

CITY OF HAMILTON MOTION

General Issues Committee Date: December 4, 2024

MOVED BY COUNCILLOR KROETSCH.....

SECONDED BY COUNCILLOR DANKO.....

To effect grant payment under an approved Hamilton Tax Increment Grant Program for 60 King William Street Hamilton as a result of a change in corporate control of the approved owner

WHEREAS the Hamilton Tax Increment Grant Program (now known as the Revitalizing Hamilton Tax Increment Grant Program) (the Program) is intended to provide tax increment-based grants to incentivize property owners within strategic commercial districts to develop, redevelop or otherwise improve properties and/or buildings in a manner that will support the broader revitalization of the commercial district as well as generate new municipal property tax revenue through increased property assessments;

WHEREAS a Hamilton Tax Increment Grant Program application was approved by City Council on May 26, 2021 respecting the redevelopment of 43-51 King Street East and 60 King William Street Hamilton (now wholly municipally known as 60 King William Street, Hamilton) (the Site);

WHEREAS the application was approved such that grants were payable to the registered owner of the Site being King William Residences Inc (the Owner) which at the time comprised the following shareholders: LPF Conversion Fund Limited Partnership – LIUNA Conversion Trust (99.49%); Burrstone Management Inc. (0.50%); and Bryton Capital Corp. GP Ltd. (General Partner – 0.01%);

WHEREAS, the Owner of the Site remains unchanged but has been the subject of a change in share ownership such that the shareholder of the Owner is now 43-51 King William GP Inc. (100%);

WHEREAS paragraph 13 of the applicable City Council approved Program terms state the following:

“Where the Applicant is a corporation, the Applicant covenants and agrees that in the event that:

- a) the Applicant fails to supply the City, in a form satisfactory to the City such information relating to the ownership of its shares as the City may from time to time require or;

- b) without the written consent of the City first had and obtained:
- i) the Applicant issues or redeems any of its shares or transfers any of its shares;
 - ii) there is a sale or sales of the shares of the Applicant which result in the transfer of the legal or beneficial interest of any of the shares of the Applicant or;
 - iii) the Applicant amalgamates, merges or consolidates with any other corporation;

and, the result of any of the foregoing is a change in the effective control of the majority of the voting shares of the Applicant, or the requested information is not provided, then future Grant payments under the Program shall cease at the absolute discretion of the City.”

WHEREAS City legal staff deem the change in share ownership to be a change in the effective control of the majority shareholders without the Owner having sought prior written consent by the City in accordance with paragraph 13, resulting in the cessation of any pending and future grant payments.

THEREFORE, BE IT RESOLVED:

That, notwithstanding paragraph 13 of the applicable Program terms, the General Manager of the Planning and Economic Development Department be authorized to approve and execute the required Grant Agreement to effect grant payment in a form reflecting the current share ownership of the property known as 60 King William St, being 43-51 King William GP Inc. (100%) provided all other terms and conditions of the Hamilton Tax Increment Grant Program, as approved by City Council, are maintained.