



Subject: Offer to Purchase – Clearview Drive (former Rail Lands)

Report Number: EDM 25-038

Department: Economic Development Department

Submitted by: Cephas Panschow, Development Commissioner

Meeting Type: Council Meeting

Meeting Date: Monday, December 8, 2025

RECOMMENDATION

- A. THAT report EDM 25-038 titled “Offer to Purchase - Clearview Drive (former Rail Lands)” be received; and,
- B. THAT a by-law be brought forward authorizing the Mayor and Clerk to enter into an Agreement of Purchase and Sale with Future Transfer Co. Ltd. and E&E McLaughlin Ltd. and to execute any documents required to effect the sale and transfer of former Railway Lands, described as Part 1, Plan 41R-7672; and,
- C. THAT the net proceeds from the sale be transferred to the Economic Development Reserve.

BACKGROUND

Based on available records, it appears that the Town of Tillsonburg acquired a number of former rail properties from the Trillium Railway Co. Ltd in 2005. A portion of these lands (to the east of the subject property) were sold to Fleetwood Metal Industries (now Cleveland Cliffs) to the east to enable their subsequent expansion. However, not all of the lands were needed by Fleetwood Metal and the Town has been in possession of these lands since then (see Figure 1 below).

A number of efforts have been undertaken by the Development Commissioner to sell the landlocked property to either Fleetwood Metal or Future Transfer/McLaughlin as they are only adjacent property owners. The Town of Tillsonburg has now received an offer to purchase from the owners of the 51 Clearview Drive property (Future Transfer/McLaughlin) and are seeking Council approval to sell these remnant lands.



DISCUSSION

The offer to purchase received is summarized as follows:

Company	Future Transfer Co. Ltd./E&E McLaughlin Ltd.
Purchase Price	\$75,600
Acreage	3.78
Irrevocable Date	December 30, 2025
Conditional Date	December 30, 2025
Closing Date	14 days after any legal plan deposited or 21 days after Council approval
Purchaser Conditions (if any)	The Vendor (Town) clearing the property of all trees prior to the completion date with the Purchaser agreeing to pay for the removal subject to reviewing the quotation with them prior to the Town awarding the work.

These industrial lands have a number of characteristics that limit their usefulness and salability including:

1. Being entirely landlocked adjacent to two privately owned properties, but only offering marginal value to the 51 Clearview Drive property;
2. The irregular shape of the parcel of land; and,
3. Their status as former rail lands (with the purchaser buying the lands “as-is”).

Based on the limited desirability of these lands and the potential for \$75,600 in revenue to the Town, the Development Commissioner is recommending that the Town enter into an Agreement of Purchase and Sale with these property owners to enable them to acquire these lands for addition to their property.

CONSULTATION

The Development Commissioner has approached both adjacent property owners with the potential to acquire these lands over the last number of years with only Future Transfer/E&E McLaughlin submitting an offer to purchase.

FINANCIAL IMPACT/FUNDING SOURCE

The proposed transaction would result in \$75,600 in gross revenue to the Town, which would be offset by the legal costs required to transfer the lands with the net amount (estimated at approximately \$73,000) transferred to the Economic Development Reserve (current balance -\$700K). The Town would be reimbursed for all of the costs to remove the trees from the property.

The net revenues from this transaction will be used to re-fund the contribution being made to the Town Hall Reserve related to the sale of the 25 Maple Lane property. Although industrial land revenues are not typically allocated to non-industrial land transactions, this is appropriate in this case as the 25 Maple Lane transaction was funded through the Economic Development Reserve and the net revenues from that transaction will be transferred from this reserve to the Town Hall Reserve.

CORPORATE GOALS

How does this report support the corporate goals identified in the Community Strategic Plan?

- Lifestyle and amenities
- Customer service, communication and engagement
- Business attraction, retention and expansion
- Community growth
- Connectivity and transportation
- Not Applicable

Does this report relate to a specific strategic direction or project identified in the Community Strategic Plan? Please indicate section number and/or any priority projects identified in the plan.

Goal – Through community and regional partnerships, Tillsonburg will attract and retain a diverse range of businesses, creating employment opportunities for residents and a balanced tax base.

Strategic Direction – Not applicable

Priority Project – Not Applicable

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ATTACHMENTS

1. Appendix A – Offer to Purchase