



Subject: 290 Catharine Street - Right to Reconveyance Agreement

To: Council

From: Office of the Chief Administrative Officer

Report Number: 2022-240

Meeting Date: November 8, 2022

Recommendation:

That the Chief Administrative Office - Economic Development and Tourism Services Division Report 2022-240 be received;

That Council approve the Notice of Options to Purchase registered against title instrument numbers SN659286 and SN659287 to be assumed by BRIKS Construction; and

That the Mayor and Acting City Clerk be authorized to sign any documents required for this transaction.

Purpose:

The purpose of this report is to provide an update regarding the development of 290 Catharine Street and to seek Council approval for the transfer of ownership to allow for the site planning process and development approvals to be finalized to facilitate building construction.

Background:

The Economic Development and Tourism Services Division (EDTS) has been engaged in a review of City-owned properties to identify potential surplus lands that could be made available to support development opportunities and expand the City tax base.

At the January 25, 2021, meeting (report 2021-30), Council authorized a by-law for an Agreement of Purchase and Sale (APS) to convey the surplus City property at 290 Catharine Street to Landscape Depot. As part of the APS, a Notice of Options to Purchase (Right to Reconveyance Agreement) was registered on title and it includes

provisions that prevent land banking and speculation, encourages the development of surplus City properties with a specified time frame, and outlines the process to exercise options to purchase/sell the property, subject to City approval.

Discussion:

Since acquiring ownership of the surplus City property at 290 Catharine Street, Landscape Depot has been moving their development proposal through the site plan process and working closely with the City's Planning and Engineering staff. Newcastle Communities have been assisting Landscape Depot with the development approvals process as outlined in Appendix A. The site plan process is essentially complete with the exception of the payment of securities and the registration of the site plan agreement. Until such time as securities are in place and the site plan agreement is registered on title, construction of the proposed building cannot begin.

Landscape Depot's solicitor has provided a letter (shown as Appendix B) to the City regarding their request to have the Notice of Options Purchase (Right to Reconveyance Agreement) assumed by another party through a transfer of ownership. Landscape Depot and Newcastle Communities have advised that the property will be transferred to BRIKS Construction for them continue to move the development proposal forward, pay the required securities to the City, and have the site plan agreement registered on title. BRIKS Construction has provided a letter to the City (shown as Appendix C) outlining their intentions to move the project forward to building permit stage for twenty-five (25) units.

To facilitate this ownership transfer, Council approval is required to allow the Notice of Options to Purchase registered against title instrument numbers SN659286 and SN659287 to be assumed by BRIKS Construction.

Economic Development and Tourism Services staff met with BRIKS Construction on Wednesday, November 2, 2022, to meet the new owners, learn more about their company and their other development projects, and to confirm their plans for 290 Catharine Street. Newcastle Communities also attended the meeting as they will be assisting BRIKS Construction with the development proposal for 290 Catharine Street.

Internal Consultations:

This development proposal and this request has been reviewed with Planning Staff, the Clerks Division, and the City Solicitor.

Financial Implications:

There are no financial implications associated with this recommendation. The City's legal costs will be reimbursed by BRIKS Construction.

Strategic Plan Alignment:

The initiative contained within this report supports the following pillars of the strategic plan:

- Attracting Business Investment and Tourists to Port Colborne
 - Value: Financial Management to Achieve Financial Sustainability
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Conclusion:

Landscape Depot is requesting that the City allow for 290 Catharine Street be transferred to BRIKS Construction for the development proposal to receive site plan approval to allow for the construction of apartment building. Staff and the City Solicitor support this request with the understanding that the Notice of Options to Purchase provisions be assumed by the new owner.

Appendices:

- A. Newcastle Communities letter
- B. Landscape Depot letter from their solicitor
- B. BRIKS Construction letter

Respectfully submitted,

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Report Approval:

All reports reviewed and approved by the Department Director and also the City Treasurer when relevant. Final review and approval by the Chief Administrative Officer.