

**THE CORPORATION OF THE  
TOWNSHIP OF EDWARDSBURGH CARDINAL  
BY-LAW NO. 2023-55**

**“A BY-LAW TO AUTHORIZE THE MAYOR AND CAO TO EXECUTE AN  
OPTION TO REPURCHASE AGREEMENT BETWEEN THE CORPORATION OF  
THE TOWNSHIP OF EDWARDSBURGH CARDINAL AND 2506418 ONTARIO  
INC.”**

**WHEREAS** the Municipal Act 2001, SO 2001, Chapter 25, Section 8(1) states that the powers of a municipality shall be interpreted broadly so as to confer broad authority on municipalities to govern their affairs as they consider appropriate and to enhance their ability to respond to municipal issues; and

**WHEREAS** the Municipal Act 2001, SO 2001, Chapter 25, Section 8(2) states that in the event of ambiguity, the ambiguity shall be resolved so as to include, rather than exclude, municipal powers that existed before the Municipal Act, 2001 came into force; and

**WHEREAS** the Municipal Act 2001, SO 2001, Chapter 25, Section 9 gives the municipality the capacity, rights, powers and privileges of a natural person for the purpose of exercising its authority under this Act; and


**WHEREAS** the Council of the Corporation of the Township of Edwardsburgh Cardinal deems it advisable to execute an Option to Repurchase Agreement between the Corporation of the Township of Edwardsburgh Cardinal and 2506418 Ontario Inc. for the industrial lands described in Schedule “A” of the agreement pursuant to an agreement of purchase and sale between the 2506418 Ontario Inc. and the Township of Edwardsburgh Cardinal dated December 27, 2017, if 2506418 Ontario Inc. does not meet the timelines for development set out in this Option to Repurchase Agreement.


**NOW THEREFORE** the Council of the Corporation of the Township of Edwardsburgh Cardinal enacts as follows:

1. That the Mayor and CAO are hereby authorized to execute the Option to Repurchase Agreement documents, attached hereto as Schedule “A”, and shall form part of this bylaw, and take such actions as necessary to complete the transaction.
2. That this by-law shall come into force and take effect on the date of passing.

Read a first and second time in open Council this 30 day of October, 2023.

Read a third and final time, passed, signed, and sealed in open Council this 30 day of October, 2023.

  
Tory Deschamps (Nov 1, 2023 20:33 EDT)  
\_\_\_\_\_  
Mayor

  
\_\_\_\_\_  
Clerk











# 2023 - Option to Repurchase Agreement - 2506418 Ontario Inc - PurpleFarm - Alswiti

Final Audit Report

2023-11-02

Created:	2023-11-01
By:	Rebecca Williams (rwilliams@twpec.ca)
Status:	Signed
Transaction ID:	CBJCHBCAABAAbrl3texl6mPMzz3PvYfl5LgU7rQx8s7O

## "2023 - Option to Repurchase Agreement - 2506418 Ontario Inc - PurpleFarm - Alswiti" History

-  Document created by Rebecca Williams (rwilliams@twpec.ca)  
2023-11-01 - 1:50:58 PM GMT- IP address: 142.116.41.15
-  Document emailed to mayor@twpec.ca for signature  
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-  Signer mayor@twpec.ca entered name at signing as Tory Deschamps  
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-  Document e-signed by Tory Deschamps (mayor@twpec.ca)  
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-  Signer rrich@twpec.ca entered name at signing as Rebecca Crich  
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-  Document e-signed by Rebecca Crich (rrich@twpec.ca)  
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## Option to Repurchase

**THIS OPTION TO REPURCHASE AGREEMENT made this 29th day of September, 2023**

**BETWEEN:**

**2506418 ONTARIO INC.**

(the "Optionor")

**AND:**

**THE CORPORATION OF THE TOWNSHIP  
OF EDWARDSBURGH/CARDINAL**

(the "Township")

### Recitals:

1. The Optionor purchased from the Township those industrial lands more particularly described in Schedule "A" to this agreement (the "Lands") pursuant to an agreement of purchase and sale between the Optionor and the Township dated December 27, 2017 (the "Agreement");
2. The Optionor did not meet the timelines for development set out in the Agreement ("the Purchaser's Planned Development") or the Option to Repurchase Agreement dated December 27, 2017.
3. The Optionee has agreed to extend the timelines regarding development as set out more specifically herein.
4. For the purpose of extending the timelines set out in the Agreement and the Agreement to Repurchase Agreement dated December 27, 2017, the Township relied on representations made by the Optionor that:
  - (a) The Optionor shall complete a site plan application with respect to development of the Lands on or before December 31, 2023, obtain an approved site plan control agreement and a building permit(s) by April 1, 2024 and shall commence development of the Purchaser's Planned Development as approved in the site plan control agreement within twelve (12) months of the date of this Option to Repurchase Agreement;
  - (b) the Optionor shall substantially complete ("substantially complete" shall be defined as the Optionor being entitled to occupy the property pursuant to compliance with the Building Code Act and Municipal by-laws) development of the Purchaser's Planned Development as approved in the site plan control agreement and obtain an occupancy permit therefor within twenty-four (24) months of the date of this Option to Repurchase Agreement;
  - (c) Prior to obtaining an Occupancy Permit for the building or buildings, the Optionor shall not transfer the Lands or any part thereof to any third person without the prior written consent of the Township, which consent may be arbitrarily refused, provided that the prior written consent of the Township shall not be required if such transfer is to an affiliate of the Optionor, to the buyer of a substantial portion of the Optionor's assets, or for the purpose of securing the Lands in favour of a commercial lender in connection with a builder's mortgage and provided that the Transferee agrees to be bound by the site plan control agreement or agrees to enter into a site plan agreement with respect to the Lands in a form acceptable to the Township.
5. For the purpose of securing its representations under 4. above, the Optionor has

agreed to grant an option to repurchase the Lands to the Township in accordance with the terms of this agreement.

NOW THEREFORE in consideration of the mutual covenants and agreements contained herein and other good and valuable consideration, the parties agree each with the other as follows:

In this agreement,

1. The Optionor hereby grants to the Township an option to repurchase the Lands (the "Option").

2. The Township may exercise the Option if:

(a) The Optionor fails to complete a site plan application for the Purchaser's Planned Development by December 31, 2023;

(b) The Optionor fails to obtain an approved site plan control agreement and a building permit(s) for the Purchaser's Planned Development by April 1, 2024;

(c) The Optionor fails to commence development of the Purchaser's Planned Development as approved by the Township within twelve (12) months of the date of this Option to Repurchase Agreement;

(d) the Optionor fails to substantially complete construction of the Purchaser's Planned Development as approved by the Township within twenty-four (24) months of the date of this Option to Repurchase Agreement;

(e) Prior to obtaining an occupancy permit for the building or buildings, the Optionor transfers the Lands or any part thereof to any third person without the prior written consent of the Township, which consent may be arbitrarily refused, provided that the prior written consent of the Township shall not be required if such transfer is to an affiliate of the Optionor, or for the purpose of securing the Lands in favour of a commercial lender in connection with a builder's mortgage and provided that the Transferee agrees to be bound by the site plan control agreement or agrees to enter into a site plan control agreement with respect to the Lands or a portion of the Lands.

3. The Township may exercise the Option by written notice simply stating an intention to exercise its Option pursuant to this Option to Re-Purchase Agreement and delivered to the Optionor and any other person who may appear from the abstract of title for the Lands to have an interest in the Lands,

(a) in the case of the Optionor's failure to file a complete site plan application on or before December 31, 2023 for the Purchaser's Planned Development as required by clause 2(a) above;

(b) in the case of the Optionor's failure to obtain an approved site plan control agreement and building permit(s) on or before April 1, 2024 for the Purchaser's Planned Development as required by clause 2(b) above;

(c) in the case of the Optionor's failure to commence development of the Purchaser's Planned Development approved by the Township as required in sub clause 2(c) above within twelve (12) months of the date of this Option to Repurchase Agreement;

(d) in the case of the Optionor's failure to substantially complete construction of the Purchaser's Planned Development approved by the Township as required in sub clause 2(d) above and obtain an occupancy permit therefor within twenty-four (24) months of the date of this Option to Repurchase Agreement;

(e) in the case of any sale, transfer or other disposition of the Lands by the Optionor contrary to the provisions of sub clause 2(e) above, at any time within sixty (60) days from



the date on which the Township is notified in writing that the Optionor has sold, transferred or otherwise disposed of all or any part of the Lands.

4. The purchase price to be paid by the Township if it exercises the Option shall be,

(a) in the case of the Township exercising the Option in accordance with clauses 3(a), 3(b), or 3(c) an amount equal to ninety percent (90%) of the purchase price paid by the Optionor to originally acquire the Lands from the Township;

(b) in the case of the Township exercising the Option in accordance with clause 3(d) or 3(e), an amount equal to ninety percent (90%) of the purchase price paid by the Optionor to originally acquire the Lands from the Township, plus 90% of the increase in the fair market value to the Lands as a result of any improvements made to or work done on or to the Lands, less 90% of the decrease in the fair market value of the Lands as a result of any of any improvements made to or work done on or to the Lands.

5. The purchase transaction shall close sixty (60) days following the date the Township delivers notice exercising the Option (the "Closing Date").

6. The Township shall have the right, subsequent to delivery of notice exercising the Option to enter onto the Lands, by itself or by its agents or contractors, to conduct such environmental assessment of the Lands as the Township may, at its cost, determine necessary or prudent and, if dissatisfied with the results of such assessment, the Township shall have the right to not proceed with the purchase of the Lands.

7. The Optionor shall indemnify and save harmless the Township from any and all claims of every nature and kind which may be made against the Township whether for damages or otherwise as a result of the Lands containing as at the Closing Date any contaminant or pollutant within the meaning of the *Environmental Protection Act* (Ontario), or any other substances which may be considered hazardous or dangerous to the health of persons or to the environment under any other legislation of the Province of Ontario or Canada applicable therein. Without limiting the obligation of the Optionor aforesaid, such obligation to indemnify shall exist with respect to claims against the Township for damages to persons or property or for the costs of complying with any orders for clean up of the Lands which may be issued under any legislation or by any Court of competent jurisdiction in respect of any contamination existing at the Closing Date. This obligation of the Optionor to indemnify the Township shall survive the Closing Date.

8. The terms of OREA Form 500 attached hereto at Schedule "B" shall apply *mutatis mutandis* to the re-purchase by the Township except where in conflict with this Option to Purchase Agreement, this Option to Purchase Agreement shall prevail.

9. The Township shall take title to the Lands at the time of closing free of all mortgages, liens and encumbrances existing against the Lands that were registered subsequent to the registration of this Option to Repurchase Agreement; provided that the Township shall pay the Option Price,

- firstly, on account of any unpaid property taxes, interest and penalties for the Lands
- secondly, to all persons, other than the Optionor, having an interest in the Lands according to their priority at law; and
- thirdly, to the Optionor.

10. The Transfer/Deed of Land shall, except for the Land Transfer Tax Affidavit, be prepared in registrable form by and at the expense of the Optionor.

11. If the Township tenders the Option Price on the Closing Date and the Optionor fails or refuses for any reason to deliver to the Township a deed to the Lands in registrable form, the Township may deposit the Option Price with the solicitors for the Township for

and on behalf of and in the name of the Optionor. Upon the deposit being made, the Township shall be deemed conclusively to be the owner of the land, and the Optionor hereby irrevocably constitutes the Chief Administrative Office and Clerk of the Township its lawful attorney to execute all deeds and other documents necessary to complete the purchase and sale of the Lands.

12. It is the intention of the parties that the foregoing rights to re-purchase in favour of the Township shall create an interest in the Lands and, despite any decision by the Township to not exercise its right at a particular time, shall continue and be binding on all subsequent owners of the land until the rights expire at the prescribed time.

13. Upon the Optionor obtaining an occupancy permit for the building or buildings, the Township shall forthwith delete and vacate any registration of the Optionor's interest provided for herein from title to the Lands.

14. This agreement shall enure to the benefit of and be binding upon the parties hereto and their respective personal representatives, successors and assigns.

15. This agreement shall be construed in accordance with and governed by the laws of the Province of Ontario and the federal laws of Canada application therein.

16. This agreement may be executed in one or more counterparts, each of which when so executed shall be deemed to be an original provided each original is the same, but for the execution on the signature page, the executed signature pages can be attached to the original document and shall be deemed to constitute one and the same document.

17. This agreement replaces all previous agreements, negotiations or discussions between the parties including the Option to Repurchase Agreement dated December 27, 2017 but save and except the agreement of purchase and sale dated December 27, 2017 and any representations, warranties or conditions contained therein except to the extent that those terms are in conflict with the terms set out herein.

IN WITNESS WHEREOF the parties hereto have entered into this agreement as at the date first set out above.

SIGNED, SEALED AND DELIVERED in the presence of:

**2506418 Ontario Inc.**

Per:



Name: Mitchell Alawiti

Officer: Director

Name:

Officer:

**The Corporation of the Township of  
Edwardsburgh/Cardinal**

Per:



Tory Deschamps (Nov 1, 2023 20:41 EDT)

Name: Tory Deschamps

Officer: Mayor

*David Grant*

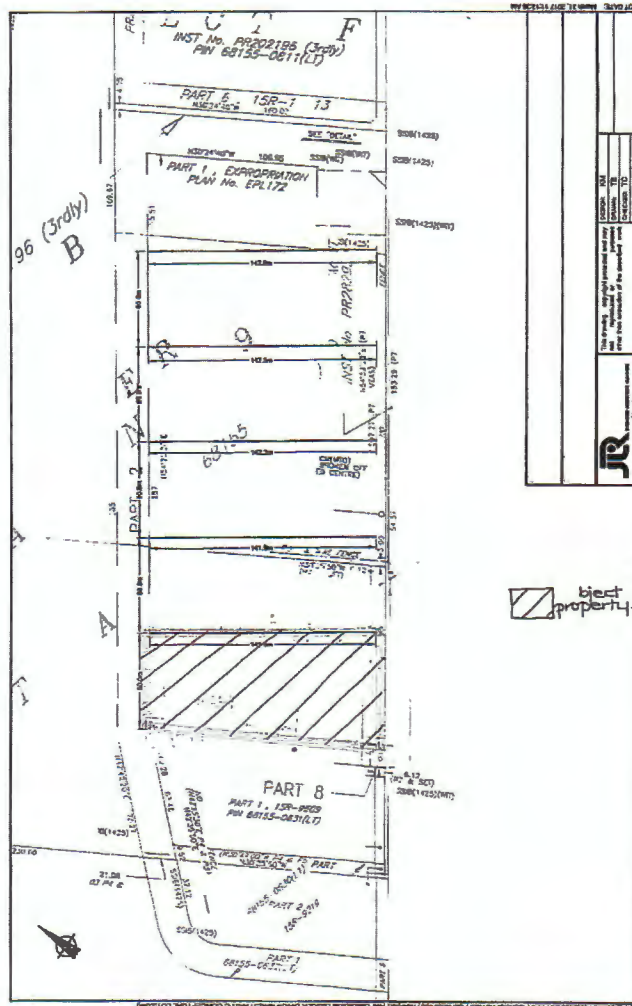
David Grant (Nov 7, 2023 08:56 EST)

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Name: David Grant

Officer: CAO

# Schedule "A"














# Option to Repurchase Agreement Final - 2023.09.2295 signed by Alswiti

Final Audit Report

2023-11-07

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## "Option to Repurchase Agreement Final - 2023.09.2295 signed by Alswiti" History

-  Document created by Rebecca Williams (rwilliams@twpec.ca)  
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-  Email viewed by mayor@twpec.ca  
2023-11-02 - 0:40:09 AM GMT- IP address: 3.237.91.71
-  Signer mayor@twpec.ca entered name at signing as Tory Deschamps  
2023-11-02 - 0:41:09 AM GMT- IP address: 66.206.234.21
-  Document e-signed by Tory Deschamps (mayor@twpec.ca)  
Signature Date: 2023-11-02 - 0:41:11 AM GMT - Time Source: server- IP address: 66.206.234.21
-  Document emailed to David Grant (dsgrant@twpec.ca) for signature  
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**Adobe Acrobat Sign**