**Report - Standing Policy Committee on Property and Development - July 3, 2003**

**Item No. 15 Purchase of 145 Burrows Avenue and 148 Alfred Avenue - North Winnipeg Parkway**
**File FI-2(34)**

STANDING COMMITTEE RECOMMENDATION:

On July 16, 2003, 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 145 Burrows Avenue, identified on Misc. Plan No. 11173, be purchased at a price of $36,000.00 and in accordance with the terms and conditions contained within the attached Option to Purchase upon successful rezoning of the property to parkland.

2. That 148 Alfred Avenue, identified on Misc. Plan No. 11173, be purchased at a price of $41,000.00 and in accordance with the terms and conditions contained within the attached Option to Purchase upon the successful rezoning of the property to parkland.

3. That the Director of Planning, Property and Development be instructed to apply for a rezoning of 148 Alfred Avenue and 145 Burrows Avenue to parkland.

4. That upon issuance of titles to the City, the Director of Planning, Property and Development be authorized to clear both sites by removal or demolition of the structures.

5. That the Proper Officers of the City be authorized to do all things necessary to implement the intent of the foregoing.

**Agenda - Council - July 23, 2003**

**Report - Standing Policy Committee on Property and Development - July 3, 2003**

DECISION MAKING HISTORY:

EXECUTIVE POLICY COMMITTEE RECOMMENDATION:

On July 16, 2003, 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 July 3, 2003, the Standing Policy Committee on Property and Development concurred in the administrative recommendation and submitted the matter to Executive Policy Committee and Council.

**Re:** **Proposed Purchase of 145 Burrows Avenue & 148 Alfred Avenue**
**North Winnipeg Parkway**
**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:** June 23, 2003

**Recommendation(s):**

1. That 145 Burrows Avenue, identified on the attached Misc. Plan No. 11173, be purchased at a price of $36,000.00 and in accordance with the terms and conditions contained within the attached Option to Purchase upon successful rezoning of the property to parkland;

2. That 148 Alfred Avenue, identified on the attached Misc. Plan No. 11173, be purchased at a price of $41,000.00 and in accordance with the terms and conditions contained within the attached Option to Purchase upon the successful rezoning of the property to parkland;

3. That the Director of the Planning, Property and Development Department be instructed to apply for a rezoning of 148 Alfred Avenue and 145 Burrows Avenue to parkland.

4. That upon issuance of titles to the City, the Director of the Planning, Property and Development Department be authorized to clear both sites by removal or demolition of the structures; and

5. 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 subject properties are required to link the North Winnipeg Parkway between the Aberdeen Playground and the former Pritchard Boat Yards.
- The Planning, Property and Development has: negotiated the proposed purchase of these properties; entered into an Option to Purchase in both instances, and; is recommending the price and associated terms of sale for the approval of Council subject to the successful rezoning of both properties.

**Implications of the Recommendation(s):**

**General implications:**

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

**Comment(s):**

- 

**Policy implications:**

| | |
|---|---|
| X | **No** |
| | **Yes** |

**Comment(s):**

- 

**Environmental implications:**

| | |
|---|---|
| X | **No** |
| | **Yes** |

**Comment(s):**

- The proposed terms of sale enable the City to conduct environmental site assessments of these properties. Given their residential use, the Department does not intend on conducting these studies.

**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):**

- Adequate funding for these acquisitions and site clearing is budgeted in Account No. 001-182000-630801-63000060wl.

**REASON FOR THE REPORT:**

Negotiations for the acquisition of 145 Burrows and 148 Alfred Avenues are now complete and Council approval is required.

**HISTORY:**

The North Winnipeg Parkway was approved by Council at its meeting of September 22, 1993 as the number one priority out of six parkways for development along the Red and Assiniboine Rivers. In each of the years 1996, 1997 and 1998, the former Parks and Recreation Department constructed sections of the Parkway.

On April 24, 1994, the Director of the former Parks and Recreation Department requested the Director of the former Land and Development Services Department to negotiate the acquisition of river walk easements approximately 5 meters wide over the following riverbank properties:

- 3 Sutherland Avenue
- 103 Selkirk Avenue
- 123 Burrows Avenue
- 126 Alfred Avenue

The Real Estate Division has been negotiating with these owners since that time, but has been unable to secure the required easements due to the extreme demands of these owners.

At its meeting held on July 8, 1999, the Standing Policy Committee on Property and Development instructed the Director of the Planning, Property and Development Department to continue to negotiate with the four remaining property owners, and that the Department enhance its efforts to acquire the river walk easements at fair market value.

The Real Estate Division once again attempted to negotiate with the owners, however no settlements could be reached.

In 2000, the Planning and Land Use Division advised that the property at 3 Sutherland Avenue was no longer required as the North Winnipeg Parkway route was adjusted to utilize Annabella Street.

Since it was apparent that the owners of the riverbank lands were not prepared to settle on reasonable terms, other alternatives for the parkway were investigated by the administration.

At its meeting held on July 5, 2001, the Standing Policy Committee on Property and Development considered a report from the Director of the Planning, Property and Development Department and instructed the Director to:

1. Negotiate the acquisition of a) either 103 Selkirk Avenue or one property within the area identified as “Acquisition Area A”; b) two adjacent properties within the area identified

as “Acquisition Area B”; and c) two adjacent properties within the area identified as “Acquisition Area C”, all as shown on the attached Misc. Plan No. 11173.

2. Negotiate options to purchase, at his discretion, on the above properties.

The Real Estate Division commenced negotiations with the owners of 142 & 140 Alfred Avenue and 133 & 137 Burrows Avenue. All of these owners, with the exception of 140 Alfred Avenue, were not prepared to sell their homes under any reasonable terms and conditions. Since properties are required back to back in order to link the parkway, it was determined that this was not a viable solution.

The Real Estate Division then proceeded to negotiate with the owners of 145 Burrows Avenue and 148 Alfred Avenue. These owners were considerably more reasonable and Options to Purchase were entered into (attached to this report as Appendices A & B).

Particulars of the subject properties are as follows:

| | | |
|---|---|---|
| 1. | Location: | 145 Burrows Avenue |
| | Legal Description: | Lot 37, Plan 31521 |
| | Certificate of Title: | 1374205 |
| | Registered Owners: | William and Karen McDonald |
| | Realty Roll No.: | 14-030095100 |
| | Assessment: | $19,450.00 (1999) |
| | Zoning: | R-2 (Residential) |
| | Site Size: | 278.98 m2 |
| | Description: | A two-storey, 1267 sq. ft., single family dwelling with a full basement and which has been well maintained, thus is in fair to good condition for its age. |
| 2. | Location: | 148 Alfred Avenue |
| | Legal Description: | Lot 63 & 64, Plan 31521 |
| | Certificate of Title: | 1602630 |
| | Registered Owners: | Gordon Lannan |
| | Realty Roll No.: | 14-030100700 |
| | Assessment: | $25,850.00 (1999) |
| | Zoning: | R-2 (Residential) |
| | Site Size: | 211.35 m2 |
| | Description: | A two-storey, 1063 sq. ft., single family dwelling with a full basement and which has been fairly well maintained, thus in fair to good condition for its age. |

**DISCUSSION:**

The difficulty in acquiring access to the properties at 103 Selkirk Avenue, 123 Burrows Avenue and 126 Alfred Avenue has forced the parkway users to detour out to Main Street in order to rejoin the pathway located at the riverbank park on the north side of Alfred Avenue, a distance of one kilometer.

Given the length of time the city has been attempting to acquire access to the riverbank in this area, the current and historic attitudes of the respective owners regarding the proposed easements and the instability of the riverbank at 126 Alfred Avenue, the Administration believes that alternative solutions had to be considered. The City has attempted to acquire properties that would allow the parkway to be established in close proximity to the riverbanks in areas where direct riverbank access has proven unlikely or impossible.

The parkway can be linked between Aberdeen Playground and the former Pritchard Boat Yards by the acquisition of 145 Burrows Avenue and 148 Alfred Avenue. It would be best that two adjacent properties on each of these streets be acquired to allow the pathway to be screened from the adjacent residences. A width of at least 40 feet is best to produce a safe and aesthetically pleasing parkway connection. However, due to the fact that residents in the area expect significantly more for their homes than was expected, the available budget is insufficient to acquire two adjacent properties on each street. The narrowest property, 148 Alfred Avenue, is 25 feet wide (7.62). Parkways of this nature would normally require 16 feet (5m) wide easements. These acquisitions would, therefore, meet this requirement.

The property owners at 148 Alfred Avenue were originally asking $48,000.00. After lengthy negotiations, they have now agreed to sell the property to the City for $41,000.00 and in accordance with the terms and conditions contained within the attached Option to Purchase. The proposed purchase price includes an amount for market value, plus expenses the owners will incur to replace the home.

The property owner at 145 Burrows Avenue was originally asking $45,000.00. After a series of negotiations, the owner has now agreed to sell the property to the City for $36,000.00 and in accordance with the terms and conditions contained within the attached Option to Purchase. The proposed purchase price includes an amount for market value, plus expenses the owner will incur to relocate and replace the home.

The proposed purchase prices are slightly higher than the appraised values. Given the time spent on negotiations with several other owners closer to the river along Alfred and Burrows Avenues and the reluctance of other owners to sell their properties, it would be in the City's best interests to purchase these properties at the agreed upon prices. This would then enable the North Winnipeg Parkway to be connected from Aberdeen Playground to the former Pritchard Boat Yards. Settling these transactions at the agreed upon prices would save the City substantial funds as compared to an expropriation of alternative properties and would save the extra time required to implement and complete the expropriation and the financial risks inherent in an expropriation program.

The deadline on the Option to Purchase is December 1, 2003. The rezoning of both properties has to be completed prior to that date.

There is one remaining connection required for the North Winnipeg Parkway, that being in the vicinity of 103 Selkirk Avenue. Negotiations are currently underway with the owner of 107 Selkirk Avenue and, once completed, a report will be forwarded through the Standing Policy Committee on Property and Development to Council.

Funding for these acquisitions and clearing of the sites is available in Account No. 001-182000-630801-63000060wl. The total budget amount required in order to complete these transactions and demolish/remove the buildings is $110,000.00.

## Financial Impact Statement

**Date:** June 23, 2003.

**Project Name:**

Proposed Purchase of 145 Burrows Avenue & 148 Alfred Avenue for the North Winnipeg Parkway

**First Year of Program** 2003

| | 2003 | 2004 | 2005 | 2006 | 2007 |
|---|---|---|---|---|---|
| **Capital** | | | | | |
| Capital Expenditures Required | $ 110,000 | $ - | $ - | $ - | $ - |
| Less: Existing Budgeted Costs | - | - | - | - | - |
| Additional Capital Budget Required | $ 110,000 | $ - | $ - | $ - | $ - |
| **Funding Sources:** | | | | | |
| Debt - Internal | $ 110,000 | $ - | $ - | $ - | $ - |
| External | - | - | - | - | - |
| Grants (Identify) | - | - | - | - | - |
| Reserves, Equity, Surplus, Other | - | - | - | - | - |
| Total Funding | $ 110,000 | $ - | $ - | $ - | $ - |
| Total Additional Capital Budget Required | | | | | |
| Total Additional Debt Required | | | | | |
| **Current Expenditures/Revenues** | | | | | |
| Direct Costs | $ 3,575 | $ 10,450 | $ 10,450 | $ 10,450 | $ 10,450 |
| Less: Incremental Revenue/Recovery | 4,231 | - | - | - | - |
| Net Cost/(Benefit) | $ (656) | $ 10,450 | $ 10,450 | $ 10,450 | $ 10,450 |
| Less: Existing Budget Amounts | (656) | 10,450 | 10,450 | 10,450 | 10,450 |
| Net Budget Adjustment Required | $ (0) | $ - | $ - | $ - | $ - |

**Additional Comments:**

The capital costs noted above include the acquisition and demolition costs related to the two properties as well as interest, admin and GST.

"Original signed by"
Gord Courage, Manager
Support Services Division

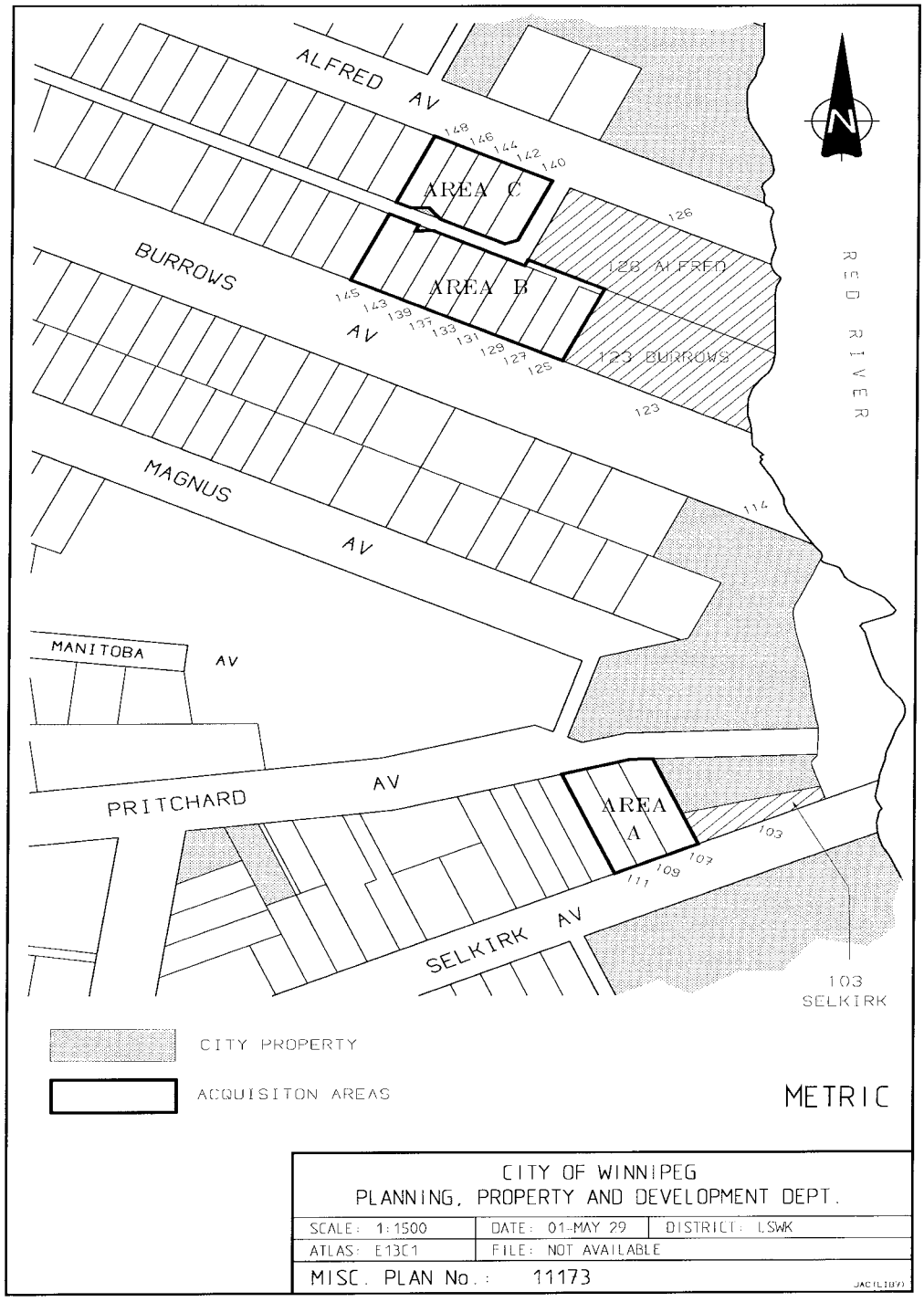
**IN PREPARING THIS REPORT, THERE WAS CONSULTATION WITH AND CONCURRENCE BY:**

No consultation with other departments was required in the preparation of this report.

**THIS REPORT SUBMITTED BY:**

Planning, Property and Development Department
Division: Real Estate Division
Prepared by: Karen Cann
PPD File #: 8398 & 8397

Document name: o:\reports directive\real estate\acquisition\(kc)145burrows.doc


ALFRED AV
148
146
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AREA C
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AREA B
128 ALFRED
BURROWS AV
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131
129
127
125
123 BURROWS
123
RED RIVER
114
MAGNUS AV
MANITOBA AV
PRITCHARD AV
AREA A
103
107
109
111
SELKIRK AV
103 SELKIRK
CITY PROPERTY
ACQUISITON AREAS
METRIC
CITY OF WINNIPEG
PLANNING, PROPERTY AND DEVELOPMENT DEPT.
SCALE: 1:1500
DATE: 01-MAY 29
DISTRICT: LSWK
ATLAS: E13C1
FILE: NOT AVAILABLE
MISC. PLAN No.: 11173

# Appendix A

THIS AGREEMENT made in duplicate this day of , 2003,

BETWEEN:

**Gordon Micheal Lannan**
of the City of Winnipeg, in Manitoba
(herein called "***the Vendor***"),

OF THE FIRST PART,

**-and-**

**THE CITY OF WINNIPEG**
(herein called "***the City***"),

OF THE SECOND PART.

WHEREAS the Vendor is the registered owner of lands and premises commonly known as 145 Burrows Avenue, in the City of Winnipeg, Manitoba, and legally described as:

SP Lots 63 and 64 Plan 31521 WLTO

RL 39 Parish of St John.

(herein called “the said land and premises”)

AND WHEREAS the City has applied to the Vendor for and the Vendor has agreed to grant to the City an irrevocable option to purchase the said land and premises upon certain terms and conditions;

NOW THEREFORE THIS AGREEMENT WITNESSETH that in consideration of the mutual covenants herein contained, the parties hereto agree, each with the other, as follows:

1. In consideration of the Vendor granting to the City an irrevocable option to purchase the said land and premises, (herein called "the Option") the City shall pay to the Vendor, the sum of $1,000.00 (herein called "the consideration sum") in lawful money of Canada.

2. The Option may be exercised by the City at any time on or before the 1st day of December, 2003, by providing written notice to the Vendor and/or the Vendor's named legal counsel, of its intention to exercise its Option; AND upon the City so providing notice, this Option Agreement shall constitute a binding contract of purchase and sale.

3. In the event the City does not exercise its Option on or before December 1st, 2003:

   a) This Agreement shall be deemed fully ended and the obligation on the part of the City to purchase the said land and premises as herein set forth shall be null and void;

and

   b) The Vendor shall be entitled to retain the consideration sum paid by the City to the Vendor.

4. The parties hereto acknowledge and agree that in the event the City exercises its Option:

   a) The agreed all-inclusive purchase price for the said land and premises shall be THIRTY THOUSAND-SIX ($36,000.00) DOLLARS, (herein called the "purchase price");

   b) The consideration sum shall be applied against the purchase price;

   c) The purchase price is to include all fixtures on the premises including, but not limited to fitted carpets, electrical light fixtures, heating, plumbing and ventilating equipment and fire and smoke detection equipment (herein called "the fixtures"), all of which are represented by the Vendor to be free and clear of any and all encumbrances or liens

and in good working order as of the date of possession. Upon request by the City, the Vendor will supply an itemized list of chattels and will allow the City to conduct at its sole cost, a prepossession inspection of the fixtures and chattels to ensure they are in good working order;

d) The date for vacant possession, payment of purchase price and adjustment of taxes etc., shall be as mutually agreed upon between the parties hereto, but in any event, shall not be later than One Hundred and Twenty (120) Days following the date the City exercises its Option hereunder, (herein called "the Closing Date");

e) The said land and premises shall be conveyed to the City, on the Closing Date, free from any and all encumbrances, liens or interests whatsoever, save and except any public utilities thereon and a Caveat to be registered by the City in respect of this Option Agreement.

5. The Vendor hereby warrants and declares that:

a) The said land and premises does and shall on the Closing Date comply with all applicable building codes, zoning restrictions, by-laws and/or town planning schemes, fire and/or regulations;

b) The said land and premises is and shall be on the Closing date, free from any and all work orders of any nature whatsoever;

AND does hereby undertake to provide to the City on the Closing Date, such evidence in support of this warranty, as shall be reasonable required by the City Solicitor.

AND does hereby agree that if prior to the Closing Date, the City determines that the property does not comply and/or is subject to work orders as herein contemplated, the City may, at its sole discretion, elect to cancel the transaction herein contemplated.

6. The Vendor hereby further warrants and declares the said land and premises does and shall on the Closing Date, comply with all applicable environmental laws; the City shall be entitled at any time prior to the Closing Date, to enter in, on or upon the said land for the purposes of conducting or having conducted on its behalf and at its sole cost and expense, an environmental impact study and/or soil testing of the said land, and if it is determined as a result thereof that there are environmental concerns, the City may, at its sole discretion, elect to cancel the transaction herein contemplated, in which case the Vendor shall be entitled to retain the consideration sum paid by the City to the Vendor but shall not be entitled to any other portion of the purchase price or any other sum whatsoever.

7. The Vendor agrees:

a) To execute a Real Owner Application (in the form hereto attached) as "Registered Owner" and provide same to the City Solicitor on or before the Closing Date;

b) To be solely responsible for their own legal and other costs incurred in connection with the transaction herein contemplated;

c) That any commission payable in respect of this Option Agreement and/or the transaction of purchase and sale herein contemplated, shall be the sole responsibility of the Vendor;

d) That the said land and premises, until delivered to the City, shall remain at the sole risk and responsibility of the Vendor AND in the event of substantial damage to the said land and premises prior to possession being delivered, the City may elect to accept the proceeds of any insurance on the said land and premises and to complete the purchase or alternatively, to cancel the purchase;

e) That the balance of the said purchase price shall be payable after all conveyances, documents and evidence required by the City Solicitor have been furnished by the Vendor;

f) Not to convey, dispose or encumber the said land and premises in any manner whatsoever except subject to this Option Agreement;

g) And warrants that the house has not been substantially renovated;

h) That the City shall be entitled to register a Caveat based upon this Option Agreement, in the Winnipeg Land Titles Office against the Vendor's title to the said land and premises.

8. The Vender hereby authorizes the City to apply, at any time after the signing of this Agreement by the Vendor and at the sole cost, effort and expense of the City, to have the said land and premises rezoned. It is further noted that in the event the City does not exercise its Option on or before December 1, 2003 any rezoning will be null and void.

9. The City will self-assess any tax payable in respect of this transaction. The City's G.S.T. Registration Number is R121682967.

IN WITNESS WHEREOF the parties hereto have executed this Option Agreement in the manner appropriate to each, the day and year first above written.

THE CITY OF WINNIPEG

Per: _____
Director of Planning, Property and Development

**SIGNED, SEALED** AND **DELIVERED** )
in the presence of: )
) _____
) Gordon Micheal Lannan
_____ )
Witness )
Name: _____ )
(*please print)* )
Address: _____ )
*(please print)*

Approved:

_____
Planning, Property and Development Department

Certified as to form:

_____
for CITY SOLICITOR

# REAL OWNER APPLICATION

TO THE CITY ASSESSOR

The City of Winnipeg Roll No. _____

1. I, _____, request that my name appears 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 property:

| PART OF LOT OR SECTION | LOT or SECTION | BLOCK or TOWNSHIP | PLAN or RANGE | INTEREST in PROPERTY |
|---|---|---|---|---|
| | | | | Fee Simple |

which land is shown illustrated and identified as ***"Subject City Property"*** on Misc. Plan No. _____ hereto attached

3. Mailing Address: _____, Winnipeg, Manitoba

4. Place of Residence as above

5. Name and Address of Current Registered Owner: THE CITY OF WINNIPEG,

510 Main Street, Winnipeg, Manitoba, R3B 1B9

6. Description of buildings on property: _____

7. Date Purchaser is Responsible for Realty Taxes: _____

8. Purchase Price: $ _____

*Applicant:* _____
(Print Name of Purchaser)

*Registered Owner:* THE CITY OF WINNIPEG

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

# Appendix B

THIS AGREEMENT made in duplicate this day of , 2003,

BETWEEN:

**William Rodney McDonald & Karen Marie McDonald**
of the City of Dauphin, in Manitoba
(herein called "***the Vendor***"),

OF THE FIRST PART,

**-and-**

**THE CITY OF WINNIPEG**
(herein called "***the City***"),

OF THE SECOND PART.

WHEREAS the Vendor is the registered owner of lands and premises commonly known as 148 Alfred Avenue, in the City of Winnipeg, Manitoba, and legally described as:

SP Lot 37 Plan 31521 WLTO
In RL 39 Parish of St John

(herein called "the said land and premises")

AND WHEREAS the City has applied to the Vendor for and the Vendor has agreed to grant to the City an irrevocable option to purchase the said land and premises upon certain terms and conditions;

NOW THEREFORE THIS AGREEMENT WITNESSETH that in consideration of the mutual covenants herein contained, the parties hereto agree, each with the other, as follows:

1. In consideration of the Vendor granting to the City an irrevocable option to purchase the said land and premises, (herein called "the Option") the City shall pay to the Vendor, the sum of $1,000.00 (herein called "the consideration sum") in lawful money of Canada.

2. The Option may be exercised by the City at any time on or before the 1st day of December, 2003, by providing written notice to the Vendor and/or the Vendor's named legal counsel, of its intention to exercise its Option; AND upon the City so providing notice, this Option Agreement shall constitute a binding contract of purchase and sale.

3. In the event the City does not exercise its Option on or before December 1st, 2003:

a) This Agreement shall be deemed fully ended and the obligation on the part of the City to purchase the said land and premises as herein set forth shall be null and void;

and

b) The Vendor shall be entitled to retain the consideration sum paid by the City to the Vendor.

4. The parties hereto acknowledge and agree that in the event the City exercises its Option:

a) The agreed all-inclusive purchase price for the said land and premises shall be FORTY-ONE THOUSAND ($41,000.00) DOLLARS, (herein called the "purchase price");

b) The consideration sum shall be applied against the purchase price;

c) The purchase price is to include all fixtures on the premises including, but not limited to fitted carpets, electrical light fixtures, heating, plumbing and ventilating equipment and fire and smoke detection equipment (herein called "the fixtures"), all of which are represented by the Vendor to be free and clear of any and all encumbrances or liens and in good working order as of the date of possession. Upon request by the City, the Vendor will supply an itemized list of chattels and will allow the City to conduct at its sole cost, a prepossession inspection of the fixtures and chattels to ensure they are in good working order;

d) The date for vacant possession, payment of purchase price and adjustment of taxes etc., shall be as mutually agreed upon between the parties hereto, but in any event, shall not be later than Ninety (90) Days following the date the City exercises its Option hereunder, (herein called "the Closing Date");

e) The said land and premises shall be conveyed to the City, on the Closing Date, free from any and all encumbrances, liens or interests whatsoever, save and except any public utilities thereon and a Caveat to be registered by the City in respect of this Option Agreement.

5. The Vendor hereby warrants and declares that:

a) The said land and premises does and shall on the Closing Date comply with all applicable building codes, zoning restrictions, by-laws and/or town planning schemes, fire and/or regulations;

b) The said land and premises is and shall be on the Closing date, free from any and all work orders of any nature whatsoever;

AND does hereby undertake to provide to the City on the Closing Date, such evidence in support of this warranty, as shall be reasonable required by the City Solicitor.

AND does hereby agree that if prior to the Closing Date, the City determines that the property does not comply and/or is subject to work orders as herein contemplated, the City may, at its sole discretion, elect to cancel the transaction herein contemplated.

6. The Vendor hereby further warrants and declares the said land and premises does and shall on the Closing Date, comply with all applicable environmental laws; the City shall be entitled at any time prior to the Closing Date, to enter in, on or upon the said land for the purposes of conducting or having conducted on its behalf and at its sole cost and

expense, an environmental impact study and/or soil testing of the said land, and if it is determined as a result thereof that there are environmental concerns, the City may, at its sole discretion, elect to cancel the transaction herein contemplated, in which case the Vendor shall be entitled to retain the consideration sum paid by the City to the Vendor but shall not be entitled to any other portion of the purchase price or any other sum whatsoever.

7. The Vendor agrees:

a) To execute a Real Owner Application (in the form hereto attached) as "Registered Owner" and provide same to the City Solicitor on or before the Closing Date;

b) To be solely responsible for their own legal and other costs incurred in connection with the transaction herein contemplated;

c) That any commission payable in respect of this Option Agreement and/or the transaction of purchase and sale herein contemplated, shall be the sole responsibility of the Vendor;

d) That the said land and premises, until delivered to the City, shall remain at the sole risk and responsibility of the Vendor AND in the event of substantial damage to the said land and premises prior to possession being delivered, the City may elect to accept the proceeds of any insurance on the said land and premises and to complete the purchase or alternatively, to cancel the purchase;

e) That the balance of the said purchase price shall be payable after all conveyances, documents and evidence required by the City Solicitor have been furnished by the Vendor;

f) Not to convey, dispose or encumber the said land and premises in any manner whatsoever except subject to this Option Agreement;

g) And warrants that the house has not been substantially renovated;

h) That the City shall be entitled to register a Caveat based upon this Option Agreement, in the Winnipeg Land Titles Office against the Vendor's title to the said land and premises.

8. The Vender hereby authorizes the City to apply, at any time after the signing of this Agreement by the Vendor and at the sole cost, effort and expense of the City, to have the said land and premises rezoned. It is further noted that in the event the City does not exercise its Option on or before December 1, 2003 any rezoning will be null and void.

9. The City will self-assess any tax payable in respect of this transaction. The City's G.S.T. Registration Number is R121682967.

IN WITNESS WHEREOF the parties hereto have executed this Option Agreement in the manner appropriate to each, the day and year first above written.

THE CITY OF WINNIPEG

Per: _____
Director of Planning, Property and Development

**SIGNED, SEALED** AND **DELIVERED** )
in the presence of: )
) _____
) William Rodney McDonald
_____ )
Witness )
Name: _____ ) _____
(*please print)* ) Karen Marie McDonald
Address: _____ )
*(please print)*

Approved:

_____
Planning, Property and Development Department

Certified as to form:

_____
for CITY SOLICITOR

# REAL OWNER APPLICATION

TO THE CITY ASSESSOR

The City of Winnipeg Roll No. _____

1. I, _____, request that my name appears 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 property:

| PART OF LOT OR SECTION | LOT or SECTION | BLOCK or TOWNSHIP | PLAN or RANGE | INTEREST in PROPERTY |
|---|---|---|---|---|
| | | | | Fee Simple |

which land is shown illustrated and identified as ***"Subject City Property"*** on Misc. Plan No. _____ hereto attached

3. Mailing Address: _____, Winnipeg, Manitoba

4. Place of Residence as above

5. Name and Address of Current Registered Owner: THE CITY OF WINNIPEG,

510 Main Street, Winnipeg, Manitoba, R3B 1B9

6. Description of buildings on property: _____

9. Date Purchaser is Responsible for Realty Taxes: _____

10. Purchase Price: $ _____

*Applicant:* _____
(Print Name of Purchaser)

*Registered Owner:* THE CITY OF WINNIPEG

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