

The Regional Municipality of York

Committee of the Whole
Finance and Administration
October 14, 2021

Report of the Commissioner of Corporate Services

Disposition of Land 7755 Bayview Avenue City of Markham

1. Recommendations

1. Council authorize the disposition of lands in the City of Markham, described in Attachment 1, that have been deemed surplus to Regional requirements.
2. The Commissioner of Corporate Services be authorized to execute the Agreement of Purchase and Sale and all necessary documents to complete the transaction.

2. Summary

This report seeks Council approval for staff to negotiate the disposition of lands in the City of Markham (the “City”) that are surplus to the Region. The location of the subject property is shown as Property No. 1 on the map in Attachment 2.

Private Attachment 1 to this report will be considered in private session pursuant to section 239(2)(c) of the Municipal Act, 2001, because it relates to the disposition of lands by the Region.

Key Points:

- The subject property was transferred to the Region in the 1980’s by the City to establish and operate a daycare facility
- The building is attached to the Thornhill Community Centre, which is owned by the City
- The City transferred the subject property and an easement for access and public parking to the Region for so long as the said land and premises are used for the operation of a daycare facility
- Daycare operations are no longer part of the Region’s program offerings, and the building is surplus to the Region’s operational needs and proposed for disposition

- The City has expressed an interest to acquire the subject property
- The property is currently leased to a third-party daycare provider, and the existing lease will be assumed by the City as a condition of the sale

3. Background

The Region acquired the subject property for the purpose of establishing a daycare facility to service the area

The Thornhill Community Centre is located at the northeast corner of the intersection of Bayview Avenue and John Street in Thornhill. The facility is owned and operated by the City of Markham. In the 1970's, the City provided a portion of the community centre land for the development and operation of a daycare facility by the Region. The facility is physically attached to the Thornhill Community Centre. The Region operated the daycare once construction was completed, and in 1986 after reimbursing the City for the cost of construction, title to the daycare property was transferred to the Region.

The Region operated the property as a daycare until 1996, when it was leased to a third-party daycare provider.

Daycare operations are no longer part of the Region's portfolio. The subject property is surplus to the Region's operational needs and is proposed for disposition.

4. Analysis

The subject property has limited value on the open market

As per the 1986 agreement with the City, the use of the subject property is restricted to a daycare facility. Any prospective purchaser would be required to assume existing tenants and continue to operate a daycare facility on the premises. In the event the subject property ceases to be used as a daycare facility, title reverts back to the City.

Parking and access to the subject property are subject to an easement that is conditional upon the subject property being operated as a daycare facility. The City has taken the position that the easement is not transferable and would have to be re-negotiated to establish access and public parking if the property was sold to a third party.

Based on these conditions, the appraiser commissioned by the Region is of the opinion the property has minimal value on the open market.

City of Markham has expressed an interest to purchase the subject property

The Region's Sale and Other Disposition of Lands Policy requires staff to complete a circulation process, to the local municipality. Given the City's interest in the property stemming from the restrictive covenant and easement, staff contacted the City. The City expressed an interest in acquiring the subject property and made an offer which includes acceptance of the Region's condition to assume the existing daycare tenant and lease.

The subject property was appraised by an independent appraiser and staff has negotiated the terms of the proposed sale

An independent appraisal was commissioned by the Region to determine the current market value of the subject property. Staff has negotiated a sale that represents the best value that can be achieved while taking into consideration the various conditions that affect the subject property.

5. Environmental due diligence has been completed

The Region commissioned an Environmental Risk Information Services Report and no significant environmental concerns were identified with the property.

6. Financial

The proceeds will be distributed in accordance with the Region's Reserve and Reserve Fund Policy.

7. Local Impact

There will be no local impact from the disposition of the subject property. The daycare services will be maintained and continue to benefit the community.

8. Conclusion

The subject property was constructed and later acquired by the Region for the purpose of establishing and operating a daycare facility to service the area. Although the daycare facility continues to operate, it is no longer within the Region's program offerings. Staff negotiated the proposed sale of the subject lands with the City who agree to assume the existing tenants and lease.

For more information on this report, please contact Michael Shatil, Director Property Services at 1-877-464-9675 ext. 71684. Accessible formats or communication supports are available upon request.

Recommended by:



Dino Basso

Commissioner of Corporate Services

Approved for Submission:



Bruce Macgregor

Chief Administrative Officer

October 1, 2021

Attachments (2)

Private Attachments (1)

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