Proposed Sale of City-owned Property at 505 Pritchard Avenue to Winnipeg Habitat for Humanity - Proposed Delegation of Authority to the Chief Administrative Officer to approve sale of five additional sites to Winnipeg Habitat for Humanity
File FI-2.4(34) (Vol. 8) c/r GC-11 (Vol. 8)

1. The Standing Policy Committee on Property and Development has been advised that Winnipeg Habitat for Humanity approached the Planning, Property and Development Department with a request to acquire up to six (6) more vacant building sites in the Point Douglas Ward for the purposes of constructing single family residences on the single sites and, possibly, duplexes on the two double width sites on Magnus Avenue.

Pursuant to the City Policy on Sale/Lease of City lands to non-profit organizations, any properties sold or leased at less than market value are to be approved by the Standing Policy Committee on Property and Development. Acceptance of any Offers to Purchase require approval by Council in this instance to waive that part of the City Policy pertaining to the sale and lease of City-owned lands to non-profit organizations which requires all properties to revert back to the City at the conclusion of the economic life of the project.

As information, Winnipeg Habitat for Humanity acquired ten (10) building lots in this community in 2001 for the construction of single family residences in connection with the its Ed Schreyer Construction Project.

Winnipeg Habitat for Humanity (Habitat) proposes to construct two (2) dwellings at the now City-owned properties at 480 and 505 Pritchard Avenues. Four (4) other dwellings may be constructed on other sites that may become available.

The Lord Selkirk-West Kildonan Community advised on August 1, 2000 that it had no objections to the sale of 505 Pritchard Avenue. At least two of the other properties that may be considered for transfer to Habitat still need to be presented to the Community Committee for its consideration. However, the Community Committee has previously agreed to all of the proposed sales to Habitat.

The following six properties being considered by Winnipeg Habitat for Humanity, were acquired by the City through the tax sale process:

1) between 558 and 562 Pritchard Avenue, as outlined on Misc. Plan No. 11076
2) 576 Pritchard Avenue, as outlined on Misc. Plan No. 11335
3) 505 Pritchard Avenue, as outlined on Misc. Plan No. 10545/1
4) west of 588 Pritchard Avenue, as outlined on Misc. Plan No. 10693
5) between 547 and 555 Magnus Avenue, as outlined on Misc. Plan No. 10340
6) 278/284 Magnus Avenue, as outlined on Misc. Plan No. 10669

All of the properties are fully serviced and are suitable for residential development. Two (2) of the properties on Pritchard Avenue and two (2) properties on Magnus Avenue are immediately available. The remaining two properties are in various stages of the circularization process and may not be available within Winnipeg Habitat for Humanity's deadline, i.e. purchase and transfer by May 1, 2002.

Under the present City Policy regarding sales at $1.00 to non-profit groups, the property is to return to the City at the end of its economic life. As the eventual owner of the property will be a third party, this portion of the Policy cannot apply and that particular clause must be removed.

As well, the intent of these sales would be to facilitate new construction by Habitat. However, the Planning, Property and Development Department is suggesting that in the event that substantial construction is not completed on each property within two (2) years from the date of sale, then the certificate of title for that property upon which there is no construction will revert back to the City.

The terms of sale proposed for the conveyance of 505 Pritchard Avenue are outlined on Schedule "A". These terms would also be applied to the sale of the other four (4) properties with such modifications as would be necessary to fit each circumstance.

The Real Estate Division of the Planning, Property and Development Department is supportive of the proposed sale of the properties to Winnipeg Habitat for Humanity for the following reasons:

1. There has been limited market demand for in-fill residential building lots in the area identified;
2. Sale of any or all of the properties would increase the City's realty tax base;
3. Should these proposed sales not be approved there is, at this time, a high degree of probability that a purchaser other than the applicant will not be found.

The Standing Policy Committee on Property and Development recommends:

I. That Council in this instance waive that portion of City Policy pertaining to the sale or lease of City lands to non-profit organizations (Council authority October 31, 1990) which requires that properties sold at less than market value revert back to the City at the conclusion of the economic life of the project.

II. That the sale of 505 Pritchard Avenue to Winnipeg Habitat for Humanity at a price of $1.00 and subject to the terms and conditions as negotiated (and as noted on Schedule "A"), be approved, subject to an additional condition requiring substantial completion of the construction upon this property within two years from the date of sale, failing which, title to the property will revert back to the City.

III. That subject to availability, the Director of Planning, Property and Development be delegated the authority to accept offers from Winnipeg Habitat for Humanity to purchase up to five (5) additional vacant City sites on Pritchard Avenue and other neighbourhood streets, at a price of $1.00 each and in accordance with the City's standard terms and conditions substantially as contained in Schedule "A", with an additional condition requiring substantial completion of the construction upon each property within two years from the date of sale, failing which, title to the property will revert back to the City.

IV. That the Proper Officers of the City be authorized to do all things necessary to implement the intent of the foregoing, including the execution of any documents related thereto.

The Executive Policy Committee recommends that the recommendation of the Standing Policy Committee on Property and Development be concurred in with the following amendment to Recommendation III, namely:

Report of the Standing Policy Committee on Property and Development dated April 4, 2002

That the words "Director of Planning, Property and Development" be deleted and replaced with "Chief Administrative Officer".

Schedule "A" referred to in Clause 1 of the Report of the Standing Policy Committee on Property and Development dated April 4, 2002

OFFER TO PURCHASE

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

Part Lot 783, Plan 53

(hereinafter called the "lands")

for the sum of $1.00 cash, and upon the following terms and conditions:

1. (1) The date for adjustments shall be the date the sale is approved by the City's Standing Policy Committee on Property and Development and/or City Council (in the event that Council approval is required) and/or its delegated authority (Date of Approval).

(2) Date of closing shall be sixty-one (61) days following the date of adjustments.

(3) 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 adjustments shall be calculated from the date of adjustments to and including the last day of the current taxation year.

(4) 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 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.

2. (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 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 within ten (10) days from date of notice of the approval of the sale by the City.

(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.

3. 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 Memoranda and in connection therewith acknowledges and is aware that the City does not provide Declarations of Possession.

4. In submitting this offer, the Purchaser relies entirely upon personal inspection or knowledge of the land 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 would it entitle the Purchaser to the cancellation of the Offer to Purchase.

5. It is agreed that no representation, warranty, collateral agreement or condition affecting this offer or the property is expressed herein. The City does not warrant the quality, condition or sufficiency of the Sale Land for any use or purpose. The lands are deemed to be taken by the Purchaser at its own risk and with all faults and imperfections whatsoever and the Purchaser must satisfy himself that the lands are suitable for his intended use. The Purchaser agrees with the City that the application of the maxim "Caveat Emptor" ("Buyer Beware") shall apply to the offer in the strictest meaning.

6. All improvements in or on the said lands shall remain as part of the freehold.

7. (a) Sewer and water lot line connections exist to the property line, however the sewer connection must be replaced. The water connection may be reused but the pipe from the lot line to the dwelling must be replaced. All costs connected therein or installation of new services are at the cost of the Purchaser.

(b) 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.

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

9. The Purchaser agrees that in the event the Purchaser, at its sole cost, conducts or causes to be conducted an Environmental Site Assessment 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.

10. (1) The Purchaser agrees that the sale of the lands shall be subject to any easement, which may be required by a public utility, including, but not limited to the Manitoba Hydro, Manitoba Telephone System, Centra Gas Manitoba Inc. or The City of Winnipeg, for existing or future construction and/or maintenance of 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 public utility or the City of Winnipeg, requiring such easement.

11. 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.

12. The Vendor discloses 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.

13. No commission is payable by the City on the sale of the lands.

14. The sale of the lands to the Purchaser shall be subject to the provision of the By-laws of the City of Winnipeg and all amendments thereto.

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

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.

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

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

19 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.

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

_____

Name (Please Print) Address

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

IN WITNESS WHEREOF the Purchaser has signed this document in

_____, _____, this _____ day of _____200_

_____ _____

Witness Purchaser

_____ _____

Witness Purchaser

Location: North side Pritchard Avenue, east of Andrews Street

Size: 10.058m x 32.766m (33 ft. x 107.5 ft. = 3,547.5 sq.ft.)

Zoning: “R2-T” Two-family Transitional