

**APPENDIX "A"**  
**CONFIDENTIAL - Released in**  
**Public**

#18164  
 October 9, 2018  
 (Property Acquisition)

Chair and Members  
 Corporate Services Committee

**RE: Property Acquisition - Portion of 3544 Dingman Drive**  
**New Dingman Creek Pumping Station Facility**  
**(Subledger LD180063)**  
**Capital Project ES6066 - Dingman Pumping Station Header Reconfiguration**  
**Portion of 3544 Dingman Drive**

**FINANCE & CORPORATE SERVICES REPORT ON THE SOURCES OF FINANCING:**

Finance & Corporate Services confirms that the cost of this purchase can be accommodated within the financing available for it in the Capital Works Budget and that, subject to the adoption of the recommendations of the Managing Director, Corporate Services and City Treasurer, Chief Financial Officer, the detailed source of financing for this purchase is:

<b><u>ESTIMATED EXPENDITURES</u></b>	<b><u>Approved Budget</u></b>	<b><u>Revised Budget</u></b>	<b><u>Committed To Date</u></b>	<b><u>This Submission</u></b>	<b><u>Balance For Future Work</u></b>
Engineering	\$53,113	\$54,840	\$54,840		\$0
Land Acquisition		328,907		328,907	0
Construction	446,887	115,972			115,972
City Related Expenses		281	281		0
<b>NET ESTIMATED EXPENDITURES</b>	<b><u>\$500,000</u></b>	<b><u>\$500,000</u></b>	<b><u>\$55,121</u></b>	<b><u>\$328,907</u></b> 1)	<b><u>\$115,972</u></b>
<b>SOURCE OF FINANCING</b>					
Drawdown from Sewage Works Reserve Fund	\$500,000	\$500,000	\$55,121	\$328,907	\$115,972
<b>TOTAL FINANCING</b>	<b><u>\$500,000</u></b>	<b><u>\$500,000</u></b>	<b><u>\$55,121</u></b>	<b><u>\$328,907</u></b>	<b><u>\$115,972</u></b>

1) **Financial Note:**

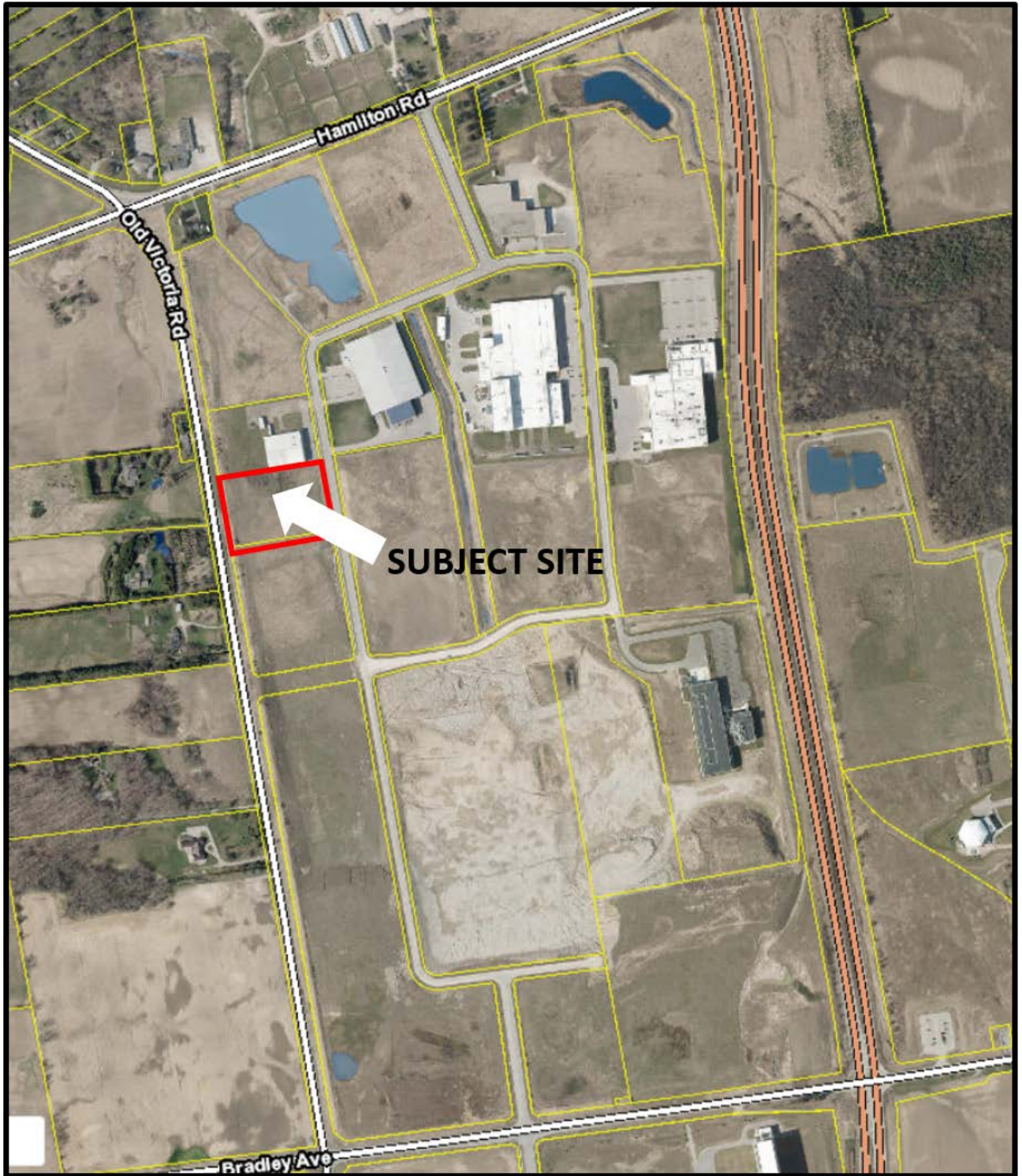
Purchase Cost	\$320,000
Add: Land Transfer Tax	3,275
Add: HST @13%	41,600
Less: HST Rebate	(35,968)
<b>Total Purchase Cost</b>	<b><u>\$328,907</u></b>

JG

  
 Jason Davies  
 Manager of Financial Planning & Policy

**SCHEDULE "A"**

**PART 1 & PART 2, PLAN 33R-18405  
AND BEING PART OF PART 4 & PART OF PART 8, PLAN 33R-18258  
INNOVATION PARK PHASE I**



**APPENDIX "B"**  
**OPTION TO PURCHASE AGREEMENT**

OPTION AGREEMENT  
CORPORATION OF THE CITY OF LONDON

PAGE 1

**OPTION TO PURCHASE AGREEMENT – DANCOR PHASE III OXFORD INC.**

This Option Agreement dated the 20<sup>TH</sup> day of September, 2018.

Between:

**THE CORPORATION OF THE CITY OF LONDON,**  
a municipal Corporation incorporated under the laws of Ontario,  
hereinafter called "the Optionor"  
- OF THE FIRST PART -

and

**DANCOR PHASE III OXFORD INC.**  
hereinafter called "the Optionee"  
- OF THE SECOND PART -

WHEREAS the Optionor is the registered owner of an estate in fee simple in the lands hereinafter referred to;

AND WHEREAS the Optionee wishes to acquire title in fee simple, free and clear of all liens, claims, charges or encumbrances to the lands of the Optionor described as the northerly 10.15 acres, more or less, located on the west side of Robin's Hill Road, and being composed of the southerly portion of Part 8, 9, 10 and 11 of Plan 33R-19050 in the City of London, County of Middlesex and shown outlined in red on the plan attached hereto as Schedule "A" hereinafter referred to as the Lands;

AND WHEREAS the Optionor has agreed to grant to the Optionee an Option to Purchase the Lands upon the terms and conditions hereinafter set forth;

NOW THEREFORE this agreement witnesseth that in consideration of these presents, and in consideration of the payment or payments made or to be made to the Optionor by the Optionee in accordance with the provisions of the agreement, the Optionor agrees to grant to the Optionee an Option to Purchase the Lands upon the terms and subject to the conditions hereinafter set forth in respect of which the Optionor and the Optionee respectively covenant and Agree as follows:

1. The Optionee shall have the right at any time prior to **October 31, 2019** (the "Expiry Date") to deliver a notice to the Optionor specifying a date for completion of the transaction of purchase and sale contemplated hereby. The date for completion ("Closing") specified in such notice from the Optionee to the Optionor shall be no less than 30 days and no more than 60 days after the date of such notice. If the Optionee does not give such a notice prior to the Expiry Date then this Agreement shall terminate and neither the Optionor nor the Optionee shall have any further obligations hereunder.
2. The purchase price for the Lands shall be **Six Hundred and Fifty-Nine Thousand Seven Hundred and Fifty Dollars (\$659,750.00)**, representing \$65,000.00 per acre. The purchase price shall be paid by cash or certified cheque of lawful money of Canada as follows:
  - (a) Ten Thousand Dollars (\$10,000.00) to be paid within ten (10) days of the date of execution of this agreement by the Optionee as a non-refundable deposit on account of the purchase price, the receipt of which is hereby acknowledged by the OPTIONOR;
  - (b) a further deposit of Fifty-Five Thousand Nine Hundred and Seventy-Five Dollars (\$55,975.00) to be paid on account of the purchase price by the Optionee upon delivery of the notice referred to in paragraph 1 of this agreement;
  - (c) the balance of the purchase price shall be paid by the Optionee on Closing, less the amount of deposits made under paragraphs 2(a) and 2(b) of this agreement.
3. The Optionor shall on Closing execute and deliver to the Optionee a good and valid deed or Transfer (the "Conveyance") of the Lands in appropriate form for registration in the land registration office where the Lands are recorded in order to enable the Optionee to be registered

as owner in fee simple of such Lands and the Optionor covenants with the Optionee that it will execute such further assurances of the Lands as may be requisite. The Optionee agrees to be bound by the Policy of the Corporation of the City of London with respect to the sale and / or transfer of City-owned industrial land, which Policy is attached hereto as Schedule "B" to this Option, it being the intent of the parties hereto that the provisions of the said "Policy" shall survive closing of this transaction to such extent as may be required to give effect to the said Policy. As a condition of this Option, the Optionee agrees to accept a Deed with respect to the land herein described in a form sufficient to give effect to the said Policy.

4. The Optionor covenants, represents and warrants that title to the Lands is, and on Closing will be, good and free from all encumbrances. If prior to Closing any valid objection to title or to the fact that the proposed use of the Lands by the Optionee may not lawfully be undertaken is made in writing to the Optionor and which the Optionor is unable or unwilling to remove, remedy or satisfy and which the Optionee will not waive, this agreement, notwithstanding any intermediate acts or negotiations in respect of such objections, shall be at an end and, notwithstanding the provisions of paragraph 2 of this agreement, all monies therefore paid shall be returned to the Optionee without interest or deduction and the Optionor shall not be liable for any costs or damages.

5. The Optionor covenants to the Optionee that it has the right to convey the Lands to the Optionee notwithstanding any act of the Optionor and that the Optionee shall have quiet possession of the lands free from all encumbrances from and after Closing.

6. Notwithstanding the standard terms and conditions set out in this Agreement, the Optionor agrees to sell to the Optionee and the Optionee agrees to purchase from the Optionor the Lands upon the additional terms set out in the Schedule C and Schedule D.

7. The Lands and any other things being purchased shall be and remain until Closing at the risk of the Optionor.

8. The Optionee acknowledges and understands that should the Optionor receive at any time prior to the Expiry Date, a bona fide unconditional offer to purchase the Lands, for a sum in cash exceeding the amount as set out in paragraph 2 of this agreement, the Optionee shall have the right to:

- (a) within thirty (30) days of the date of receipt of notice from the Optionor of a higher offer to increase the purchase price payable under paragraph 2 of this agreement to match the higher offer and upon exercising this right, this agreement shall continue in full force at the new purchase price;
- (b) within thirty (30) days of the receipt of notice from the Optionor of a higher offer to forthwith deliver notice to the Optionor pursuant to paragraph one (1) of this agreement specifying the date of completion of the transaction of purchase and sale contemplated by this agreement, or;
- (c) within thirty (30) days of the receipt of notice from the Optionor of a higher offer to forthwith delivery notice to the Optionor that it does not intend to exercise its right under Subparagraphs 8 (a) or 8 (b). Upon receipt of such notice the Optionor shall be free to enter into an agreement of purchase and sale with a person submitting the bona fide unconditional offer. This agreement shall terminate upon the completion of the sale as provided for in the agreement of purchase and sale except that if an agreement of purchase is not entered into or the sale as provided for in the agreement of purchase and sale is not completed, then this agreement shall continue in full force and the purchase price shall remain the same as the purchase price in effect prior to the bona fide offer.

The Optionor shall enclose a copy of the bona fide unconditional offer with notice to be given by it to the Optionee pursuant to Subsection 8(a), (b) and (c).

9. The Optionor represents that it is a public service body as defined in Section 123(1) of the Excise Tax Act. The sale of the property subject to this agreement is an exempt supply except when the purchaser is an individual or an unincorporated business enterprise. All Harmonized Sales Tax (HST), if any, which may be payable in connection with this transaction shall be in addition to and not included in the Purchase Price. The Optionee is a HST Registrant and will account for its HST liability, if any, in accordance with applicable legislation.

10. The Optionor shall pay all charges including, without limitation, taxes (including local

improvements) levied against the Lands up to and including Closing and the Optionee shall pay all said taxes after that date.

11. The parties hereto acknowledge each with the other that neither execution or registration of the Conveyance, nor the issuance of title to the Optionee, shall supersede, cancel or in any way render unenforceable any of the provisions of this agreement.

12. The Optionor represents and warrants that it has done no act to encumber the Lands and the Optionor covenants that it will do no act to encumber the Lands.

13. All notices required or permitted to be given hereunder shall be in writing and may be given by either (i) delivering the same to the other party, or (ii) if postal service is fully operative, by mailing same by registered mail postage prepaid:

in case of the Optionor to:

The Corporation of the City of London  
Realty Services Division  
300 Dufferin Avenue, 9<sup>th</sup> floor  
London, ON N6A 4L9  
Attention: Manager of Realty Services

and in the case of the Optionee to:

Dancor Phase III Oxford Inc.  
16 Melanie Drive, Suite 101  
Brampton, ON L6T 4K9  
Attention: Sean Ford A.S.O.

or to such other address as the Optionee and the Optionor respectively may from time to time designate in writing and any such notice shall be deemed to have been given to and received by the addressee on the date on which it was delivered or if mailed shall be deemed to have been given to and received by the addressee on the fifth business day following the date on which it was deposited in the mail, except in the event of interruption of mail service after mailing, in which event it shall be deemed to have been given when actually received.

14. Schedules A, B,C and D attached hereto form part of this Agreement

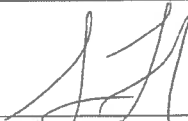
IN WITNESS WHEREOF the Purchaser, if a person, has hereunto set his hand and seal or, if a corporation, has hereunto affixed its Corporate Seal duly attested to by its proper signing Officers this 25 day of SEPTEMBER, 2018.

SIGNED, SEALED & DELIVERED

in the presence of

  
\_\_\_\_\_  
Witness:

\_\_\_\_\_  
Witness:

)  
) DANCOR PHASE III OXFORD INC.  
)  
)  
)   
\_\_\_\_\_  
) Signature of Signing Officer  
) Name: Sean Ford  
) Title: A.S.O.  
) I have authority to bind the Corporation  
)  
)  
\_\_\_\_\_  
) Signature of Signing Officer  
) Name & Title:  
)  
)  
) I/We have authority to bind the Corporation

**ACCEPTANCE**

The Optionor accepts the above Agreement.

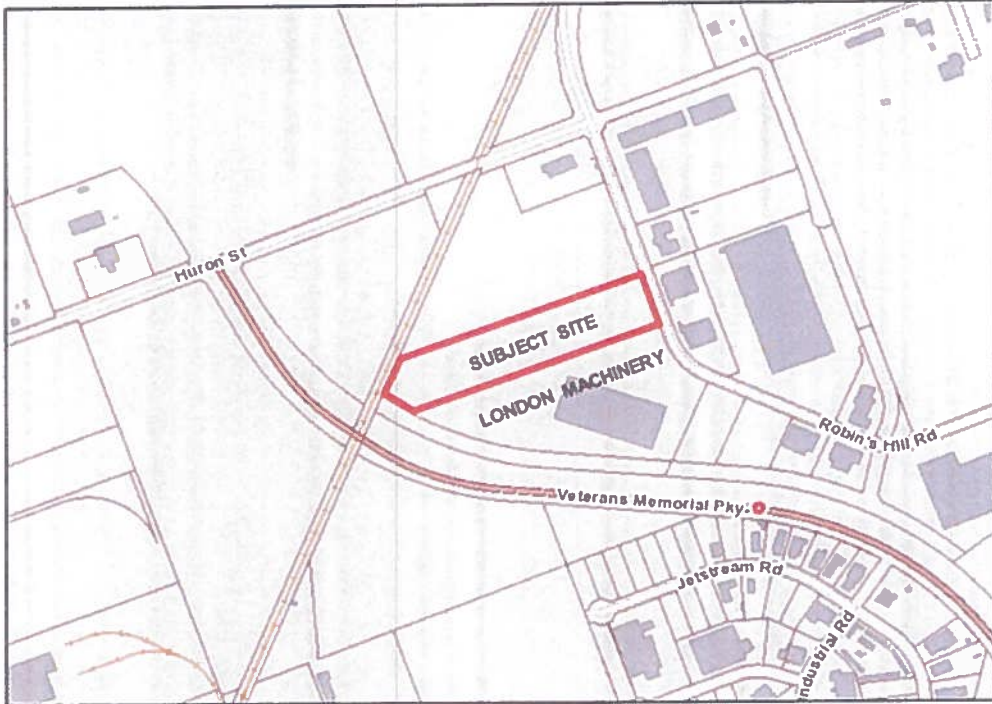
**THE CORPORATION OF THE CITY OF LONDON**

\_\_\_\_\_  
Matt Brown, Mayor

\_\_\_\_\_  
Catharine Saunders, City Clerk



Schedule "A"



SCHEDULE "B"

Excerpt from By-law No. A.-6151-17, Schedule A, Attachment A entitled "Disposal of Industrial Land Procedures"

Disposal of Industrial Land Procedures

1. The purpose of this policy is to establish the terms upon which City-owned serviced industrial land is to be sold and transferred.
2. This policy is to be read and applied fairly and beneficially with such variations as circumstances or the nature of the subject matter require provided the general purpose, intent, meaning and spirit of the policy are maintained.
3. In this policy,
  - (a) Commencement of construction means the date upon which a building permit is issued by the City;
  - (b) Completion of construction is reached when the building or structure or a substantial part thereof is ready for use or is being used for the purpose intended, and;
  - (c) Coverage has the meaning ascribed to it under the applicable zoning by-law.

CLASS 1 SALE

4. A class 1 sale is a sale of a land for the purpose of the construction thereon of a building or structure for a detached industrial use.
5. A class 1 sale shall be subject to the following conditions:
  - (a) The purchaser shall commence construction within one year of the registration of the deed or transfer and shall diligently complete construction of the building or structure, in default of which the purchaser shall in the sole discretion of the City reconvey the land to the City in accordance with Section 18 of this policy and free and clear of all encumbrances, easements, restrictions or covenants except as to those originally assumed by the purchaser from the City.
  - (b) The minimum coverage of the building or structure shall be 15 per cent, provided however that, where the maximum coverage permitted under the applicable zoning by-law is 15 percent or less, the maximum coverage under the zoning by-law shall be deemed to be the minimum coverage required by this condition.
  - (c) The purchaser shall not within 10 years of the registration of the deed or transfer convey any vacant part of the land by deed, transfer, grant, assignment, appointment, mortgage, charge, lease or sub-lease (Planning Act, R.S.O. 1990, Chapter P .13), without first notifying the City and, where it has been so notified, the City may either grant its consent (which shall not be unreasonably withheld) to the conveyance or application or may in its sole discretion require the purchaser to reconvey the vacant part to the City in accordance with Section 18 of this policy and free and clear of all encumbrances, easements, restrictions or covenants except as to those originally assumed by the purchaser from the City.
  - (d) The purchaser shall pay local improvement charges and any other special levies assessed at any time against the land on and after completion of the purchase.
6. The Manager of Realty Services may grant one or more extensions (which in total shall not exceed two years) of the time set out in paragraph 5 (a) of Section 5 of this policy within which construction of a building or structure is to be commenced provided the purchaser has filed a written request with the Manager of Realty Services for the extension.
7. A purchaser wishing to notify the City under condition 5 (c) of this policy shall file a written request with the Manager of Realty Services who shall submit a recommendation thereon to Council through the Corporate Services Committee.



CLASS 2 SALE

8. A class 2 sale is a sale of a land for the purpose of the extension or enlargement of a building or structure erected or to be erected upon land of the purchaser abutting the land.
9. A class 2 sale shall be subject to conditions (c) and (d) of Section 5 of this policy and the further condition that the land shall not be used for any purpose other than the extension or enlargement of a building or structure erected or to be erected upon lands of the purchaser abutting the land.

CLASS 3 SALE

10. A class 3 sale is a sale that is not a class 1 or class 2 sale and that is a sale of a land for the purpose of a use ancillary to a building or structure erected or to be erected upon land of the purchaser abutting the parcel.
11. A class 3 sale shall be subject to conditions (c) and (d) of Section 5 of this policy and the further condition that the land shall not be used for any purpose other than a use ancillary to a building or structure erected or to be erected upon land of the purchaser abutting the parcel.

GENERAL

12. At least annually, the Manager of Realty Services shall review the pricing of industrial land and if a change in pricing is recommended, shall make a recommendation to Board of Control as to the price per acre at which land should be offered for sale during the ensuing year.
13. Pending receipt of an offer to purchase from a prospective purchaser, land may be reserved for a period of 30 days, provided however that, if during the reserve period the City receives an offer to purchase the same land in accordance with this policy from another prospective purchaser, the first prospective purchaser shall be allowed 5 days after notification within which to submit an offer to purchase at the same price and on the same terms; otherwise the City shall be at liberty to accept the second offer to purchase.
14. A prospective purchaser shall complete and execute an offer to purchase in the form provided by the City accompanied by a deposit payable to the City Treasurer by cash or certified cheque equal to 10 per cent of the total purchase price, and the balance shall be payable subject to usual adjustments upon completion of the transaction.
15. The Manager of Realty Services may submit an offer to purchase for acceptance by the City.
16. The transaction shall be completed within 90 days of the passing of the by-law accepting the offer to purchase or within such further period as may be agreed to between the City Solicitor and the purchaser's solicitor in the best interests of the City.
17. Where, in the City's opinion, land is properly sold through a real estate agent, the City shall pay a fee to the agent not exceeding the scale established by the City upon completion of the transaction but no fee shall be payable if the purchaser is permitted to withdraw from the agreement of purchase and sale prior to the completion of the transaction.
18. Where the whole or any part of land is reconveyed by the purchaser to the City pursuant to a condition of sale or otherwise, the amount payable upon the reconveyance shall be 90 per cent of either the original purchase price (exclusive of interest thereon), if the whole land is reconveyed, or the portion thereof that is in the same ratio as the area of the reconveyed part is to the whole land, subject to adjustments as of the date of reconveyance for taxes, local improvements and other rates and subject, where the City considers necessary, to the City's withholding until a new purchaser is found, an amount sufficient to compensate the City for the cost of restoring the land to its original condition if so required by the new purchaser.
19. The development of the property will be subject to the requirements of the Architectural Control Guidelines as published by the City of London from time to time and the purchaser acknowledges the contents thereof and agrees to conform to those Guidelines.
20. The cost of service connections from the main to the property line is the responsibility of the purchaser.
21. The purchaser accepts the current condition of the site and the cost of removal of topsoil from the site if required is the responsibility of the purchaser.

SCHEDULE "C"

ADDITIONAL TERMS AND CONDITIONS

1. Headings

The headings in this agreement are for convenience of reference only and shall not define or limit the provisions of the agreement.

2. Paramountcy of Schedule "C"

The provisions of this Schedule "C" are in addition to, and not in substitution for the standard provisions contained in the body of the Option Agreement and in Schedule "B" thereto, provided that if the provisions of this Schedule "D" conflict or are inconsistent in any respect with such standard provisions, By-Law No. A-6151-17 or any policy of The Corporation of the City of London, the provisions of this Schedule "D" shall prevail and the aforesaid By-Laws and Policies shall be read with the corresponding amendments. Unless the context otherwise requires, the term "this Agreement" as used in the Option Agreement and Schedules thereto shall mean the said Option Agreement and all Schedules thereto.

3. Class 2 Sale Provisions

The Optionee shall commence construction within ten (10) years of the registration of the deed or transfer and shall diligently complete construction of the building or structure, in default of which the purchaser shall, in the sole discretion of the Optionor, reconvey the land to the Optionor in accordance with the following paragraph, and free and clear of all encumbrances, easements, restrictions or covenants except as to those originally assumed by the purchaser from the Optionor.

Where the whole or any part of land is reconveyed by the purchaser to the Optionor pursuant to a condition of sale or otherwise, the amount payable upon the reconveyance shall be 90 per cent of either the original purchase price (exclusive of interest thereon), if the whole land is reconveyed, or the portion thereof that is in the same ratio as the area of the reconveyed part is to the whole land, subject to adjustments as of the date of reconveyance for taxes, local improvements and other rates and subject, where the Optionor considers necessary, to the Optionor's withholding until a new purchaser is found, an amount sufficient to compensate the Optionor for the cost of restoring the land to its original condition if so required by the new purchaser.

4. Minimum Building Coverage Variance

The Optionor shall permit a minimum building coverage of 13.57 percent (13.57%) in place of the required minimum building coverage of 15 percent (15%), as is stated in paragraph 5(b) of Schedule B (attached).

5. Base Grading

The Optionor shall base grade the Property at its expense, as approved by the City Engineer and in general conformance to the grading plan shown in Schedule "D" (the "Grading Plan"). The Grading Plan will be completed using existing stockpile material on site.

The Optionor will notify the Optionee in writing within ten (10) business days upon completion of the Base Grading (the "Notice of Grading Completion"). Unless otherwise stated in this agreement, the transaction of the purchase and sale is to be completed within ninety (90) days after waiver of the title and soils conditions.

6. Requirement for Sewage Sampling Manholes

The Optionee may be required to construct sewage sampling manholes, built to City standards in accordance with the City's Waste Discharge By-law No. WM-2, as amended, regulating the discharge of sewage into public sewage systems. If required, the sewage sampling manholes shall be installed on both storm and sanitary private drain connections, and shall be located wholly on private property, as close as possible to the street line, or as approved otherwise by the City Engineer.

7. Quality and Quantity of Storm Water Management

The Optionor represents and warrants to the Optionee that the Optionor's existing storm water management pond is sized appropriately for the storm water to be generated from the Property, provided that the stormwater flows emanating for the Property are in conformance with the accepted Stormwater Management Report(s) and Design(s) for the Skyway Industrial subdivision and Skyway Industrial Stormwater Management Facility which may include on site quantity and quality controls. This representation and warranty shall survive and not merge on the completion of this transaction.

8. Proposed Commencement Date of Construction

The Optionee agrees that the Proposed Commencement Date of Construction may be up to Ten (10) years from the date of Transfer. Notwithstanding other provisions in this Agreement, from and after the 2<sup>nd</sup> anniversary date of the Transfer, the Optionee shall meet with the Manager of Realty Services every year on or about the anniversary date of the Transfer to provide an update on the status of Optionee's client's expansion requirements. This condition shall survive and not merge on the completion of this transaction.

9. Connection to Existing Services

The Optionor represents and warrants to the Optionee that all of the existing municipal services, which may include stormwater, water and sanitary, as documented in the as-constructed drawings, are currently located in the road allowance and the Optionee acknowledges that connections to existing services is the responsibility of the Optionee. This representation and warranty shall survive and not merge on the completion of this transaction.

10. Development Agreement

The Optionee acknowledges that prior to the issuance of a Development Agreement, the Optionee shall be subject to site plan and building permitting process which may include but not be limited to an approval for the location of an entrance to the site, urban design, granting municipal easements and working easements, satisfying servicing requirements, obtaining, if necessary, any permits or agreements required from approval authorities which include, but are not limited to, Ministry of Environment and Climate Change (MOECC), Sun-Canadian, and any other approvals deemed necessary.

11. Canadian National (CN) Railway Conditions

Prior to a submission of a site plan application and/or an application, should any building be within 75 metres of the CN railway right-of-way, the Optionee shall submit a noise and vibration report prepared by a qualified consultant. A certificate of compliance for the implementation of the report recommendations shall be included in the site plan/building permit application.

12. Assignment of Agreement

At any time prior to closing the Optionee may assign this Agreement to an affiliated corporation of the Optionee, as defined in the Ontario or Canada Business Corporations Act, and upon delivery to the Optionor of a notice of such assignment and a covenant by the assignee in favour of the Optionor pursuant to which the assignee agrees to assume all covenants and agreements to be kept, observed and performed by the Optionee pursuant to this Agreement, the assignee shall be entitled to and bound by, and the Optionee shall cease to be entitled to and shall be released from, all of the benefits and obligations of the Optionee pursuant to this Agreement.

13. Reference Plan

The Optionor agrees to prepare and deposit on title, on or before closing and at its expense, a reference plan describing the Property.

14. Purchase Price Adjustment

The purchase price payable by the Optionee to the Optionor for the Property is calculated at 10.15 acres, which includes access to municipal services in the road allowance, multiplied by \$65,000 per acre. If the actual size of the property is different than as set out above at time of closing, then the purchase price for the property shall be adjusted to reflect a price equal to the area of the property multiplied by \$65,000 per acre.

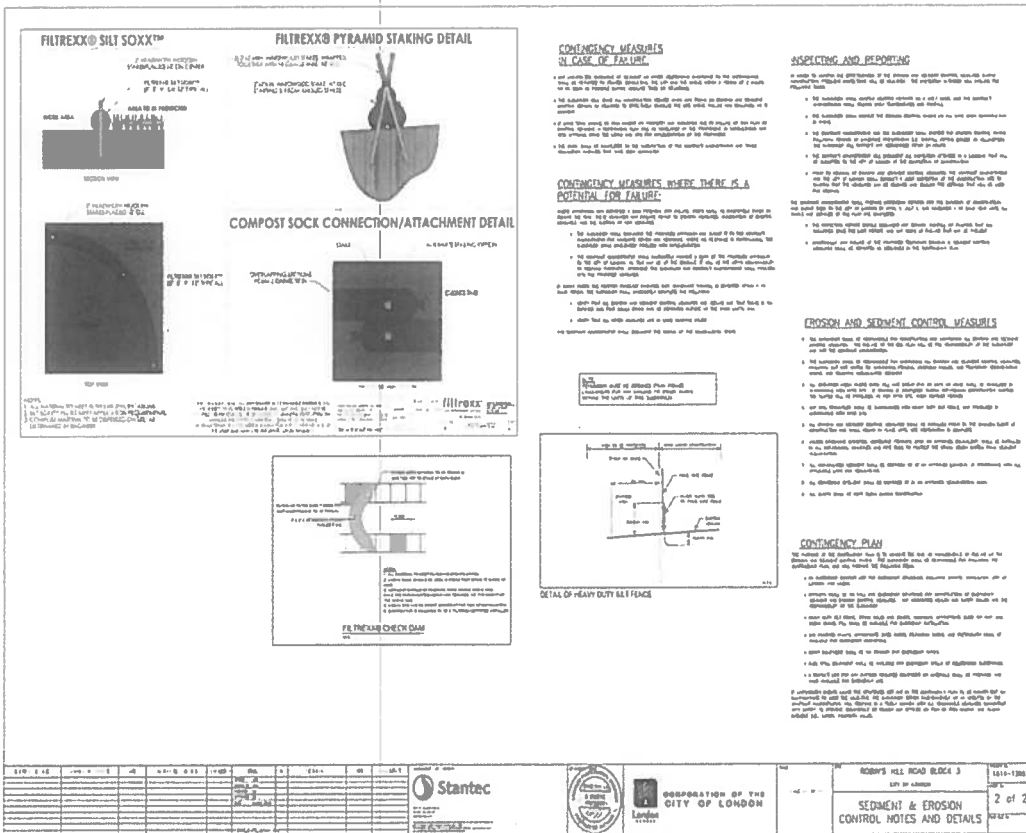
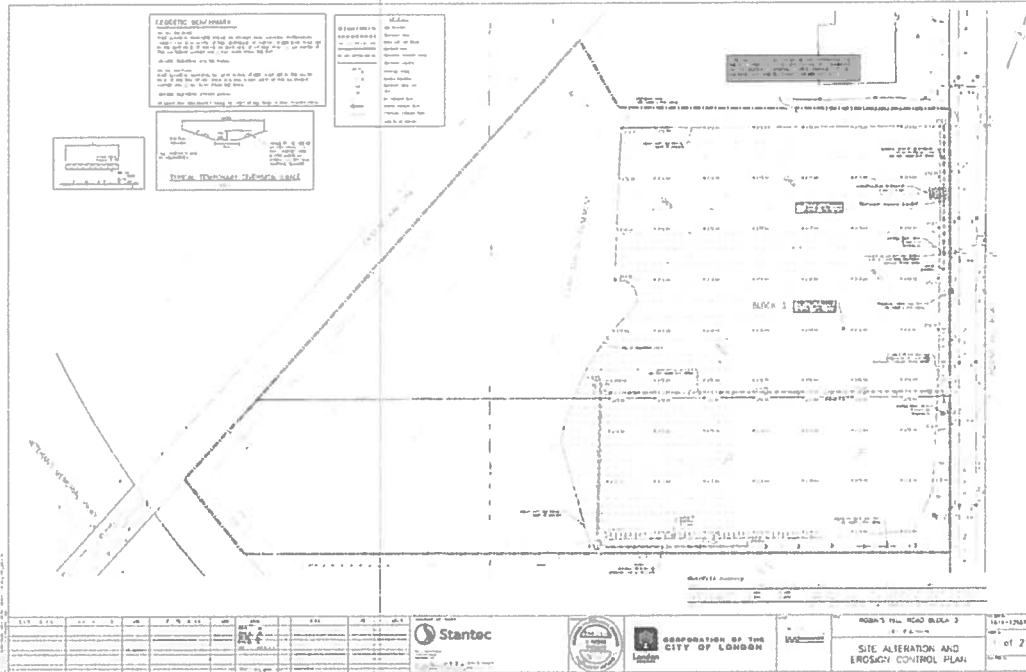
15. Vegetation Maintenance of Property

The Optionee acknowledges and agrees that the Optionee shall following completion of the transaction contemplated in this Agreement, at the Optionee's sole expense, cut and maintain the Property to prevent vegetation from growing on the property which may include but not be limited to trees, brush, tall grasses, and weeds (the "Vegetation Management") from the date of Transfer to the date of the Proposed Commencement Date of Construction. This requirement is for the purpose of preventing Species at Risk (SAR) and the establishment and spread of Invasive Species from forming on the property and shall survive and not merge on title.

16. Survival of Conditions

The obligations of Optionee contained in Schedule "C" shall survive and not merge on the completion of this transaction.

Schedule "D"



APPENDIX "A"

Location Map

