

The Corporation of the Township of Southgate

By-law Number 2022-136

**being a by-law to authorize an agreement
between Flato Developments Inc. and the
Corporation of the Township of Southgate**

Whereas the Municipal Act, 2001, Chapter 25, as amended, Section 5 (3), states that municipal power, including a municipality's capacity, rights, powers and privileges, shall be exercised by by-law unless the municipality is specifically authorized to do otherwise; and

Whereas Section 8 of the Municipal Act, 2001, Chapter 25, as amended, provides that a municipality has the authority to govern its affairs as it considers appropriate and enables the municipality to respond to municipal issues; and

Whereas Section 9 of the Municipal Act, 2001, Chapter 25, as amended, provides that a municipality has the capacity, rights, powers and privileges of a natural person for the purpose of exercising its authority under this or any other Act; and

Whereas it is deemed necessary and desirable that the Council of the Corporation of the Township of Southgate enact a by-law authorizing the Corporation to enter into an agreement with Flato Developments Inc.,

Now therefore be it resolved that the Council of the Corporation of the Township of Southgate enacts as follows:

1. **That** the agreement between Flato Developments Inc. and The Corporation of the Township of Southgate, attached hereto at Schedule A is hereby ratified and confirmed; and
2. **That** the Mayor and the Clerk are authorized to sign the agreement on behalf of the Township of Southgate; and
3. **That** where the provisions of any other by-law, resolution or action of Council are inconsistent with the provisions of this by-law, the provisions of this by-law shall prevail.

Read a first, second and third time and finally passed this 21st, day of September, 2022.

John Woodbury – Mayor

Lindsey Green – Clerk

GIFT AGREEMENT

BETWEEN

FLATO DEVELOPMENTS INC.

and

THE TOWNSHIP OF SOUTHGATE

I. INTRODUCTION

- A. *The purpose of this agreement is to summarize the mutual understanding of FLATO Developments Inc. (the “Donor”) and the Township of Southgate (the “Township”) regarding a charitable gift to the Dundalk Olde Town Hall as a Community Cultural use facility in perpetuity of this locations use.*

The Donor’s gift will support the work of the Township to operate the Dundalk Olde Town Hall as a community cultural use building for public access to events. This agreement will be made a part of Township of Southgate’s permanent records and is intended to serve as a guide to those who will administer these funds in the future to support operation costs.

- B. *The Township is a Canadian municipality designated as a qualified donee with ability to issue charitable receipts for donation. (Southgate’s Business Number is 8704 19173 RT0001).*

II. DESCRIPTION OF THE GIFT

- A. *The Donor wishes to demonstrate support for the Township’s Dundalk Olde Town Hall for cultural uses by pledging a cash gift of Seven Hundred and Twenty Thousand Dollars (\$720,000.00) to be donated over a period of twenty (20) years beginning in 2023 to support the work of the Township of Southgate to provide Community Cultural activities through community partners, in the former Village of Dundalk.*

- B. *The Donor’s pledge will be paid as follows:*

- Thirty-six Thousand Dollars (\$36,000.00) on or about the 1st Day of July, 2023; and
- Thirty-six Thousand Dollars (\$36,000.00) annually on the 1st day of July, until the year 2042, with the condition that the Cultural activities and events continue as annual use of this facility for the life of this agreement.

C. *The Donor may accelerate the completion of this pledge at its discretion.*

III. USES OF THE GIFT

A. *The distribution of the Seven Hundred and Twenty Thousand Dollar (\$720,000.00) gift amount (as provided in installments annually under Section II (B) from the Donor will be as follows:*

1. To support the operation and maintenance of the Dundalk Olde Town Hall building as a Community Cultural Centre;
2. Particularly, to establish new community cultural events in the Township of Southgate, former Village of Dundalk; and
3. To fund such other projects that the Donor and the Dundalk Olde Town Hall Cultural Board of Management Committee (the "Board") may agree upon from time to time, such as capital works or other projects to support building accessible upgrades or events of a similar cultural or ethic nature.

IV. NAMING CONSIDERATIONS

A. *In recognition of the Donor's support as described by this document, and upon receipt of the initial pledge installment, the Township of Southgate agrees to name the Dundalk Olde Town Hall Cultural Use space of the building in Dundalk, the FLATO-Southgate Theatre and Cultural Centre, or such other name as the Donor may direct.*

V. UNFORESEEABLE CIRCUMSTANCES

A. *In the unlikely event that, at some future time, it becomes impossible for the gift to serve the specific purpose or purposes for which it was given, the CAO of the Township of Southgate shall direct that the principal and income from this gift to be devoted to purposes that are deemed to be the most consistent with the wishes of the Donor and, where possible, in consultation with the Donor or its successors.*

B. *In the event that the sale of the Dundalk Olde Town Hall building is not completed with Wellington Investments and the cultural areas of this building is not leased to the Township, then this agreement will become null and void.*

VI. MISCELLANEOUS

- A. This Agreement is executed in and shall be governed by the laws of the Province of Ontario and the Country of Canada.
- B. This gift agreement may be amended at any time by written agreement signed by each party.
- C. The effective date of this agreement shall be the date this agreement is fully executed.
- D. This donation is for the Dundalk Olde Town Hall cultural facility space only.
- E. The Land (site) upon which the facility is located in a building and on lands leased by the Township of Southgate from Wellington Investments Inc.
- F. FLATO is providing the money as financial support, a total of (Seven Hundred and Twenty Thousand Dollars) \$720,000. The Township shall invoice FLATO Developments for \$36,000 on or about the 1st of July each year.
- G. FLATO may, at their discretion, appoint to the Dundalk Olde Town Hall Cultural Board of Management Committee (the "Board") for the Dundalk Olde Town Hall Cultural Centre with one member to be appointed by their President. Said member to be appointed in-line with the Board's Terms of Reference and applicable municipal bylaws.
- H. The Township of Southgate shall, at their discretion, have one elected member of Council on the Board. Said member to be appointed in-line with the Board's Terms of Reference and applicable municipal bylaws.
- I. This agreement naming rights of the Dundalk Olde Town Hall Cultural Centre is in perpetuity of this locations use by the Township.
- J. The Township hereby agrees to maintain the required comprehensive insurance and will indemnify and save harmless FLATO Developments Inc. and Management Board members with respect to any liability. A copy of the insurance shall be shared with all of the parties.
- K. The Township is working with Wellington Investments Inc. related to building capital upgrades and shall begin construction works on the building in the next 90 days and is planned to be up and running by July 1st, 2023, subject to building upgrade delays. Should the building upgrades be delayed it may be necessary to adjust this agreement in Section 2, subsection B related to start date of the donation schedule and annual pledge.

VII. SIGNATURES

For the Donor: *FLATO Developments Inc.*

Per: _____	_____	Shakir Rehmatullah
C.E.O.	DATE	NAME

For the *Township of Southgate*

Per: _____	_____	John Woodbury
MAYOR	DATE	NAME

Per: _____	_____	Lindsey Green
CLERK.	DATE	NAME