



City of
Peterborough

To: Members of the General Committee

From: Patricia Lester,
Commissioner of Corporate and Legislative Services

Meeting Date: July 9, 2018

Subject: Report CLSRE18-006
1850 Technology Drive

Purpose

This report advises Council of a notice by Mr. Drain, owner and operator of Drain Bros. Excavating Limited (“Drain”) triggering the City’s right to exercise an option to reacquire 1850 Technology Drive.

Recommendation

That Council approve the recommendation, outlined in Report CLSRE18-006 dated July 9, 2018 of the Commissioner of Corporate and Legislative Services, as follows:

That staff be directed to notify Darrell Osgoode Drain that The Corporation of the City of Peterborough waives its right to exercise an option to reacquire the property known municipally as 1850 Technology Drive pursuant to section 5.00 of Option Agreement registered January 15, 2018 as instrument no. PE284089 but without prejudice to the parties’ rights and obligations pursuant to the said Option Agreement and time remaining of the essence in respect of all such rights and obligations.

Budget and Financial Implications

There are no financial implications related to the recommendation to waive the City’s right to exercise its option.

Background

On September 25, 2017, Council approved the recommendation in Report OCSRE17-025 and directed that “a by-law be passed to authorize the sale of approximately 9.92 acres of industrial lands at 1850 Technology Drive and approximately 13.19 acres of industrial lands at 1900 Technology Drive, more particularly described as Part 1, 2 and 4 on [reference plan] 45R-16440, [...] to Drain Bros. Excavating Limited for \$500,000.”

Prior to completion of the transactions and in consultation with staff, Drain deposited a new reference plan at its expense moving the lot line between the two properties so that 1850 Technology Drive would be described as Part 1, Plan 45R-16538 comprising approximately 7 acres and 1900 Technology Drive would be described as Part 2, Plan 45R-16538 comprising approximately 16.11 acres. Appendix A is a copy of Reference Plan 45R-16538.

On January 15, 2018, the City transferred 1850 Technology Drive to Darrell Osgoode Drain for \$400,000 subject to an easement in favour of 1900 Technology Drive “to accommodate a safe access right-of-way in accordance with the requirements imposed by Otonabee Region Conservation Authority”. The City also transferred 1900 Technology Drive to Drain Bros. for \$100,000.

On completion of the transactions, Mr. Drain granted to the City an option to reacquire 1850 Technology Drive. On May 29, 2018, the City was notified that Mr. Drain had entered into an agreement of purchase and sale for the sale of 1850 Technology Drive. Staff can advise that 1850 Technology Drive is not required for municipal purposes.

It is recommended that Council waive the City’s right to reacquire 1850 Technology Drive in the form of motion in the “Recommendation” section of this report. It is proposed that the City otherwise preserve its rights under the Option Agreement. For example, Mr. Drain and his purchaser will continue to be bound to comply with the requirements of the Option Agreement respecting the commencement of the construction of an industrial building by July 15, 2019.

Submitted by,

Patricia Lester
Commissioner of Corporate and Legislative Services

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Attachments:

Appendix A: 45R-16538

Appendix A

