Report of the Standing Policy Committee on Property and Development dated June 27, 2002

Proposed Sale of 370 Langside Street to the Winnipeg Housing Rehabilitation Corporation
File FI-2.4(32) (Vol. 11)

15. The Standing Policy Committee on Property and Development has been advised that the Winnipeg Housing and Rehabilitation Corporation has requested to purchase the subject City property for $1.00 with the intention of rehabilitating the dwelling and providing the then tenant with a rent-to-own opportunity. Current City Policy requires that improved properties sold at less than market value be returned to the City at the end of the economic life of the building. Therefore, acceptance of the Offer to Purchase made by Winnipeg Housing and Rehabilitation Corporation requires Council to waive that part of its policy pertaining to the sale and lease of City-owned lands to non-profit organizations that requires all properties to revert back to the City at the conclusion of the economic life of the project.

The subject property at 370 Langside Street shown outlined on Misc. Plan No. 11366 was acquired in tax sale. The two-storey residential dwelling on it is in poor condition.

All appropriate City Departments and Utilities were notified of the acquisition but no Civic need was identified and no easements are required.

The Winnipeg Housing and Rehabilitation Corporation has applied to purchase the property with the intent of rehabilitating the dwelling and installing a tenant on a rent-to-own basis.

On April 9, 2002, the City Centre Community Committee considered the sale and advised it had no objections to a sale of the subject property to the Winnipeg Housing and Rehabilitation Corporation.

The Winnipeg Housing and Rehabilitation Corporation has agreed to the City's terms and conditions contained in the Offer to Purchase, particulars of which are, in brief, as follows:

Location:		East side Langside Street, north of Portage Avenue
Legal Description:		Lot E, Plan 632
Size:		Land - 7.62metres x 27.26metres (25 feet x 89.5 feet) Building - 1,443 square feet
Zoning:		"R2-T" Two-family Transitional
Roll No.:		13-0508850000
Certificate of Title:		1845477
Assessed Value:		$18,500.00 (2002)
Price Offered:	$1.00	
Applicant:		Winnipeg Housing and Rehabilitation Corporation 60 Frances Street, Winnipeg

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Adjustments:	Date of acceptance of the offer by the City
Purpose:	Rehabilitation of existing dwelling

Under the present City Policy regarding sale at $1.00 to non-profit groups, the property is to return to the City at the end of its economic life. As the eventual owner of the property will be a third party, this portion of the Policy cannot apply and that particular clause must be removed.

As well, the intent of this sale would be to facilitate rehabilitation of the housing stock in the neighbourhood by the Winnipeg Housing and Rehabilitation Corporation. However, the Planning, Property and Development Department suggested that in the event that substantial rehabilitation is not completed on this property within two years from the date of sale, then the certificate of title for the property would revert back to the City.

The proposed terms are consistent with other similar transactions recently approved by Council.

The Real Estate Division of the Planning, Property and Development Department is supportive of the proposed sale of the properties to Winnipeg Housing and Rehabilitation Corporation for the following reasons:

1. Sale of the property would increase the City's realty tax base.
2. The sale will eliminate the liability for the City associated with holding this dwelling.
3. The property will be on the tax roll upon the closing of the sale.

The Standing Policy Committee on Property and Development recommends:

I. That Council in this instance waive that portion of City Policy pertaining to the sale or lease of City lands to non-profit organizations (Council authority October 31, 1990), which requires that properties sold at less than market value revert back to the City at the conclusion of the economic life of the project.

II. That the sale of 370 Langside Street, outlined as "subject City property" on Misc. Plan No. 11366, to the Winnipeg Housing and Rehabilitation Corporation be approved at a price of $1.00 and subject to the terms and conditions as negotiated, and be subject to an additional condition requiring substantial completion of the renovations to provide for occupancy within two years from the date of sale, failing which title to the properties will revert back to the City.

III. That the Proper Officers of the City be authorized to do all things necessary to implement to the intent of the foregoing, including the execution of any documents related thereto.