

Meeting Date: January 17, 2022
Department: Chief Administrative Officer
Report No.: CAO-2022-01
Submitted by: Fred Tranquilli, Chief Administrative Officer / Clerk
Approved by: Fred Tranquilli, Chief Administrative Officer / Clerk
SUBJECT: **137 Frank Street, Strathroy – Conditional Sale Finalized**

RECOMMENDATION: THAT: Council receive Report CAO 2022-01 for information.

STRATEGIC PLAN ALIGNMENT:

This matter is in accord with the following strategic priorities:

BACKGROUND:

Growth Management – Increase density and rental options in downtown

Growth Management – Provide a variety of attainable housing options that address affordability challenges

Destination Building – Support revitalization of downtowns in Strathroy and Mount Brydges

COMMENTS:

Council declared surplus the lands at 137 Frank St. at its meeting of December 21, 2020. Staff received an Agreement of Purchase and Sale (APS) from Southside Management and Construction Limited with respect to the above mentioned lands. Development on the lands required a significant amount of background work due to a number of constraints, including the floodway of the Sydenham River, the Entegrus lines and substation, servicing capacity, etc. Following several multi-disciplinary meetings involving municipal staff, outside planners, Conservation Authority staff, hydrologists, architects and consultants, all parties acknowledged that the development envelope is smaller than originally anticipated due to the floodway. The Conservation Authority will not allow any development in the floodway. The floodway covers nearly the entire property with the exception of the footprint occupied by the existing building.

A change in the material terms of the APS related to the building envelope required that the agreement be revisited and revised. While the sale price of \$1.75M has remained the same, staff have used the opportunity to improve the agreement in favor of the municipality by requiring the

inclusion of twenty units which will be available for rent at 80% market rent. The Agreement contemplates Southside constructing an apartment building of up to fourteen floors and 180 units, with the possibility of commercial uses on the ground floor.

Staff have also included the requirement of an easement along the south side of the Sydenham River to permit construction of a trail if such an amenity is required in the future. The easement across the property connecting Frank St. to the bridge and parkland is being maintained. The deal will close within 30 days of the re-zoning and Official Plan Amendment being approved by Council. We expect the land use matters will come to Council in early Q3 or sooner.

A by-law confirming the sale will be brought forward once the conditions related to the land use planning process have been cleared and the sale has closed.

CONSULTATION:

Jennifer Huff – Director of Building and Planning

FINANCIAL IMPLICATIONS:

The project would qualify for various incentives under the Community Improvement Plan, however, a condition of the APS is that access to those program funds is capped at \$175K.

ATTACHMENTS:

NONE