

To: **COUNCIL**

Meeting Date: **09/14/2021**

Subject: **Industrial Land Sale – 1.12 Acres in the Boxwood Business Campus**

Submitted By: **Trevor McWilliams, Manager Business Development**

Prepared By: **Laura Pearce, Senior Economic Development Officer**

Report No.: **21-194(CRE)**

File No.: **L07-01**

Recommendation(s)

THAT Report 21-194 (CRE), re: Industrial Land Sale – 1.12 Acres in the Boxwood Business Campus be received;

AND THAT Council authorizes the Mayor and Clerk to execute the Agreement of Purchase and Sale between the Corporation of the City of Cambridge and Pinnacle Millwork for 1.12 acres of property as shown on Appendix “A”, at a price of Seven Hundred Thousand Dollars (\$700,000).

Executive Summary

Purpose

- The purpose of this report is to request Council’s approval to permit the sale of 1.12 acres of industrial land to Pinnacle Millwork.

Key Findings

- Pinnacle Millwork has submitted an offer to purchase 1.12 acres of industrial land from the City of Cambridge. Pinnacle Millwork currently has operations at 400 Thompson Drive, Cambridge ON and they intend to build a new facility and consolidate their operations in the Boxwood Business Campus in Cambridge.

Financial Implications

- Net proceeds of the sale will be credited to the Economic Development Reserve Fund. In addition, Development Charges for soft services are funded by the City pursuant to the Agreement of Purchase and Sale.

Background

The Economic Development Director or designate is authorized by Council to act as an agent on behalf of the municipality. Agreements of Purchase and Sale are negotiated by staff, and final approval is the decision of Council. Staff is presenting to Council a signed Offer to Purchase from Pinnacle Millwork for 1.12 acres of land in the Boxwood Business Campus, which Offer has been reviewed by Staff and is being recommended for acceptance.

Analysis

Strategic Alignment

PROSPERITY: To support and encourage the growth of a highly competitive local economy where there is opportunity for everyone to contribute and succeed.

Goal #6 - Economic Development and Tourism

Objective 6.1 Support the creation and retention of high quality and diverse employment opportunities by becoming the destination of choice for business and entrepreneurship, including helping existing firms thrive and grow.

The Offer to Purchase 1.12 acres of property in the Boxwood Business Campus supports the City's objective to assist with the creation of high quality and diverse employment opportunities. By providing ready serviced industrial land, this allows Pinnacle Millwork to construct a purpose-built industrial building for their operations. This new industrial building will also add to the tax base by increasing the City's industrial assessment value. They intend to construct a 10,000 square foot building for the custom manufacturing of hardwood and fine sheet good products serving Ontario's custom home builders, kitchen cabinet makers, stair manufacturers, furniture makers, wine cellar consultants, and store fixture companies.

Comments

The subject site is shown on the attached Appendix "A"

The following are selected details of the Offer to Purchase:

Acreage: 1.12 acres

Legal Description: Part of Lot 28, being Part 17 on RP 58R-18484

Grading: The property will be sold on an "as is" basis.

Price: \$625,000 per acre for 1.12 acres, for a total of \$700,000.

Deposit: A deposit in the amount of \$35,000 has been received and is being held pending acceptance of the Offer by the City.

Servicing: One 150 mm water service, one 150 mm sanitary service, and one 300 mm storm sewer lateral connection has been installed to the lot line.

Building Coverage: Minimum coverage of 20% or 9,757 square feet is required.

Time for Construction: The City's standard is to allow one year to start and another year to complete construction of a building.

Date to Council: September 14, 2021

Irrevocable Date: September 17, 2021

Closing Date: December 6, 2021

Title: Pinnacle Millwork

Conditions: The Offer will be conditional until November 15, 2021, with the Purchaser being satisfied as to the following terms:

- the suitability of the Property for construction purposes
- that the Property will be suitable for its intended use and building design
- that the project is economically and financially feasible
- the results of investigations such as environmental, engineering, soil, geotechnical, as it deems necessary.

Commission: No commission is payable for this transaction.

Existing Policy/By-Law

ECO-30-060. – Sale of City-owned Industrial Land.

Financial Impact

Net proceeds from the land sale will be credited to the Economic Development Reserve Fund. Development Charges related to the “soft” services only will be paid for from this account. Payment of Development Charges is made pursuant to the Agreement of Purchase and Sale.

Public Input

There has been no public input on this process. Negotiation on the land sale has been carried out confidentially with the Purchaser and his agent.

Internal/External Consultation

The Offer of Purchase and Sale was reviewed by Economic Development staff and Legal Services. During the conditional period, the Purchaser will have the opportunity to evaluate their development proposal with the various reviewing agencies.

Conclusion

Staff is recommending acceptance of the Offer to Purchase from Pinnacle Millwork.

Signature

Division Approval



Reviewed by the CFO

Reviewed by Legal Services

Name: Trevor McWilliams

Title: Acting Director Economic Development

Departmental Approval



Name: Cheryl Zahnleiter

Title: Deputy City Manager Corporate Enterprise

City Manager Approval



Name: David Calder

Title: City Manager

Attachments

- Appendix A – Site location

Appendix A

Subject property: Lot 22 -
Part 17 on 58R-18484

