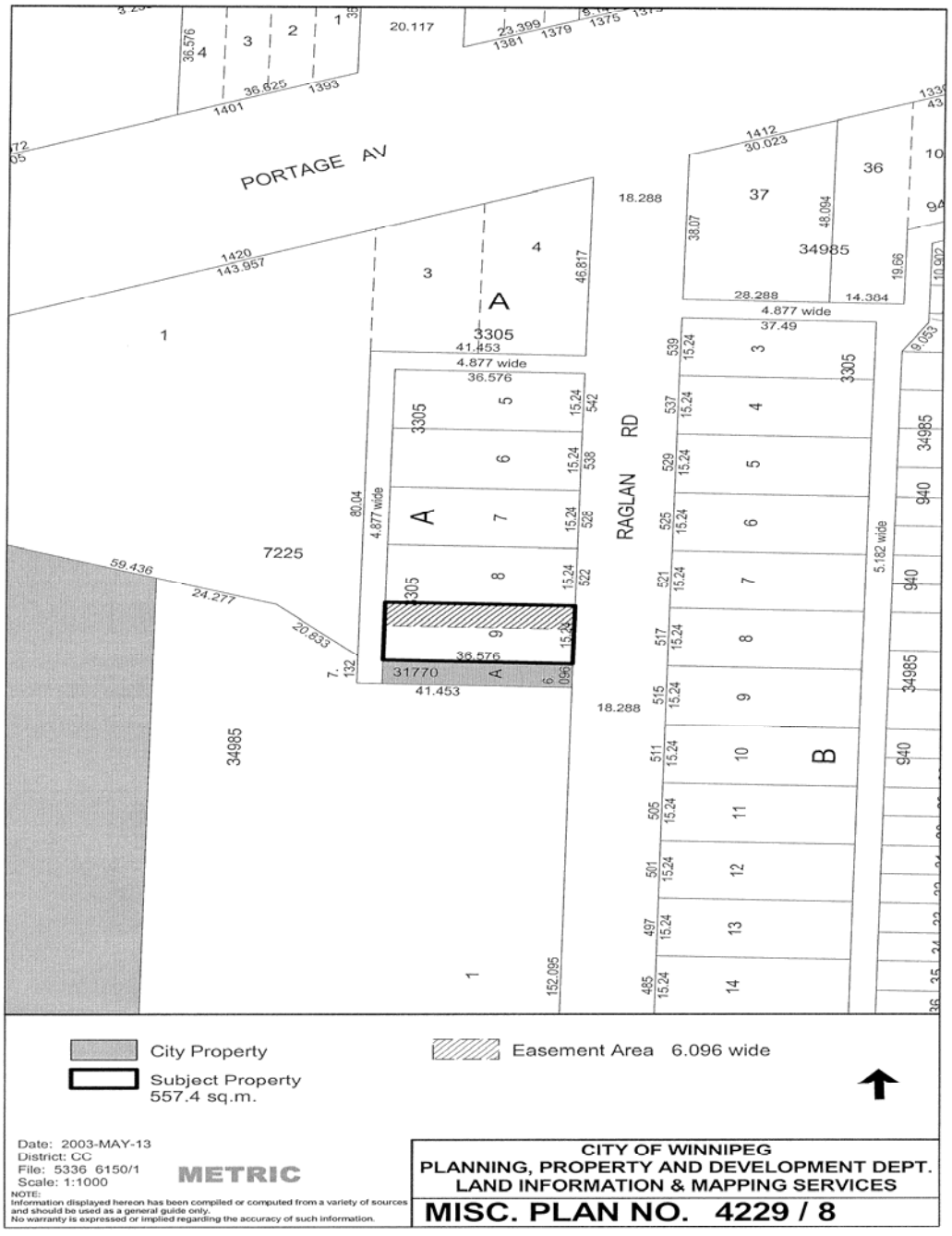
Water and Waste Department

THIS REPORT SUBMITTED BY:

Planning, Property and Development Department
Division: Real Estate
Prepared by: Tan Nguyen
PPD File #: 5336

Document name: o:\reports direct\real estate\acquisition\(tn)Acquisition of 518 Raglan


PORTAGE AV.
RD.
RAGLAN
OMAND PARK
PART PARISH LOT 45 ST. JAMES
OMAND'S PLAN
PARCEL
PLAN
7225
3305
WATERS EDGE
THE MENNONITE BRETHERN CHURCH OF MANITOBA PROPERTY
PROPOSED SEWER EASEMENT
SCALE: 1" = 100'
LAND SURVEYS AND REAL ESTATE DEPT.
WINNIPEG, APRIL 4, 1979
FILE: 6150/1
ATLAS: 12 & 106
MISC. PLAN No. CC-FR 4229-1


PORTAGE AV
RAGLAN RD
7225
34985
3305
31770
City Property
Subject Property
557.4 sq.m.
Easement Area 6.096 wide
Date: 2003-MAY-13
District: CC
File: 5336 6150/1
Scale: 1:1000
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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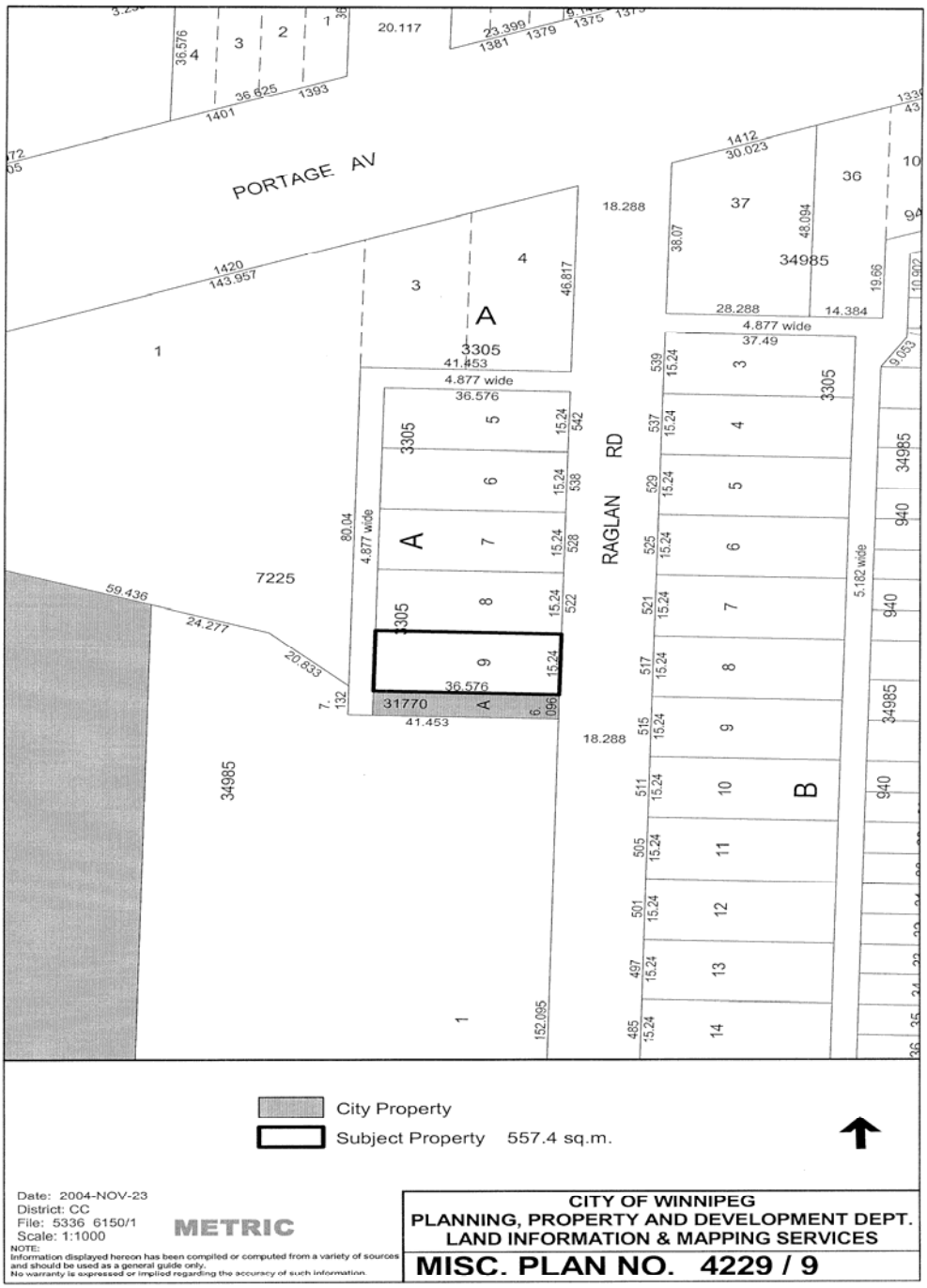
LAND INFORMATION & MAPPING SERVICES
MISC. PLAN NO. 4229 / 8


PORTAGE AV
RAGLAN RD
City Property
Subject Property 557.4 sq.m.
Date: 2004-NOV-23
District: CC
File: 5336 6150/1
Scale: 1:1000
METRIC
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PLANNING, PROPERTY AND DEVELOPMENT DEPT.
LAND INFORMATION & MAPPING SERVICES
MISC. PLAN NO. 4229 / 9

January 20, 2005

Schedule "A"

Proposed terms and conditions for the purchase and sale of the property at **518 Raglan Road**, Lot 9, Block A, Plan 3305, shown as **"Subject Property"** on the attached Misc. Plan No. 4229/9.

1. **THE PROPOSAL OUTLINED HEREIN IS CONDITIONAL UPON OBTAINING THE FINAL APPROVAL OF THE CITY OF WINNIPEG COUNCIL OR ITS DELEGATED AUTHORITY.**

2. An all-inclusive purchase price of **SIXTY TWO THOUSAND FIVE HUNDRED DOLLARS ($62,500.00)** for the **"Subject Property"**, as shown on the attached Misc. Plan No. 4229/9.

3. The subject property to be conveyed to the City free and clear of any liens, encumbrances or leasehold interests except public utilities thereon and the City of Winnipeg Caveat No. 265362.

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 and sale agreement to be prepared by the City Solicitor regarding this transaction or by mutual agreement.

5. The Vendor shall supply copies of any environmental studies undertaken on the subject property.

6. The Vendor will permit the City at its discretion and expense, before the possession date, to conduct or have conducted on its behalf an Environmental Site Assessment together with any soil testing and analysis required.

7. The Vendor declares that to the best of his/her/its knowledge and belief:

    a) the subject property complies with all applicable environmental laws, regulations and bylaws;
    b) there are no outstanding governmental orders or requests for information;
    c) there are no existing, pending or threatened actions of an environmental nature;
    d) there are no waste disposal sites on the property, nor has the property ever been used as a landfill or waste disposal site, or for temporary storage of special wastes on an interim basis pending treatment or disposal.

8. The Vendor further acknowledges and accepts that should the City determine that there are environmental concerns or contamination, it may elect to cancel the proposed purchase.

9. That any professional fees, including but not limited to; legal fees, disbursements, commissions, appraisal or consulting fees and all applicable G.S.T. charges incurred by the Vendor with respect to the sale of the subject property shall be the sole responsibility of the Vendor unless specifically noted otherwise herein.

10. The Vendor agrees that the subject property will not be conveyed, disposed of or encumbered in any manner whatsoever, except subject to this agreement.

11. The Vendor agrees to consent on a Real Owner Application form to add The City of Winnipeg as the Real Owner of the subject property to the Assessment Rolls of the City.

12. The Vendor declares its G.S.T. Registration No. 107852329 RT0001.

13. The City will self-assess any Goods and Services Tax that it may owe on this transaction. Its G.S.T. Registration No. is R121682967.

14. The Vendor agrees to enter into an appropriate purchase and 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 and sale agreement may be filed as a caveat against the Vendor's Title pending registration of the transfer document.

15. The Vendor, upon acceptance of this proposal and 48 hours advance notice, consents to allow the City or its Contractor to enter and construct upon the lands at any time hereafter.

16. The Vendor shall not remove any top soil or allow any dumping on the subject property.

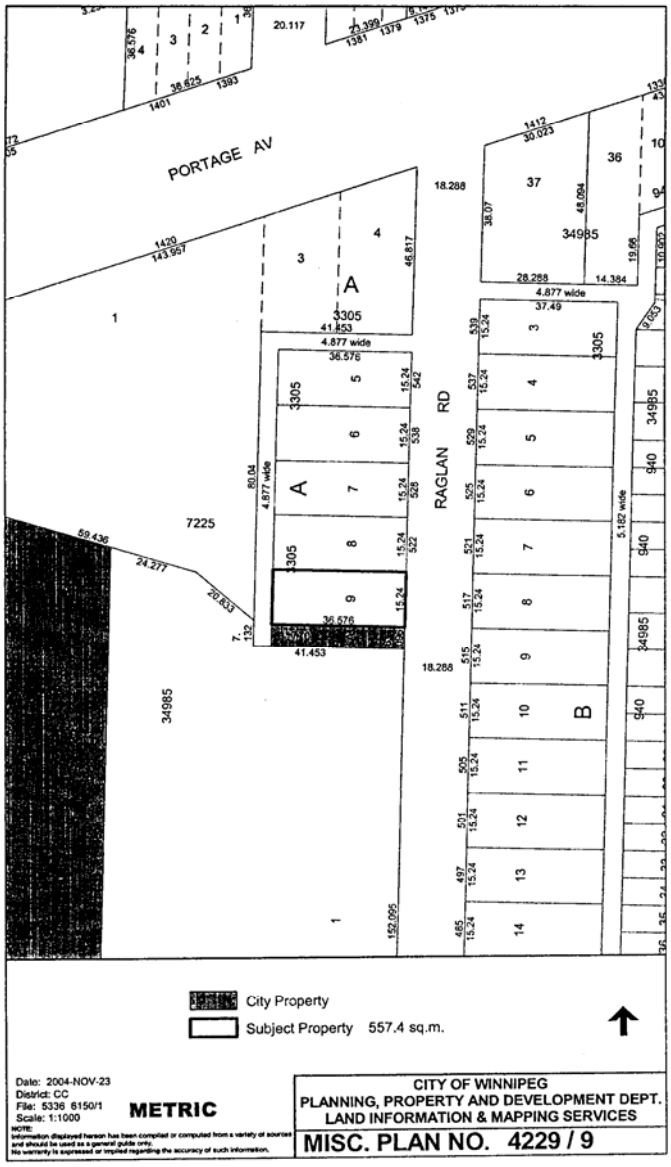
Portage Avenue Mennonite Brethren Church, the legally Registered Owner of the **"Subject Property"** shown on attached Misc. Plan No. 4229/9, hereby agree to the sale of the subject property in accordance with the price, terms and conditions outlined herein.

Portage Avenue Mennonite Brethren Church

JANUARY 20, 2005
Date

Officer WALTER JAMES KEHLER

Officer HENRY ESAU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MISC. PLAN NO. 4229 / 9