

To: David Creery, Chief Administrative Officer
From: Brad Hammond, Development Officer
Re: Proposed Extension of Time to Complete Construction for 2684820 Ontario Inc.

AIM

To seek City Council's approval to extend the time to complete construction for 2684820 Ontario Inc.

BACKGROUND

Armor Pro Audio Visual Inc. (2684820 Ontario Inc.) purchased 1.2 acres of land on Houser's Lane in the Bysham Business Park in the spring of 2019. The agreement of purchase and sale contained all the City's standard sales conditions including timing to construct, lot coverage, façade materials and rights of repurchase in favour of the City. The agreement required Armor Pro to build a minimum 10% coverage (approximately 485 m² / 5,227 sqft.) by March of 2021.

Armor Pro's business was impacted significantly as a result of COVID restrictions, and it took over 2 years for the business to recover and be on solid footing again. As a result, in July of 2022 City Council approved an 18-month extension to the company's required time to complete. This period expired in February of this year.

By 2023, the cost of development had inflated to the point that Armor Pro was no longer in a position to develop a building on their own. To move the development forward, Armour Pro entered a partnership with Bucholtz Holdings Inc. To allow this partnership to advance, City Council was asked to permit a change in ownership of the property that resulted in a change in the share structure for the company. Council agreed to this request in July of 2023.

Since last July, the two partners have incorporated a new company. In addition, Bucholtz and Armor Pro have been working toward the construction of a new 12,000 sqft. industrial space.

COMMENTS

The newly formed partnership between Armor Pro and Bucholtz Holdings has taken much longer than expected to complete. This has resulted in a delay in the construction of the proposed building. The new partnership is now in place and the company is ready to commence construction.

The owners have completed preliminary grading on the property and are about to receive Site Plan Approval as well as a Building Permit. They plan to start construction in the very near future and complete the building by the end of 2024. However, before commencing construction the company has requested an amendment to the agreement of purchase and sale to allow them an additional 6 months to complete the building.

Development staff are prepared to recommend that Council approve the requested extension. This particular property has experienced several unique challenges, many of which were beyond the owner's control. In recognition of these facts, staff believe an additional extension of the time to complete construction is reasonable.

RECOMMENDATION

That Woodstock City Council agree to extend the time to complete construction at 99 Housers Lane until December 31, 2024.

Authored by: Brad Hammond, Development Officer

Approved by: Len Magyar, Development Commissioner

Approved by: Amy Humphries, Deputy Chief Administrative Officer/City Clerk