**Minute No. 638**
**Report - Standing Policy Committee on Property and Development – September 4, 2007**

**Item No. 15 Exchange of Land - Shore Street and Bison Drive**
**(St. Norbert Ward)**
**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 That the Council decision of December 14, 2005, regarding the land exchange at Shore Street and Bison Drive, be rescinded.

2. That the revised exchange of lands between the City and Myles Kraut be approved as follows:

   A. Myles Kraut to receive title to the City-owned property shown shaded on Misc. Plan No. 12551/5.

   B. The City to receive title to the property identified as "Applicant's Property Required For Openings" on Misc. Plan No. 12551/5 and $115,000.00, all in accordance with the terms and conditions of the Offer to Purchase dated August 21, 2007, subject to such additional terms and conditions that the Acting 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 net proceeds from the sale/exchange of lands in the Fairfield Park Local Improvement District be allocated to partially fund the road pavement works on Barnes Street, north of Lee Boulevard.

4. 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 – September 4, 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 September 19, 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 September 4, 2007, the Standing Policy Committee on Property and Development concurred in the Administrative recommendation with the following amendment, namely:

- The following Recommendation be added as Recommendation 3 and the balance of the recommendations be renumbered accordingly:

    3. That the net proceeds from the sale/exchange of lands in the Fairfield Park Local Improvement District be allocated to partially fund the road pavement works on Barnes Street, north of Lee Boulevard,

and submitted the matter to the Executive Policy Committee and Council.

COUNCIL DECISION:

On December 14, 2005, Council approved the exchange of lands between the City and Myles Kraut as follows:

A. Myles Kraut to receive title to the City-owned properties identified as Parcels "B" and "C" on Misc. Plan No. 12551/1.

B. The City to receive title to the property identified as Parcels "A" and "D" on Misc. Plan No. 12551/1, all in accordance with the terms and conditions of the Offer to Purchase dated November 15, 2004, and 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.

**RE: Proposed Exchange of Land located at Shore Street and Bison Drive**
**Riel Community**
**St. Norbert Ward**

**FOR SUBMISSION TO: Standing Policy Committee on Property and Development**

**ORIGINAL REPORT SIGNED BY: Director, Planning, Property and Development**

**REPORT DATE: August 24, 2007**

**RECOMMENDATION:**

1. That the Council Order of December 15, 2005, in regard to the land exchange at Shore Street and Bison Drive be rescinded (DASZ 18/05).
2. Subject to approval of Recommendation No. 1, that the proposed revised exchange of lands between the City and Myles Kraut be approved as follows:
    a) Myles Kraut to receive title to the City-owned property shown shaded on Misc. Plan No. 12551/5, and
    b) The City to receive title to the property identified as "Applicant's Property Required For Openings" on Misc. Plan No. 12551/5 and $115,000.00, all in accordance with the terms and conditions of the attached Offer to Purchase dated August 21, 2007, and subject to such additional terms and conditions that the Director of 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 Planning, Property and Development Department has concluded its negotiations for an exchange of lands located at Shore Street and Bison Drive.
- Approval by Council for the proposed exchange is required.

**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): 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):

## Report

**REASON FOR THE REPORT:**

The Planning, Property and Development Department has concluded its negotiations for a revised exchange of lands located at Shore Street and Bison Drive. Council approval is required for the proposed exchange.

**HISTORY:**

On April 13, 2005, Mr. Myles Kraut applied for a subdivision and rezoning of land located on the east side of Shore Street, north of Lee Boulevard (DASZ 18/2005). The subject land is located on the north boundary of the Fairfield Park Local Improvement District. Mr. Kraut intended on developing a 12-unit student-housing complex.

One of the conditions of DASZ 18/05 was that access to the site be via Shore Street (i.e. access to Bison Drive was to be terminated). On September 28, 2005, Council concurred in the recommendation of the Standing Policy Committee on Property and Development to close Shore Street and to the subdivision and rezoning, DASZ 18/2005.

On August 22, 2005, Mr. Kraut contacted the Planning, Property and Development Department requesting an exchange of land in order to fulfill the requirements of DASZ 18/2005. The Department concluded an exchange with Mr. Kraut as shown on the attached Misc. Plan No. 12551/1. Council, at its meeting held on December 14, 2005 approved the proposed exchange of lands between the City and Mr. Kraut for $1.00.

On February 27, 2006, Mr. Kraut advised the Department that he would be applying for a revised subdivision and rezoning at this location. He wanted to add on more units for his proposed housing complex than he originally planned. Phase I of his revised project calls for the construction of a seven storey (54 suite) facility, the main floor of which will be dedicated to 36 interior parking stalls. A second structure may be built, at a later date and will constitute Phase II of the project. On May 26, 2006, the Department provided Mr. Kraut authorization to include the City's land shown shaded on Misc. Plan 12893/1 in his revised application for subdivision and rezoning at this location.

On January 9, 2007, the Standing Policy Committee on Property and Development concurred in the recommendation of the Riel Community Committee and recommended to Council in part as follows:

1. That the plan of subdivision proposed under File DASZ 29/2006 be approved for preparation as a plan of subdivision by a Manitoba Land Surveyor in accordance with Schedule "A" for File DASZ 29/2006 dated September 13, 2006, for registration in the Winnipeg Land Titles Office, subject to the inclusion of an eight (8) foot wide Public Walk along the west side of the proposed development, and the following:

A. That the Developer be required to enter into a Servicing Agreement with the City containing all the conditions outlined in the report of the Administrative Coordinating Group dated August 30, 2006, with the following amendment:

13. The Developer shall, at no expense to the City, construct an asphalt concrete pedestrian walk in the Public Walk along the west side of the proposed development as determined by and to the satisfaction of the Director of Public Works.

2. That the Director of Planning, Property and Development be authorized to certify any documents in connection therewith.

3. That the Winnipeg Zoning By-law No. 6400/94 be amended by rezoning the subject land as shown on Schedule "A" for file DASZ 29/2006 dated September 13, 2006, to an RM-7 Multiple Family District.

On January 24, 2007, Council approved the revised subdivision and rezoning DASZ 29/2006. Also, on January 24, 2007 Council approved the closing of part of Shore Street for incorporation into DASZ 29/2006 – DAC 17/2006.

**DISCUSSION:**

In June of 2007, the Mr. Kraut contacted the Department requesting an exchange of land in order to fulfill the requirements of DASZ 29/2006.

The Planning, Property and Development Department has concluded its negotiations with Mr. Kraut for the exchange of the lands in accordance with the terms and conditions as set out in the attached Offer to Purchase dated August 21, 2007. Briefly, the proposed exchange of lands identified on Misc. Plan No. 12551/5 provides for the following:

1. The Purchaser will acquire Lot 16, Block 6, Plan 1991 from the City (Misc. Plan No. 12551/5). The City acquired this property on December 13, 1993 by way of Tax Sale. It was declared surplus by Council on May 18, 2005.
2. The Purchaser will acquire Parcels W and X, Plan 44692 (identified as Parcel B on Misc. Plan No. 12893/1), excepting that portion required for a turnaround. The City acquired this property as a result of a street closing. It was declared surplus by Council on May 18, 2005.
3. The Purchaser will acquire the closed portion of Shore Street (Misc. Plan No. 12551/5) from the City. This is subject to Council enactment of the necessary by-law to affect the closing.
4. The City will acquire a portion of the Purchaser's property required for a turnaround and for the widening of Bison Drive as shown on Misc. Plan No. 12551/5.

In addition, a number of easement requirements have been identified in order to facilitate the proposed development. These easement requirements have been addressed in the Offer to Purchase document.

The Planning, Property and Development Department is recommending the exchange of lands with Mr. Kraut for the following reasons:

a) The sale of the subject City-owned property provides for efficient use of the adjoining property and facilitates the proposed housing complex.
b) Council has approved the Purchaser's subdivision and rezoning at this location.
c) The proposed exchange of lands and purchase price of $115,000.00 is supported by an internal appraisal report.

## Financial Impact Statement

**Date:** August 21, 2007

**Project Name:**

**First Year of Program** **2007**

Proposed Exchange of Land located at Shore Street and Bison Drive

| | 2007 | 2008 | 2009 | 2010 | 2011 |
|---|---|---|---|---|---|
| **Capital** | | | | | |
| Capital Expenditures Required | $ - | $ - | $ - | $ - | $ - |
| Less: Existing Budgeted Costs | - | - | - | - | - |
| Additional Capital Budget Required | $ - | $ - | $ - | $ - | $ - |
| **Funding Sources:** | | | | | |
| Debt - Internal | $ - | $ - | $ - | $ - | $ - |
| Debt - External | - | - | - | - | - |
| Grants (Enter Description Here) | - | - | - | - | - |
| Reserves, Equity, Surplus | - | - | - | - | - |
| Other - Enter Description Here | - | - | - | - | - |
| Total Funding | $ - | $ - | $ - | $ - | $ - |
| Total Additional Capital Budget Required | $ - | | | | |
| Total Additional Debt Required | $ - | | | | |
| **Current Expenditures/Revenues** | | | | | |
| Direct Costs | $ - | $ - | $ - | $ - | $ - |
| Less: Incremental Revenue/Recovery | 115,000 | - | - | - | - |
| Net Cost/(Benefit) | $ (115,000) | $ - | $ - | $ - | $ - |
| Less: Existing Budget Amounts | (115,000) | - | - | - | - |
| Net Budget Adjustment Required | $ - | $ - | $ - | $ - | $ - |

**Additional Comments:** Proceeds of $115,000 will be credited to the Land Operating Reserve. Realty tax revenue that will accrue to the City has not been included in this analysis due to the uncertainty surrounding the assessed value of the proposed future development.

original signed by

Manager of Finance & Administration

**IN PREPARING THIS REPORT THERE WAS:**

**Internal Consultation With and Concurrence By:**

N/A

**External Consultation With:**

N/A

**THIS REPORT SUBMITTED BY:**

Department: Planning, Property and Development
Division: Real Estate
Prepared by: Joedi Pruden
PPD File No. 6731/2

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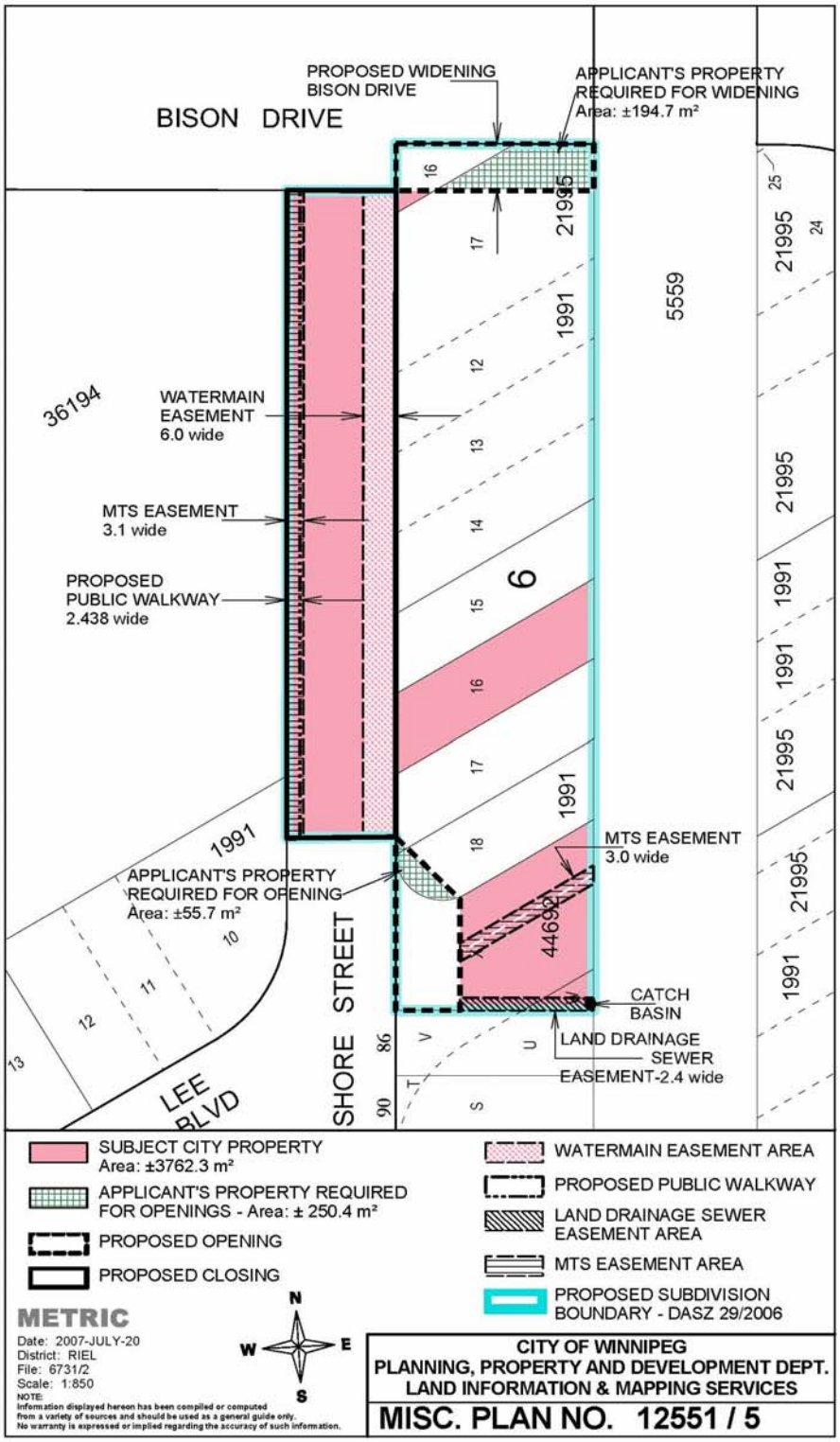
PROPOSED WIDENING
BISON DRIVE
APPLICANT'S PROPERTY
REQUIRED FOR WIDENING
Area: ±194.7 m²
BISON DRIVE
WATERMAIN
EASEMENT
6.0 wide
MTS EASEMENT
3.1 wide
PROPOSED
PUBLIC WALKWAY
2.438 wide
MTS EASEMENT
3.0 wide
APPLICANT'S PROPERTY
REQUIRED FOR OPENING
Area: ±55.7 m²
CATCH
BASIN
LAND DRAINAGE
SEWER
EASEMENT-2.4 wide
SHORE STREET
LEE
BLVD
36194
5559
6
1991
21995
44692
SUBJECT CITY PROPERTY
Area: ±3762.3 m²
APPLICANT'S PROPERTY REQUIRED
FOR OPENINGS - Area: ± 250.4 m²
PROPOSED OPENING
PROPOSED CLOSING
WATERMAIN EASEMENT AREA
PROPOSED PUBLIC WALKWAY
LAND DRAINAGE SEWER
EASEMENT AREA
MTS EASEMENT AREA
PROPOSED SUBDIVISION
BOUNDARY - DASZ 29/2006
METRIC
Date: 2007-JULY-20
District: RIEL
File: 6731/2
Scale: 1:850
NOTE:
Information displayed hereon has been compiled or computed
from a variety of sources and should be used as a general guide only.
No warranty is expressed or implied regarding the accuracy of such information.
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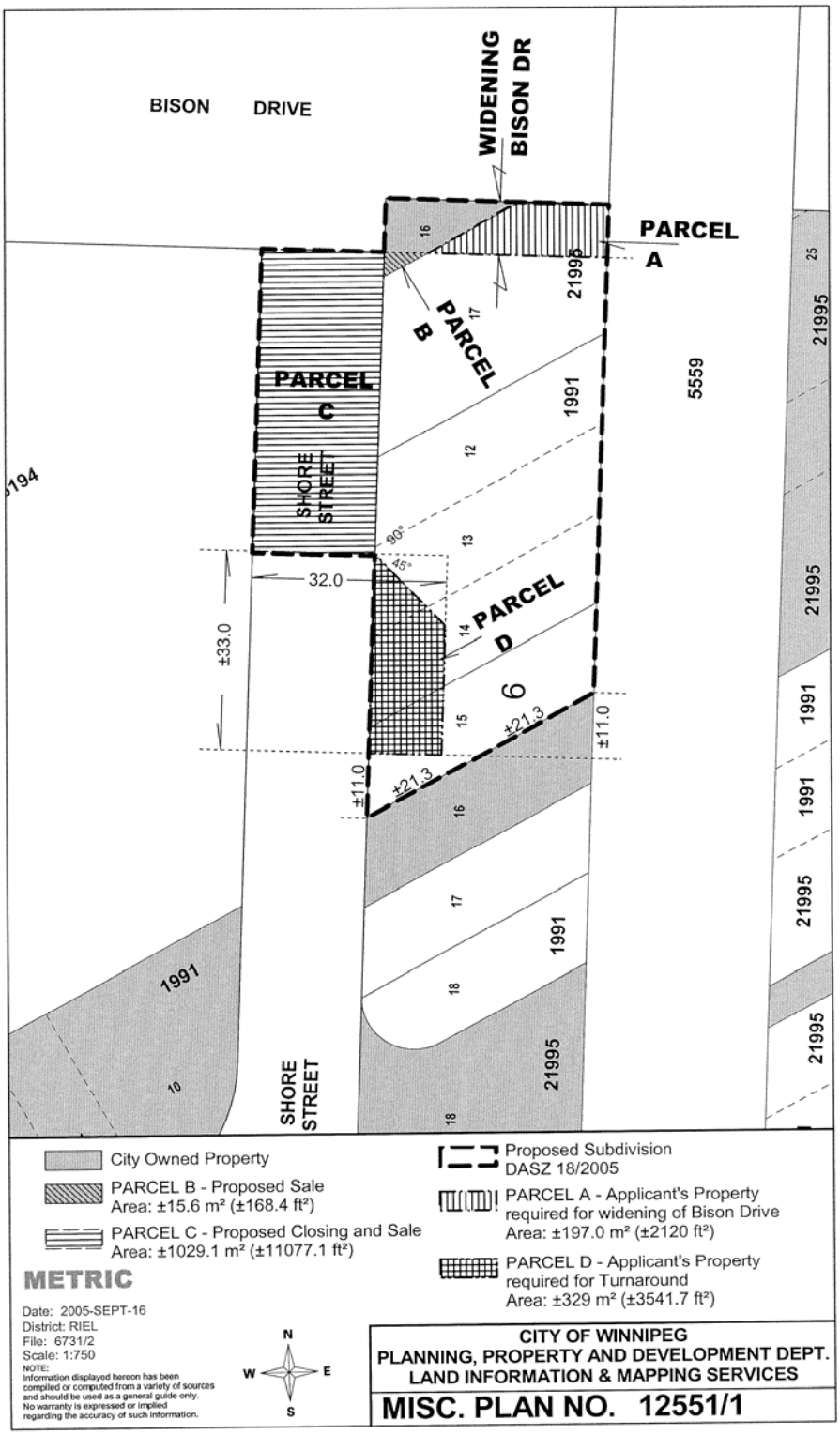
CITY OF WINNIPEG
PLANNING, PROPERTY AND DEVELOPMENT DEPT.
LAND INFORMATION & MAPPING SERVICES
MISC. PLAN NO. 12551 / 5


BISON DRIVE
WIDENING BISON DR
PARCEL A
PARCEL B
PARCEL C
PARCEL D
SHORE STREET
SHORE STREET
32.0
±33.0
±21.3
±11.0
±21.3
±11.0
90°
45°
1991
21995
5559
City Owned Property
PARCEL B - Proposed Sale
Area: ±15.6 m² (±168.4 ft²)
PARCEL C - Proposed Closing and Sale
Area: ±1029.1 m² (±11077.1 ft²)
Proposed Subdivision
DASZ 18/2005
PARCEL A - Applicant's Property
required for widening of Bison Drive
Area: ±197.0 m² (±2120 ft²)
PARCEL D - Applicant's Property
required for Turnaround
Area: ±329 m² (±3541.7 ft²)
METRIC
Date: 2005-SEPT-16
District: RIEL
File: 6731/2
Scale: 1:750
NOTE:
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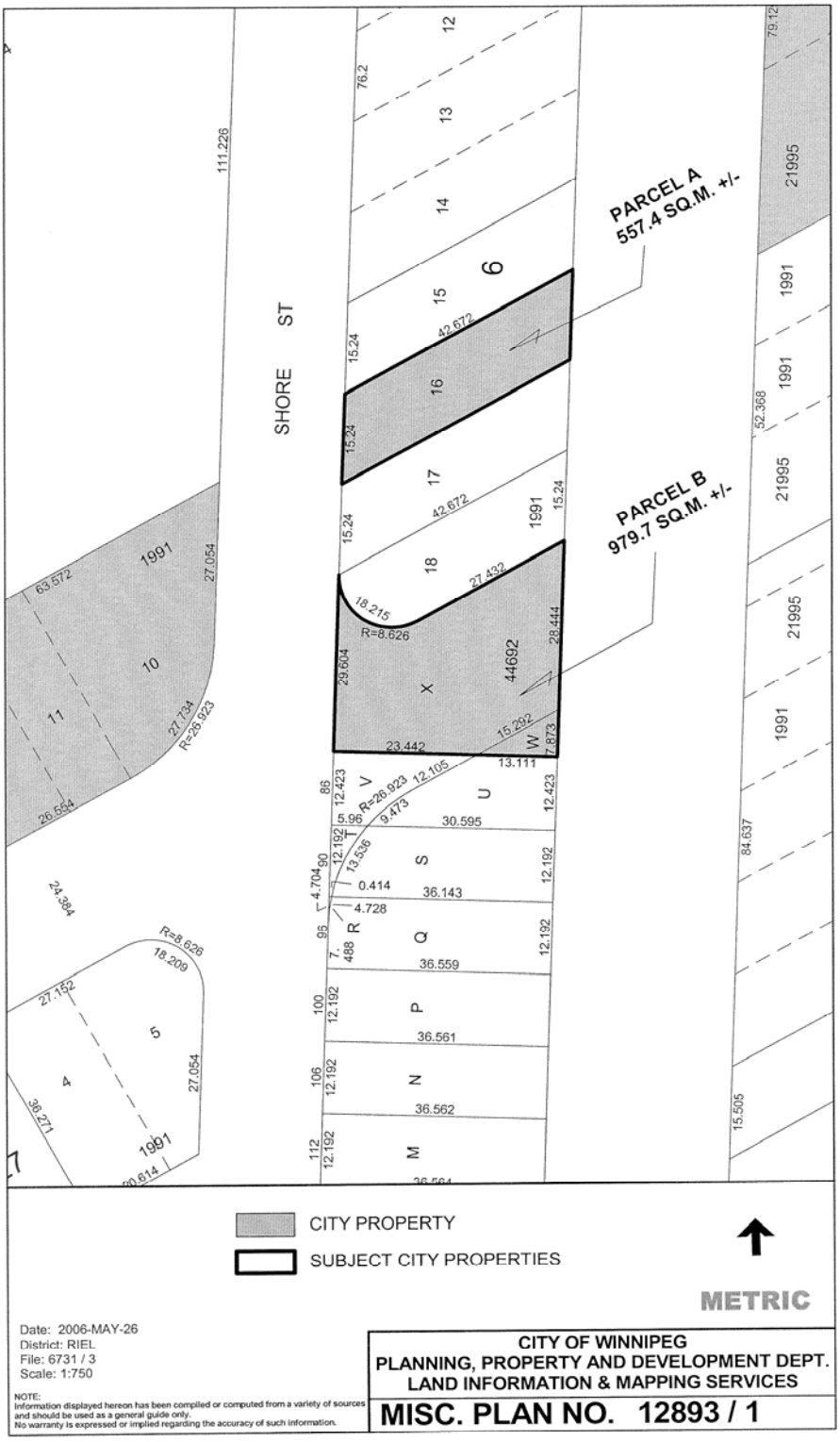
LAND INFORMATION & MAPPING SERVICES
MISC. PLAN NO. 12551/1


PARCEL A
557.4 SQ.M. +/-
PARCEL B
979.7 SQ.M. +/-
SHORE ST
CITY PROPERTY
SUBJECT CITY PROPERTIES
METRIC
Date: 2006-MAY-26
District: RIEL
File: 6731 / 3
Scale: 1:750
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CITY OF WINNIPEG
PLANNING, PROPERTY AND DEVELOPMENT DEPT.
LAND INFORMATION & MAPPING SERVICES
MISC. PLAN NO. 12893 / 1

Kraut (II)
File: 6731/2

**OFFER TO PURCHASE**

Subject to Council enactment of the necessary by-law to effect the legal closing of a portion of Shore Street, shown as Proposed Closing on the attached Misc. Plan 12551/5, the Undersigned (hereinafter called "the Purchaser") hereby offers to purchase from The City of Winnipeg (the "City"), the following lands: -

All the Area shown Highlighted on the attached Misc. Plan No. 12551/5 (excepting that Portion identified as "Proposed Public Walkway")

(hereinafter called the "Lands")

for the sum of $115,000.00 cash, and upon the following terms and conditions:

1. (1) The purchase price is payable as follows:

(a) By payment of a certified cheque payable to "The City of Winnipeg" in the amount of $17,250.00, and represents an amount equal to fifteen (15%) percent 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 its delegated authority, hereinafter 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, possession and adjustments;

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

(c) By the transfer at no cost to the City, of the real property which property is shown as "Applicants Property Required for Turnaround" and "Applicants Property required for widening of Bison Drive" on Misc. Plan No. 12551/5 attached hereto, and which is free and clear of encumbrances and restrictions, on the date of closing, possession and adjustments as set out in Clause 2(1) herein.

2. (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 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 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 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 their 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. 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) Council of The City of Winnipeg has passed By-law 125-2003 being the Fairfield Park Local Improvement District By-law. The undertaking of the Fairfield Park Local Improvement District is to install a full range of services within the District including a land drainage retention pond, land drainage sewers, wastewater sewers, watermains, concrete pavement, certain boulevards, sidewalks, walkways and underground hydro and telephone, as are more particularly described in By-law 125-2003, as amended.

(2) The municipal services were substantially installed in 2006 through the Fairfield Park Local Improvement District Project.

(3) Attached to this offer as Schedule "A" are two (2) tables outlining the estimated local improvement taxes for the Fairfield Park Local Improvement District Services and estimated schedule for the imposition of these taxes.

(4) The Purchaser acknowledges that in purchasing the Lands that the Purchaser is responsible for the Purchaser's share of payment of the final local improvements as generally laid out in Table 1 of Schedule "A".

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 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 sixty (60) days from the Date of Approval, but in any event, prior to closing;

(2) maintain the Lands in safe condition at all times during the conduct of any work done in pursuance of this Clause 10;

(3) restore the Lands to the same condition as prior to its entering in or upon same in pursuance of this Clause 10;

(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.

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 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:

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 10.

AND FURTHER if the City has not been advised of any non-compliance of the Lands to Provincial Environmental standards within sixty (60) days from the Date of Approval, but in any event, prior to closing, 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.

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 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 prior written consent of the utility or The City of Winnipeg requiring such easement.

(2) Without limiting the generality of the foregoing, the sale of the Lands shall be subject to the following, namely:

i) a 6 metre easement in favour of the City of Winnipeg for the maintenance of a watermain located on the eastern portion of the existing Shore Street;

ii) a 2.4 metre easement in favour of the City of Winnipeg for the maintenance of a land drainage sewer located on the southern boundary of Parcels X and W, Plan 44692;

iii) a 3.1 metre easement in favour of MTS Allstream Inc. for the construction and maintenance of an existing and or future facility located along the front of the existing Shore Street;

iv) a 3.0 metre easement in favour of MTS Allstream Inc. for the construction and maintenance of an existing and or future facility located on Parcel X, Plan 44692;

v) a 6 metre easement over the easterly portion of the existing Shore Street in favour of Centra Gas Manitoba Inc. ;

vi) an easement in favour of Manitoba Hydro, MTS Allstream Inc. and Shaw Cable.

Approximate locations of known easements are shown on the attached Misc. Plan 12551/5.

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

(4) 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.

(5) 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.

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

12. 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 apply and then adhere to all conditions as laid out in the proposed plan of subdivision and rezoning (DASZ 29/2006). In the event that the Purchaser fails to comply with all such conditions, then this Offer To Purchase shall terminate and be of no force and effect. The Purchaser shall prepare or cause to be prepared, at the Purchaser's sole cost and expense, all necessary plans that may be required by the Winnipeg Land Titles Office to facilitate the transfer of the subject lands, including the plan of subdivision and rezoning, and all plans of easement required to grant any utility rights.

(2) This agreement shall run with the Lands and the Purchaser's adjoining property 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.

(4) The Purchaser shall remove at its sole cost, effort and expense, the existing Shore Street connection to Bison Drive, grade the Bison Drive ditch in the vicinity of the removal of the street connection and close the existing median opening on Bison Drive at Shore Street. These works are to include restoration of the curb and median landscaping and all works are to be as determined by and to the satisfaction of the City's Director of Public Works Department. These requirements will be incorporated into a Servicing Agreement pursuant to the application to subdivide and rezone.

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

13. No current legal survey was made of the property to determine if there are any encroachments from adjoining lands.

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 its proposed use and development of the Lands may require applications for re-zoning, 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.

16. 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.

Offer to Purchase Page 5

17. This Offer shall replace and substitute for any Offer previously made by the Purchaser with respect to the Lands or any portion thereof whether accepted by the City or not and the Purchaser hereby agrees to release and discharge any rights it may have or may have had with respect to any Offer previously made by the Purchaser with respect to the Lands or any portion thereof and agrees to execute any further documentation which the City may request with respect thereto.

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

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

20. 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.

21. 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 agreement.

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

Myles Kraut — 30 Ramsgate bay wpg MB R3P0V4
Name (Please Print) Address

Purchaser's Registration No. (G.S.T.) _____

IN WITNESS WHEREOF the Purchaser has signed this document in

Winnipeg, Manitoba, this 21 day of Aug 2007

Jodi Pruden — _____
Witness Purchaser

_____ — _____
Witness Purchaser

**THE CITY OF WINNIPEG**

**Per:** _____
**DIRECTOR of Planning, Property and Development**

Approved as to details: Approved as to form:

_____ _____

Planning, Property and Development for City Solicitor/Manager of Legal Services

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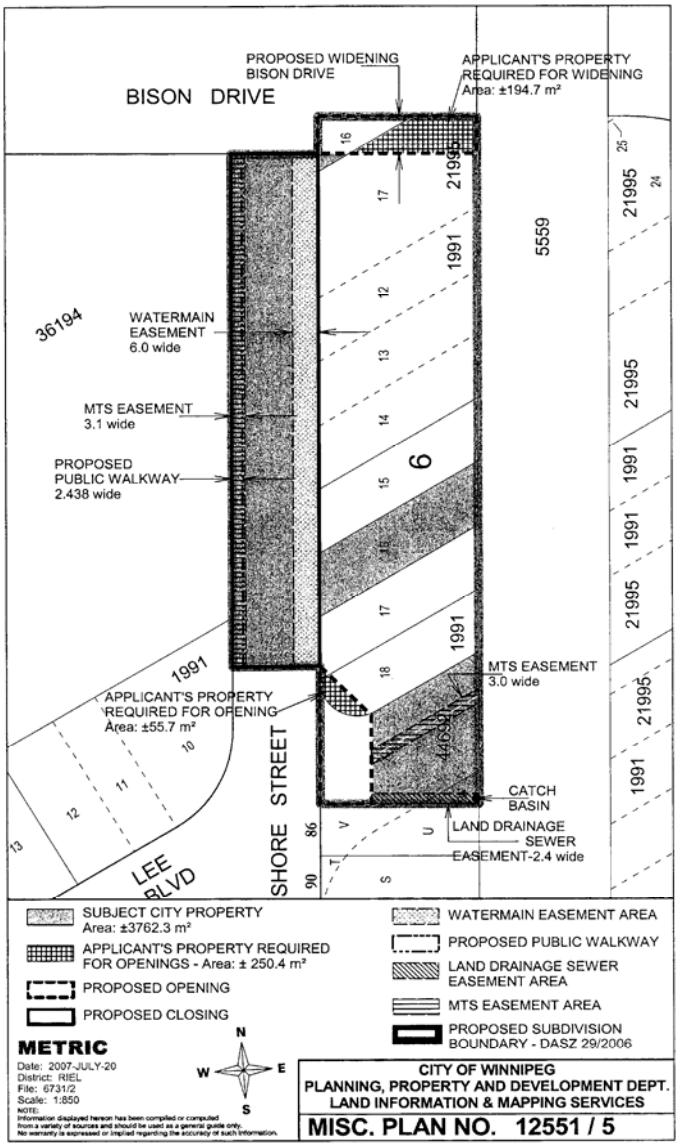

**TABLE 1**

| ESTIMATED LEVY RATES* | | |
|---|---|---|
| Levy | Total Levy Amount if paid in Lump Sum | Annual Levy Rate** |
| Pond | $0.50/sq. ft. | $0.05/sq. ft. |
| Stage I | $124.93/fr.ft. | $11.86/fr. ft. |
| Stage II | $94.78/fr. ft. | $8.99/fr. ft. |
| Stage III | $127.09/ft. ft. | $12.06/fr. ft. |
| Stage IV | $91.91/ft. ft. | $8.72/fr. ft. |

* Final levy amounts will be adjusted based on actual costs

** Based on equal distribution over 25 years

**TABLE 2**

| SCHEDULE FOR ASSESSMENT OF LEVIES | | | |
|---|---|---|---|
| | | Initiation of Levies for Properties In | |
| Year | Construction | Stage I | Stages II, III and IV |
| 2004 & 2005 | Pond & Stage I Services | - | - |
| 2005 & 2006 | Stages II, III & IV Services | Levies for Pond, Stage I Services (2006) | - |
| 2007 | | Plus Levies for Stages II, III & IV Services | Levies for Pond, Stages I, II, III & IV Services |

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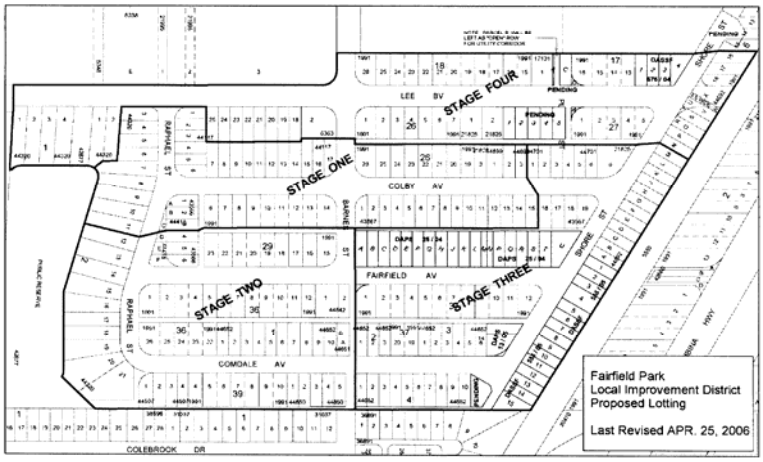

Offer to Purchase Page 9

**Exhibit "A"**

**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)