

**Subject: Acquisition of Property for Riverside South Recreation Complex and District Park**

**File Number: ACS2024-SI-HSI-0005**

**Report to Finance and Corporate Services Committee on 3 December 2024  
and Council on 11 December 2024**

**Submitted on November 13, 2024 by Geraldine Wildman, Director, Housing and Strategic Initiatives**

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**Ward: Riverside South-Findlay Creek (22)**

**Objet : Acquisition de terrains pour l'aménagement du Complexe récréatif et parc de district de Riverside-Sud**

**Dossier : ACS2024-SI-HSI-0005**

**Rapport au Comité des finances et des services organisationnels le 3 décembre 2024**

**et au Conseil le 11 décembre 2024**

**Soumis le 13 novembre 2024 par Geraldine Wildman, directrice, Solutions de logement et Investissements, Initiatives stratégiques**

**Personne ressource : Stephen O'Brien, gestionnaire de programme, Acquisitions et Évaluations, Initiatives stratégiques**

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**Quartier : Riverside-Sud-Findlay Creek (22)**

## REPORT RECOMMENDATION(S)

That the Finance and Corporate Services Committee recommend City Council:

1. Approve the acquisition as described in the report for the purchase of the fee simple interest in lands having Property Identification Number (PIN) 04331-3874, PIN 04331-3883, PIN 04331-3886 (the “Riverside South Recreation Complex Lands”) shown as Parcel 1 on Document 1 attached from Riverside South Development Corp. for \$12,784,000 plus applicable taxes and closing costs.
2. Approve \$9,000,000 of Development Charges funding for the acquisition in addition to previously approved funding of \$4,500,000.
3. Delegate authority to the Director, Housing Solutions and Investments to enter into, conclude, execute, amend, and implement on behalf of the City, the Purchase Agreement for the acquisition of the “Riverside South Recreation Complex and District Park Lands” as described in this report.

## RECOMMANDATION(S) DU RAPPORT

Que le Comité des finances et des services organisationnels recommande ce qui suit au Conseil municipal:

1. Approuver, conformément à ce qui est prévu dans le rapport, l’acquisition en fief simple des terrains portant les numéros d’identification de propriété 04331-3874, 04331-3883 et 04331-3886 (les « terrains du complexe récréatif de Riverside-Sud »), illustrés comme constituant la parcelle 1 dans le document 1 ci-joint, de Riverside South Development Corp., pour un montant de 12 784 000 \$ (taxes applicables et frais de clôture en sus).
2. Approuver un financement de 9 000 000 \$ issu des redevances d’aménagement pour l’acquisition précitée, venant s’ajouter aux fonds de 4 500 000 \$ précédemment approuvés.
3. Déléguer à la directrice, Solutions de logement et Investissements, le pouvoir de conclure, de signer, de modifier et de mettre en œuvre, au nom de la Ville, l’accord pour l’acquisition des « terrains du complexe récréatif et du parc de district de Riverside-Sud », comme le décrit le présent rapport.

## BACKGROUND

On June 22, 2016, Council approved an update to the Riverside South Community Design Plan (CDP) (Report Number ACS2016-PAI-PGM-0070 – Item 8). The CDP designated two District Parks – an 18.5-hectare District Park at the northeast quadrant of Earl Armstrong Road and Collector “H”, and a 10.7-hectare District Park on the west side of Limebank Road in the Riverside South Town Centre. Concurrent with the approval of the CDP Update, Council approved a rezoning of the 18.5-hectare District Park from a “DR” (Development Reserve) Zone to an “L2” (Major Leisure Facility) Zone.

The 18.5-hectare District Park is comprised of a 5.5-hectare parcel to be purchased by the City from Riverside South Development Corp. (RSDC) for the development of a Recreation Complex and a 13-hectare parcel to be conveyed by RSDC to the City as parkland dedication. The 10.7-hectare District Park in the Town Centre is planned to be conveyed by RSDC to the City as parkland dedication. The City intended to develop a Community Centre and Library Branch on part of this 10.7-hectare District Park.

As part of its approval of the Riverside South CDP update, Council approved a draft Memorandum of Understanding (MOU) between the City and RSDC to advance community benefits and recreational opportunities in Riverside South. This MOU was never executed.

On May 1, 2024, Council repealed the Riverside South CDP and approved an amendment to Volume 2A of the Official Plan to add the Riverside South Secondary Plan (Report Number ACS2024-PRE-EDP-0038). The Secondary Plan designates new sites for the two District Parks. The 18.5-hectare District Park is now designated at the northwest quadrant of Earl Armstrong Road and Collector “H”, and the 10.7-hectare District Park is designated at the northwest quadrant of a future Main Street and Transit Street near Limebank Station in the Riverside South Town Centre. RSDC is the owner of the new District Park sites.

Concurrent with the approval of the Secondary Plan, Council approved a zoning amendment to rezone the:

- new site for the 18.5-hectare District Park from a Development Reserve (“DR”) Zone to a Major Leisure Facility (“L2 [2958]”) Zone;
- former site from “L2” to “DR”; and
- District Park in the Riverside South Town Centre from a Residential Fifth Density, Exception 1869, Schedule 269 Zone (“R5Z [1869] S269”) and a General Mixed-Use Subzone 28, Schedule 269 Zone (“GM28 S269”) to a Major Leisure Facility, Exception 2954, Schedule 269 Zone (“L2 [2954] S269”).

The Major Leisure Facility Zone (“L2”) permits a range of uses including a community centre, library, recreational and athletic facility, sports arena, and park. The exception zones for the District Parks include specific provisions for the building heights and the front yard, rear yard, interior side yard and corner side yard setback requirements.

The District Park in the Riverside South Town Centre has been excluded from the property acquisition agreement since these lands will be conveyed separately to the City by RSDC through a current subdivision application. The size of this District Park has been revised during the subdivision approval process from 10.7 hectares to 10.875 hectares.

## **DISCUSSION**

Pursuant to the draft MOU, the Recreation, Cultural and Facility Services Department (RCFS) requested that the Strategic Initiatives Department enter into discussions with RSDC to acquire the lands for the Recreation Complex conditional on approval by City Council.

The property is a 5.5-hectare parcel of vacant land located at the north-west corner of Earl Armstrong Road and future Collector “H” (approximately 800 metres west of Bowesville Road) in the Riverside South community. The 5.5-hectare parcel is described as Parcel 1 on the Property Sketch in Document 1.

### **Intended Use**

The property is being purchased to design and construct a new Recreation Complex in the Riverside South community. The proposed two-storey building with basement will have a gross floor area of approximately 160,000 square feet (14,864 square metres) and will contain a range of recreational facilities including: an indoor aquatic facility with a six-lane, 25-metre lap pool and a therapeutic/leisure pool; an arena with two NHL-size ice pads; a gymnasium; a fitness studio; a cardio and weights area; multi-purpose and meeting rooms; change rooms; customer service / reception desk; lobby space; and support spaces.

The project also includes the design and construction of a surface parking lot, a loading/receiving area, pedestrian and cycling facilities, entrance plazas, site lighting and landscaping. It will be adjacent to a 13-hectare District Park, which is described as Parcel 2 on the Property Sketch in Document 1, to be conveyed to the City as parkland dedication. The combined Recreation Complex parcel and District Park will have an area of 18.5 hectares.

### **Purchase Cost and Conditions**

The market value compensation in the offer to acquire the lands for the Recreation Complex was supported by both an internal City appraisal as well as a third-party independent appraisal. Both appraisal reports concluded that the highest and best use of the property was for a public recreational complex.

The agreement to sell this land to the City requires that RSDC extend services (water, wastewater, stormwater, gas, hydro and telecom) to the lot line of the property and to design and construct a temporary two-lane driveway within the future Collector "H" right-of-way from Earl Armstrong Road to the proposed parking lot for the Recreation Complex. RSDC will remove the temporary driveway and develop Collector "H" to the City's urban collector road standards through a future subdivision application and agreement for RSDC's future development lands located adjacent to Collector Road "H". The appraisals were based on the condition that Collector "H" is completed and that services have been extended to the lot line.

The estimated market value range of the City's two appraisals was between \$925,000 and \$955,000 per acre. Negotiations resulted in an agreement to purchase the property at a market value rate of \$940,000 per acre, which resulted in a purchase price of \$12,784,000 for the 5.5-hectare property (13.6 acres).

Recommendation 1 of this report is to approve the acquisition of the property for \$12,784,000 plus applicable taxes and closing costs.

The City's offer was made subject to a set of conditions, each of which if not completed to the satisfaction of the City would render the offer null and void. The conditions are:

- The City to have time to review and satisfy itself with the title to the Lands and all related encumbrances.
- The City to have 120 days from the date that the agreement is approved by City Council (the Approval date) to review and satisfy itself with the environmental and geotechnical condition of the Lands. In that regard, a qualified consultant completed a Phase One Environmental Site Assessment (ESA) and since no areas of potential environmental concern were found, a Phase Two ESA was not recommended. However, a geotechnical study will be completed to support the design/planning of the recreation complex.
- RSDC to construct, at its expense, the interim condition servicing for Parcel 1 (Recreation Complex) and Parcel 2 (District Park), as well as the temporary two-lane driveway within the future Collector "H" right-of-way adjacent to Parcel 1 (Recreation Complex) prior to Closing and within two years of the Approval date.
- RSDC to transfer the Recreation Complex Lands (Parcel 1), the adjacent 13-hectare

District Park Lands (Parcel 2), and the Road Widening (Parcels 3 to 5) to the City on the closing date.

- RSDC shall, prior to the Closing Date, enter into a “Parkland Agreement” with the City to be registered on title, which will require that:
  - o The parties set out the parkland dedication requirements attributable to the District Park Lands. Pursuant to the parkland dedication provisions of the *Planning Act*, the Official Plan and the Parkland Dedication By-law, the City will acknowledge the over dedication of approximately 11.878 hectares of parkland, which reflects the conveyance to the City of the 13.0-hectare District Park Lands less an under dedication of approximately 1.122 hectares of parkland for the RSDC subdivisions within the Riverside South Secondary Plan area that were registered prior to the preparation of the Riverside South Community Landowners Core Services Cost Sharing Agreement. The City’s parkland tracking and the schedules to the Riverside South Community Landowners Core Services Cost Sharing Agreement will be updated based on an over dedication of approximately 11.878 hectares of parkland.

Upon completion of the acquisition, RCFS will work cross-departmentally as well as with the Ward Councillor on a plan to develop the site.

The purchase agreement has been negotiated subject to approval by City Council or its Delegated Authority. Recommendation Three is for Council to delegate authority to the Director, Housing Solutions and Investments to execute and conclude the Agreement on behalf of the City.

The acquisition of this property will allow the City to proceed with developing a major indoor recreation facility combined with an adjacent district park featuring a wide range of outdoor recreational facilities that will serve the growing Riverside South and Leirtrim communities.

The negotiated price of \$12,784,000 is considered fair and reasonable. Staff recommend that Council approve the Agreement of Purchase and Sale as described in this report.

## **FINANCIAL IMPLICATIONS**

The development charge funding agrees with the 2024 Development Charge Background Study Amendment Report and By-laws (ACS2024-PDB-GEN-0007) approved by Council on October 30, 2024. Budget authority will be set up in the project capital account upon Council approval.

## **LEGAL IMPLICATIONS**

There are no legal impediments to implementing the recommendations of this report.

## **COMMENTS BY THE WARD COUNCILLOR(S)**

The subject property is in Ward 22 – Riverside South-Findlay Creek. The Ward Councillor, Steve Desroches, is aware and supportive of the purchase.

## **CONSULTATION**

The Riverside South Secondary Plan project commenced late in 2017 and included the following public consultation process:

- June 21, 2018: Community Association Open House at the Rideauview Community Centre
- January 10, 2019: Public Open House held at the Falcon Ridge Golf Course
- April 1, 2019 – May 9, 2019: Public Circulation
- May 6, 2022 – June 3, 2022: Public Circulation
- November 1, 2023: Public Open House held virtually over Zoom.
- March 1, 2024 – March 29, 2024: Public Circulation
- April 24, 2024: Planning and Housing Committee Meeting

The City will conduct separate public engagement processes in the future for the Riverside South Recreation Complex project, the Riverside South Community Centre and Library Branch Project, and subsequent projects to develop the Riverside South District Parks.

## **ACCESSIBILITY IMPACTS**

The Riverside South Recreation Complex project, the Riverside South Community Centre and Library Branch project and subsequent projects in the Riverside South District Parks will be designed and constructed in accordance with the City's Accessibility Design Standards and the applicable accessibility requirements in the Ontario Building Code.

## **ASSET MANAGEMENT IMPLICATIONS**

Master planning of infrastructure services in the Riverside South Community has been completed and updated in recent years. There are no direct Asset Management Implications resulting from recommendations of this report.

## **ENVIRONMENTAL IMPLICATIONS**

The Environmental Remediation Unit was tasked with completing environmental due diligence for the subject lands in accordance with the City's property acquisition policy.

A qualified Consultant was retained to complete Phase One Environmental Site Assessment (ESA) to assess the environmental condition of a site based on its historical and current uses. The ESA covered entirety of the lands that will be acquired by the City (i.e. both the recreation complex and park lands). There were no Areas of Potential Environmental Concern (APECs) identified for the subject lands and a Phase II ESA was not recommended. However, a geotechnical study will be completed to support the design/planning of the recreation complex.

The Agreement is conditional for 120 days from the date of approval by City Council to give the City time to review and satisfy itself with the geotechnical condition of the Lands to ensure that the acquisition of the Property does not pose an environmental liability to the City.

## **DELEGATION OF AUTHORITY IMPLICATIONS**

The purchase agreement has been negotiated subject to approval by City Council or its Delegated Authority. To complete the transaction in a timely and efficient manner, Recommendation Three is for Council to delegate authority to the Director, Housing Solutions and Investments to execute and conclude the Agreement on behalf of the City.

## **RISK MANAGEMENT IMPLICATIONS**

There are risk implications in the acquisition of this property. These risks have been identified and explained in the report and are being managed by the appropriate staff.

## **RURAL IMPLICATIONS**

There are no rural implications in this report.

## **TERM of COUNCIL PRIORITIES**

The recommendations of this report support the following Term of Council Priorities:



- Economic Growth & Diversification;
- Thriving Communities;
- Service Excellence Through Innovation; and
- Sustainable Infrastructure.

## **SUPPORTING DOCUMENTATION**

Document 1 – Property Sketch is attached to this report.

## **DISPOSITION**

Following approval by Council, Legal Services, Recreation, Culture, and Facility Services and Strategic Initiatives staff will implement the recommendations in this report.

Document 1 – Property Sketch

