

The Corporation of the City of Kenora

By Law Number 3 - 2024

Development Contribution Agreement between the Corporation of the City of Kenora and Lake of the Woods Brewing Company

Whereas Council wishes to encourage and promote private sector development in the City of Kenora; and

Whereas Section 106 of the Municipal Act, 2001 (the “Act”) prohibits any municipality to assist directly or indirectly any manufacturing business or other industrial or commercial enterprise through the granting of bonuses for that purpose; and

Whereas under Section 107 of the Act despite any provision relating to the giving of grants or aid by a municipality, subject to Section 106, a municipality may make grants, to any person, group or body that Council considers to be in the interest of the municipality;

Whereas Council enacted a Development Contribution By-law, number 165-2023, to authorize the City to enter into agreements for private sector projects that can clearly demonstrate public benefit in the interest of the municipality; and

Whereas Council has reviewed and supported a Development Contribution Application for Lake of the Woods Brewing Company for a new 20,000 ft² Kenora location on Valley Drive which will include an industrial manufacturing and production facility, 150-seat tasting room and restaurant, catering kitchen and retail space which will operate year-round as a four-season attraction for both residents and visitors; and

Whereas this development will demonstrate a broader community benefit through job creation, and the creation of a tourist destination which includes a destination to buy and sell local products and services in an outdoor open-air venue; and

Whereas it has been appropriate for the magnitude of this development and investment in Kenora and the public benefit of the application, an appropriate funding contribution of \$375,000 is being authorized;

Now Therefore the Council of The Corporation of the City of Kenora Enacts as follows:

1. **That** City Administration has conducted a full assessment of the criteria identified by Development Contribution bylaw #165-2023 for the application received by Lake of the Woods Brewing Company.
2. **That** the key criterion under the Development Contribution By-Law is that the project must demonstrate a public benefit and through this internal assessment, Administration considered the impact for job opportunities, the impact to tourism and attraction to our community, as well as the impact of assessment to our tax base. This project meets all three of these criteria and connects all four definitions within the bylaw.

3. **That** this application represents one of the largest employment creation projects in the last decade in Kenora.
4. **That** the total contribution towards this development project is \$375,000 to be funded through the Future Land Development Reserve.
5. **That** should Lake of the Woods Brewing Company not comply with the terms and conditions of the Agreement, they shall, at the request of the City, re-pay to the City the entire amount or portion of benefits conferred under the agreement, together with any costs, administrative or otherwise, incurred by the City.
6. **That** the attached agreement forms part of this contractual obligation by Lake of the Woods Brewing Company and the Corporation.
7. **That** this by-law shall come into force and take effect upon its passing.

By-law read a first and second time this 16th day of January, 2024

By-law read a third and final time this 16th day of January, 2024

The Corporation of the City of Kenora:-

Andrew Poirier, Mayor

Heather Pihulak, City Clerk