Minute No. 280
Report - Standing Policy Committee on Property and Development - February 28, 2006

Item No. 8 **Sale of Barber House Land - 99-105 Euclid - Sistars Community Economic Development Co-op**
File FI-2.4(34)

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 Subject City Property shown on Misc. Plan No. 10963/2 be declared surplus to the City's requirements.

2. That sale of the Subject City Property shown on Misc. Plan No. 10963/2 to Sistars Economic Development Co-op at a price of $1.00 for the development of a child care facility be approved, subject to:

   A. The Purchaser providing proof, including the submission of a viable Business Plan to the satisfaction of Director of Planning, Property and Development and further, that funding has been secured in order to complete the proposed development, satisfactory to the Director.

   B. The terms and conditions of sale being in accordance with the City's policy on the sale of land to non-profit organizations and substantially in accordance with the terms and conditions as outlined on Schedule "A" to the report from the Director of Planning, Property and Development dated February 7, 2006, and any other terms and conditions that are deemed necessary by the Director of Planning, Property and Development and the City Solicitor/Manager of Legal Services in order to protect the interests of the City.

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 – March 15, 2006

Report - Standing Policy Committee on Property and Development – February 28, 2006

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 28, 2006, 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: **Sale of Barber House Lands (99 to 105 Euclid) to SISTARS Community Economic Development Co-op**
Lord Selkirk/West Kildonan Community
Mynarski Ward

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

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

Report date: February 7, 2006

Recommendation(s):

1. That Council declare the Subject City Property as shown on Misc. Plan No. 10963/2 to be surplus to the City's requirements.

2. That subject to the approval of Recommendation No. 1., sale of the Subject City Property as shown on Misc. Plan No. 10963/2 to Sistars Economic Development Co-op at a price of $1.00 for the development of a child care facility be approved, subject to:

    a. The Purchaser providing proof, including the submission of a viable Business Plan to the satisfaction of the Director of Planning, Property and Development Department, and further, that funding has been secured in order to complete the proposed development, satisfactory to the Director.

    b. The terms and conditions of sale being in accordance with the City's policy on the sale of land to non-profit organizations and substantially in accordance with the terms and conditions as set-out in Schedule "A", attached, and Development and any other such terms and conditions that are deemed necessary by the Director of Planning, Property and Development and the City Solicitor/Manager of Legal Services in order to protect the interests of the City.

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:

- At its meeting held on June 19, 1974, City Council authorized the purchase of 99 Euclid Avenue under the Community Improvement Program. The house was to be demolished and the lot used for "infill" housing. Consistent with the original intent of the acquisition of this property by the City, the Historic Buildings Committee, at its meeting held on August 21, 1979, recommended the dismantling of the structure. The Committee on Environment concurred with this recommendation at its meeting of November 19, 1979.

- A local resident group, the North Point Douglas Historical Society succeeded in having the demolition decision rescinded and was able to obtain funding from various government agencies for restoring the structure. In 1987/88 the house was placed on a new foundation and a considerable amount of restoration on the building superstructure was completed. No further renovation was completed on the property due to a lack of funding. The restoration work had only been partially completed.

- On May 2, 2000, the Standing Policy Committee on Property and Development instructed the Department to prepare the terms of reference for a Request for Proposal for the land and building located at 99 Euclid Avenue and report back to the May 30, 2000 meeting. The Standing Policy Committee also indicated that the Request for Proposal document is to clearly state that the property is to be used for owner occupied housing.

- On May 30, 2000, the Standing Policy Committee on Property and Development approved the terms of reference for the Request for Proposal. The Request for Proposals closed at 12:00 noon on Friday, November 3, 2000. No proposals were received prior to the deadline.

- SISTARS (Sisters Initiating Steps Towards a Renewed Society) is proposing to develop a day care for local children and offer training to unemployed and underemployed parents from the neighbourhood on the subject City land. SISTARS have operated a temporary (2-year) day care centre in the basement of Church of the Open Door at 137 Euclid Ave. Additionally, 25 students from the North Point Douglas Neighbourhood were enrolled in the Child Care Worker Certification Program delivered by Red River College on site, and at the Downtown Campus.

- SISTARS is a non-profit women's co-operative in North Point Douglas. It has approached the City with a proposal to redevelop the Barber House Site as a Day Care Centre and training site for local residents as Child Care professionals. Conditional funding support to develop a day care and training program through Red River Community College was committed by the Minister of Family Services and Housing, subject to a Federal Government contribution to the National Day Care Strategy.

Implications of the Recommendation(s):

General implications:

	None
	For the organization overall and/or for other departments
X	**For the community and/or organizations external to the City of Winnipeg**
	Involves a multi-year contract

Comment(s):

- Barber House will be restored and maintained for heritage purposes. There would be a facility on-site to accommodate the community-at-large.

Policy implications:

X	**No**
	Yes

Comment(s):

-

Environmental implications:

X	**No**
	Yes

Comment(s): The Real Estate Division has not conducted an Environmental Site Assessment (ESA) on this property. In accordance with the Sales and Purchase Agreement, the Purchaser will have an opportunity to conduct its own ESA, at its own cost.

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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):

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REASON FOR THE REPORT:

The Planning Property and Development Department is in receipt of an Offer to Purchase the Subject City Property as shown on Misc. Plan No. 10963/2, which requires consideration by the Standing Policy Committee on Property and Development.

HISTORY:

At its meeting held on June 19, 1974, City Council authorized the purchase of 99 Euclid Avenue under the Community Improvement Program. The house was to be demolished and the lot used for "infill" housing. Consistent with the original intent of the acquisition of this property by the City, the Historic Buildings Committee, at its meeting held on August 21, 1979, recommended the dismantling of the structure. The Committee on Environment concurred with this recommendation at its meeting of November 19, 1979.

A local resident group, the North Point Douglas Historical Society, succeeded in having the demolition decision rescinded and was able to obtain funding from various government agencies for restoring the structure. In 1987/88 the house was placed on a new foundation and a considerable amount of restoration on the building superstructure was completed. No further renovation was completed on the property due to a lack of funding. The restoration work had only been partially completed.

In December 1991, the Committee on Finance recommended to the Committee on Planning and Community Services, that the house be demolished. In January, 1992, the Committee on Planning and Community Services laid the matter over to allow a further review of the potential uses of the subject building. The report identified a number of potential options for the Barber House and the residual lands.

The Committee on Finance and Administration at its meeting held on April 5, 1993, considered the report and approved the following two options:

1. To "mothball" the building; and

2. Explore other appropriate uses for the building with external agencies (i.e. Tourism Winnipeg, etc).

The structure was subsequently damaged by fire in 1993. The fire damage was apparently due to vandalism. The property has remained "mothballed" since the fire.

In the fall of 1999, the Department commissioned a structural and re-use assessment of the property. The structural and re-use assessment was prepared by Hanuschak Consultants Inc. and completed on February 29, 2000. The structural and re-use assessment indicated that the repair and restoration of the building was feasible. The total costs to repair and renovate the building were estimated at $159,000 not including site improvements.

On May 2, 2000, the Standing Policy Committee on Property and Development instructed the Department to prepare the terms of reference for a Request for Proposal (RFP) for the land and building located at 99 Euclid Avenue and report back to the May 30, 2000 meeting. The Standing Policy Committee also indicated that the Request for Proposal document was to clearly state that the property was to be used for owner occupied housing.

On May 30, 2000, the Standing Policy Committee on Property and Development approved the terms of reference for the Request for Proposal.

The Department finalized an RFP for the property and placed an advertisement in the Winnipeg Free Press on Saturday, October 7, 2000. The Department issued the document on Monday, October 9, 2000. On Tuesday, October 17, 2000, the Department held an on-site inspection session from 4:00 to 7:00 p.m. No potential proponents appeared for the inspection session.

On Thursday, October 19, 2000, the Department held an information session at the Norquay Community Centre. Due to the Provincial heritage designation that applies to the property, provincial representatives from the Culture, Heritage and Tourism Department attended the meeting. There were a total of three individuals that appeared at the information session. The three individuals were area residents living in close proximity to the Barber House. Two of the residents appeared in support of demolition of the property. The third resident was in support of renovating the property for a community resource centre.

The Request for Proposals closed at 12:00 noon on Friday, November 3, 2000. No proposals were received prior to the deadline.

The Planning Property and Development Department is in receipt of an Offer to Purchase the Subject City Property as shown on Misc. Plan No. 10963/2 from SISTARS (Sisters Initiating Steps Towards a Renewed Society) for the price of $1.00.

The particulars of the subject property are as follows:

1.

Location:	99 Euclid Avenue, located between Prince Edward Street and Grove Street, north of Euclid Avenue
Legal Description:	Lot 28, Plan 31956 Parish Lot 30/31 St. John
Registered Owner:	City of Winnipeg
Site Size:	Approximately 4,192 sq. metres (45,124 sq. ft.)
Zoning:	R2
Description:	Two storey residence – "Barber House". Built circa 1862. Building plan area approximately 1,624 sq. ft. Historical designation – "Provincial Heritage Site". Grade II building under By-law 1477/77 and amendments thereto.

2. Certificate of Title No. 1783734 for 105 Euclid Avenue property issued in the name of the City of Winnipeg on February 27, 2001 pursuant to Tax Sale No. 101/176.

Location:	E/s Euclid Avenue between Grove Street and Barber Street as shown on Misc. Plan No. 11,093
Legal Description:	Lot 1, Plan 4868
Certificate of Title:	1783734
Owner:	The City of Winnipeg
Assessment:	$8,350.00
Zoning:	R2, Residential
Site Size:	25.969 m x 23.165 m = ±601.6 m² (85.20' x 76' = 6475.3 sq.ft.)

The City demolished a building that existed on this property in 1997.

DISCUSSION:

The subject properties are located in the North Point Douglas Neighbourhood, which is designated a Major Improvement Area as defined by *Plan Winnipeg* Neighbourhood Policy Areas. Major Improvement Neighbourhoods are described as "*older areas that have experienced significant decline to the point where housing and neighbourhood infrastructure require complete renewal*." Through concerted planning efforts by the community and with the support of the North End Community Renewal Corporation, North Point Douglas is beginning to realize revitalization activity in housing and community services.

SISTARS proposal to develop a day care for local children and offer training to unemployed and underemployed parents from the neighbourhood is one example of a community-led initiative leading to neighbourhood reinvestment.

In late August, with the support of the provincial government, SISTARS were licensed to operate a temporary (2-year) day care centre in the basement of Church of the Open Door at 137 Euclid Ave. Additionally, 25 students from the North Point Douglas Neighbourhood were enrolled in the Child Care Worker Certification Program delivered by Red River College on site, and at the Downtown Campus.

The Minister of Family Services and Housing has committed funding to support the construction of a permanent day care centre. An architectural team has been retained by SISTARS and is currently working with Provincial and City staff to develop the site with a new day care centre building and to restore Barber House for use as a senior citizen drop in centre, professional offices, and "neighbourhood history" centre. Future expansion plans include development of a co-operatively owned and operated laundry, a coffee shop and a training/education centre adjacent to the Barbour House site (on the 105 Euclid site). SISTARS have also secured a "first right of refusal" on sale of the existing boarded commercial building at 117 Euclid Ave. to accommodate these commercial/educational enterprises.

The land and building at 99 Euclid is zoned R2 and a day care is permitted as a conditional use under this zoning designation. While information on the coffee shop/laundry/training centre

proposed for the vacant land at 105 Euclid is somewhat conceptual at present, typically this type of use would fall under commercial zoning and therefore rezoning of the site may be necessary. Given that two buildings located on the same block, specifically 117 Euclid and 85 Euclid are zoned commercial, and uses such as laundry and coffee shop are more of a local commercial nature, this use would not be opposed by the Planning, Property and Development Department. The Planner for Lord Selkirk-West Kildonan notes that development of the site should consider orientation of buildings towards the street, traffic circulation, and parking and safety considerations in relation to drop off/pick up of children at the site.

Discussion with the Department's Strategic Parks Planner suggests that the land north of Barber House is not required for parks purposes. However, it should be recognized that the site provides some play value and esthetic separation between the neighbourhood homes located on Barbour and Prince Edward Streets. Development that considers retention of some open space, which could be accessed by community residents, may allay potential loss of this informal "green" area". The Public Works Department currently maintains this ½ acre site (i.e. grass cutting).

Barber House was designated a Provincial Heritage site after it was acquired by the City from the grandson of E.L. Barber. In 1987, the City of Winnipeg designated Barber House a Grade II Heritage Building. The house was restored in 1989 in co-operation with the Point Douglas Historical Society. The building was occupied by a live-in caretaker and developed as a museum to tell the story of the Point Douglas area and early Winnipeg. The building was gutted by fire in 1993 and has been vacant since that time. The building has been a frequent target of vandalism and arson over the years in spite of the City's best efforts to protect the property.

The City has explored a number of options for the Barber House site over the last seven years including issuing a Request for Proposals in 2003. None of theses efforts were successful in attracting development.

In 2003, the North Point Douglas Residents Association met with City staff expressing concern that the site in its current condition was a blight on the neighbourhood and in spite of several well-intentioned efforts; the community requested that the City take steps to have the building de-listed as a heritage site and demolished.

In 2004, Heritage Winnipeg, in an attempt to revive the project, proposed that the site be restored as a single-family home with the proceeds from the rent accruing to this non-profit organization. Detailed drawings and a budget to the restore the building at a cost of $215,000 were developed. More recently, community meetings to explain both proposals were facilitated by the North End Community Renewal Corporation in June and July 2005 and at the end of the process, members in attendance unanimously supported the SISTARS proposal for redevelopment of the Barber House Site. Heritage Winnipeg agreed to withdraw their proposal for the site and offered technical information on the building to facilitate SISTARS in the Heritage review process.

SISTARS has advised that it has received preliminary approval for funding of up to $800,000 from the Province of Manitoba to develop a new day care/training facility. The proponents are pursuing additional funding for Barber House and the adjacent commercial enterprises through a number of sources.

The Department's Heritage Unit, in collaboration with Provincial Heritage staff, are providing advice and consultation on the heritage aspects related to Barber House development and will continue to offer guidance and direction on process and design.

Planning staff will work with the proponents to address issues related to land use and zoning matters as needed.

The subject City property was circulated to all relevant City Departments and no Civic need for the site was identified.

The Councillor for the area is supportive of the sale subject to a viable business plan, which includes the preservation of the heritage features and the construction and operation of a drop-in centre for seniors.

It should be noted that terms and conditions of the sale include, among others things, requirements for the following:

- Prior approval of building plans for the project by the Director of Planning, Property and Development.

- Construction commencement on or before October 31, 2006.

- Approval of a rezoning and /or any related development applications necessary to accommodate the project (if necessary).

The Planning, Property and Development Department recommends approval of the sale of the Subject City Property as shown on Misc. Plan No. 10963/2 to the SISTARS organization for $1.00.

Financial Impact Statement Date: January 24, 2006

COMMENTS:

There is no financial impact associated with the recommendations in this report other than a nominal $1 in revenue to complete the transaction. The opportunity cost of selling the property for $1 is estimated to be immaterial.

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

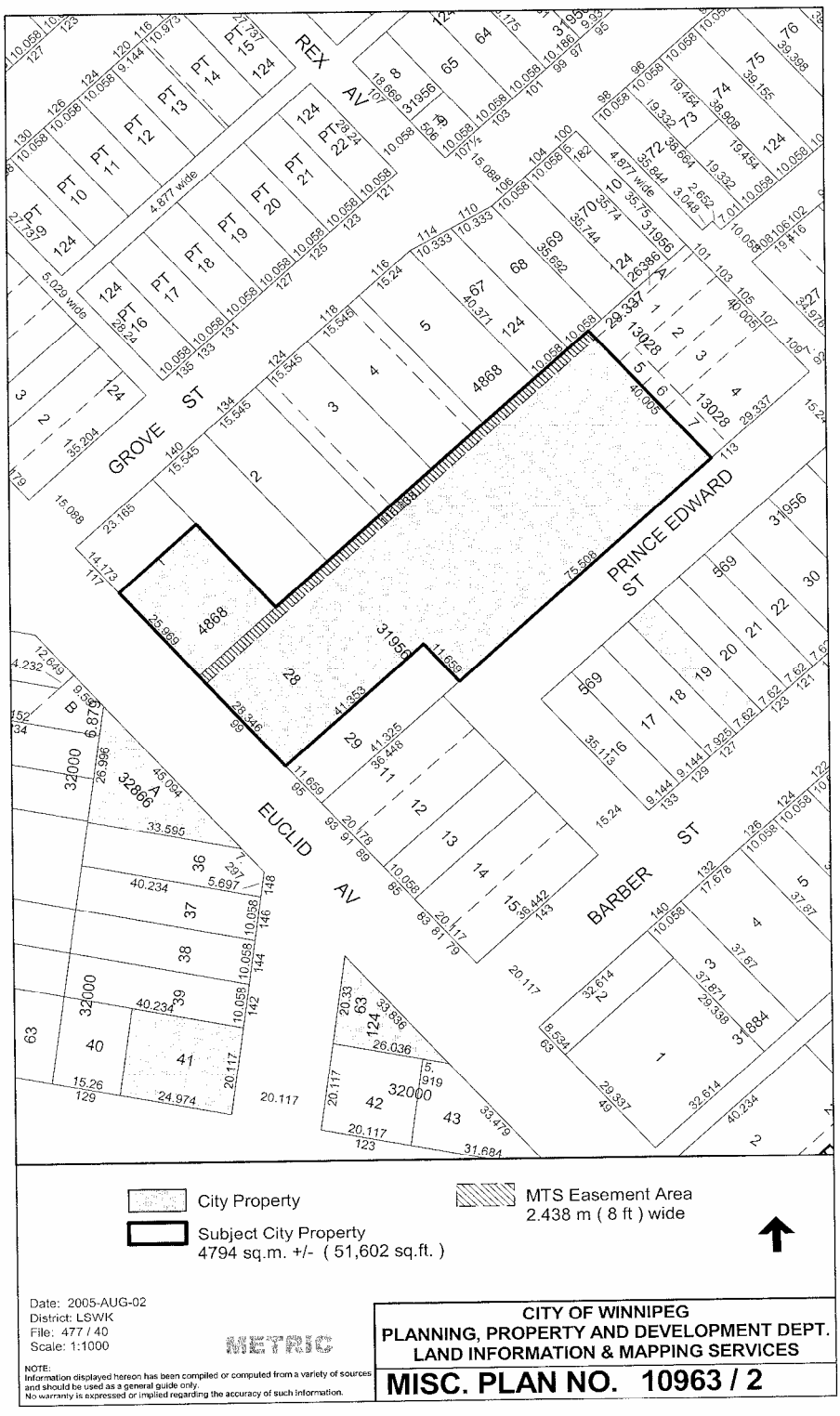
IN PREPARING THIS REPORT, THERE WAS CONSULTATION WITH AND CONCURRENCE BY:

Planning and Land Use Division

THIS REPORT SUBMITTED BY:

Planning, Property and Development Department
Division: Real Estate
Prepared by: Gerry Anderson
PPD File #: 477/40 and 32/7249

Document name: o:\reports directive\real estate\sales\(ga) sale of barbour house to sistars final.doc


REX AV
GROVE ST
PRINCE EDWARD ST
EUCLID AV
BARBER ST
4868
31956
City Property
Subject City Property
4794 sq.m. +/- (51,602 sq.ft.)
MTS Easement Area
2.438 m (8 ft) wide
Date: 2005-AUG-02
District: LSWK
File: 477 / 40
Scale: 1:1000
METRIC
NOTE:
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CITY OF WINNIPEG
PLANNING, PROPERTY AND DEVELOPMENT DEPT.
LAND INFORMATION & MAPPING SERVICES
MISC. PLAN NO. 10963 / 2

File No. 477/40

THIS AGREEMENT made in duplicate as of _____day of _____, 2005.

BETWEEN:

THE CITY OF WINNIPEG,

(hereinafter called the ***"City"***),

OF THE FIRST PART,

- and -

SISTARS COMMUNITY ECONOMIC DEVELOPMENT CO-OP
(hereinafter called the ***"Purchaser"***),

OF THE SECOND PART.

WHEREAS the City is the registered owner of land shown shaded and identified as ***"SUBJECT CITY PROPERTY"*** on Misc. Plan No. 10963/2 attached hereto as Schedule "A", (hereinafter called the ***"Land"***), the size of the lands may be modified to reflect the requirements for a transit corridor;

AND WHEREAS the Purchaser wishes to develop a a Child Care Centre complex (the ***"Complex"***) on the Land and is prepared to purchase the Land from the City upon mutually acceptable terms and conditions;

AND WHEREAS the City is prepared to sell the Land to the Purchaser and to permit the Purchaser to develop the Complex;

NOW THEREFORE THIS AGREEMENT WITNESSETH THAT in consideration of the foregoing and of the mutual covenants herein contained, the parties hereto hereby covenant and agree, each with the other, as follows:

1. The preamble hereto shall form an integral part of this Agreement.

2. The City hereby agrees to sell to and the Purchaser hereby agrees to purchase the Land from the City for the sum of **ONE ($1.00) DOLLAR**, plus applicable Goods and Services Tax (hereinafter called the ***"purchase price"***), the receipt of which is hereby acknowledged.

3. The date of closing, possession and adjustments shall be sixty (60) days following receipt by the City of notice in writing of the satisfaction and waiving of the due diligence conditions as set out herein.

4. In addition to the purchase price, the Purchaser shall pay to the City on or before the date of closing, possession and adjustmentsas an adjustment, an amount equal to the total of such taxes, rates and charges including local improvement levies, which would have been levied or charged against the Land for the unexpired portion of the current taxation year as though the Land had been entered on the assessment rolls of the City as privately owned and subject to taxation.

   In the event the Purchaser fails to comply with this Clause 4, it is hereby acknowledged and agreed that all of the Purchaser's rights and interests in respect of the Land shall at the City's sole discretion be fully ended without notice and all monies paid to the City by

the Purchaser pursuant to this Agreement shall be retained by the City free from any claim by the Purchaser.

5. The Purchaser shall:

   (a) Accept title to the Land subject to any and all exceptions, reservations or encumbrances expressed or implied in the City's title;

   (b) Complete the purchase of the Land and shall be bound by the terms and conditions as herein set forth failing which the Purchaser shall forfeit in favor of the City all monies paid by it to the City pursuant to this Agreement;

   (c) Be responsible for all costs including without limitation legal and professional fees, land transfer tax and applicable Goods and Services Tax incurred by it in obtaining possession of and title to the Land;

   (d) At its sole cost, effort and expense, cause to be prepared and registered any plans and other documents required to permit its proposed ownership structure;

   (e) Not to register or cause to be registered a caveat or other encumbrances against the City's title to the Land.

6. The sale of the Land shall be subject to the following:

   (a) Any and all applicable zoning by-laws and/or town planning schemes of the City and amendments thereto;

   (b) Any easement over, under, in or upon that portion of the Land as may be required by a public utility, including but not limited to The Manitoba Hydro-Electric Board, MTS Allstream Inc., Centra Gas (Manitoba) Inc. and/or the City for the maintenance of existing facilities in the Land, if any, or for the development of new facilities in, under, over or upon the Land (hereinafter called the ***"Easement Area"***), together with the right to enter in, on, under or upon the Land at any time with or without equipment for said purposes. The City is to identify any easements required , within sixty (60) days from the date of approval of the sale.

   The Purchaser shall not erect or cause to be erected in, on, over or upon the Easement Area any building or structure without the prior written consent of such public utility and/or City requiring such easement;

   In the event of abandonment or relocation of any of the public utilities' facilities, all costs shall be borne by the Purchaser and shall be a matter between the Purchaser and such public utility and/or utilities and/or the City as the case may be;

   The Purchaser hereby covenants, agrees and undertakes to enter into agreements satisfactory to the said utility, utilities and/or the City as may be required in this respect;

   The Purchaser hereby acknowledges and agrees that the City may grant such easements as herein contemplated before the transfer of the Land in favor of the Purchaser is completed.

7. The Land shall be conveyed to the Purchaser in an *"as is"* condition and the City has made no representations, warranties or guarantees of any nature or kind whatsoever as to the Land's suitability for the use intended by the Purchaser, nor as to any environmental conditions which may exist.

8. The Purchaser acknowledges and agrees that in the event the Purchaser, at its sole cost, effort and expense, conducts or causes to be conducted an environmental impact study and/or soil testing of the Land, it shall:

(a) Ensure that all work done in connection with such environmental impact study and/or soil testing is completed on or before one hundred and eighty (180) days from the date of approval of the sale;

(b) Maintain the Land in a safe condition at all times during the conduct of any work done in pursuance of this Clause;

(c) Restore the Land to the same condition as prior to its entering in or upon the same in pursuance of this Clause;

(d) 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 impact study and/or soil testing; and

(e) Provide copies of any such environmental impact study and/or report concerning soil testing of the Land to the City for its own use at no cost to the City.

FURTHER, in the event it is determined as a result of such environmental impact study and/or soil testing that contamination levels exceed Provincial Environmental Standards and the Purchaser provides to the City documentation in this respect, the City at its sole option, shall be entitled to:

(i) Take remedial action to bring contamination levels within the Provincial Environmental Standards; or

(ii) Cancel the sale and return all monies paid to that date to the City by the Purchaser.

PROVIDED HOWEVER, that in the event the Purchaser fails to advise the City of such non-compliance with Provincial Environmental Standards one hundred and eighty (180) days from the date of approval of the sale, then in that event, the Purchaser hereby agrees to indemnify and save harmless the City from and against any and all claims arising from or in any way attributable to the existence of contaminants of any kind whatsoever at, in, under or upon the Land.

9. The Purchaser agrees to commence construction of the Complex on or before June 30, 2006. Should construction of the Complex not be commenced by October 31, 2006, the title to the Land shall revert back to the City at the Purchaser's sole cost and expense free and clear of any and all encumbrances except those herein contemplated or hereafter placed by, through, against or under the City, or now existing, provided that where construction is delayed as a result of strikes or *force majeure*, the time limit shall be extended by a time period equal to the time period lost as a result of the reasons aforesaid.

The Purchaser shall provide the City, on or before the date of closing, possession and adjustments, with a Quit Claim and a Transfer of Land transferring the Land back to the City free and clear of any and all encumbrances except those herein contemplated or now existing, executed on behalf of the Purchaser, in a form satisfactory to the City Solicitor.

10. Construction of the Complex must be fully completed on or before April 1, 2008. In the event the Purchaser fails to fully complete construction of the Complex in accordance with the plans approved by the City on or before April 1, 2008, the title to the Land shall revert back to the City at the Purchaser's sole cost and expense free and clear of any and all encumbrances except those herein contemplated or hereafter placed by, through, against or under the City, or now existing, provided that where construction is delayed as a result of strikes or *force majeure*, the time limit shall be extended by a time period equal to the time period lost as a result of the reasons aforesaid.

11. It is an express condition hereof, that the Purchaser shall:

(a) Develop on the Land the Complex; PROVIDED THAT prior to the commencement of any and all work in connection therewith, it shall, at its sole cost, effort and expense:

(i) Provide to the City for approval, plans and/or specifications of all buildings and/or improvements to be erected on the Land;

(ii) Provide to the City for approval by the City's Director of Planning, Property and Development, (hereinafter called the ***"Director"***), site landscape drawings, prepared by a qualified landscape architect;

(iii) Apply for the rezoning and variances, if necessary, to permit the Purchaser's proposed development on the Land. It is understood that the approval of the sale will be subject to the Purchaser being satisfied with the conditions that are imposed as part of the rezoning process;

(iv) Obtain all necessary permits at the Purchaser's expense and comply with all laws, by-laws and regulations of any federal, provincial or municipal authority;

(v) Comply with all restrictions imposed by way of development or zoning agreements and comply with all utility easements or rights-of-way;

(vi) Ensure that the construction work is performed and completed in compliance with all applicable statutes, by-laws, ordinances and regulations of any federal, provincial or municipal authority and shall obtain all necessary permits at the Purchaser's expense. The Purchaser shall ensure that the contractor and/or builder maintains and keeps in force during the construction period insurance indemnifying the City, with the City named as additional insured, and the Purchaser against all claims arising out of the construction;

(vii) Ensure that any and all builders' liens, charges and/or claims (hereinafter called the ***"liens"***) as may be filed against the Land, affecting the freehold titles thereto, shall be fully discharged within forty (40) days following substantial completion of the construction work; AND in the event the Purchaser fails to do so, the City is hereby entitled to do so and to charge all costs it may incur in attending to the discharge of the liens and any of them, to the Purchaser who shall, immediately upon demand by the City, pay such costs to the City;

(viii) be solely responsible for all costs and expenses related to the purchase of the Land and the development of the Complex, including but not limited to realty taxes, utilities, the construction of storage lanes, accesses, off-site costs and costs related to the rezoning conditions of the Land.

12. The Purchaser is aware that the Land is zoned R 2 Residential and may require rezoning or conditional use to accommodate the Purchaser's intended use of the Land. The sale of the Land does not imply compliance with any by-laws including zoning and the Purchaser is aware that prior to construction and or occupying any buildings on the site that they must obtain all required development, building and occupancy permits.

The Purchaser is also aware that Barber House at 99 Euclid Avenue has been declared a Grade II Heritage Building and will require special treatment to maintain the Heritage nature of the building.

Culture, Heritage and Tourism Manitoba have provided the following information regarding the subject City Property:

"RE: Archaeological Concerns: Barber House, 99 Euclid Avenue, Winnipeg

Barber House was the focus of limited archaeological investigations in 1979. Work was limited to test excavations surrounding the existing house structure. Results indicated that additional structures were located on the property. Additionally, the artifact recoveries and architectural information from the mid to late 1880's were considered significant by the investigators. The site and land were considered to be in good condition, being little disturbed by later activities. Additional archaeological work was recommended to gain information on the history of the site, the Barber Family and the general lifeways of the mid-1800s community.

On the basis of this information the Historic Resources Branch will require an archaeological Heritage Resource Impact Assessment (HRIA) to be undertaken by an archaeological consultant prior to any development taking place that could potentially impact the subsurface heritage resources. If the HRIA study reveals significant heritage resources within areas that would be impacted by the planned development, further mitigative work may be required to retrieve this information before it is lost. In each case the cost of the impact assessment and any required mitigation work would be the responsibility of the developer."

13. The Purchaser shall not erect any buildings or structures on the Land other than those permitted to be erected or placed on the Land without the prior written approval of the City.

14. The Purchaser hereby acknowledges and agrees that the City does not give any warranty as to the quality, condition or sufficiency of the Land for any use or purpose, or as to the presence or absence of hazardous substances on or under the Land and the Land is deemed to be taken by the Purchaser at its own risk with all faults and imperfections whatsoever and on a strictly as is, where is basis. Provided further that the Purchaser expressly agrees to assume any and all environmental liabilities related to the Land, including but not limited to, liability for clean up of any hazardous substances on or under the Land.

For the purposes of this Agreement, hazardous substance or substances shall include any contaminants as defined or pursuant to any federal or provincial law, by-law, regulation or order.

Furthermore, the Purchaser agrees that it has been 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 and that the Purchaser and its agents indemnify the City against all claims respecting the issue arising out of the development of the Land by the Purchaser or its agents.

15. The Purchaser agrees that the City may register and maintain a caveat against the Land 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 Land according to the tenor of this Agreement.

16. It is understood and agreed that this sale is subject to the Purchaser satisfying the following due diligence conditions on or before one hundred and eighty (180) days from the date of approval of the sale:

a) Obtaining the necessary zoning, variances and conditional uses to be able to develop the Land for its purposes;

b) Arranging suitable financing for the project;

c) Satisfying itself as to the environmental assessment status of the lands.

Should the City not be advised in writing of the satisfaction or waiving of the due diligence conditions on or before ninety (90) days from the date of approval of the sale, this Agreement becomes null and void and the City is at liberty to deal with the Land as it deems appropriate.

17. The Purchaser agrees that the sale of the Land shall be subject to the City's policy for the sale of lands to non-profit organizations and to be implemented as follows:

    (a) Where it is proposed that City lands be leased or sold at less than market value to non-profit organizations for a project which is a public benefit, the following eligibility criteria will apply:

        (i) The organization must provide a facility operated in its entirety by a non-profit organization for non-profit uses;

        (ii) The organization must provide for activities, which are compatible with the City's needs;

        (iii) The organization must provide facilities for which there is a current and projected need in that location;

        (iv) The organization must provide reasonable access to all Winnipeg residents without discrimination;

        (v) The organization must provide access without the charging of initiation fees, membership fees or other costs, which are incompatible with like facilities or organizations;

        (vi) The organization must provide evidence of available funding and commitment to complete the project and assurance that no ongoing operating subsidies from the City will be required over the life of the development.

    (b) That where lands are made available at less than market value that they revert back to the City at the conclusion of the economic life of the project or in the event that the Land shall not continue to be used as the Complex.

18. The sale of the Land is subject to the City getting full credit for any land provided toward the project under the (Winnipeg Partnership Agreement) including all of the sunk costs incurred.

19. Time shall be in every aspect and particular of the essence of this Agreement which shall enure to the benefit of and be binding upon the parties hereto and their successors and assigns and successors in title to the lands affected thereby.

IN WITNESS WHEREOF the parties hereto have executed these presents as of the day and year first above written.

THE CITY OF WINNIPEG
Per:

_____
Director, Planning, Property and Development

SISTARS COMMUNITY ECONOMIC DEVELOPMENT CO-OP

Per: Linda Bradley - Co-Chair

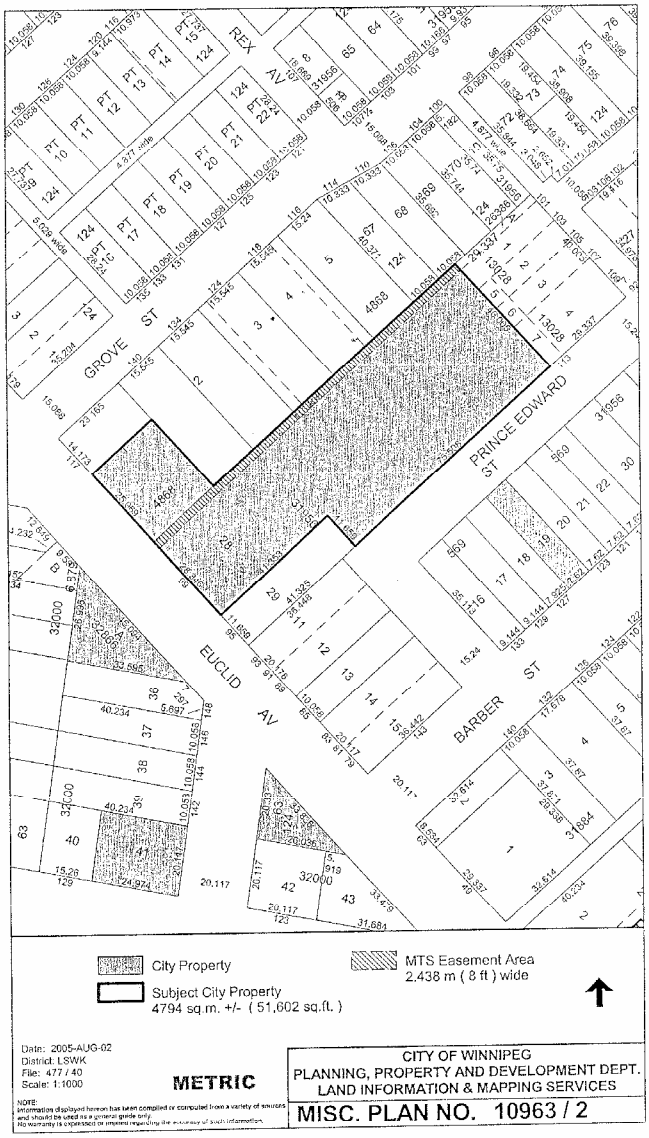
Per: Olive Wreggitt - Chair
Sandy Dzedzora - Treasurer

Approved:

_____
Planning, Property and Development

Certified as to form:

_____
for City Solicitor/Manager of Legal Services


REX AV
GROVE ST
PRINCE EDWARD ST
EUCLID AV
BARBER ST
City Property
Subject City Property
4794 sq.m. +/- (51,602 sq.ft.)
MTS Easement Area
2.438 m (8 ft) wide
Date: 2005-AUG-02
District: LSWK
File: 477 / 40
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.
CITY OF WINNIPEG
PLANNING, PROPERTY AND DEVELOPMENT DEPT.
LAND INFORMATION & MAPPING SERVICES
MISC. PLAN NO. 10963 / 2