



## TOWN OF MINTO

DATE: July 7, 2017

REPORT TO: Mayor & Council

FROM: Belinda Wick-Graham, Business & Economic Manager

SUBJECT: Palmerston Industrial Agreement of Purchase & Sale –  
Lot 5, Krosinski

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### STRATEGIC PLAN:

- 4.3 Ensure there is sufficient serviced/serviceable land for a variety of uses in Minto's three urban areas, and maintain a supply of municipally owned serviced industrial land for sale to business in accordance with Town policies.

### BACKGROUND:

On Friday May 26, 2017 CBO Kuipers and Business & Economic Manager Wick-Graham met with Jack Krosinski from Krosinski Enterprises Inc. to discuss his interest in purchasing industrial land within the Palmerston Industrial Park for a medical cannabis production facility and as the law permits recreational cannabis.

Mr. Krosinski has been working with Heath Canada since 2013. His initial application was for a distribution license but due to legislative and marketplace changes the Purchaser amended the application to a distribution and cultivation license and is currently in stage 5 of 7 of the review stage.

The initial building is proposed to include a 5,000 sq. ft. processing head house and three 5,000 sq. ft. cultivation greenhouses. Mr. Krosinski has highlighted that initially he expects to employ eight employees but projects that future employment based on comparable operations could be 100 employees.

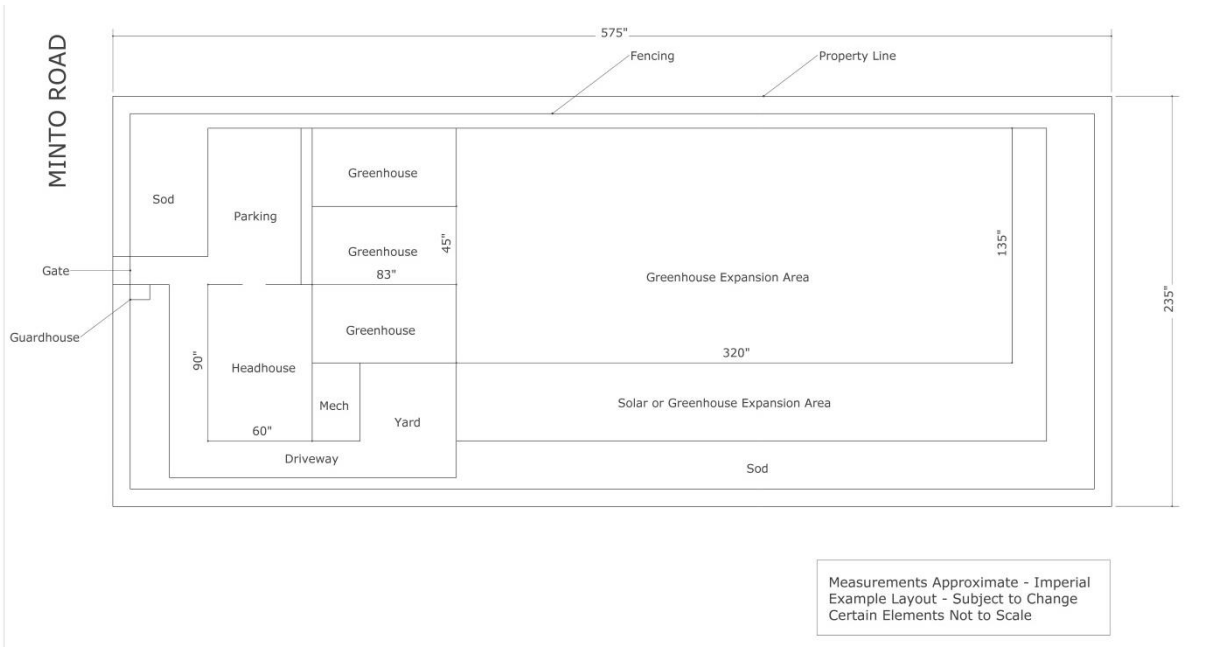
The Purchaser has offered full asking price of \$45,000 (\$15,000/acre) for the three acres contained in Lot 5 with the First Right of Refusal for Lot 4. The proposed building will meet the minimum building coverage covenant. The agreement is conditional upon rezoning.

### COMMENTS:

Rezoning of the property is needed to allow cannabis cultivation. Under the agreement of purchase and sale the Town starts the re-zoning



procedure to have the land use considered under Planning Act procedures. This requires a public meeting and discussion around land use planning issues with the proposal. This report is not a preliminary land use analysis; it seeks direction on whether to proceed with the conditional agreement of purchase and sale. Below is a preliminary layout of the site.



Staff's preliminary research, including speaking with other municipalities that host similar facilities, determined these are pharmaceutical grade facilities that are highly regulated for security and quality. Additional information will be brought forward by the purchaser during the rezoning process.

It is recommended Council sign the agreement of purchase and sale with the condition on rezoning. Once the rezoning process begins community input will be obtained and the land use assessed from a planning perspective. If rezoning is approved the agreement of purchase and sale moves forward, but if it is not then the sale does not proceed.

#### **FINANCIAL CONSIDERATIONS:**

Krosinski Enterprises Inc. is offering full asking price of \$15,000/acre.

#### **RECOMMENDATION:**

That the Council of the Town of Minto receives the July 7, 2017 report from the Business and Economic Manager regarding the Agreement of Purchase & Sale for Lot 4 in the Palmerston Industrial Park and authorizes the Mayor and the Clerk to sign the Agreement of Purchase & Sale.

Belinda Wick-Graham, Business & Economic Manager