



Report to: **General Committee**

Date Report Authored: November 23rd, 2015

SUBJECT: Reporting Out Of Real Property Acquisitions
PREPARED BY: Jacqueline Chan, Assistant City Solicitor

RECOMMENDATION:

- 1) THAT the report entitled “Reporting Out Of Real Property Acquisitions ” be received;
- 2) AND that Staff be authorized and directed to take the actions set out in this report;
- 3) AND that the report entitled “Reporting Out Of Real Property Acquisitions” and the foregoing resolutions be reported out in the public Council meeting on December 15, 2015.

EXECUTIVE SUMMARY:

This report will provide information on the acquisition of the following properties:

1. Block 371 on Plan 3838, Markham (the “**Boxgrove Park Site**”);
2. 4447 14th Avenue, Markham (“**4447 14th Avenue**”);
3. Part of Block 9, Plan M-2029, Markham, designated as Parts 3, 5, 8, 11, 13, 14, 15, 17 and 20 on Reference Plan 65R-35378 (the “**Seneca Lands**”); temporary easement over Part of Block 9, Plan 2029, Markham, designated as Parts 2, 6, 9, 12 and 19 on Reference Plan 65R-35378 (“**Seneca Temporary Easement**”) and a permanent easement over Part of Block 9, Plan M2029, Markham, designated as Part 18 on Plan 65R-35378 (the “**Seneca Permanent Easement**”)
4. Part of Block 10, Plan M-2029, Markham, designated as Parts 12, 13 and 20 on Reference Plan 65R-35379 (“**Dream Lands**”); temporary easement over Part of Block 10, Plan M-2029, Markham, designated as Parts 1, 2, 4, 9, 10, 16, 17 and 18 on Reference Plan 65R35379 (“**Dream Temporary Easement**”) and Part Block 10, Plan M-2029, Markham, designated as Parts 3, 5, 6, 7, 8, 11, 14, 15, and 19 on Reference Plan 65R-35379 (“**Dream Permanent Easement**”)
5. Part of Lot 5, Concession 7, Markham, designated as Parts 13, 14, 15, 16, 17 and 18 on Plan 65R-34398 (the “**South East Community Centre Park Lands**”);
6. Part of Lot 12, Concession 9, Markham, designated as Parts 8, 9, 17 and 18 on 65R-31667 (the “**Cornell Public Square Lands**”);
7. Part of Lot 12, Concession 6, Markham, designated as Parts 1 to 4, inclusive, Plan 65R-34196 (“**Victoria Trail Lands**”);
8. Part of Lot 10, Concession 6, Markham, designated as Parts 1 and 4, Plan 65R-33888 (the “**River Bend Trail Lands**”);
9. 75 Clegg, Markham (“**75 Clegg**”); and
10. Part of Lot 7, Concession 4, Markham, designated as Part 1 on Plan 65R-31323 (“**Miller Street B Lands**”).

This report will provide the date each of these properties were acquired, the area of these properties, the purpose for which they were acquired and the amount spent by the City on the acquisition.

PURPOSE:

The purpose of this report is to provide information on the acquisition of real property by the City.

BACKGROUND:

Council has requested that acquisitions of real property, together with details on costs associated with such acquisitions be reported out at public Council meetings after the closing of the transactions. Although a general policy exists for reporting out these acquisitions within the year that they were completed, some transactions that closed prior to 2015 have not yet been reported out. This report will report out 5 acquisitions that closed in 2015. It will also report out 5 other acquisitions that closed between 2012 and 2014. In the first quarter of 2016, staff will be bringing a subsequent report to report out any other acquisitions transactions (such as acquisitions authorized by Engineering capital project reports) that were completed between 2012 and 2014 that have not yet been reported out.

OPTIONS/ DISCUSSION:

This section will describe each of the properties, the date of acquisition, the purpose for which they were acquired and the amount spent by the City on the acquisition.

1. Boxgrove Park Site

An aerial photograph showing the location of the Boxgrove Park Site is attached as Attachment No. 1. The property is approximately 6.03 acres and located near the north/east corner of Rizal Avenue and Marlborough Road. The Boxgrove Park Site is a surplus school site located within a residential subdivision in the Boxgrove neighbourhood. The property was acquired by the City for park purposes. The acquisition transaction was completed on November 2, 2015.

The City paid for the 6.03 acre Boxgrove Park Site through a combination of granting parkland credits and a cash payment to the owner as follows:

- a) 1.21 acres: conveyed to the City in exchange for parkland credits to satisfy the owner's parkland dedication requirements for the proposed development of lands legally described as Part of Lot 8, Concession 9, Markham, designated as Block 62 on Plan 65M-3908 and Block 292 on Plan 65M-4008 ("Site B").
- b) 0.40 acres: conveyed to the City by the owner for no consideration.
- c) 4.41 acres: conveyed to the City for the purchase price of \$5,953,500.

The total amount of \$6,150,257 was spent to acquire the property including the purchase price, land transfer tax, sales tax, due diligence and administrative costs. These funds were paid from Project 13840, Parkland for Surplus School Sites in Upper Unionville and Boxgrove, and funded by the Parks 5% Cash-In-Lieu Reserve Fund.

2. 4447 14th Avenue

An aerial photograph showing the location of 4447 14th Avenue is attached as Attachment No. 2. It is adjacent to the City's Central Parks Works Yard which is located on the south side of 14th Avenue, west of Kennedy Road. The property is approximately 0.26 acres with a frontage of 75 feet and a depth of 143 feet. 4447 14th Avenue was acquired by the City for the purpose of enhancing the Central Parks Works Yard parcel. The acquisition transaction was completed on May 13, 2015.

The purchase price for the property was \$675,000. The total amount of \$701,269 was spent to acquire the property including the purchase price, land transfer tax, due diligence and administrative costs. These funds were paid from Project 15610, Acquisition of 4447 14th Avenue, and funded by the Public Works Development Charges Reserve.

3. Seneca Lands, Seneca Temporary Easement and Seneca Permanent Easement

An aerial photograph showing the location of the Seneca Lands, Seneca Temporary Easement and Seneca Permanent Easement is attached as Attachment Nos. 3-A, 3-B and 3-C. The Seneca Lands comprise 0.2573 acres. The Seneca Temporary Easement is 0.109 acres. The Seneca Permanent Easement is 0.0357 acres. The acquisition transaction was completed on February 12, 2015. The lands and easements were acquired for constructing a grade separated structure crossing Highway 404 between Highway 7 and 16th Avenue, including road connections to East Pearce Street within Richmond Hill and Allstate Parkway within Markham (collectively, the "**Mid Block Crossing**"). The construction and maintenance of the Mid Block Crossing will be completed with the Region of York and the Town of Richmond Hill. The acquisition transaction was completed on February 12, 2015.

The total amount of \$1,358,719 was paid to the owner to acquire the lands and easements described above. The following table shows the amounts paid to the owner:

Item	Cost
Purchase Price for Seneca Lands	\$183,310
Purchase Price for Seneca Temporary Easement	\$22,563
Purchase Price for Seneca Permanent Easement	\$20,528
Compensation for <u>injurious affection</u> *	\$500,000
Compensation for lands to be used for relocation of existing loading dock (required for construction of the Mid Block Crossing)	\$552,000

Consulting and legal costs	\$80,318
Subtotal	\$1,358,719

* “injurious affection” is a term used in the *Expropriations Act* (Ontario). Where the municipality acquires part of the land of an owner, “injurious affection” is defined in the *Expropriations Act* as follows:

- (i) the reduction in market value thereby caused to the remaining land of the owner by the acquisition or by the construction of the works thereon or by the use of the works thereon or any combination of them, and
- (ii) such personal and business damages, resulting from the construction or use, or both, of the works as the statutory authority would be liable for if the construction or use were not under the authority of a statute.

In addition to the above costs paid to the owner, the City also spent an additional amount of \$22,654 on legal costs, land transfer tax, sales tax, due diligence and administrative costs. The total amount of \$1,381,373 was paid from Project 14038, Highway 404 Mid-block Crossing North of Highway 7 – Construction, and funded by the City Wide Hard Development Charges Reserve. The above-noted costs for acquiring the land and easements will be shared with the Town of Richmond Hill and the Regional Municipality of York.

4. Dream Lands, Dream Temporary Easement and Dream Permanent Easement

An aerial photograph showing the location of the Dream Lands, Dream Temporary Easement and Dream Permanent Easement is attached as Attachment Nos. 4-A, 4-B and 4-C. The Dream Lands comprise 2.325 acres. The Dream Temporary Easement is 0.951 acres and the Dream Permanent Easement is 0.81 acres. The lands and easements were acquired for construction of the Mid Block Crossing. The acquisition transaction was completed on April 30, 2015.

The total amount of \$4,027,915 was paid to the owner to acquire the lands and easements described above. The following table shows the amounts paid to the owner:

Item	Cost
Purchase Price for Dream Lands	\$2,673,750
Purchase Price for Dream Temporary Easement	\$196,857
Purchase Price for Dream Permanent Easement	\$465,750
Compensation for Injurious Affection	\$600,000
Compensation for Window Cleaning	\$10,000
Consulting and Legal Costs	\$81,558
Subtotal	\$4,027,915

In addition to the above costs paid to the owner, the City also spent an additional amount of \$146,313 to acquire the above described lands and easements, which includes land transfer tax, sales tax, due diligence, legal and administrative costs. The total amount of \$4,174,228 was paid from Project 15049, Highway 404 Mid-block Crossing North of Highway 7, and funded by the City Wide Hard Development Charges Reserve. The above-noted costs will be shared with the Town of Richmond Hill and the Region of York.

5. South East Community Centre Park Lands

An aerial photograph showing the location of the Southeast Community Centre Park Lands is attached as Attachment No. 5. The property is comprised of approximately 5.01 acres of vacant farm land. It is located immediately to the east of the site for the South East Community Centre and Library site and fronts on to 14th Avenue. The City acquired the property for the purpose of constructing a park adjacent to the South East Community Centre and Library. The acquisition transaction was completed on July 23, 2015.

The City acquired the South East Community Centre Park Lands through granting parkland credits to three separate owners. In consideration for the conveyance of the property to the City, the owners received (jointly) a parkland credit of 5.01 acres which may be used to satisfy the actual future parkland dedication requirements resulting from the owners' proposed development of the parcel of land to the south and east of the South East Community Centre Park Lands (the "**Owner's Lands**"). The agreements that the City entered into with the owners provides for an adjustment mechanism in the event parkland dedication requirements for the Owner's Lands are more or less than 5.01 acres. It also provides that the City will reimburse the owners the total amount of \$2,879,813 in the event that development on the Owner's Lands does not proceed.

The total amount of \$45,977 was spent to acquire the property including land transfer tax, due diligence and administrative costs. These funds were paid from Project 15627, Acquisition of South East Community Centre and Library Option Lands, and funded by the Parks 5% Cash-In-Lieu Reserve Fund.

6. Cornell Public Square Lands

An aerial photograph showing the location of the Cornell Public Square Lands is attached as Attachment No. 6. The property is approximately 0.546 acres and located at the south-west corner of Bur Oak Avenue and Church Street just north of and contiguous to the Cornell Community Centre and Library. The Cornell Master Plan contemplates a public square in this general location which would provide an important civic space in close proximity to the Markham Stouffville Hospital and the Cornell Community Centre. The City acquired the Cornell Public Square Lands for a public square. The acquisition was completed on August 6, 2014.

The purchase price for the property was \$357,500. The City also paid \$115,500, the proportionate share of the developer's cost sharing obligations attributable to the Cornell

Public Square Lands. The total amount of \$483,325 was spent to acquire the property including the purchase price, the City's share of Cornell Community Cost Sharing, land transfer tax, sales tax, due diligence and administrative costs. These funds were paid from Project 14450, Land Acquisition from Markham Stouffville Hospital, and funded by the Parks 5% Cash-In-Lieu Reserve Fund.

7. Victoria Trail Lands

An aerial photograph showing the location of the Victoria Trail Lands is attached as Attachment No. 7. The property is located at the rear of the residential property municipally known as 49 Victoria Avenue and is comprised of approximately 0.4 acres of valley lands. The Victoria Trail Lands were acquired by the City to construct a trail. The property is identified in the City's Pathways and Trails Masterplan as part of a key trail. The acquisition was completed on April 30, 2013.

The consideration paid by the City to the owner for the property was \$100,500 (comprised of \$18,000 as compensation for the market value of the property plus \$82,600 as compensation for the owner's time, legal fees, and injurious affection related to the City's purchase of the Victoria Trail Lands and constructing the trail thereon). In addition, the City conducted improvements on the owner's property comprising the planting of trees and the installation of a fence. The total cost of these improvements was \$22,063. The total amount of \$123,052 was spent to acquire the property including the purchase price, the above noted amounts paid for the owner as compensation for time, legal fees and injurious affection, the cost of improvements conducted on the owner's property, land transfer tax, sales tax, due diligence and the City's administrative costs. These funds were paid from Project 13850, Proposed Acquisition of Valley Lands 49 Victoria Ave, and funded by the Strategic Environmental Land Acquisition Reserve Fund.

8. River Bend Trail Lands

An aerial photograph showing the location of the River Bend Trail Lands is attached as Attachment No. 8. The property formed part of the residential property municipally known as 6 River Bend Road, which was bisected by the Rouge River. The River Bend Trail Lands comprise approximately 1.5 acres of land on the east side of the river. The River Bend Trail Lands were acquired by the City to construct a trail. The property is identified in the City's Pathways and Trails Masterplan as part of a key trail. The acquisition transaction was completed on December 12, 2012.

The purchase price for the property was \$68,187. The total amount of \$73,664 was spent to acquire the property including the purchase price, land transfer tax, sales tax, due diligence and the City's administrative costs. These funds were paid from Project 12413 Acquisition 6 River Bend Valleyland, and funded by the Strategic Environmental Land Acquisition Reserve Fund.

9. 75 Clegg

An aerial photograph showing the location of 75 Clegg Road is attached as Attachment 9. 75 Clegg Road includes a 51,520 square foot office building built on 3.46 acres of land. Approximately 60% of building is comprised of office and the remaining 40% is a warehouse. The building was constructed in 1987. 75 Clegg is located on Clegg Road between Rodick Road and South Town Centre Drive. It was acquired by the City for the potential relocation of: (a) the City's forestry staff and vehicles; (b) the City's Waterworks Operations and Maintenance Group staff and vehicles; and (c) the potential relocation of the City's subtenants in the Markham Convergence Centre. 75 Clegg is currently occupied by the City's tenant, CDI Computer Dealers Inc. The acquisition transaction was completed on May 14, 2012.

The purchase price for 75 Clegg was \$6,300,000. The total amount of \$6,450,994 was spent to acquire the property including the purchase price, land transfer tax, due diligence, legal and administrative costs. These funds were paid from Project 12400, Property Acquisition-75 Clegg, and funded by the Life Cycle Replacement and Capital Reserve Fund.

10. Miller Street B Lands

An aerial photograph showing the location of the Miller Street B Lands is attached as Attachment 10. The Miller Street B Lands is comprised of approximately 0.5 acres of vacant land near Miller Avenue and Woodbine Avenue. It was acquired by the City for the future extension of Miller Avenue. Pursuant to the Draft Plan of Subdivision Approval (subject to conditions) for the proposed Plan of Subdivision 19TM-06001, dated December 9, 2008, Miller Paving Limited is responsible for constructing the future extension of Miller Avenue on the Miller Street B Lands. Accordingly, the City and Miller Paving Limited entered into a Funding Agreement, which requires Miller Paving Limited to pay all costs related to the acquisition of the Miller Street B Lands. The property was acquired on January 12, 2012.

The purchase price paid for the Miller Street B Lands was \$381,250. The total amount of \$398,854 was spent to acquire the property including the purchase price, land transfer tax, sales tax, due diligence and other administrative costs. These funds were paid from Project 11439, Street B-Miller Paving, and funded by Miller Paving Limited according to their obligations in the Funding Agreement.

FINANCIAL CONSIDERATIONS AND TEMPLATE:

See above section on Options/Discussions.

HUMAN RESOURCES CONSIDERATIONS

Not applicable


ALIGNMENT WITH STRATEGIC PRIORITIES:

Not applicable

BUSINESS UNITS CONSULTED AND AFFECTED:

The Finance Department has reviewed and approved this report.

**RECOMMENDED
BY:**


Catherine Conrad, City Solicitor

ATTACHMENTS:

Attachment No. 1	Boxgrove Park Site
Attachment No. 2	4447 14 th Avenue
Attachment No. 3-A	Seneca Lands
Attachment No. 3-B	Seneca Temporary Easement
Attachment No. 3-C	Seneca Permanent Easement
Attachment No. 4-A	Dream Lands
Attachment No. 4-B	Dream Temporary Easement
Attachment No. 4-C	Dream Permanent Easement
Attachment No. 5	South East Community Centre Park Lands
Attachment No. 6	Cornell Public Square Lands
Attachment No. 7	Victoria Trail Lands
Attachment No. 8	River Bend Trail Lands
Attachment No. 9	75 Clegg
Attachment No. 10	Miller Street B Lands

Attachment No. 1 Boxgrove Park Site



Subject Lands

Larkspur Dr

Rennie Ave

BLOCK 371 PLAN 3838

Malborough Rd

Smoothwater Terr

Rizal Ave

Forestbrook Dr

Collingham Pl

Oakborough Dr

Ada Gdns

Lundy Dr

Geddington Cres

Wickson St

Attachment No. 2 4447 14th Avenue



Subject Lands

Maple Park Way

14th Ave

4447 14th Ave

Kennedy Rd

Attachment No. 3-A Seneca Lands



Subject Lands

- PT 3
65R35378
- PT 5
65R35378
- PT 8
65R35378
- PT 11
65R35378
- PT 13
65R35378
- PT 14
65R35378
- PT 15
65R35378
- PT 17
65R35378
- PT 20
65R35378

Allstate Pky

Centurian Dr

Attachment No. 3-B Seneca Temporary Easement



Subject Lands



PT 9
65R35378

PT 12
65R35378

PT 2
65R35378

PT 19
65R35378

PT 6
65R35378

Centurian Dr

Allstate Pky

The Seneca Way

Attachment No. 3-C Seneca Permanent Easement



Subject Lands

PT 18
65R35387

Centurian Dr

Allstate Pky

The Seneca Way

Attachment No. 4-A Dream Lands



Subject Lands

Hwy 404

Hwy 404

Allstate Pky

PT 12
65R35379

PT 13
65R35379

PT 20
65R35379

Attachment No. 4-B Dream Temporary Easement

Columbia Way



Subject Lands

Hwy 404

Allstate Pky

PT 2 65R35379
PT 4 65R35379
PT 9 65R35379
PT 10 65R35379
PT 1 65R35379

PT 16 65R35379

PT 18 65R35379

PT 17 65R35379

Attachment No. 4-C Dream Permanent Easement

Columbia Way



Subject Lands

PT 3
65R35379

PT 11
65R35379

PT 7
65R35379

PT 5
65R35379

PT 8
65R35379

PT 6
65R35379

PT 15
65R35379

PT 14
65R35379

PT 19
65R35379

Hwy 404

Allstate Pky

Attachment No. 5 South East Community Centre Park Lands



Subject Lands



Attachment No. 6 Cornell Public Square Lands



Subject Lands

Church St

Bur Oak Ave

Lane

PT 17
65R31667

PT 8
65R31667

PT 18
65R31667

PT 19
65R31667

Attachment No. 7 Victoria Trail Lands



Subject Lands



Attachment No. 8 River Bend Trail Lands



Subject Lands

Hwy 7 E

PT 4
65R33888

PT 1
65R33888

Prince William Dr

Oakcrest Ave

River Bend Rd



Subject Lands

Clegg Rd

South Town Centre Blvd

Cedarland Dr

75 Clegg Rd

Private Rd



Subject Lands



PT 1
65R31323

Miller Ave