



Hamilton

CITY OF HAMILTON

PLANNING AND ECONOMIC DEVELOPMENT DEPARTMENT
Economic Development Division

TO: Mayor and Members General Issues Committee	WARD AFFECTED: WARD 5
COMMITTEE DATE: September 5, 2013	
SUBJECT/REPORT NO: Request for Extension of Building Covenants from The Green Method Inc. (Gaston Minetti and Maria Gordillo), Owners of 958, 962, 970 and 974 Beach Boulevard, Hamilton (PED13149) (Ward 5)	
SUBMITTED BY: Tim McCabe General Manager Planning and Economic Development Department	PREPARED BY: Darlene Cole (905) 546-2424 Ext. 7910
SIGNATURE:	

RECOMMENDATIONS:

- (a) That a request to extend building covenants imposed by the City upon The Green Method Inc. (Gaston Minetti and Maria Gordillo), owner(s) of 958, 962, 970 and 974 Beach Boulevard, regarding four building lots described as Parts 3, 4, 5, 6, 9, 10, 11 and 12 on Plan 62R-17405, and shown on Appendix "A" attached to Report PED13149, be approved;
- (b) That the date(s) for commencement of construction be extended from July 19, 2013 to July 19, 2014 and that the date for completion of construction be extended from July 19, 2013 to July 19, 2015;
- (c) That the Mayor and Clerk be authorized and directed to execute all necessary documents in a form satisfactory to the City Solicitor.

EXECUTIVE SUMMARY:

The subject properties were acquired from the City by The Green Method Inc., conditional upon performance covenants by which construction of four single family residences were to commence by July 19, 2013 and be completed by July 19, 2014. These developments are presently in various stages of the approval process after which building permits will be issued.

Accordingly, an extension to the date(s) of commencement and completion of construction is being requested.

Alternatives for Consideration - See Page 3

FINANCIAL / STAFFING / LEGAL IMPLICATIONS:

Financial: N/A

Staffing: N/A

Legal: Staff in Legal Services will prepare a letter of confirmation for execution by the Mayor and Clerk.

HISTORICAL BACKGROUND:

The information and recommendations contained in this Report primarily affect Ward 5.

Gaston Minetti and Maria Gordillo own and operate The Green Method Inc., a local business specializing in green heating, ventilation and air conditioning (HVAC) designs / installations serving homeowners, architects, engineers, builders and contractors. Their projects begin with system design and heat loss / gain calculations through to complete system installations. Established in May 2008, this enterprise now draws business from Niagara Falls to the Greater Toronto Area (GTA), with current projects in Markham, Milton, Hamilton, Niagara-on-the-Lake and Burlington.

Plans for construction of four single detached residences, 2 ½ storeys in height are complete, however, these projects are still making their way through the heritage planning / site plan review process. The heritage permit for 974 Beach Boulevard was approved by Council on February 13, 2013 and the site plan application has been submitted but is being reworked due to design constraints. Plan revisions were required to avoid relocation of utilities; once the circulation review is complete, the application will move forward.

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Heritage permits for 958 and 962 Beach Boulevard will be presented to Planning Committee on August 13, 2013 and September 4, 2013, respectively. Upon approval and granting of these permits, site plan applications will follow.

970 Beach Boulevard has been through a pre-submission review for the heritage permit but is being reworked by the applicant for resubmission as a complete application, after which it will officially start the process and could possibly be presented at a Planning Committee meeting in October 2013.

Although the management of four projects at one time within the Heritage District has proven time consuming, the investors are eager to move on with development of the single-family residences. The lots were acquired on July 19, 2012 from the City, under covenant to have started construction by July 19, 2013, however, the planning approvals are not yet in place, hence building permits cannot be issued.

POLICY IMPLICATIONS:

- Real Estate Portfolio Strategy Plan;
- Growth Related Integrated Development Strategy;
- Building a Strong Foundation;
- Provincial Policy Statement; and,
- Places to Grow.

RELEVANT CONSULTATION:

- Development Planning, Heritage and Design Section, Planning and Economic Development Department

ANALYSIS / RATIONALE FOR RECOMMENDATION:

Not knowing the timing to secure planning approvals and building permits has led to this request to extend the start / completion dates for these projects. Extensions to July 19, 2014 for commencement of construction and to July 19, 2015 for completion of construction would be realistic in this instance given the magnitude of the project and the seasonal limitations of construction.

ALTERNATIVES FOR CONSIDERATION:

Withholding this request for extensions would mean the City could invoke its right to re-purchase the lot, pursuant to the following covenant contained in the transfers:

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If the Transferee fails to comply with the conditions within the time required, then the Transferor shall have the option to re-purchase the property and to receive a conveyance of it free and clear of all charges and encumbrances, liens, claims or adverse interests whatsoever, and the Transferor agrees to pay the Transferee the original purchase price for the said lands, less the deposit, less real estate commission, less arrears of realty taxes, penalty and interest (including local improvement charges), less amounts required to discharge any mortgages, liens, charges or other encumbrances against the said lands and less the costs of the Transferor incurred in entering on the land and retaking and reselling the land and without increase or compensation for any improvements, additions, alterations in, on or under the said lands.

Should the extensions not be granted, the City would be obliged to reimburse the owners the amount of \$382,411 for the four lots, less deposits and associated expenses as provided in the foregoing covenant. Following repurchase, the City would again place these properties on the market and wait for buyers. This option is not recommended for the following reasons:

- Considerable time, monetary and other resources demonstrate a significant investment and commitment to this development by Gaston Minetti and Maria Gordillo; and,
- This is not a financial problem where funding to complete the project is at issue - these investors have the development resources and are prepared to move forward.

Accordingly, staff recommends that the requested extensions be granted, allowing the planning process to be completed and the project developed with four new residences in our Beach neighbourhood.

CORPORATE STRATEGIC PLAN:

Focus Areas: 1. Skilled, Innovative and Respectful Organization, 2. Financial Sustainability, 3. Intergovernmental Relationships, 4. Growing Our Economy, 5. Social Development, 6. Environmental Stewardship, 7. Healthy Community

Financial Sustainability

- ◆ Financially Sustainable City by 2020
- ◆ Enhancement to local property tax base
- ◆ Management of City asset in a sustainable and cost effective manner

Growing Our Economy

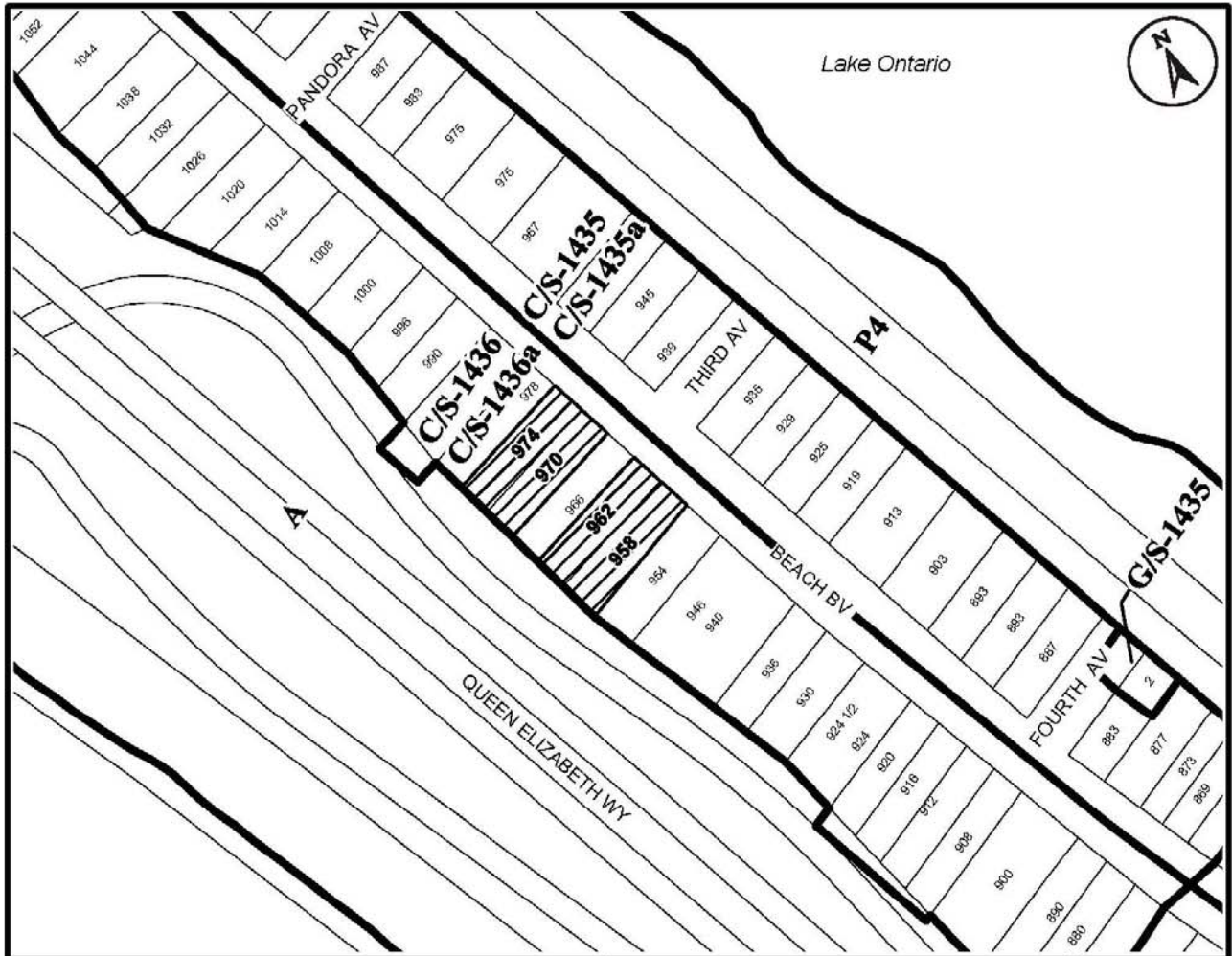
- ◆ Investment in Hamilton is supported

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APPENDICES / SCHEDULES:

Appendix "A" to Report PED13149 - Location Map

DC/dkm



● Location



Ward 5 Key Map

N.T.S.

Location Map



PLANNING AND ECONOMIC DEVELOPMENT DEPARTMENT

File Name/Number:
2006-15/-16/-18/-19

Date:
July 30, 2013

Appendix "A"

Scale:
N.T.S.

Planner/Technician:
DC/AL

Subject Property

958, 962, 970 & 974 Beach Boulevard

Owners: The Green Method Inc.
(Gaston Minetti & Maria Gordillo)

Heritage / Site Plan Applications