Minute No. 137
Report - Standing Policy Committee on Property and Development - November 29, 2005

Item No. 33 **Sale of Lot 39, Plan 20470 and Portion of Public Lane at Rear of 2634 Pembina Highway - Camdon Investments Ltd.**
File DAC 7/2005

COUNCIL DECISION:

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

1. That the City-owned property (Lot 39, Plan 20470) shown on Misc. Plan No. 12521/1 be declared surplus to the City's requirements.

2. That the sale of the City-owned property (Lot 39, Plan 20470) and that portion of Public Lane shown shaded on Misc. Plan No. 12521/1 to Camdon Investments Ltd. be approved at a price of $10,000.00 in accordance with the terms and conditions of the Offer to Purchase dated November 1, 2005, subject to Council's enactment of the proposed closing By-law.

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 Property and Development - November 29, 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 December 7, 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 November 29, 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 Sale of City-owned Property (Lot 39, Plan 20470) and a portion of the Public Lane at the rear of 2634 Pembina Highway**
Camdon Investments Ltd.
Riel Community
St. Norbert Ward

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

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

Report date: November 17, 2005

Recommendation(s):

1. That Council declare the City-owned property (Lot 39, Plan 20470) shown on the attached Misc. Plan No. 12521/1 surplus to the City's requirements.
2. That subject to the approval of Recommendation 1, the sale of the City-owned property (Lot 39, Plan 20470) and that portion of Public Lane shown shaded on the attached Misc. Plan No 12521/1 to Camdon Investments Ltd. be approved at a price of $10,000.00, in accordance with the terms and conditions of the attached Offer to Purchase dated November 1, 2005, and subject to Council's enactment of the proposed closing By-law.
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:

- Camdon Investments Ltd. intends to consolidate the Public Lane and the City-owned property (Lot 39, Plan 20470) at the rear of 2634 Pembina Highway with its adjacent land to the west, to provide extra outdoor yard and storage space for its existing Windsor Plywood retail operation.
- On June 29, 2005, Council adopted the closing (DAC 7/2005) of the Public Lane at the rear of 2634 Pembina Highway.
- The Planning, Property and Development Department are now recommending the approval of the terms and conditions of sale.

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 City's standard terms and conditions of sale include provisions to protect the City's interests in the event that environmental contamination is discovered.

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):

-

REASON FOR THE REPORT:

The Planning, Property and Development Department is in receipt of an Offer to Purchase the City-owned property (Lot 39, Plan 20470) and that portion of the Public Lane at the rear of 2634 Pembina Highway shown shaded on Misc. Plan No. 12521/1. Authority to approve the proposed terms and conditions of sale as set out in the attached Offer to Purchase rests with the Standing

Policy Committee on Property and Development. Council approval to declare the City property as surplus is required and Council's enactment of the proposed closing is also required.

HISTORY:

Camdon Investments Ltd. intends to consolidate the Public Lane and the City-owned property (Lot 39, Plan 20470) at the rear of 2634 Pembina Highway with its adjacent land to the west, to provide extra outdoor yard and storage space for its existing Windsor Plywood retail operation.

On June 7, 2005, the Standing Policy Committee on Property and Development considered and approved a closing application (DAC 7/2005) to legally close that portion of the Public Lane at the rear of 2634 Pembina Highway shown shaded on Misc. Plan No. 12521/1. Subsequently, on June 29, 2005, Council adopted the closing of the Public Lane at the rear of 2634 Pembina Highway.

DISCUSSION:

The Planning, Property and Development Department have determined that there is no City requirement for the subject lands. Manitoba Hydro requires an easement for access to its facilities. As a condition of sale, the purchaser has agreed to make application for a rezoning of the east half of the public lane to a "C2" - Commercial District.

The Planning, Property and Development Department recommends that the proposed sale of the City-owned property (Lot 39, Plan 20470) and that portion of the Public Lane at the rear of 2634 Pembina Highway shown shaded on Misc. Plan No. 12521/1 to Camdon Investments Ltd. be approved at a price of $10,000.00, for the following reasons:

a) The property cannot be developed on its own.

b) Due to its size and shape, this property is not marketable to anyone other than the adjoining owner.

c) The property would be on the tax roll at the time of closing of the sale.

d) The purchaser would be responsible for all costs related to the closing and easement plans.

e) The proposed sale price is supported by an internal appraisal report.

f) The proposed terms and conditions of sale recommended by the Department are in accordance with the City's standard terms and conditions and include special items required by the Department (i.e., the title to the property to be consolidated with the Purchaser's adjacent property, the purchaser to rezone the east half of the closed lane to "C2" - Commercial District).

Financial Impact Statement

Date: November 14, 2005

Project Name:

Sale of City property rear of 2634 Pembina Highway, portion of Public Lane rear of 2634 Pembina Highway and portion of Bayridge Avenue.

First Year of Program 2006

	2006	2007	2008	2009	2010
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	$ -	$ -	$ -	$ -	$ -
Less: Incremental Revenue/Recovery	10,193	193	193	193	193
Net Cost/(Benefit)	$ (10,193)	$ (193)	$ (193)	$ (193)	$ (193)
Less: Existing Budget Amounts	-	-	-	-	-
Net Budget Adjustment Required	$ (10,193)	$ (193)	$ (193)	$ (193)	$ (193)

Additional Comments:

Revenues in 2006 of $10,193 consist of net sales proceeds of $10,000, which will be credited to the Land Operating Reserve Fund, and municipal realty taxes of $193, which will accrue to the General Revenue Fund. The tax revenue is based on the assumptions that the assessed value of the property equals the purchase price, the sale closes Jan. 1, 2006, and the portioning and mill rates remain unchanged at 65% and 0.029686 respectively.

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

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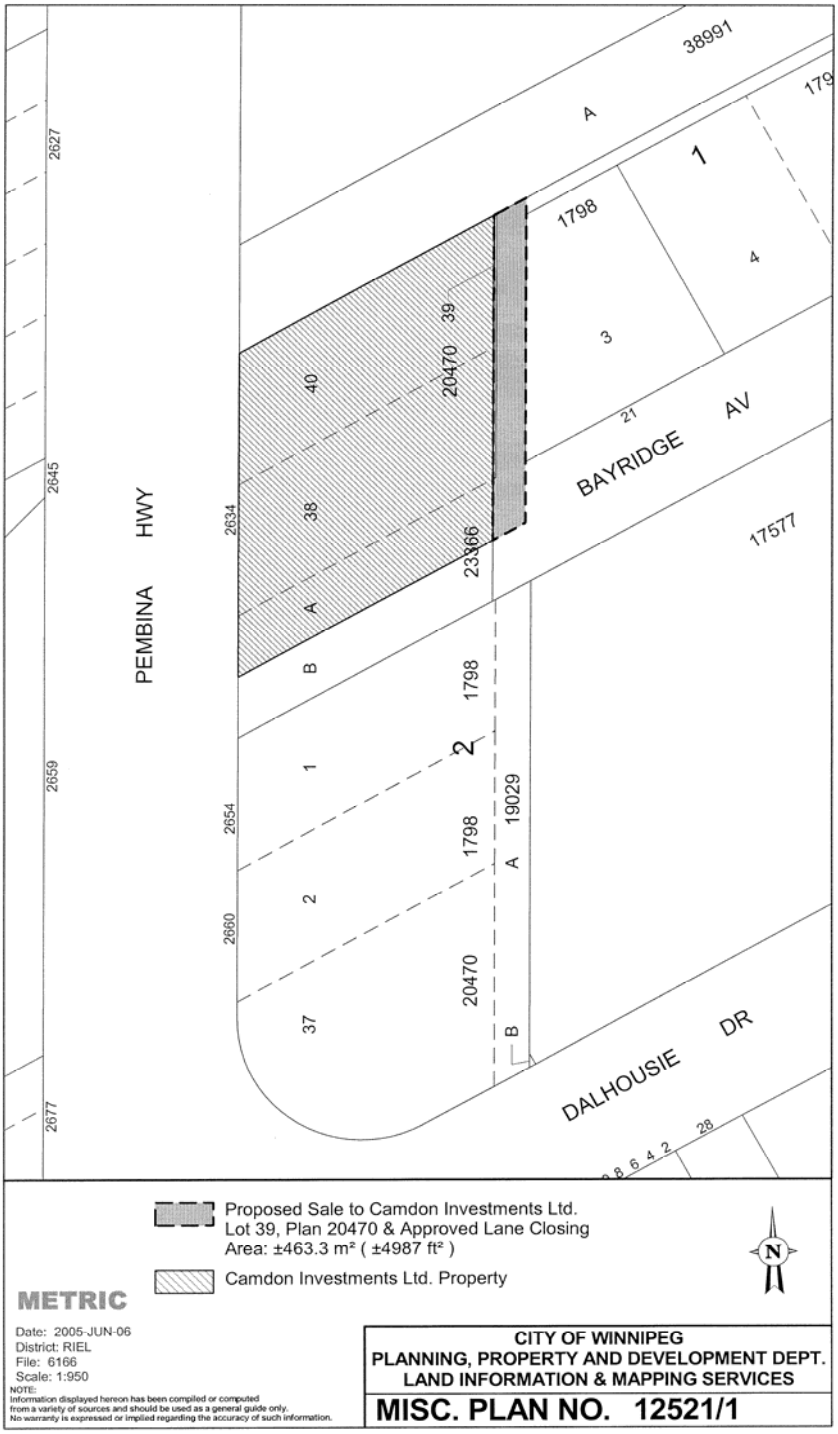
N PREPARING THIS REPORT, THERE WAS CONSULTATION WITH AND CONCURRENCE BY:

No consultation was required in preparing this report.

THIS REPORT SUBMITTED BY:

Planning, Property and Development Department
Division: Real Estate
Prepared by: Barry Lucyk
PPD File #: 6166

Document name: o:\reports directive\real estate\sales\(bl)camdoninvestmentspembina.doc


38991
A
1
1798
4
3
39
20470
40
21
BAYRIDGE AV
17577
PEMBINA HWY
2627
2645
2659
2677
2634
2654
2660
38
A
B
23366
1798
2
1
19029
1798
A
2
20470
37
B
DALHOUSIE DR
28
Proposed Sale to Camdon Investments Ltd.
Lot 39, Plan 20470 & Approved Lane Closing
Area: ±463.3 m² (±4987 ft²)
Camdon Investments Ltd. Property
N
METRIC
Date: 2005-JUN-06
District: RIEL
File: 6166
Scale: 1:950
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. 12521/1

File No: 6166

INDUSTRIAL/COMMERCIAL

OFFER TO PURCHASE

The Undersigned (hereinafter called "the Purchaser") hereby offers to purchase from The City of Winnipeg (the "City"), subject to Council enactment of the necessary By-law to effect the legal closing of a portion of the following lands:

"Proposed Sale to Camdon Investments Ltd., Lot 39, Plan 20,470 and Approved Lane Closing" shown as shaded on Misc. Plan No. 12521/1, attached hereto

(hereinafter called the "Lands")

for the sum of $10,000.00 cash, and upon the following terms and conditions:

1. (1) Attached to this Offer is the Purchaser's certified cheque payable to "The City of Winnipeg" in the amount of $1,500.00, and represents an amount equal to fifteen (15%) of the purchase price which the Purchaser tenders by way of deposit, and which sum shall be applied to the purchase price if the sale is approved by the City's Standing Policy Committee on Property and Development and/or City Council (in the event that Council approval is required), herein after called the "Date of Approval". The Purchaser agrees to pay the balance of the purchase price, interest and adjustments on or before the date of closing.

(2) If the Purchaser fails to pay the balance of the purchase monies, interest and adjustments on or before the date of closing as in sub-clause (1) above provided, the City may, at its option, cancel the sale and retain the deposit as liquidated damages.

2. (1) The date of closing, possession and adjustments shall be sixty (60) days following the date on which the rezoning contemplated on Clause 21 herein is satisfied.

(2) The Purchaser agrees to pay as an adjustment an amount equal to the total of such taxes, rates and charges which would have been levied or charged against the Lands as though the lands had been entered on the assessment rolls of the City as privately owned and subject to taxation, which adjustment shall be calculated from the date of adjustments to and including the last day of the current taxation year.

(3) The Purchaser shall pay interest in lawful money of Canada on all monies remaining outstanding and payable to the City as of the date of adjustments, which interest shall be calculated at the rate per annum equivalent to the prime lending rate in force by the City's Banker at the date of adjustments plus one (1%) percent, computed from the date of adjustments to and including the date all such monies and interest as aforesaid have been fully paid to the City.

3. Goods and Services Tax

(1) The Purchaser agrees to pay to the City all Goods and Services Tax applicable on the sale of the lands or, if the Purchaser is a registrant under the Goods and Services Tax legislation, the Purchaser shall advise the City in writing of its registration number. The Goods and Services Tax is to be paid, or the registration number provided, to the City on or before the date of closing or the date the balance of monies is paid to the City, whichever is the earlier.

(2) If the Purchaser fails to pay the Goods and Services Tax or fails to provide its registration number as prescribed in sub-clause (1) of this Clause, the

Offer to Purchase – Camdon Investments Ltd.

Purchaser agrees that all of the Purchaser's rights and interests in respect of the lands shall, at the City's sole discretion, be fully ended without notice or any formality and all monies paid to the City by the Purchaser shall be retained by the City free from every claim.

4. The Purchaser will obtain possession of the Lands at the Purchaser's own expense.

5. The Purchaser will accept Title to the Lands subject to all exceptions, reservations and encumbrances expressed or implied in the City's Title.

6. The sale of the Lands to the Purchaser shall be subject to the provisions of the By-laws of the City of Winnipeg and all amendments thereto. Furthermore, the Purchaser acknowledges and understands that its proposed use and development of the Lands may require applications for re-zoning, variances or conditional uses, amendments to Plan Winnipeg, which applications and resulting land dedication charges (if any) are to be at the sole cost and responsibility of the Purchaser.

7. The Purchaser agrees that the City may register and maintain a caveat against the Lands to ensure the performance of the covenants on the part of the Purchaser herein set forth, and the Purchaser agrees to grant and does hereby grant to the City an interest in the Lands according to the tenor of this Offer.

8. Upon approval of the sale by the City, the Purchaser agrees to make application to the City Assessor (in form set out in Exhibit "A" attached) to have the Purchaser's name added to the Assessment Roll of the City as the Real Owner in respect of the Lands.

9. The Purchaser agrees that in the event the Purchaser, at its sole cost, conducts or causes to be conducted an Environmental Site Assessment and/or soil testing of the Lands, it shall:

(1) ensure that all work done in connection with such Environmental Site Assessment and/or soil testing is completed no later than ninety (90) days from the Date of Approval, and

(2) maintain the Lands in safe condition at all times during the conduct of any work done in pursuance of this Clause 9; and

(3) restore the Lands to the same condition as prior to its entering in or upon same in pursuance of this Clause 9; and

(4) indemnify and save harmless the City from and against all damages and claims arising out of or in any way attributable to the conduct of any such Environmental Site Assessment and/or soil testing; and

(5) provide copies of any such Environmental Site Assessment and/or Report concerning soil testing of the said Lands to the City for its own use, at no cost to the City no later than ninety (90) days from the Date of Approval.

AND in the event it is determined as a result of said Environmental Site Assessment and/or soil testing, that contamination levels exceed Provincial Environmental Standards for the intended use of the Lands and documentation to that effect is produced to the City within ninety (90) days following the Date of Approval, but in any event, prior to closing, the City, at its sole option, shall be entitled to:

take remedial action to bring the contamination levels to within the Provincial Environmental Standards;

OR

cancel the sale and return all monies paid in respect of the proposed sale by the Purchaser to that date, PROVIDED that the Applicant shall have first satisfied all conditions of this Clause 9.

AND FURTHER if the City has not been advised of any non-compliance of the Lands to Provincial Environmental standards within ninety (90) days from the Date of Approval, the Purchaser agrees to complete its purchase as herein contemplated and to indemnify the City against any and all claims arising from or in any way connected with the existence of contaminants of any kind at the lands.

10. (1) The Purchaser acknowledges that the City is not providing any warranty as to the environmental condition of the Lands.

(2) The Purchaser agrees that it will rely solely upon its own investigations in determining the degree of contamination, if any, existing on and within the Lands and the extent of contamination, if any.

(3) The Purchaser shall indemnify and save harmless the City from and against all claims, costs and damages arising from or in any way connected with the existence of contaminants of any kind in or on the Lands.

(4) It is understood and agreed that the terms, conditions and covenants contained in this Clause 10 shall not merge but shall survive closing.

11. The Purchaser acknowledges and agrees that notwithstanding any other terms, conditions or provisions in this agreement that:

(1) The City has given no representations or warranties with respect to the Lands or with respect to the value thereof or with respect to the Purchaser's intended uses or development or redevelopment thereof or with respect to the environmental condition of the Lands;

(2) The Purchaser has inspected or investigated the Lands, the title thereto, the permitted encumbrances, any tenancies and all other matters material to the Purchase and the proposed use of the Lands and that it is relying solely upon its own independent inquiries and investigations and the advice of its own consultants and there are no representations, warranties, guarantees, conditions, collateral agreements, covenants and agreements except those expressly set forth herein;

(3) The Purchaser agrees that it is purchasing the Lands on an "as is", "where is" basis, and is purchasing the Lands based entirely on its own examinations without any representation by or on behalf of the City or any agent of the City. The Purchaser acknowledges that it has relied entirely upon its own inspection and investigation with respect to quantity, quality and value of the Lands;

(4) Any information supplied to the Purchaser by the City or its agents or representatives is and was supplied without any representation or warranty, and that the responsibility for verification of any such information shall be the responsibility of the Purchaser; and

(5) The Lands are deemed to be taken by the Purchaser at the Purchaser's own risk with all faults and imperfections whatsoever. The Purchaser agrees with the City that the application of "Buyer Beware" shall apply to the offer in the strictest meaning.

12. (1) The Purchaser agrees that the sale of the Lands shall be subject to any easement which may be required by a public utility, including, but not limited to the Manitoba Hydro, MTS Communications Inc., Centra Gas Manitoba Inc.,Shaw Cable, or The City of Winnipeg, for the maintenance of existing and future facilities together with the right to enter upon the lands at any time, with or without equipment for said purposes and subject to the owner covenanting not to erect or cause to be erected upon the easement area any building or structure without the

Offer to Purchase – Camdon Investments Ltd.

prior written consent of the public utility or The City of Winnipeg requiring such easement. Manitoba Hydro requires a 3.5 m +/- easement for the maintenance of their facilitites on the north side of the Lands.

(2) The Purchaser to enter into agreements satisfactory to the said utilities or The City of Winnipeg.

(3) The Purchaser acknowledges that the City may grant the easements before the Transfer of Land issues.

13. In consideration of the sale of the Lands by the City to the Purchaser, the Purchaser covenants and agrees as follows:

(1) The Purchaser shall at the Purchaser's sole cost, effort and expense, do all things as are necessary, including but not limited to causing to be prepared a Plan of Survey to effect the legal closing of a portion of the Lands, suitable for registration at the Winnipeg Land Titles Office which will create one parcel comprising of all of the Lands to be conveyed to the Purchaser together with all Plans of Easement, if required, to grant any utility rights and any documentation as may be required to ensure that the Lands to be conveyed by the City are consolidated so as to constitute a single and indivisible title with the Purchaser's adjoining property legally described as Lot A, Plan 23366 and Lots 38 and 40, Plan 20470, contained within Certificate of Title No. 1194115, (hereinafter called the "Adjoining Lands").

(2) This agreement shall run with the Lands and the Purchaser's Adjoining Lands and shall bind the Purchaser, its successors and assigns and its successors in title.

(3) The Purchaser to pay the applicable Land Titles Office registration fees and Land Transfer Tax in respect thereto.

14. No commission is payable by the City on the sale of the Lands.

15. Time shall be of the essence of this Offer.

16. The Purchaser will not file any caveat or other encumbrance against the Lands before the transfer of the Lands to the Purchaser.

17. The word "Purchaser" shall have a plural meaning in the event that more than one party is making this offer, and the masculine shall mean the feminine or neuter as the case may be.

18. The Purchaser acknowledges and agrees that sale of the Lands by the City is subject to the approval of City Council or its delegated authority.

19. The Purchaser is hereby advised that soil conditions in Winnipeg are of the glacial till variety which are composed of Lacustrine Clays with Silt Intrusions. The Purchaser shall be responsible for any increased costs of development due to this random stratification.

20. The Purchaser is aware that the Lands are currently zoned as follows: Lot 39, Plan 20,470 is zoned C2 Commercial District, the west one-half of the Public Lane is zoned "C2" Commercial Designation and the east one-half of the Public Lane is zoned "RM-2" Residential Designation. It is a condition of this Agreement that the Purchaser apply for and receive from the City a rezoning from RM-2 to C2 on the east half of the Lands; within six months from the Date of Approval, failing which, this Offer to Purchase shall be null and void and the deposit returned in full without deduction or penalty.

21. Within thirty (30) days of the Date of Approval, the Purchaser agrees to initiate a re-zoning application, at its expense, to re-zone the east half of the Lands to C2 from RM-2. If the Purchaser fails to initiate such re-zoning application during this time period, the deposit herein shall be forfeited to the City and the Offer to

Offer to Purchase – Camdon Investments Ltd.

Purchaser shall be null and void. All costs for re-zoning are to be at the sole cost and responsibility of the Purchaser.

22. The Purchaser agrees to take title to Certificate of Title No. E22662, subject to the following existing encumbrances:

(a) Caveat # 239187, with the City of Winnipeg, dated May 17, 1976.

(b) Caveat # 229296, with Shell Canada Ltd., dated January 22, 1974. The City shall use its best efforts to have caveat # 229296 removed from title, however, if the City is unable to have said caveat removed prior to the closing date, the Purchaser agrees to accept the City's title with caveat 229296.

The full, true and correct name of the Purchaser is as follows: -

Camdon Investments Ltd. 10382,176th Street, Surrey, B.C.,. V4N 4H5
Name (Please Print) Address

Purchaser's Registration No. (G.S.T.) 10074 1735 RT0001

IN WITNESS WHEREOF the Purchaser has signed this document in

SURREY, B.C., this 1ST day of NOV. 2005

Witness Authorized Signature

MICHAEL BODNAR - CHIEF FINANCIAL OFFICER.
Name and Title of Authorized Signature (Please print)

Witness Authorized Signature

Name and Title of Authorized Signature (Please print)

Offer to Purchase – Camdon Investments Ltd.

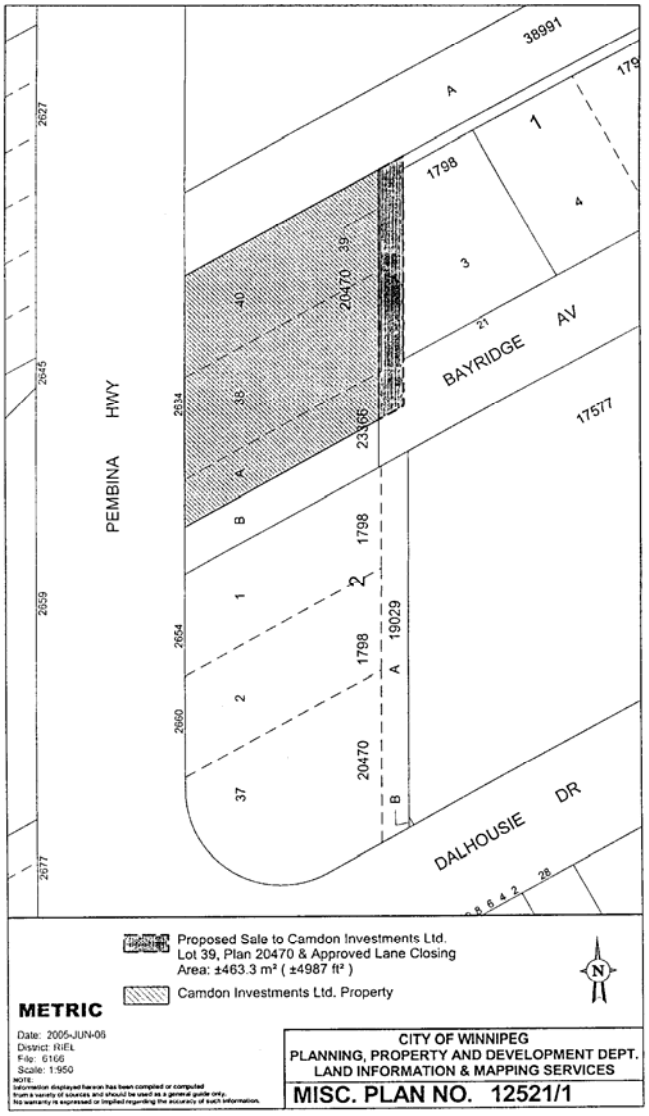


EXHIBIT "A"

Real Owner Application

To the City Assessor

(Name of Municipality) Roll No. _____

1. I/We _____
(Print Full Name)

request that my/our name(s) appear in the Assessment Roll of the City of Winnipeg in respect to the following property, pursuant to Section 12(1) of "The Municipal Assessment Act", Cap. M 226 S.M..

2. Description of Properties: (Give description of all property in respect of which you wish your name to appear).

Part of Lot or Section	Lot or Section	Block or Township	Plan or Range	Interest in Property

3. Mailing Address _____

4. Place of Residence _____

5. Name and Address of Registered Owner _____
(Print)

_____
(Print)

6. Description of building on property:

Dwellings _____

Other Buildings _____

7. Date of Purchase _____ 8. Purchase Price _____

Date: _____ 20 ___ _____
(Signature of Applicant)

Office of the City Assessor
The City of Winnipeg _____
(Signature of Registered Owner)