

To: David Creery, Chief Administrative Officer

From: Brad Hammond, Development Officer

Re: Mutual Release for Gera Group Inc. Land Sale

AIM

To seek City Council's approval to rescind Bylaw 9676-24, a by-law to provide for the sale of certain lands owned by The Corporation of the City of Woodstock to Gera Group Inc.

BACKGROUND

On April 4, 2024 City Council agreed to sell approximately 8.3 acres of City-owned Industrial land on Alyea Street to the Gera Group Inc. (see Schedule 1). The proposed purchase price of \$3,100,000.⁰⁰ was based on \$500,000.⁰⁰ per acre for 5.3 developable acres, and \$150,000.⁰⁰ per acre for 3 undevelopable acres. Following closing the company had been provided 36 months to complete the construction of a 46,000 sq ft. (20% lot coverage) Industrial building.

The Gera Group waived its conditions related to the purchase in January of 2025, making the Agreement to Purchase and Sale binding. Following the waiver the company raised concerns with the terms of the agreement in relation to its business model. In response, the City offered a Mutual Release that would relieve both parties of its obligations under the Agreement of Purchase and Sale.

In order to release both parties from the agreement City Council must first rescind the bylaw that authorized the land sale and authorize the Mayor and Clerk to sign the Mutual Release document.

COMMENTS

Staff are recommending the City rescind Bylaw 9676-24 and sign a Mutual Release with the Gera Group Inc. Signing the Release will formally terminate the terms of the Agreement of Purchase and Sale and allow the City to refund the company's deposit of \$310,000.

Once the Mutual Release is signed the City will return the subject property to the market and search for a new purchaser for this Highway 401 fronting property.

RECOMMENDATION

That Woodstock City Council authorize the Mayor and Clerk to sign a Mutual Release and further that the necessary bylaw to rescind Bylaw 9676-24 be referred to bylaws.

Authored by: Brad Hammond, Development Officer

Approved by: Len Magyar, Development Commissioner

SCHEDULE 1

