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Ikea sues CN Rail over future store's site

By: Staff Writer

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CONSTRUCTION on Swedish furniture giant Ikea's new store hasn't started yet, but already a lawsuit has been launched over the site.

IKEA Properties Ltd., Tuxedo Yards Development Corp., and Seasons (Winnipeg) JV Corp., are all suing CN Rail for unspecified damages to the property where Ikea's new store is to be built, as well as the land on the north side of the Sterling Lyon Parkway.

In a statement of claim filed in Manitoba Court of Queen's Bench last week, the three companies allege that CN -- which previously leased the property for its former intermodal operation there -- has refused to remove fill and materials it dumped on the site over the course of decades.

The companies claim that unless the fill is removed and the property levelled, it could lead to the possibility of heaving and sinking on the site in the future.

They also claim that while CN has removed the tracks, it didn't take away the ballast used to construct the spur track, and it also left underground drainage pipes all over the property.

As well, the companies allege that when a building CN allegedly built on the site, known as the Clarke building, was being demolished, they found the walls contained hazardous levels of asbestos in the vermiculite insulation.

The companies claim they asked CN to remove the material, but finally did it on their own when CN didn't.

An official for CN Rail could not be reached for comment.

No statement of defence has been filed and the claims in the lawsuit have not been heard in court.