Minute No. 397
Report - Standing Policy Committee on Property and Development – April 3, 2007

Item No. 16 **Sale/Exchange of City-owned Property located at the northwest corner of Bell and Stradbrook Avenues – River Avenue Co-operative Day Nursery Inc.**
File FI-2.4.4.1

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 shown on Misc. Plan No. 12765 be declared surplus to the City's requirements.

2. That the exchange of lands between the City and River Avenue Co-operative Day Nursery Inc. be approved as follows:

   A. That River Avenue Co-operative Day Nursery Inc. receive title to the City property located at the northwest corner of Bell and Stradbrook Avenues shown on Misc. Plan No. 12765.

   B. That the property shown on Misc. Plan No. 12765 revert back to the City at the conclusion of the economic life of the project or if the property is no longer occupied and utilized as a day nursery.

   C. That the City receive title to the River Avenue Co-operative Day Nursery Inc. property identified as "Applicant's Property" on Misc. Plan No. 8354/4, all in accordance with the terms and conditions of the Offer to Purchase dated March 14, 2007, subject to such additional terms and conditions that the Director of Planning, Property and Development and the City Solicitor/Manager of Legal Services consider necessary to protect the interest 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 - Standing Policy Committee on Property and Development – April 3, 2007

DECISION MAKING HISTORY:

Moved by Councillor Swandel,

That the recommendation of the Standing Policy Committee on Property and Development be adopted by consent.

Carried

EXECUTIVE POLICY COMMITTEE RECOMMENDATION:

On April 18, 2007, 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 April 3, 2007, 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/Exchange of City-owned Property located at the Northwest Corner of Bell and Stradbrook Avenues – River Avenue Co-operative Day Nursery Inc.
City Centre Community
Fort Rouge - East Fort Garry Ward

FOR SUBMISSION TO: Standing Policy Committee on Property and Development

ORIGINAL REPORT SIGNED BY: A/Director, Planning, Property and Development

REPORT DATE: March 23, 2007

RECOMMENDATION:

1. That Council declare the subject City property shown outlined on the attached Misc. Plan No. 12765 as surplus to the City's requirements.
2. That subject to the approval of Recommendation No. 1., that the proposed exchange of lands between the City and River Avenue Co-operative Day Nursery Inc. be approved as follows:
    a) River Avenue Co-operative Day Nursery Inc. to receive title to the City property located at the Northwest Corner of Bell and Stradbrook Avenues shown outlined on the attached Misc. Plan No. 12765, and
    b) That the property shown outlined on the attached Misc. Plan No. 12765 shall revert back to the City at the conclusion of the economic life of the project or if the property is no longer occupied and utilized as a day nursery.
    c) The City to receive title to the River Avenue Co-operative Day Nursery Inc. property identified as "Applicant's Property" on Misc. Plan No. 8354/4, all in accordance with the terms and conditions of the attached Offer to Purchase dated March 14, 2007, and subject to such additional terms and conditions that the Director of the Planning, Property and Development Department and the City Solicitor/Manager of Legal Services consider necessary to protect the interest 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:

- The City transferred the property located at the northwest corner of River and Harkness Avenues shown outlined on Misc. Plan No. 8354/4 to the River Avenue Co-operative Day Nursery Inc. (the Daycare) in September 2006, for $1.00.
- A contractor for the Daycare was preparing for the construction of a new daycare facility when they received notification that a 69,000 volt hydro line runs through the middle of the property. Manitoba Hydro advised that it will cost approximately $250,000.00 to relocate this line and it could not commence with this work until August 2007.
- The City had no knowledge of this hydro line when the property was sold to the Daycare as there were no caveats registered on title and Manitoba Hydro advised that there were no Manitoba Hydro facilities located within the property.
- Considering the Daycare's need to vacate its current leased premises within the next few months, the Department was able to identify another City property in the neighbourhood, which is suitable to the Daycare's needs. This property is shown outlined on Misc. Plan No. 12765.
- The Department is recommending that the proposed exchange of lands between the City and River Avenue Co-operative Day Nursery Inc. be approved.

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

( ) Involves a multi-year contract

Comment(s):

Policy Implications

(X) No

( ) Yes

Comment(s):

Regulatory Implications

(X) None

( ) Eliminates or reduces regulatory impact

( ) Proposes regulatory impact

Comment(s):

Environmental Implications

(X) No

( ) Yes

Comment(s): 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):

Report

REASON FOR THE REPORT:

The Planning, Property and Development Department is in receipt of an Offer to Purchase the City property located at the northwest corner of Bell and Stradbrook Avenues shown outlined on Misc. Plan No. 12765, for $1.00 and in exchange the City will receive the property shown outlined on Misc. Plan No. 8354/4.

Council approval is required to declare the City property surplus to the City's requirements. Approval by the Standing Policy Committee on Property and Development is required for the proposed terms and conditions of sale as set out in the attached Offer to Purchase dated March 14, 2007.

HISTORY:

At its meeting held on June 6, 2006, the Standing Policy Committee on Property and Development approved, among other things, the sale of the property shown outlined on Misc. Plan No. 8354/4 to the River Avenue Co-operative Day Nursery Inc. for $1.00.

On September 14, 2006, title to the property was issued in the name of the River Avenue Co-operative Day Nursery Inc. (the Daycare).

A contractor for the Daycare was preparing for the construction of a new daycare facility when it received information that a 69,000 volt hydro line runs through the middle of the subject property. Manitoba Hydro advised that it will cost approximately $250,000.00 to relocate this line and it could not commence with this work until August 2007.

The City had no knowledge of this hydro line when the property was sold to the Daycare as there were no caveats registered on title and Manitoba Hydro advised that there were no Manitoba Hydro facilities located within the subject property.

Considering the Daycare's need to vacate their current leased premises within the next few months, the Department was able to identify another City property in the neighbourhood, which is suitable to the Daycare's needs. This property is shown outlined on Misc. Plan No. 12765.

The property consists of four separate parcels of land, which were acquired as part of the Main/Norwood Bridge project as per Council Order dated July 8, 1993. The individual parcels were acquired either through expropriation or purchased outright by

the City. In either instance the parcels were takings of full parcels and compensation was paid in full to the former owners.

The resulting parcels are considered residual land after the completion of the Main/Norwood Bridge project.

Details of the subject City property are as follows:

Location:	Northwest corner of Bell and Stradbrook Avenues, shown outlined on Misc. Plan No. 12765
Legal Description:	Parcels C, D, E and M, Plan 30733
Certificate of Titles:	1349195, 1349196, 1349197 and 1349212
Roll Numbers:	12031934100 and 12031932100
Total Assessment:	$56,000
Size:	±1186 sq. m (±12767 sq. ft.)
Zoning:	"RM-4" Multiple-Family District
Appraised Value:	Although an appraisal has not been conducted for the subject property, it is this Department's opinion that both the subject City property and the Daycare's property are similar in value.

The subject City property was circulated to all City Departments and external agencies and no civic need or easements were identified. The Public Works Department, however, has indicated that there would not be any vehicular access from Stradbrook Avenue, as well as, no loading etc., would be permitted along Stradbrook Avenue.

DISCUSSION:

The Planning, Property and Development Department have concluded its negotiations with the Daycare.

The Daycare is to receive the City property shown outlined on Misc. Plan No. 12765 for $1.00, subject to:

- River Avenue Cooperative Day Nursery Inc. obtaining conditional use approval from the City of Winnipeg to allow for the development of the land for a child care centre.
- That the property shall revert back to the City at the conclusion of the economic life of the project or if the property is no longer occupied and utilized as a day nursery.

The Department supports the exchange of lands in accordance with the attached terms and conditions of the Offer to Purchase for the following reasons:

1. The Daycare provides an important function for the needs of this community.

2. The mandate of the Daycare is much broader than childcare alone, as it works with the families to support and encourage its clients to develop parenting skills, and to promote a healthy environment for the children.
3. From a neighbourhood planning perspective, the Daycare has been a critically important institution in the neighbourhood for many years, servicing up to 63 families with infant, preschool and school age children who reside primarily in the Mayfair Park Public Housing Development.
4. The Daycare resides in the River-Osborne Neighbourhood, which has been designated a Rehabilitation Neighbourhood under Policy Plate D of Plan Winnipeg. By definition, Rehabilitation Neighbourhoods are targeted for revitalization support.
5. The proposed purchase price of $1.00 is consistent with the intent of the original Standing Policy Committee on Property and Development decision of June 6, 2006, regarding the sale of the northwest corner of the River Avenue and Harkness Avenue.
6. The City will receive the River and Harkness Avenue property back in exchange for the subject property. This property will be retained as a passive park.
7. The sale of the subject City property will generate realty tax upon closing of the sale.
8. The Ward Councillor is supportive and has advised that the proposed exchange of lands is considered reasonable.

Financial Impact Statement Date: March 21, 2007

Project Name:

Proposed Sale/Exchange of City-owned Property located at the Northwest Corner of Bell and Stradbrook Avenues – River Avenue Co-operative Day Nursery Inc.

COMMENTS:

The recommendations contained in this report, if approved, would result in the exchange of lands between the City and River Avenue Co-operative Day Nursery Inc. There are no material financial implications associated with this transaction.

"Original Signed By"
Mike McGinn, CA
Manager of Finance

IN PREPARING THIS REPORT THERE WAS:

Internal Consultation With and Concurrence By:

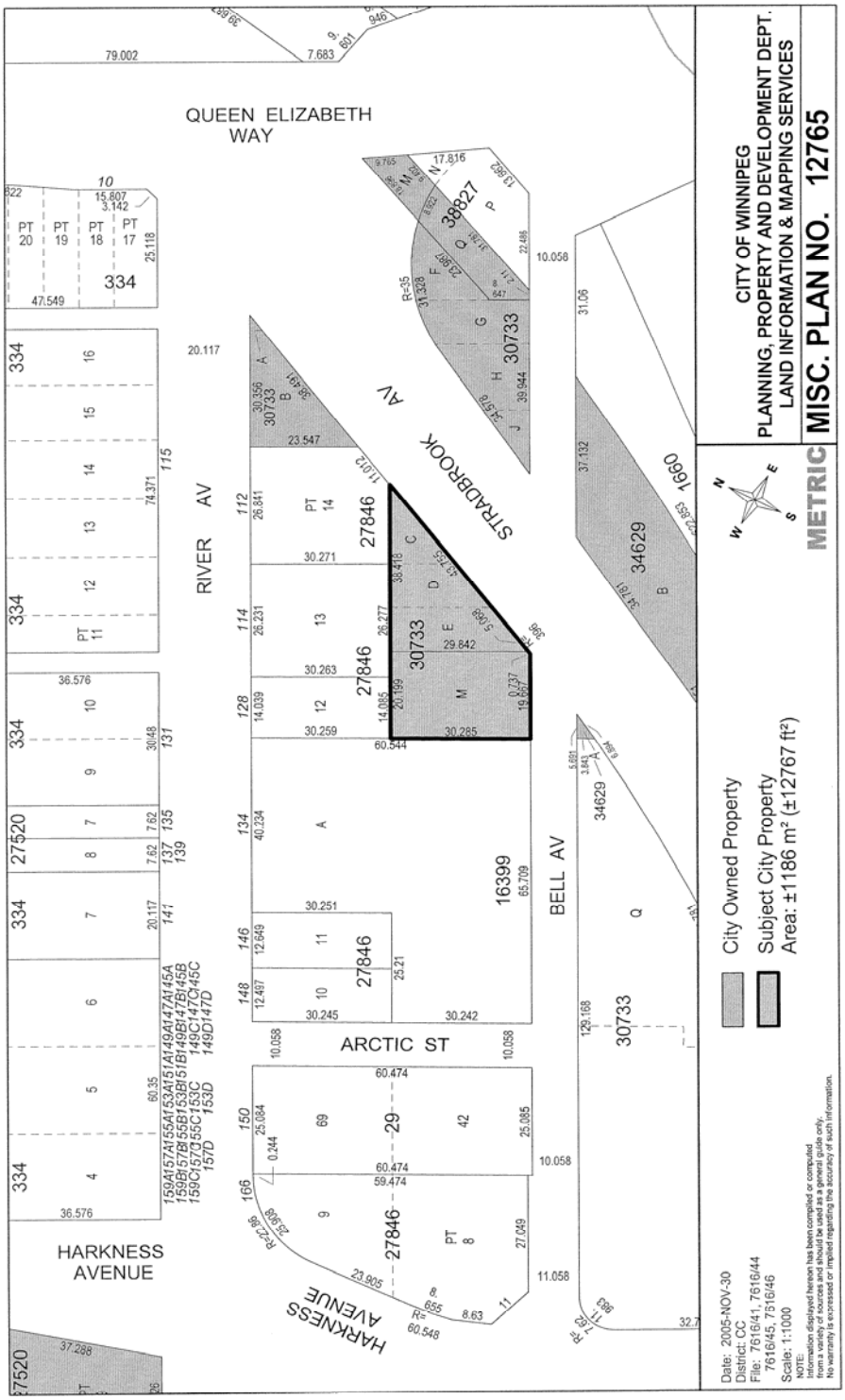
Public Works Department

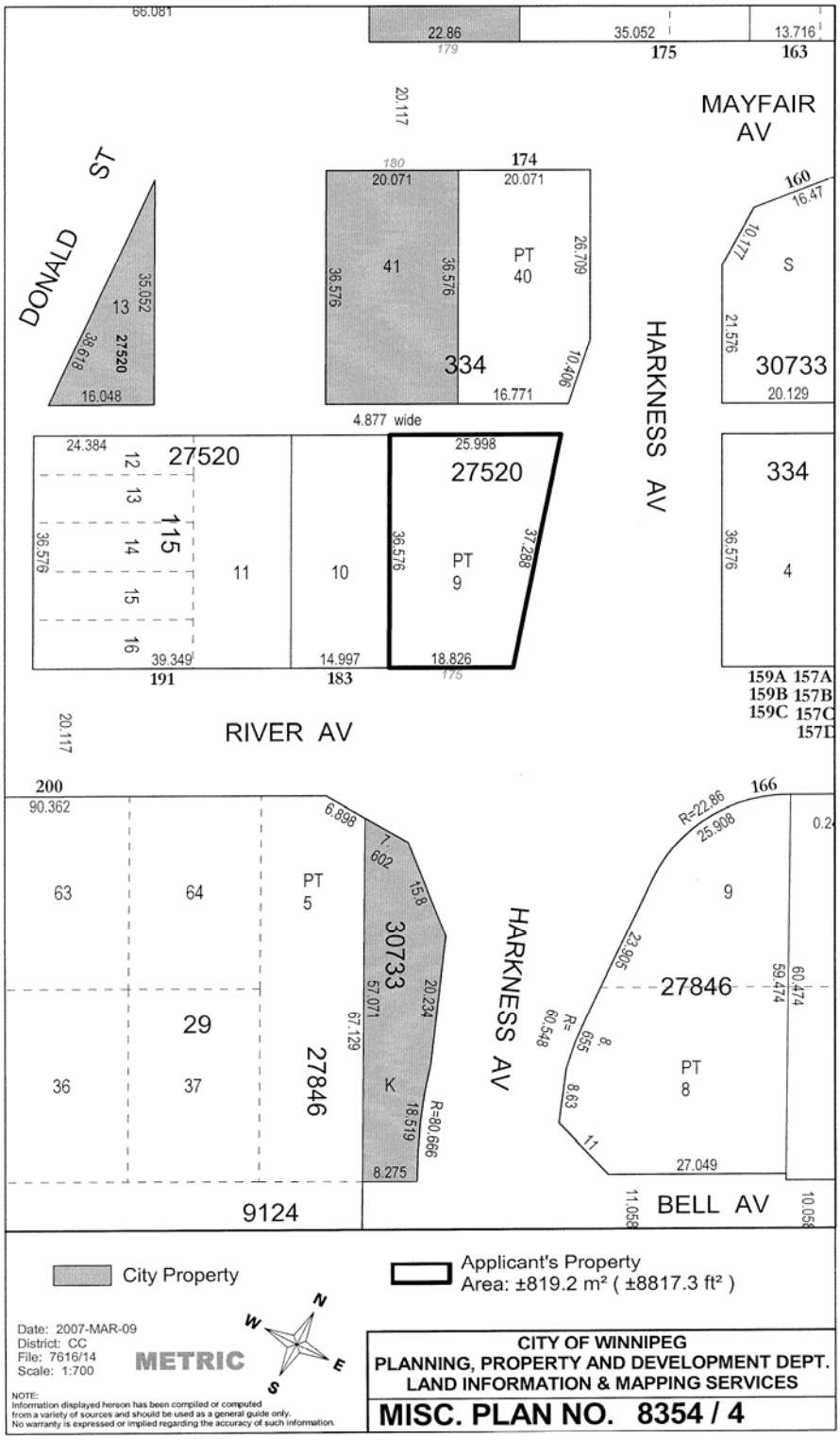
External Consultation With:

No external consultation was required in the preparation of this report.

THIS REPORT SUBMITTED BY:

Department	Planning, Property and Development
Division	Real Estate
Prepared by:	Joedi Pruden
PPD File Nos.	7616/14, 7616/41-46


QUEEN ELIZABETH WAY
RIVER AV
STRADBROOK AV
BELL AV
ARCTIC ST
HARKNESS AVENUE
HARKNESS AVENUE
CITY OF WINNIPEG
PLANNING, PROPERTY AND DEVELOPMENT DEPT.
LAND INFORMATION & MAPPING SERVICES
METRIC MISC. PLAN NO. 12765
City Owned Property
Subject City Property
Area: ±1186 m² (±12767 ft²)
Date: 2005-NOV-30
District: CC
File: 7616/41, 7616/44
7616/45, 7516/46
Scale: 1:1000
NOTE:
Information displayed hereon has been compiled or computed
from a variety of sources and is subject to change without notice.
No warranty is expressed or implied regarding the accuracy of such information.


MAYFAIR AV
DONALD ST
HARKNESS AV
RIVER AV
BELL AV
27520
30733
27846
9124
City Property
Applicant's Property
Area: ±819.2 m² (±8817.3 ft²)
Date: 2007-MAR-09
District: CC
File: 7616/14
Scale: 1:700
METRIC
CITY OF WINNIPEG
PLANNING, PROPERTY AND DEVELOPMENT DEPT.
LAND INFORMATION & MAPPING SERVICES
MISC. PLAN NO. 8354 / 4



March 14, 2007

Ms. Joedi Pruden
Planning, Property and Development Department, City of Winnipeg
2nd Floor, 65 Garry Street
Winnipeg, MB R3C 4K4

Dear Joedi,

RE: Proposed Exchange of City Property – Parcels C, D, E and M, Plan 30733 (as shown on Misc. Plan No. 12765) for Part Lot 9, Plan 27520 (as shown on Misc. Plan No. 8354/4)
File 7616/41-46

Enclosed please find the completed and signed Offer to Purchase form regarding the above property on Bell Avenue.

The offer has been amended to include two conditions to which the purchase will be subject, as follows, outlined in Schedule A attached:

1. RADC to obtain conditional use approval from the City of Winnipeg to allow for the development of the land as a child care centre.
2. RADC to obtain satisfactory legal review of offer to purchase document.

Please feel free to contact me for any further information you may require, at 792-0834 or at deirdre_tomkins@mts.net. Director Corinne Ostertag may be reached at 453-7487 or at radc@mts.net.

We would like to express once again our gratitude for all your work in this matter, and for moving the process forward with all speed possible.

Sincerely,

Deirdre Tomkins
Building Development Coordinator

MONDAY TO FRIDAY 7:00 A.M. to 12:30 A.M.
FOR CHILDREN AGES 18 MONTHS TO 5 YEARS
- A REGISTERED NON-PROFIT COOPERATIVE CHILD CARE CENTRE-
175A MAYFAIR AVENUE, WINNIPEG, MANITOBA.R3L 0A1
PHONE 453-7487 FAX 452-4248

River Av Daycare
File: 7616/41-46

OFFER TO PURCHASE

The Undersigned (hereinafter called "the Purchaser") hereby offers to purchase from The City of Winnipeg (the "City"), the following Lands: -

Parcels C, D, E and M, Plan 30733 WLTO
(shown as "Subject City Property on the attached Misc. Plan No. 12765)

(hereinafter called the "Lands")

for the sum of $1.00 cash, the receipt of which is hereby acknowledged.

1. In consideration of the City selling to the Purchaser the Lands, the Purchaser agrees as follows:

   (1) To transfer to the City, free of all costs, charges and encumbrances, SP Part Lot 9, Plan 27520, as shown on Misc. Plan No. 8354/4 (identified as Applicant's Property) on the date of closing, possession and adjustments as set out in Clause 3(1) herein.

And upon the following terms and conditions

2. (1) The payment of $1.00 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 Council (in the event that Council approval is required), herein after called the "Date of Approval".

3. (1) The date of closing, possession and adjustments shall be sixty (60) days following the Date of Approval or earlier as mutually agreed to.

   (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 closing, possession and 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 closing, possession and 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 closing, possession and 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, possession and adjustments 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 his registration number as prescribed in sub-clause (1) of this Clause, the 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, which includes, without limiting the generality of the foregoing, obtaining his own Surveyor's Building Location Certificates, Surveyor's Staking Certificates and Zoning Memorandum and in connection therewith acknowledges and is aware that the City does not provide Declarations of Possession.

5. The Purchaser acknowledges that in submitting this Offer to Purchase, the Purchaser relies entirely upon personal inspection of the Lands, independent of any representation made by or on behalf of the City of Winnipeg. Any error or discrepancy in the description or in the dimensions of the Lands as contained herein shall not entitle the Purchaser to any compensation in respect thereof nor shall it entitle the Purchaser to the cancellation of this Offer to Purchase.

6. It is agreed that no representation, warranty, collateral agreement or condition affecting this offer or the land is expressed herein. The City does not warrant the quality, condition or sufficiency of the Lands for any use or purpose. The Lands are deemed to be taken by the Purchaser in an "as is" condition and at the Purchaser's own risk and 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.

7. All existing improvements (if any) in or on the said Lands shall remain as part of the freehold.

8. (1) The City is unable to confirm that sewer and water lot-line connections from the services in the street to the lot line exist. The Purchaser must satisfy himself as to their existence and suitability for re-use. Consequently, if new sewer and/or water lot-line connections must be installed, installation and costs of same are to be borne by the Purchaser.

   (2) The Purchaser agrees to repair any damage made to the sodded boulevards abutting the Lands during construction as soon as practicable and maintain same and shall pay the cost thereof and shall also restore the boulevard to its proper grade.

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

10. The Purchaser agrees that in the event the Purchaser, at his sole cost, conducts or causes to be conducted an Environmental Site Assessment and/or soil testing of the Lands, and it is determined as a result thereof 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 sixty (60) days following the Date of Approval, but in any event, prior to closing, the City, at its sole option, shall be entitled to:

    (1) take remedial action to bring the contamination levels within the Provincial Environmental Standards, **or,**

    (2) cancel the sale and return all monies paid in respect of the proposed sale by the Purchaser to that date.

    AND FURTHER, in the event the Purchaser fails to provide such documentation as aforesaid, the Purchaser hereby agrees to complete the purchase as herein contemplated and 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, or upon the said Lands.

11. (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 Manitoba Hydro, MTS Allstream Inc., Centra Gas Manitoba Inc., or The City of Winnipeg, and/or any of their respective successors and/or other utilities, for the maintenance of existing and future facilites 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 prior written consent of the utility or The City of Winnipeg requiring such easement.

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

    (3) Any removal or relocation of a public utility as a result of a proposed subdivision will be at the expense of the Purchaser. Information on electrical and gas service to new subdivisions can be obtained from the local Manitoba Hydro District Office.

    (4) The Purchaser at its own expense shall be responsible to provide any Easement Plan that may be required to effect registration of the Easement Agreement in the Winnipeg Land Titles Office.

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

12. No current legal survey was made of the property to determine the nature and extent of any structure thereon or to determine if there are any encroachments from adjoining lands.

13. The City advises that there might be an existing basement in the lands. The removal of any existing concrete or debris and any costs connected therewith will be the responsibility of the Purchaser.

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

15. 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 his proposed use and development of the Lands may require applications for re-zoning, subdivision, variances or conditional uses, amendments to Plan Winnipeg, which applications, resulting land dedication charges (if any) are to be at the sole cost and responsibility of the Purchaser. Nothing in this Offer shall be construed as placing any duty or obligation upon the City to grant such rezoning, subdivision, variance or conditional use orders and/or amendments to Plan Winnipeg when the Purchaser's application for same is made to the City.

16. The Purchaser acknowledges that no vehicular access or loading will be permitted from Stradbrook Avenue.

17. The Purchaser agrees that the City may register Caveat/s 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.

18. 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.

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

Offer to Purchase Page 4

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

21. 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.

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

River Avenue Cooperative Day Nursery Inc. 175A Mayfair Ave.
Name (Please Print) Address

Purchaser's Registration No. (G.S.T.) 10454 1511 RT0001

IN WITNESS WHEREOF the Purchaser has signed this document in

Winnipeg, Manitoba, this 14th day of March 2007

Witness Purchaser

Witness Purchaser

23. Offer to purchase shall be subject to the conditions outlined in Schedule A attached.

SCHEDULE A

Offer to Purchase: Parcels C, D, E and M, Plan 30733 WLTO

The purchase shall be subject to the following conditions:

1. River Avenue Cooperative Day Nursery to obtain conditional use approval from the City of Winnipeg to allow for the development of the land as a child care centre.

2. River Avenue Cooperative Day Nursery to obtain satisfactory legal review of offer to purchase document.

Offer to Purchase

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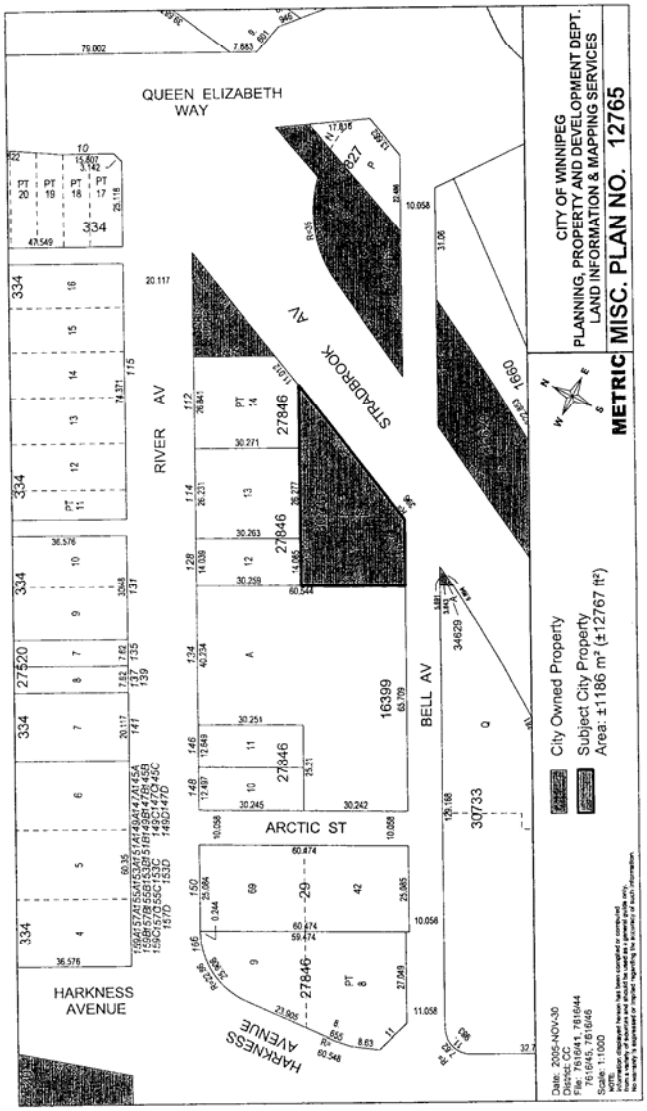

Offer to Purchase

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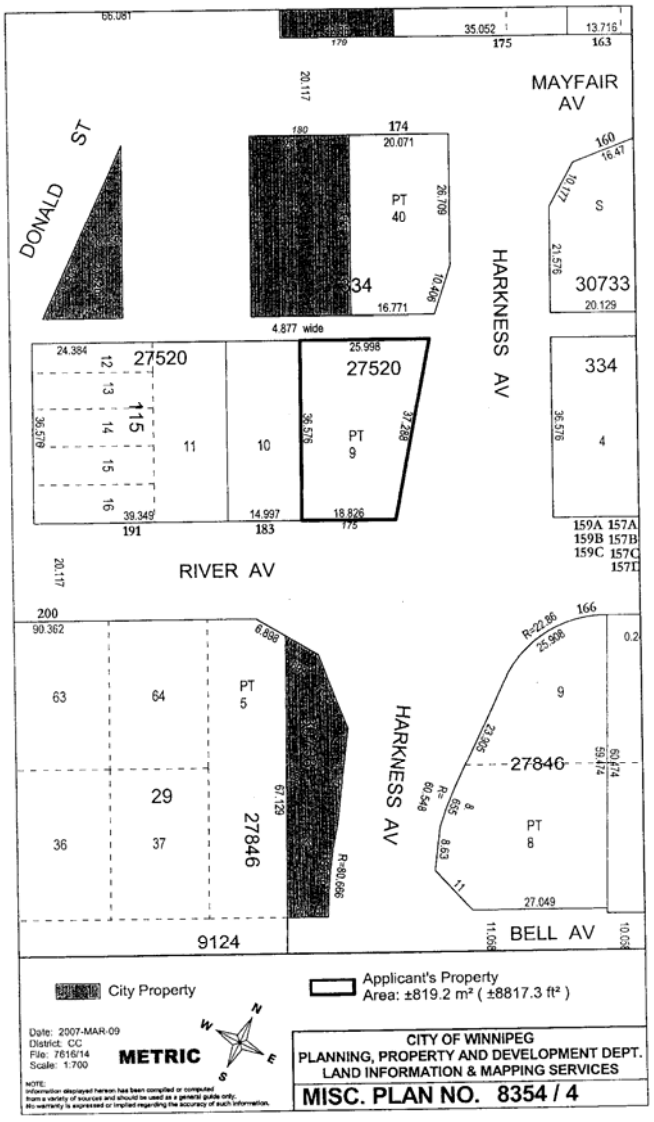

Offer to Purchase

Example Only

Real Owner Application

To the City Assessor

_____ Roll No. _____

(Name of Municipality)

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: _____ 19 ___ _____

(Signature of Applicant)

Office of the City Assessor _____

The City of Winnipeg (Signature of Registered Owner)