

**Subject: Riverside South - Limebank Extension – Stage 2 LRT – Transfer Agreement**

**File Number: ACS2025-SI-HSI-0018**

**Report to Finance and Corporate Services Committee on 2 September 2025  
and Council 10 September 2025**

**Submitted on August 21, 2025 by Debbie Stewart, General Manager Strategic Initiatives**

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**Ward: Osgoode (20) Riverside-South Findlay Creek (22)**

**Objet: Riverside-Sud – prolongement jusqu’au chemin Limebank – étape 2  
du TLR – entente de transfert**

**Numéro de dossier : ACS2025-SI-HSI-0018**

**Rapport présenté au Comité des finances et des services organisationnels**

**Rapport soumis le 2 septembre 2025**

**et au Conseil le 10 septembre 2025**

**Soumis le 2025-08-21 par Debbie Stewart, directrice générale des Initiatives stratégiques**

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**Quartier: Osgoode (20) Riverside-Sud-Findlay Creek (22)**

## **REPORT RECOMMENDATION(S)**

**That Finance and Economic Development Committee recommend Council:**

- 1. Declare certain lands previously acquired for the purposes of the cancelled North-South LRT project and shown on Document “1” (the “Surplus City Lands”), as surplus to municipal needs**
- 2. Authorize the Interim Director, Housing Solutions and Investment, Strategic Initiatives Department staff to execute a Transfer Agreement with Riverside South Development Corp. (“RSDC”) to provide for the transactions summarized in Document “4” attached to this Report (the “Transfer Agreement”) and,**
- 3. Authorize Housing Solutions and Investment, Strategic Initiatives Department staff to take such steps as may be required to complete the transactions contemplated in the Transfer Agreement, including the disposal of the Surplus City Lands to RSDC and the acquisition by the City of lands required for the Stage 2 LRT Project (Trillium Line Extension), owned by RSDC and described in Document “2” to this Report (the “RSDC Lands”) as well as a drainage easement over the Drainage Easement lands described in Document “3” to this Report.**

## **RECOMMANDATIONS DU RAPPORT**

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

- 1. Déclarer excédentaires aux besoins de la Ville certains terrains précédemment acquis dans le cadre du projet annulé de TLR Nord-Sud, des biens-fonds illustrés dans le document 1 (les « terrains excédentaires de la Ville »)**
- 2. Autoriser la directrice par intérim, Solutions de logement et Investissements, Direction générale des initiatives stratégiques à exécuter une entente de transfert avec Riverside South Development Corp. (« RSDC ») en vue de réaliser les transactions résumées dans le document 4 joint au présent rapport (l'« entente de transfert ») et**
- 3. Autoriser le personnel de Solutions de logement et Investissements, Direction générale des initiatives stratégiques à prendre les mesures**

**nécessaires pour réaliser les transactions prévues dans l'entente de transfert, y compris l'aliénation des terrains excédentaires de la Ville à RSDC et l'acquisition par la Ville des terrains requis dans le cadre de l'étape 2 du projet de TLR (prolongement de la Ligne Trillium), appartenant à RSDC et décrits dans le document 2 du présent rapport (les « terrains de RSDC »), et pour obtenir une servitude de drainage sur les terrains de servitude de drainage décrits dans le document 3 du présent rapport.**

## **EXECUTIVE SUMMARY**

This report recommends declaring certain lands previously acquired from Riverside South Development Corp. ("RSDC") for the purposes of the cancelled North-South LRT project and shown on Document "1" attached to this Report surplus and non-viable (the "Surplus City Lands") and authorizing the execution of a Transfer Agreement with RSDC, on terms generally described in Document "4" attached to this Report (the "Transfer Agreement").

The Transfer Agreement will support land rationalization and property acquisition efforts required for the Stage 2 Trillium Line, including the acquisition by the City, for nominal consideration, of lands described in Document "2" attached to this Report (the "RSDC Lands") together with a drainage easement over lands described in Document "3" to this Report (the "Drainage Easement") and the return of the Surplus City Lands to RSDC.

## **RÉSUMÉ**

Le présent rapport recommande de déclarer excédentaires et non viables certains terrains (les « terrains excédentaires de la Ville ») précédemment acquis de Riverside South Development Corp. (« RSDC ») dans le cadre du projet annulé de TLR Nord-Sud, des biens-fonds illustrés dans le document 1 joint au présent rapport, et autoriser l'exécution d'une entente de transfert avec RSDC, aux conditions généralement décrites dans le document 4 joint au présent rapport ((l'« entente de transfert »).

Cette entente de transfert viendra appuyer les efforts de rationalisation foncière et d'acquisition de propriétés nécessaires à l'étape 2 de la Ligne Trillium, notamment l'acquisition par la Ville, pour une contrepartie symbolique, des terrains décrits dans le document 2 joint au présent rapport (les « terrains de RSDC »), ainsi qu'une servitude de drainage sur les terrains décrits dans le document 3 joint au présent rapport (la « servitude de drainage ») et la restitution à RSDC des terrains excédentaires de la Ville.

## **BACKGROUND**

In 2006, the City entered into an agreement with RSDC in order to acquire a strip of land required to accommodate a segment of the cancelled North-South LRT Project and provide for the development of infrastructure required to support the construction of the North-South LRT Project.

On March 8, 2017, City Council approved the Stage 2 Light Rail Transit Implementation – Project Definition and Procurement Plan through report number ACS2017-TSD-OTP-0001. As part of this approval, City Council directed what was then the Corporate Real Estate Office to proceed with the identification and acquisition of the property interests required to facilitate the construction, use and maintenance of the Stage 2 LRT Project and related works.

With the advancement of the design of the Stage 2 Trillium Line extension, a new commuter rail corridor alignment was established, including a 3.4 km southward expansion to ensure that the growing Riverside South community would be directly connected to the city's LRT network. The new rail corridor alignment was such that some of the lands acquired pursuant to the 2006 agreement with RSDC (the Surplus City Lands) were no longer required by the City, while other lands owned by RSDC were needed to facilitate the Trillium Line extension.

The City entered into negotiations with RSDC to replace the 2006 agreement with a new agreement and provide for the return of the City Surplus Lands to RSDC and the acquisition by the City of the RSDC Lands and a required drainage easement. In order to support the extension of the Stage 2 Trillium Line to Limebank Road, RSDC agreed to the establishment of area-specific development charges which will contribute \$30 million toward a Stage 2 Trillium Line extension to Limebank Road, which combined with a \$50 million contribution from the Province of Ontario, helped fund the southward expansion to Riverside South.

On February 27, 2019, City Council approved the Contract Award of Ottawa's Stage 2 Light Rail Transit Projects and Related Matters Report through report number ACS2019-TSD-OTP-0001. As part of this report, City Council approved the selection of Transit Next as the Preferred Proponent to design, build, finance and maintain the Trillium Line Extension, including bundled projects and civil works. Property acquisitions staff were required to ensure all land requirements necessary for the Stage 2 LRT Project are available and secured in a timely manner to meet the project schedule.

Negotiations with RSDC with respect to property rationalization lead to a two-step

process, whereby RSCD would grant temporary rights to construct the Trillium Line and related infrastructure on the RSDC Lands with a Transfer Agreement to be concluded in future to provide for the return of the Surplus City Lands to RSDC and the conveyance to the City of all property required to accommodate the City's rail infrastructure. On April 1, 2019, RSDC granted a license of occupation of the RSDC's Lands to permit the City to construct the Limebank Extension.

## **DISCUSSION**

Negotiations with RSDC have resulted in the preparation of a Transfer Agreement which includes the terms and provides for the transactions described in Document "4" to this Report.

The Transfer Agreement between the City and RSDC facilitates a strategic land exchange and sets out mutual obligations to enable the Stage 2 LRT Project, including future station development and supporting infrastructure. It also establishes a mechanism for the construction, by RSDC, of future utility crossings of the LRT corridor constructed within the RSDC Lands.

All land transfers provided for in the Transfer Agreement are for nominal consideration (\$1); however, independent third-party appraisals of both the City Surplus Lands and the RSDC Lands have been obtained in compliance with the City's Real Property Policies and in order to support the calculation of Land Transfer Tax.

The City will be reimbursing RSDC for land transfer tax paid with respect to the transfer of the Surplus City Land to RSDC.

## **FINANCIAL IMPLICATIONS**

All land transfers provided for in the Transfer Agreement are for nominal consideration (\$1). The City will be receiving lands appraised at \$22,140,485 and transferring lands to RSDC appraised at \$6,745,860 as detailed in Document 4. The City will be reimbursing RSDC for the Land transfer tax paid and legal costs, funds are available within existing resources in the Stage 2 LRT budget.

## **LEGAL IMPLICATIONS**

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

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

Ward Councillors Skalski and Desroches were briefed on the contents of this report on

August 5<sup>th</sup>, 2025, and had no objections.

## **CONSULTATION**

The City Surplus Land is considered Non-Viable Real Property for the purposes of the City's Disposal of Real Property Policy due to its configuration, comprising a linear strip bisecting RSDC's larger holdings. RSDC is the only abutting property owner other than the City.

An internal circulation with respect to the disposal of the City Surplus Lands was conducted in August 2025 to confirm there were no current and future municipal requirements. No departmental needs were identified.

## **ASSET MANAGEMENT IMPLICATIONS**

There are no Asset Management Implications resulting from recommendations of this report.

## **DELEGATION OF AUTHORITY IMPLICATIONS**

This Report recommends that authority to execute the Transfer Agreement be delegated to the Director, Housing Solutions and Investment, Strategic Initiatives Department. Material terms of the Transfer Agreement are summarized in Document "4" and no further reporting is recommended.

## **ENVIRONMENTAL IMPLICATOINS**

In accordance with the City's Acquisition Policy, and prior to the execution of the 2019 License of Occupation, a pre-screening on all real property to be acquired has been conducted through review of the Environmental Remediation Unit's records, a Historical Land Use Inventory (HLUI) search, available aerial photographs on GeoOttawa and a review of the City's Drawing Information Centre on GeoOttawa for any relevant historical environmental reports. A limited Phase II Environmental Site Assessment was also completed for the Limebank Extension in 2018. No environmental concerns were previously identified, and the City's contractor has occupied the majority of the RSDC land described in this report since 2019. No additional environmental information has been exchanged relating to the "Surplus City Lands" described in this report but it is our understanding that the Surplus City Lands have not been used by the City since their acquisition from RSDC. As well, properties described in this report are being transferred and exchanged on an as-is where-is basis. There are no environmental implications to prevent the recommendations of this report being accepted

## **SUPPORTING DOCUMENTATION**

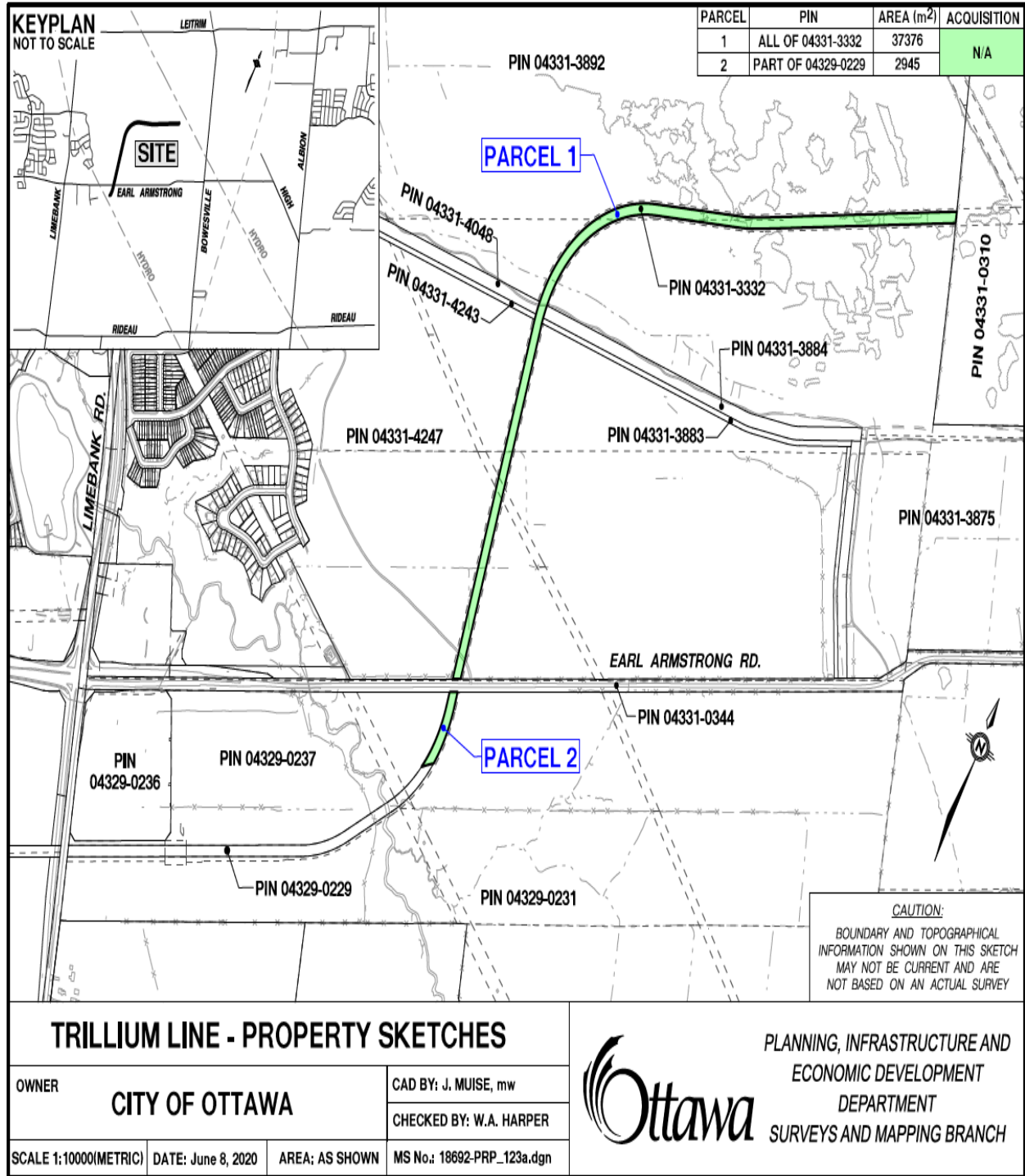
The following supporting documentation is appended to this Report:

- **DOCUMENT 1:** Drawing identifying City Surplus Lands
- **DOCUMENT 2:** Drawing identifying RSDC Lands
- **DOCUMENT 3:** Drawing identifying Drainage Easement Lands
- **DOCUMENT 4:** Transfer Agreement – Summary

## **DISPOSITION**

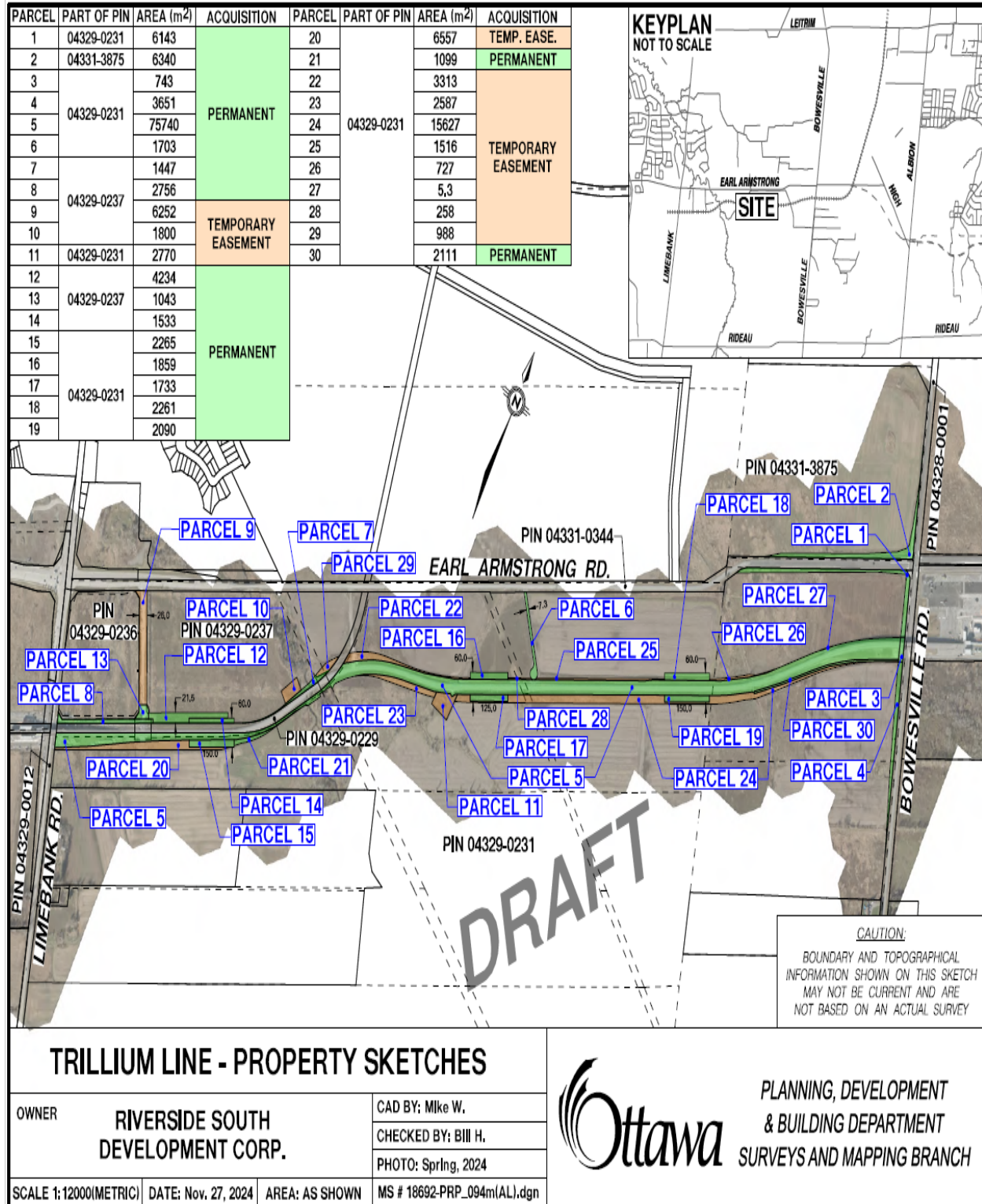
Following Council's approval of recommendations of this Report and the execution of the Transfer Agreement by the Director, Housing Solutions and Investment, Strategic Initiatives Department, Realty Services will work with external legal counsel to complete the transactions provided for in the Transfer Agreement.

## Document 1

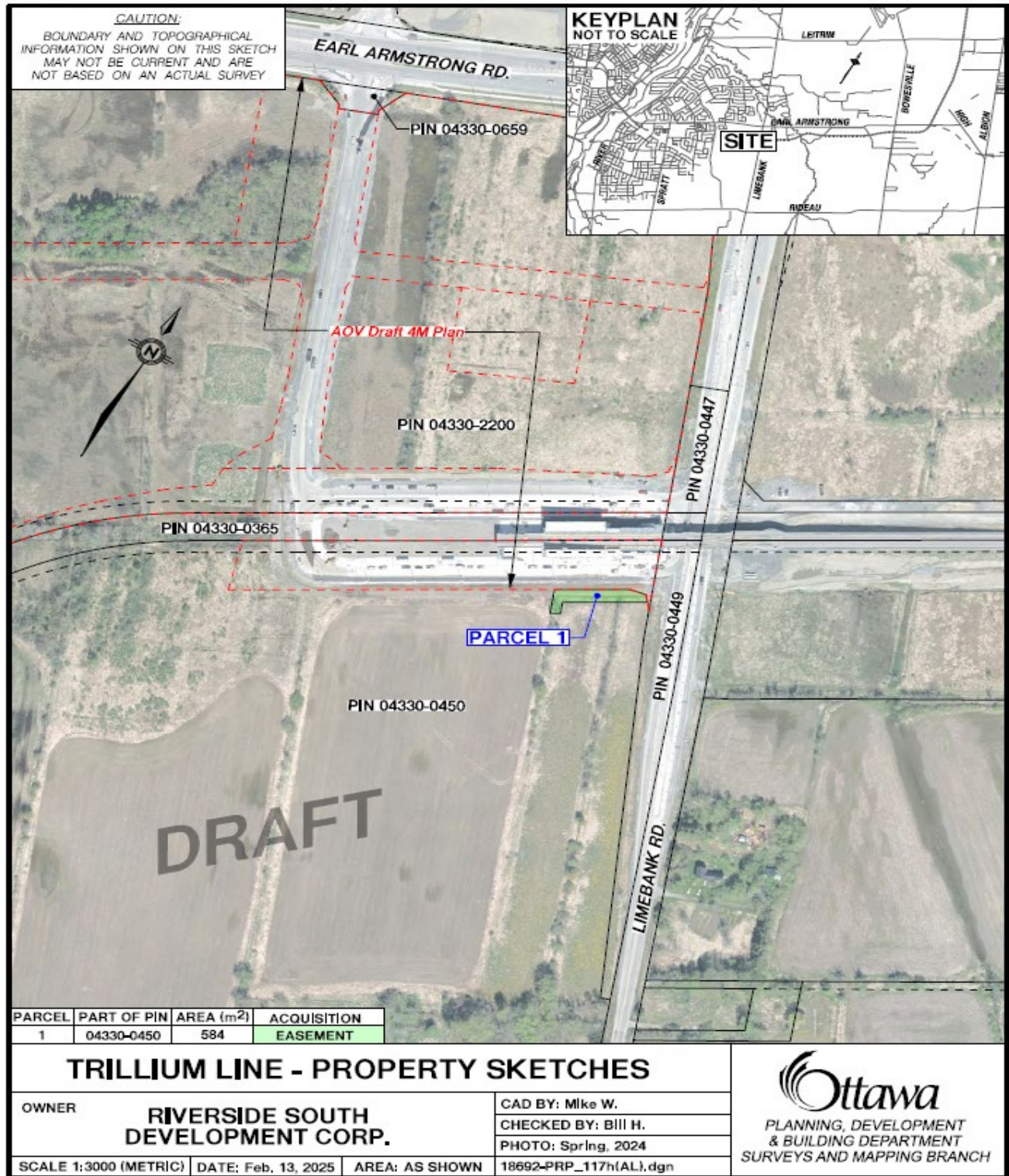
**CITY SURPLUS LANDS**



## Document 2

RSDC LANDS

## Document 3

Drainage Easement Lands

#### DOCUMENT 4

The Transfer Agreement between the City and RSDC facilitates a strategic land exchange in support of the Stage 2 Trillium Line Light Rail Transit (LRT) Project, specifically the Limebank Extension. This document is intended to be a summary of material terms in the Transfer Agreement but does not describe all the terms of the Transfer Agreement.

Material Term	Description
Land Transfers	<p><b><u>RSDC conveys to the City:</u></b> RSDC Lands together with a drainage easement over the Drainage Easement Lands.</p> <p><b><u>City conveys to RSDC:</u></b> City Surplus Lands.</p> <p>Transfers are interdependent.</p>
Purchase Price	All of the transfers contemplated in the Transfer Agreement are to be transferred for nominal consideration (\$1.00).
Third-Party Appraised Values	<p>Third party appraisals have been undertaken in compliance with the City's Disposal of Real Property Policy and in order to support the calculation of land transfer tax. Appraised values are as follows:</p> <ul style="list-style-type: none"> <li>• <b><u>RSDC Lands:</u></b> \$22,140,485</li> <li>• <b><u>City Surplus Lands:</u></b> \$6,745,860</li> </ul>
Survey	The preparation and registration of reference plans to describe the property to be conveyed will be completed at the City's cost.
Licenses	RSDC granted a license to the City for occupation and construction of the Stage 2 LRT Project within the RSDC Lands. Consideration - \$1.00.
Land Transfer Tax ("LTT")	The City reimburses RSDC for LTT payable on transfer of City Surplus Lands.



Material Term	Description
Future Adjustments	RSDC to convey additional lands (up to 750 m <sup>2</sup> in total) to City post-closing, if required to accommodate minor infrastructure adjustments.
Drainage Easement	RSDC to grant a Drainage Easement to the City over defined lands with terms set out in the Transfer Agreement.
Future Utility Crossings	RSDC may construct utility crossings subject to City design approvals and a front-ending agreement. Costs eligible for DC reimbursement if constructed as per agreement.
Future Grade Separations	<p>The City has not obligation to construct grade separations between Limebank Road and Bowesville Road unless and to the extent they are required by an approved Transportation Master Plan.</p> <p>The cost of any such grade separations constructed prior to January 1, 2029, RSDC will be required to be included in the applicable Area Specific Development Charge and will be the subject of a funding agreement with RSDC.</p>
Future Stations	The RSDC lands include land for future stations. Post-closing, RSDC agrees to transfer additional title or interests if required by the City (up to 750 m <sup>2</sup> ).
MUP & Emergency Access Road	RSDC to construct a multi-use pathway ("MUP") at its cost by 2035 and maintain/protect the City's emergency access road. Lands to be conveyed to the City at no cost once constructed.

Material Term	Description
Termination of 2006 Agreement	2006 Agreement between City and RSDC terminated. Mutual release of all liabilities and obligations arising from it.
Environmental Conditions	Properties transferred on an as-is, where-is basis.