Agenda - Council - May 18, 2005

Report - Standing Policy Committee on Property and Development - May 3, 2005

Item No. 21 Sale of Part Blocks 20 and Block 21, Plan 21549 - Fermor Avenue and Royal Mint Drive - Imperial Oil Limited
File FI-2.4(35)

STANDING COMMITTEE RECOMMENDATION:

On May 11, 2005, 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 Block 21, Plan 21549, shown as Parcel "B" on Misc. Plan No. 7960/25, be declared surplus to the City's requirements.

2. That the sale of Part Block 20 and Block 21, Plan 21549, shown as Parcels "A" and "B" on Misc. Plan No. 7960/25, be approved to Imperial Oil Limited at a purchase price of $213,500.00 in accordance with the terms and conditions of the Offer to Purchase dated December 9, 2004.

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 - May 3, 2005

DECISION MAKING HISTORY:

EXECUTIVE POLICY COMMITTEE RECOMMENDATION:

On May 11, 2005, 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 May 3, 2005, 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 of Part Block 20 and Block 21, Plan 21549 at Fermor Avenue and Royal Mint Drive - Imperial Oil Limited**
Riel Community
St. Boniface Ward

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

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

Report date: April 21, 2005

Recommendation(s):

1. That Council declare Block 21, Plan 21549 shown as Parcel "B" on Misc. Plan No. 7960/25 surplus to the City's requirements.
2. Subject to Recommendation No. 1., that approval be given for the sale of Part Block 20 and Block 21, Plan 21549 shown as Parcel "A" & "B" on Misc. Plan No. 7960/25 to Imperial Oil Limited at a purchase price of $213,500.00 in accordance with the terms and conditions of the attached Offer to Purchase dated December 9, 2004.
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-owned property identified as Parcels "A, B & C" on Misc. Plan No. 7960/25 was acquired in 1975 for part of the proposed widening of the Trans Canada Highway (Fermor Avenue) East of PTH #59 (Lagimodiere Boulevard).

- On April 30, 1997, Council adopted the April 11, 1997 recommendation of the former Committee on Finance and Administration and declared Block 20, Plan 21549 (Parcels "A" & "C" Misc. Plan No. 7960/25) surplus to the City's requirements.

- The Planning, Property and Development Department has determined that there is no civic need for Parcel "B" Misc. Plan No. 7960/25.

- The Planning, Property and Development Department recommends approval of the sale of Part Block 20 and Block 21, Plan 21549 shown as Parcels "A" & "B" on Misc. Plan No. 7960/25 to Imperial Oil Limited for the price of $213,500.00 in accordance with the terms and conditions of the attached Offer to Purchase dated December 9, 2004.

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

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):

-

REASON FOR THE REPORT:

Council approval is required to declare the land shown as Parcel "B" on Misc. Plan 7960/25 as surplus to the City's needs. Approval by the Standing Policy Committee on Property and Development is required for the sale of City-owned lands described herein.

HISTORY:

The City-owned property identified as Parcels "A, B & C" on Misc. Plan No. 7960/25 was acquired in 1975 for part of the proposed widening of the Trans Canada Highway (Fermor Avenue) East of PTH #59 (Lagimodiere Boulevard). In 1981 the Transportation Division of the Public Works Department indicated that the subject City properties were surplus to their requirements.

On April 30, 1997, Council adopted the April 11, 1997 recommendation of the former Committee on Finance and Administration and declared Block 20, Plan 21549 (Parcels "A" & "C") surplus to the City's requirements and instructed the Director of the former Land and Development Services Department to market the property for sale. The property was subsequently listed at a price of $235,000.00 on the basis of an internally prepared appraisal as at May 28, 1999.

On May 30, 2000, the Standing Policy Committee on Property and Development approved the sale of Block 20, Plan 21549 to 3745482 Manitoba Ltd for the purchase price of $251,235.00.

On December 1, 2000, the Planning, Property and Development Department received notice from the Purchaser that it was terminating the sale of the property. The Purchaser advised that it would be required to expend significant sums of money for the installation of traffic signals and storage lanes at Royal Mint Drive. These and other costs rendered the project unviable.

DISCUSSION:

Royal Mint Properties, the Developer of the residential subdivision to the South, was required to install a temporary road through Block 20, Plan 21549 (Parcel "C" on Misc. Plan No. 7960/25) as part of its Development Agreement requirements. The temporary road is to be removed once the services for Royal Mint Drive have been installed. The road was installed primarily as an access point for the residential subdivision, however, it is anticipated that there will be an increased traffic flow over the temporary road as a result of the sale and development of the subject City lands.

Imperial Oil Limited, who had previously submitted an offer on the subject City lands, has been negotiating with the Planning, Property and Development Department for quite some time to acquire Blocks 20 and 21, Plan 21549. The size of Block 20 has been reduced to accommodate the temporary road to Fermor Avenue (Parcel "C" on Misc. Plan No. 7960/25). Imperial Oil Limited has provided an Offer to Purchase dated December 9, 2004, and wishes to develop the site as a parking lot in conjunction with its business operation to the East.

Details of the City-owned property is a follows:

Part Block 20 Plan 21549 (Parcel "A" on Misc. Plan No. 7960/25)

Location:	Southwest corner of Fermor Avenue and Royal Mint Drive
Certificate of Title:	Part 1081183
Roll Number:	Part 06002291000
Assessed Value:	$202,000.00 (entire Block 20, Plan 21549)
Size:	12,469 m² (134,220 ft² or 3.081 acres)
Zoning:	A-5 Agriculture District (C3-2 Commercial District approved under DASZ 204/2001 not enacted)

Block 21, Plan 21549 (Parcel "B" on Misc. Plan No. 7960/25

Location:	Northeast corner of Dawson Road South and Royal Mint Drive
Certificate of Title:	1223854
Roll Number:	0600291200
Assessed Value:	$8,050.00
Size:	1,117.2 m² (12,018 ft²)
Zoning:	A-5 Agriculture District (C3-2 Commercial District approved under DASZ 204/2001 not enacted)

Imperial Oil Limited has been allowed to include the City lands in its application to have the development lands rezoned to C3-2 Highway Commercial under DAZ 204/2001.

Details of the Offer to Purchase are as follows:

- The City will be responsible for the future servicing costs for Royal Mint Drive as it pertains to Blocks 20 and 21, Plan 21549 (Parcels "A" & "B"). Imperial Oil Limited is to be responsible for the future servicing costs for Royal Mint Drive as it pertains to the Imperial Oil Limited Lands (Lot 1, Plan 9035).

- The title for Block 21, Plan 21549 (Parcel "B") is to be consolidated with the title to Lot 1, Plan 9035 owned by Imperial Oil Limited.

- The Purchaser shall be responsible for the Trunk Service Rate charges, the Seine River Waterway Acquisition charge and the over sizing of the land drainage system charges for the lands and shall pay all such charges at the prevailing rates at the time the lands are developed. The rate for 2004 would have been $52,622.00. This rate will change annually based on current rates.

- The Purchaser has 90 days from the date of approval of the sale to satisfy or waive the following due diligence conditions:

    1) Rezoning of the lands to satisfy the requirements of the Purchaser in accordance with DAZ 204/2001 at the Purchaser's initiative and expense;

    2) Arranging for suitable access, development, use and signage of and for the lands;

3) The Purchaser being satisfied, in its sole discretion, as to all servicing costs, trunk service rate charges, Seine River Waterway Acquisition charges and land drainage over sizing charges relating to the lands;

4) The Purchaser being satisfied, in its sole discretion and acting reasonably, with the results of its inspections of the lands, including without limitation, title, soil, environmental and other inspections; and

5) The Purchaser satisfying itself as to the location of any easements as identified in Clause 10 of the Offer to Purchase.

Remaining terms and conditions of the proposed transaction are in accord with the City's standard terms and conditions, which provide for, among other things, a 90 day due diligence period with the closing to be on or before 30 days after the satisfaction of the due diligence conditions.

The Planning and Land Use Division is supportive of the proposed use of the land for a parking lot in conjunction with the further development of the Imperial Oil site to the East.

The Riel Community Committee has supported the rezoning of the City's property to C3-2 Commercial District under DAZ 204/2001. The rezoning of the lands has been approved by the appropriate Standing Committees and Council and is awaiting By-law enactment.

The Planning, Property and Development Department recommends approval of the sale of Part Block 20 and Block 21, Plan 21549 shown as Parcels "A" & "B" on Misc. Plan No. 7960/25 to Imperial Oil Limited for the price of $213,500.00 in accordance with the terms and conditions of the attached Offer to Purchase dated December 9, 2004, for the following reasons:

1. The price offered is in accord with a current appraisal.
2. The City will be recovering the following cost:
   a) TSR charges,
   b) Seine Waterway charges,
   c) Land drainage oversizing charges.
3. The marketability of the property is limited by access constraints.
4. The property will be placed on the tax roll immediately and the realty taxes will increase as a result of the rezoning and development of the lands.

Royal Mint Properties Inc., the developer to the south of the subject property, was responsible for the future servicing costs of Royal Mint Drive. On April 25, 2001 Council adopted the April 3, 2001 recommendation of the Standing Policy Committee on Property and Development, which among other things amended Development Agreement AG 25/80 to delete the developer's obligations to install a full range of services in Royal Mint Drive between Dawson Road and Fermor Avenue. The temporary road (Parcel C on Misc. Plan No. 7960/25) was paid for by Royal Mint Properties Inc. The Public Works Department will be responsible for the future servicing costs of Royal Mint Drive as it applies to Parcels A and B on Misc. Plan No. 7960/25,

if and when Royal Mint Drive is serviced in the future as part of the overall transportation plan. Imperial Oil will be responsible for its share of the Royal Mint Drive future servicing costs as it applies to Lot 1, Plan 9035).

Financial Impact Statement

Date: April 21, 2005

Project Name:

Proposed Sale of Part Block 20 and Block 21, Plan 21549 at Fermor Avenue and Royal Mint Drive To Imperial Oil Limited

First Year of Program 2005

	2005	2006	2007	2008	2009
Capital					
Capital Expenditures Required	$ -	$ -	$ -	$ -	$ -
Less: Existing Budgeted Costs	-	-	-	-	-
Additional Capital Budget Required	$ -	$ -	$ -	$ -	$ -
Funding Sources:					
Debt - Internal	$ -	$ -	$ -	$ -	$ -
External	-	-	-	-	-
Grants (Identify)	-	-	-	-	-
Reserves, Equity, Surplus, Other	-	-	-	-	-
Total Funding	$ -	$ -	$ -	$ -	$ -
Total Additional Capital Budget Required	$ -				
Total Additional Debt Required	$ -				
Current Expenditures/Revenues					
Direct Costs	$ -	$ -	$ -	$ -	$ -
Less: Incremental Revenue/Recovery	213,500	-	-	-	-
Net Cost/(Benefit)	$ (213,500)	$ -	$ -	$ -	$ -
Less: Existing Budget Amounts	-	-	-	-	-
Net Budget Adjustment Required	$ (213,500)	$ -	$ -	$ -	$ -

Additional Comments:

Proceeds of disposition will be credited to the Land Operating Reserve.

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

4288

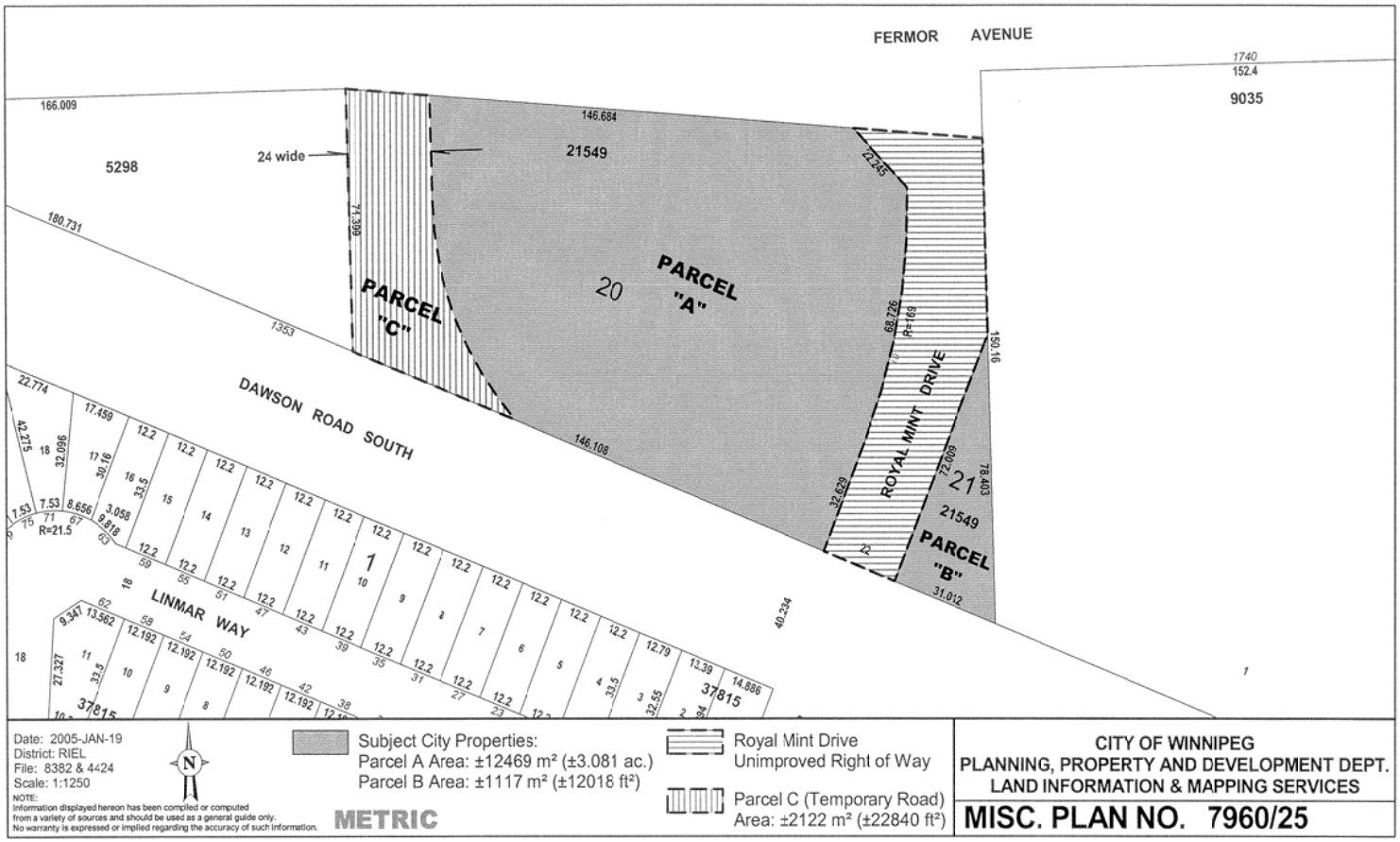
IN PREPARING THIS REPORT, THERE WAS CONSULTATION WITH AND CONCURRENCE BY:

The Public Works Department.

THIS REPORT SUBMITTED BY:

Planning, Property and Development Department
Division: Real Estate
Prepared by: Gerry Anderson
PPD File #: 4424 (II)

O:\REPORTS directive\real estate\sales\(ga)esso fermor-royal mint.doc


FERMOR AVENUE
1740
152.4
9035
166.009
5298
24 wide
146.684
21549
72.245
180.731
71.399
PARCEL "C"
20
PARCEL "A"
68.726
R=68
150.16
1353
DAWSON ROAD SOUTH
146.108
ROYAL MINT DRIVE
72.009
78.403
21
21549
PARCEL "B"
32.629
31.012
40.234
LINMAR WAY
1
37815
37815
R=21.5
Date: 2005-JAN-19
District: RIEL
File: 8382 & 4424
Scale: 1:1250
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.
METRIC
Subject City Properties:
Parcel A Area: ±12469 m² (±3.081 ac.)
Parcel B Area: ±1117 m² (±12018 ft²)
Royal Mint Drive
Unimproved Right of Way
Parcel C (Temporary Road)
Area: ±2122 m² (±22840 ft²)
CITY OF WINNIPEG
PLANNING, PROPERTY AND DEVELOPMENT DEPT.
LAND INFORMATION & MAPPING SERVICES
MISC. PLAN NO. 7960/25

File No: 4424

INDUSTRIAL/COMMERCIAL OFFER TO PURCHASE

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

> Parcels A and B as same is shown on Misc. Plan No. 7960/24, attached hereto as Schedule "A", being part of Block 20 and all of Block 21 Plan 21549 WLTO in Lots 189, 207 and 208 Roman Catholic Mission Property

(hereinafter called the "lands")

for the sum of $213,500.00 cash, and upon the following terms and conditions:

1. (1) Attached to this Offer is the Purchaser's certified cheque, cash, Bank Draft or solicitor's trust cheque payable to "The City of Winnipeg" in the amount of $ 27,500.00 and represents an amount equal to at least twelve (12%) 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 City Council (in the event that Council approval is required). The Purchaser agrees to pay the balance of the purchase price, interest and adjustments on or before the date of closing.

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

2. (1) The date for closing, possession and adjustments shall be on or before 120 days from the date of approval of Council or it's delegated authority or such other date as the Purchaser and the City shall mutually agree upon.

   (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 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.

   (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. The City advises that it has no knowledge of any party having or claiming a possessory interest in the lands.

5. The Purchaser will accept Title to the lands subject to all exceptions, reservations and encumbrances expressed or implied in the City's Title (provided however that the exceptions, reservations and encumbrances implied in the City's Title shall be limited to those set forth in Section 58 of *The Real Property Act* (Manitoba)).

6. 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.

7. 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.

8. 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 effective the date for closing, possession and adjustment.

9. The City shall, upon its receipt from the Purchaser of forty-eight (48) hours notice, permit the Purchaser, its employees or agents, to enter on the lands for the purposes of conducting an Environmental Site Assessment and/or soil testing, providing that the Purchaser provides the necessary indemnification to the City. 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 90 days from the date of approval of the sale.

(2) maintain the lands in safe condition at all times during the conduct of any work done in pursuance of this Clause 9; and

(3) restore the lands to substantially the same condition as prior to its entering in or upon same in pursuance of this Clause 9;

(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; provided that the indemnity shall not apply to any damages and claims arising out of the findings or results of any assessment and/or 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; provided however that Environmental Site Assessments and/or reports concerning soil testing will be subject to such qualifications and restrictions as to use and confidentiality as may be placed upon such assessments and/or reports by the authors thereof.

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 on or before 90 days from the approval of the sale, the City, at its sole option, shall be entitled to:

(a) take remedial action to bring the contamination levels to within the Provincial Environmental Standards; or

(b) 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 9.

AND FURTHER if the City has not been advised of any non-compliance of the lands to Provincial Environmental standards on or before 90 days from the date of approval of the sale, the Purchaser agrees, subject to the provisions of paragraph 11 of this offer 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.

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 or The City of Winnipeg, 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 public 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) The Purchaser acknowledges that the City may grant the easements after the date of approval of the sale but before the Transfer of Land issues, provided however that the City shall not grant any such easements without having first obtained the written consent of the Purchaser to such easements. The Purchaser may refuse to provide its consent if, in its reasonable business judgment such easement would adversely affect the Purchaser's intended development and/or use of the lands.

(4) The City shall provide to the Purchaser, at no cost to the Purchaser, within 30 days from the date of approval of the sale, copies of all unregistered easements of which the City is aware, affecting the lands and existing as at the date of approval of the sale, in order for the Purchaser to ascertain whether any such unregistered easements will or may impact on the Purchaser's intended development and/or use of the lands.

11. The Purchaser has ninety (90) days from the date of approval to satisfy or waive the following due diligence conditions:

(1) Rezoning the lands to satisfy the requirements of the Purchaser in accordance with DAZ 204/01 at the Purchaser's initiative and expense;

(2) Arranging for suitable access, development, use and signage of and for the lands;

(3) The Purchaser being satisfied, in it's sole discretion, as to all servicing costs, trunk service rate charges, Seine River Waterway Acquisition Charges and land drainage oversizing charges relating to the lands;

(4) The Purchaser being satisfied, in it's sole discretion and acting reasonably, with the results of it's inspections of the lands, including without limitation, title, soil, environmental and other inspections; and

(5) The Purchaser satisfying itself as to the location of any easements as identified in clause 10 above.

The Purchaser is to advise the City in writing on or before ninety (90) days from the date of approval as to the satisfaction or waiver of the due diligence conditions. If the City is advised that the due diligence conditions are not being satisfied or waived or in the case that the City has not been advised the sale becomes null and void and the deposit monies are to be returned to the Purchaser.

12. The City has advised the Purchaser and the Purchaser is aware that:

(1) Royal Mint Drive, as same is shown on Misc Plan 7960/24 attached hereto as Schedule "A" ("Royal Mint Drive"), is currently unimproved and will only be improved at such future time as the City deems it appropriate;

(2) during the time that Royal Mint Drive remains unimproved access to and from Parcel "A" as same is shown on Misc Plan 7960/24 attached hereto as Schedule "A" (Parcel "A") shall only be by way of:

(a) the temporary road that has been constructed from Dawson Road South to Fermor Avenue upon Parcel "C" as same is shown on Misc Plan 7960/24 attached hereto as Schedule "A" (Parcel "C"); and

(b) a right-of-way to be granted by the City to the Purchaser and/or any future owner from time to time of Parcel "A", Lot 1 Plan 9035 WLTO and Parcel "B" as same is shown on Misc Plan 7960/24 attached hereto as Schedule "A" (Parcel "B") (such Lot 1 Plan 9035 WLTO and Parcel "B" being hereinafter referred to as the "B1 Lands"), over and upon Royal Mint Drive or such part thereof as the Purchaser or such future owner may request, for the purposes of allowing the Purchaser or such future owner to access Parcel "A" from the B1 Lands and to access the B1 Lands from Parcel "A". The form and content of such right-of-way shall be subject to negotiation by both the City and the Purchaser or such future owner, both acting reasonably and in good faith, and shall, in any event, provide that such right-of-way shall cease at such time as Royal Mint Drive is improved and open to the public and the Purchaser or such future owner is granted access to and from Parcel "A" and to and from the B1 Lands over Royal Mint Drive (provided however that it shall be a condition of such access that such access must then conform with the City's Private Approaches By-law);

(3) there will be no access to Parcel A from Fermor Avenue;

(4) it is the City's intention to make improvements to Royal Mint Drive at some future time. When Royal Mint Drive is improved it will be open for public access to Fermor Avenue or to its future service road. At that time, the temporary road that has been constructed upon Parcel "C" will be closed and the Purchaser or any future owner of Parcel "A" will be granted access to Parcel "A" and the B1 Lands from Royal Mint Drive (provided however that it shall be a condition of such access that such access must then conform with the City's Private Approaches By-law); and

(5) an encroachment agreement with the City will be required should the Purchaser elect to install a berm on any portion of the public right-of-way, shown as "Encroachment Area 2" on Misc Plan 7960/24 attached hereto as Schedule "A".

13. It is understood and agreed that:

(1) the City is responsible for the payment of any and all local improvement costs for the servicing and development of Royal Mint Drive attributable to the lands. The Purchaser shall be responsible for the Trunk Service Rate charges, the Seine River Waterway Acquisition Charge and the oversizing of the land drainage system charges for the lands (using the 2004 rates this amount is $56,264.00 the rates and total dollars will change in subsequent years), and shall pay all such charges at the prevailing rates at the time the lands are developed;

(2) the Purchaser shall not be responsible in any way for any dedication fees resulting from the rezoning of the lands pursuant to DAZ204/01 and the City shall either waive any such dedication fees or pay such dedication fees directly to itself;

(3) Private approaches will not be approved to or from Fermor Avenue for Parcel A; and

(4) On or before the date of closing the City shall complete a legal subdivision of Block 20 Plan 21549 WLTO in Lots 189, 190, 207 and 208 Roman Catholic Mission Property, such that 2 lots shall be created, one being Parcel A and one being Parcel C and such that on the date of closing the City shall be able to transfer to the Purchaser the Lands as herein contemplated.

14. It is understood and agreed that certificates of title to Block 21 Plan 21549 WLTO shall be consolidated with the certificate of title to the purchaser's adjoining lands described as Lot 1 Plan 9035 WLTO.

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

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

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

18. 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.

19. The Purchaser acknowledges and agrees that sale of the lands by the City is subject to the approval of City Council or its delegated authority.

20. The full, true and correct:

(1) name of the Purchaser is: Imperial Oil, a Partnership of Imperial Oil Limited and McColl-Frontenac Petroleum Inc.

(2) address of the Purchaser is: 111 St. Clair Avenue West , Toronto, Ontario M5W 1K3

(3) the GST Registration No. of the Purchaser is: R 102456879

21. Title to the lands shall be registered in the name of Imperial Oil Limited.

22. Any notice required to be given to any party shall be sufficiently given if personally served on the party, or, if forwarded by ordinary mail, postage prepaid, addressed to:

In the case of The City: The City of Winnipeg, Planning, Property and Development Department, 2nd Floor - 65 Garry Street, Winnipeg, Manitoba, R3C 4K4, Attention: Director (File No. 4424)

or, to such other address as the City may from time to time advise by notice in writing;

In the case of the Purchaser: Imperial Oil, 111 St. Clair Avenue West, Toronto, Ontario, M5W 1K3, Attention: Real Estate Manager, Automotive

and to: Imperial Oil, Suite 602, 7620 Elbow Drive S.W., Calgary, Alberta, T2V 1K2, Attention: Real Estate Manager (Manitoba), Automotive

or to such other address as the Purchaser may from time to time advise by notice in writing;

Any such notice, if forwarded by mail, whenever mailed, shall be deemed to be served on the tenth (10th) business day next following the date it is so mailed.

DATED at North York, Ontario, this 9 day of December 2004.

IMPERIAL OIL
A PARTNERSHIP OF
IMPERIAL OIL LIMITED AND
MCCOLL-FRONTENAC PETROLEUM INC.

BY ITS MANAGING PARTNER

IMPERIAL OIL LIMITED

Witness Barbara Maillet
Contract Administrator

Per: Francine Gendron
Name:
Office: Francine Gendron
Contract Administrator

Witness Barbara Maillet
Contract Administrator

Per:
Name:
Office: Paul Hurtubise
Assistant Secretary

We have the authority to bind the Corporation

This Offer is hereby accepted.

Dated at Winnipeg, Manitoba this _____ day of _____ ,2004.

THE CITY OF WINNIPEG

Per: _____
Director of Planning, Property & Development

Certified as to content:

_____
Director of Planning, Property and Development

Certified as to engineering details:

_____
Director of Public Works

Certified as to detail

_____
Director of Water and Waste

Certified as to form:

_____
City Solicitor/Manager of Legal Services

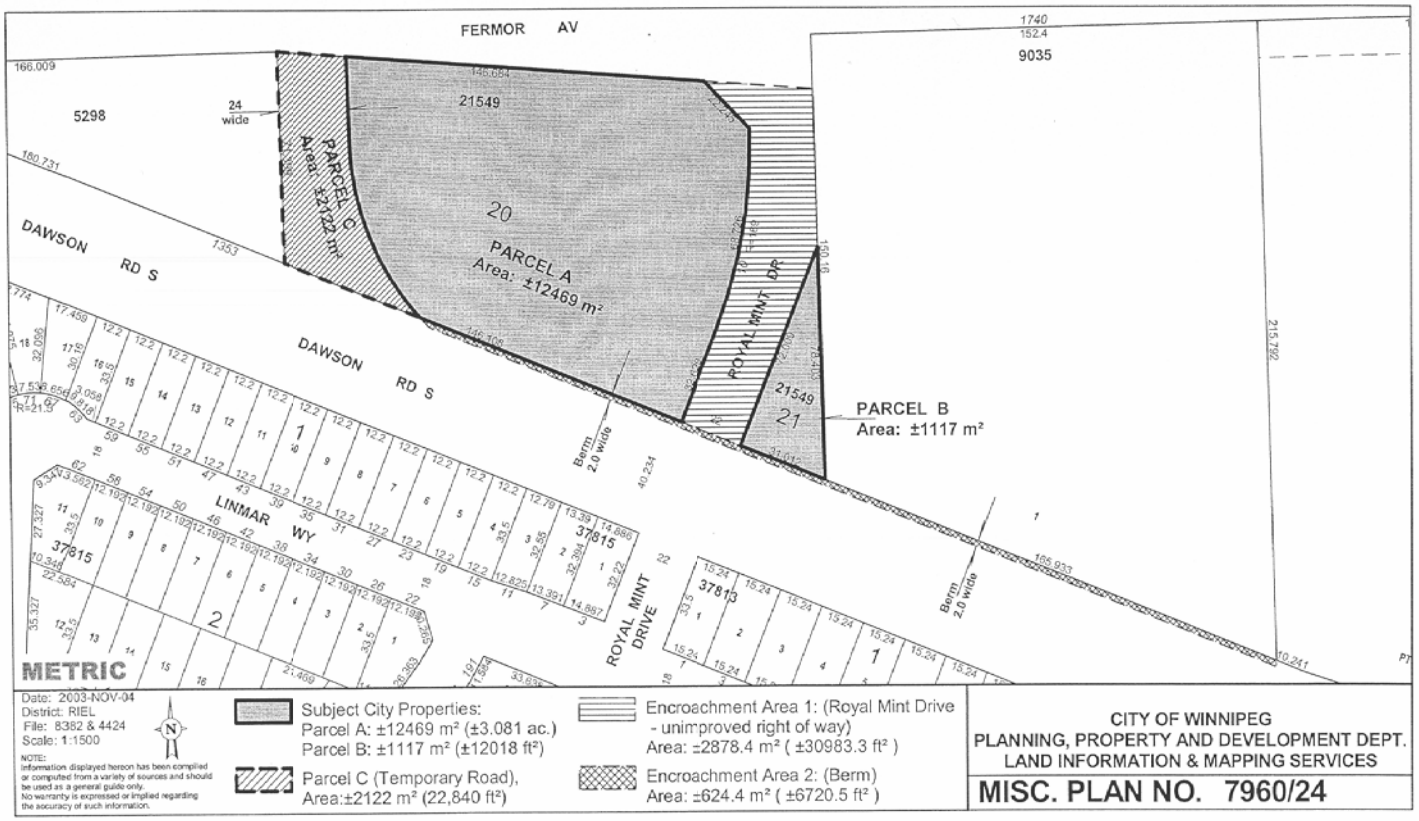

FERMOR AV
166.009
5298
24 wide
21549
PARCEL C
Area: ±2122 m²
20
PARCEL A
Area: ±12469 m²
DAWSON RD S
DAWSON RD S
ROYAL MINT DR
21549
21
PARCEL B
Area: ±1117 m²
Berm 2.0 wide
Berm 2.0 wide
LINMAR WY
37815
37815
37813
ROYAL MINT DRIVE
9035
1740
152.4
215.792
106.933
10.241
METRIC
Date: 2003-NOV-04
District: RIEL
File: 8382 & 4424
Scale: 1:1500
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.
Subject City Properties:
Parcel A: ±12469 m² (±3.081 ac.)
Parcel B: ±1117 m² (±12018 ft²)
Parcel C (Temporary Road),
Area:±2122 m² (22,840 ft²)
Encroachment Area 1: (Royal Mint Drive - unimproved right of way)
Area: ±2878.4 m² (±30983.3 ft²)
Encroachment Area 2: (Berm)
Area: ±624.4 m² (±6720.5 ft²)
CITY OF WINNIPEG
PLANNING, PROPERTY AND DEVELOPMENT DEPT.
LAND INFORMATION & MAPPING SERVICES
MISC. PLAN NO. 7960/24

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	Range	Interest in Property

DRAFT

3. Mailing Address_____
4. Place of Residence_____
5. Name and Address of Registered Ow

_____

(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)

October 15, 2004