

Town of Tecumseh
Waterfront Lands Acquisition
Fact Sheet

Re: 13438-13502 Riverside Drive (the "Waterfront Lands")

The Waterfront Lands consist of approximately 9.7 acres, including approximately 950 feet of shoreline. The former Lakewood Clubhouse lands comprise approximately 6.6 acres while the remaining 3.1 acres, more or less comprise two [2] former building lots. In 2006, they were owned by Joel Jones and J.W.J. Holdings Ltd. They were the last remaining undeveloped waterfront property in the Town of Tecumseh, and slated for residential development

As the community is aware, the Town has a lack of waterfront parkland. For some time, Council had wanted to acquire the Waterfront Lands to create a park. The Town began negotiations to purchase the Waterfront Lands in 2006.

The Town learned that Joel Jones and J.W.J. Holdings had entered into an agreement to sell the Waterfront Lands to Reichmann Acquisitions Corp. [RAC]. In order to enable the Town to enter into an agreement of purchase and sale with Joel Jones and J.W.J. Holdings, the Town and RAC entered into an agreement whereby RAC agreed to surrender its right to buy the Waterfront Lands in return for an option to purchase the two [2] former building lots portion of the Waterfront Lands [Option Agreement], for the same price as the Town would pay to Joel Jones and J.W.J. Holdings.

It should be recognized that RAC has agreed to donate a portion of these two [2] building lots to the Town for parks purposes and are being incorporated into the waterfront park concept plans. This will provide full access to the shoreline in front of the two [2] building lots.

In October 2006, the Town announced that it had agreed to purchase the Waterfront Lands and the transaction closed in December 2006, at a cost of \$7.98 million.

As a result of the Town entering into the agreement with RAC, it was able to buy the Waterfront Lands, saving at least 6.6 acres of the 9.7 acres for the creation of a new waterfront park. Without this agreement, the Waterfront Lands would otherwise have all gone to residential development.

On February 12, 2008, Council approved an agreement of purchase and sale with RAC which amends and replaces the Option Agreement. This replacement agreement contains conditions to ensure that all of the proper planning and development procedures are followed before the sale to RAC is completed. As specified by the agreement, the selling price paid per acre by RAC to the Town is the same as the Town paid for the Waterfront Lands – so there is no taxpayer subsidy of the purchase by RAC.

Indeed, from a taxpayer perspective, the agreement with RAC is what made the acquisition possible and more affordable for the Town. The Town simply could not have preserved any of the Waterfront Lands without the agreement with RAC. So the agreement with RAC was not only necessary to make a new waterfront park doable; the transaction, upon completion, will make it more affordable.

The process of developing the waterfront park for the Town has commenced with the presentation of concept plans developed by the landscape architect firm, EDA Collaborative.

RAC will now have to proceed through the normal planning and development approval process before it may develop the site.