



STAFF REPORT

Meeting Date: January 9, 2023

Title: 5 Skillen Crescent – Amended Development Agreement

Prepared By: Pam Skillen

Department: Building and Planning

Report Number: Building & Planning-2023-004

Recommendation:

THAT Council approves the Amended Development Agreement as proposed for the development of 5 Skillen Crescent.

Background:

On December 14, 2020, a Development Agreement was approved by Council for the multi-residential development, of 5 Skillen Crescent. Since then, we have been working with the developer through Covid and changes in company structure to further the development process. The original Development Agreement binds the Owner of the property, 2755737 Ontario Inc. to specific development processes and requirements to be met within set timelines. If these development processes, timelines or site plans change, the agreement is subject to re-negotiation or termination. The creation of an original Development Agreement was borne from a Community Improvement Application and approval process.

The current development agreement expired December 14, 2022. For municipal staff to proceed with this development, we are here to gain council approval on an amended development agreement. With this approval, staff will be able to execute the next steps which include planning applications including Site Plan Control. The developer has agreed to the terms of the amended development agreement set forth by the City and the proposed agreement is included with this staff report.

Discussion:

The Owner, 2755737 Ontario Inc., are proposing to develop the existing vacant property for the purposes of establishing a multi-residential development. A precursor to this proposal, the Owner has submitted and has Council approval of a CIP Application and grant agreement using the Municipal Land Disposition Program. The Land Disposition program is designed to encourage development within the community, while allowing the City of Dryden to consider the disposition of municipally owned lands below market value. As part of the CIP application and associated programs a development agreement is required. The developer did complete and have approved a development agreement, detailing their commitment to specific milestones of their project with respect to the re-development of the property, timelines for permit application and issuance, site plan control, and commencement of construction. Through proposal development the Owner has determined that a re-design of the site plan was in order due to inflationary costs, construction difficulties and logistics. These timelines as detailed in the amended development agreement include:

- i) The purchaser has completed the requirement to apply for an initial building permit within one (1) year of the signing of the original development agreement.
- ii) The purchaser is required to complete site plan control within eighteen (18) months of the application for building permit.
- iii) The purchaser is required to submit engineered plans and any documentation required to deem the building permit application complete within six (6) months of the approval of site plan control.
- iv) The purchaser agrees that within twelve (12) months after building permit issuance to have completed construction of a minimum of 20 apartment units.

The amended development agreement also includes restrictions and penalties, should the conditions relating to the sale and development of the lands within the agreed upon timeframe not be met. The restrictions and penalties as detailed in the development agreement state the City may:

- i) undertake or complete any obligation or rectify any default of the Purchaser hereunder;
- ii) enter upon the Lands through its servants or agents for any purpose whatsoever;
- iii) delay, cancel any or all CIP grants applicable;
- iii) recover from the Purchaser all costs and expenses incurred by the City whether directly or indirectly, with respect to the default or the remedy thereof, and collect such costs and expenses in like manner as municipal taxes. This can include expenses to audit the information as it relates to the default and/or require that

- the Purchaser repay all or any part of the CIP Grant already provided to the Purchaser, and;
- v) exercise the option to re-purchase said lands for the agreed upon reduced price, less any costs incurred by the City with respect to the initial disposition of the Land and the costs of re-purchasing the land (without limitation such costs include filing fees, legal costs, transfer taxes, etc.), in the event the Purchaser has not commenced construction as per the development plan (Schedule B).
 - vi) if construction has commenced, the City may require the Purchaser to pay the City of Dryden the balance of the full market value of the property (less the reduced price already paid), if the purchaser does not complete the minimum development (of 20 units as per Schedule B) within eighteen (18) months after building permit issuance.
 - vii) terminate this Agreement.

Financial Implications:

Current Budget Allocation:

Account #:

Attachments (Reference Material):

Amended Development Agreement – 5 Skillen Crescent
Proposed Site Plan layout