

**Redevelopment of Car Park 63 Located at
111 and 117 Richmond Street East
(Ward 24 - Downtown)**

(City Council on November 23, 24 and 25, 1999, adopted this Clause, without amendment.)

(City Council on October 26 and 27, 1999, by its adoption of the following Notice of Motion J(17), and the report dated October 25, 1999, from the Acting Commissioner of Corporate Services, appended thereto, deferred consideration of this Clause to the next regular meeting of City Council to be held on November 23, 1999:

Moved by: **Councillor Rae**

Seconded by: **Councillor Li Preti**

“WHEREAS City Council at its meeting held on September 28 and 29, 1999, adopted Clause No. 14 of Report No. 5 of The Administration Committee headed ‘Declaration as Surplus – Nos. 111 and 117 Richmond Street East – Municipal No. 63’, thereby declaring surplus to the City’s requirements the properties known municipally as Nos. 111 and 117 Richmond Street East and authorizing that notice be given to the public of the intended manner of sale; and

WHEREAS, in accordance with By-law No. 551-1998, the notice of the proposed sale was given advising that the City proposes to enter into a joint venture with the developers of the abutting property respecting the sale of these lands to reflect the fact that, as part of the compensation for the lands, the City was to acquire strata title to a portion of the proposed development containing a 12-space parking facility; and

WHEREAS Clause No. 7 of Report No. 8 of The Policy and Finance Committee, headed ‘Redevelopment of Car Park 63 Located at 111 and 117 Richmond Street East, (Ward 24- Downtown)’ before Council at its meeting of October 26, 1999, recommends the adoption of the report (September 28, 1999) from the President, Toronto Parking Authority, entitled ‘Redevelopment of Car Park No. 63 Located at Nos. 111 and 117 Richmond Street East’, subject to amending Recommendation No. (1) and deleting Recommendation No. (2) thereby recommending that City Council approve an agreement of purchase and sale with Intracorp Developments (French Quarter II) Ltd. the total value of the transaction being \$440,000.00 in cash and, accordingly, the City will not be acquiring strata title to a portion of the proposed development containing a 12-space parking facility; and

WHEREAS the Acting Commissioner of Corporate Services has submitted a report dated October 25, 1999, entitled ‘Proposed Sale of Nos. 111 and 117 Richmond Street East’, advising that, as the recommendation of the Policy

and Finance Committee is inconsistent with the notice to the public of the proposed sale previously given pursuant to By-law No. 551-1998, it is necessary that approval be given, at this time, for a revision to the intended manner of sale; sufficient time allowed for the required notice to be given; and that Council defer consideration of the aforementioned sale report for one Council cycle;

NOW THEREFORE BE IT RESOLVED THAT, in accordance with Section 46 of the Council Procedural By-law, Clause No. 14 of Report No. 5 of The Administration Committee, headed 'Declaration as Surplus – Nos. 111 and 117 Richmond Street East – Municipal Car Park No. 63 ', be re-opened for further consideration, insofar as it pertains to the notice to the public of the proposed sale;

AND BE IT FURTHER RESOLVED THAT Council approve the report dated October 25, 1999, entitled 'Proposed Sale of Nos. 111 and 117 Richmond Street East', from the Acting Commissioner of Corporate Services."

Disposition: Council re-opened consideration of Clause No. 14 of Report No. 5 of The Administration Committee, headed "Declaration as Surplus - Nos. 111 and 117 Richmond Street East – Municipal Car Park No. 63", for further consideration, only insofar as it pertains to the notice to the public of the proposed sale, adopted the balance of the Motion, without amendment, and, in so doing, adopted, without amendment, the report dated October 25, 1999, from the Acting Commissioner of Corporate Services, embodying the following recommendations:

"It is recommended that:

- (1) the approved manner of the sale of Nos. 111 and 117 Richmond Street East be a direct sale to Intracorp Developments (French Quarter II) Ltd.;**
- (2) to allow for the required notice to the public of the proposed sale to be given, consideration of Clause No. 7 of Report No. 8 of The Policy and Finance Committee be deferred to the Council meeting scheduled for November 23, 24 and 25, 1999;**
- (3) all steps necessary to comply with By-law No. 551-1998 be taken; and**

- (4) the appropriate City officials be authorized and directed to take the necessary action to give effect thereto.”)**

(A copy of the report dated October 25, 1999, from the Acting Commissioner of Corporate Services, referred to above, is on file in the office of the Clerk.)

(Clause No. 7 of Report No. 8 of the Policy and Finance Committee,
entitled “Redevelopment of Car Park 63 Located at
111 and 117 Richmond Street East
(Ward 24 – Downtown.)

The Policy and Finance Committee recommends the adoption of the report (September 28, 1999) from the President, Toronto Parking Authority, embodied in the communication (October 5, 1999) from the City Clerk, subject to:

- (1) amending Recommendation No. (1) to read read as follows:**

“(1) City Council approve an agreement of purchase and sale with Intracorp Developments (French Quarter II) Ltd. for the sale of 111 and 117 Richmond Street East (Municipal Carpark No. 63) the total value of the transaction being \$440,000.00 in cash;”; and

- (2) deleting Recommendation No. (2).**

The Policy and Finance Committee submits the following communication (October 5, 1999) from the City Clerk:

The Administration Committee on October 5, 1999, referred the report (September 28, 1999) from the President, Toronto Parking Authority, entitled “Redevelopment of Car Park 63 Located at 111 and 117 Richmond Street East”, to the Policy and Finance Committee for consideration.

Background:

The Administration Committee on October 5, 1999, had before it a report (September 28, 1999) from the President, Toronto Parking Authority, recommending that:

- (1) City Council approve an agreement of purchase and sale with Intracorp Developments (French Quarter II) Ltd. for the sale of 111 and 117 Richmond Street East (Municipal Carpark No. 63) and the acquisition of strata title to a portion of the proposed development containing a 12 space at-grade parking facility built to the Parking Authority's specifications. The total value of the transaction is \$440,000.00, which includes a cash payment of \$300,000.00 and the construction and conveyance of the parking spaces which is valued at approximately \$140,000.00;

- (2) upon acquisition, that the lands to be acquired be designated for municipal parking purposes to be operated by the Toronto Parking Authority; and
- (3) the appropriate City officials be authorized and directed to take whatever action necessary to give effect to the foregoing.

(Report dated September 28, 1999, from the President,
Toronto Parking Authority, entitled "Redevelopment of Car Park 63
Located at 111 and 117 Richmond Street East
(Ward 24 - Downtown)

Purpose:

To obtain Council authority for a joint venture with Intracorp Developments (French Quarter II) Ltd., involving the sale of the City-owned lands located on the south west corner of Richmond Street East and Jarvis Street and the acquisition of 12 public parking spaces located at grade, within the proposed development to be built on the site.

Funding Sources, Financial Implications and Impact Statement:

No funding is required for this project. Intracorp Developments (French Quarter II) Ltd., will purchase the City-owned lands presently operated by the Authority as a surface parking lot together with associated air rights, and construct and convey to the City 12 public parking spaces at-grade within the proposed development.

Recommendations:

It is recommended that:

- (1) City Council approve an agreement of purchase and sale with Intracorp Developments (French Quarter II) Ltd. for the sale of 111 and 117 Richmond Street East (Municipal Carpark No. 63) and the acquisition of strata title to a portion of the proposed development containing a 12 space at-grade parking facility built to the Parking Authority's specifications. The total value of the transaction is \$440,000.00, which includes a cash payment of \$300,000.00 and the construction and conveyance of the parking spaces which is valued at approximately \$140,000.00;
- (2) upon acquisition, that the lands to be acquired be designated for municipal parking purposes to be operated by the Toronto Parking Authority; and
- (3) the appropriate City officials be authorized and directed to take whatever action necessary to give effect to the foregoing.

Background History:

The Toronto Parking Authority has recently concluded negotiations with Intracorp Developments (French Quarter II) Ltd. to purchase 111 and 117 Richmond St. East (Municipal Carpark No. 63) which is located at the south west corner of Richmond Street and Jarvis Street. Presently the Parking Authority operates an irregular wedge shaped piece of property which is divided into two separate parcels, comprising 17 parking spaces in total, of which one portion having 5 spaces is partially located on the road allowance.

On lands directly to the west of the above discussed parcels, until recently the Parking Authority operated, under a management agreement with the owner, the Richmond Group, an additional 20 parking spaces. The owner of these lands and Intracorp recently approached the Parking Authority with a proposal whereby the Carpark 63 lands excluding the road allowance portion would be purchased by Intracorp so that both properties could be developed as a 75 unit, 11 storey residential condominium project with street related retail on the ground floor. If this project proceeds, the 17 existing public parking spaces would be eliminated and be replaced with 12 public parking spaces located at-grade within the proposed development, to be operated by the Toronto Parking Authority. Title to the portion of the development containing the public parking spaces would be conveyed to the City.

City Council has approved a report from the Acting Commissioner of Corporate Services declaring as surplus the real property owned by the City of Toronto, municipally known as 111 and 117 Richmond Street East.

Comments and/or Discussion and/or Justification:

The following is a summary of the issues related to the recommended transaction:

Site Location and Particulars:

Both 111 and 117 Richmond Street East are operated as one surface car park separated by a public laneway. These sites are located on the south-west corner of Richmond Street East and Jarvis Street (see attached plan).

The new facility would be an enclosed deck at grade and would be constructed to meet Parking Authority standards. The entrance would be located further from the intersection of Richmond Street and Jarvis Street making it easier and safer to enter and exit the facility than at present although the site lines will be somewhat restricted. The site for the proposed development is very restrictive in size and no more than 12 public parking spaces can be accommodated.

Parking Supply and Demand Analysis:

The existing 17-space car park completely fills on a large majority of the days. A number of privately owned surface lots have been or are slated for redevelopment in this neighbourhood. It is likely that there is or will be a parking shortfall. Although this transaction will result in a further reduction in available parking spaces, the proceeds from the sale of this property can be used to assist in acquiring another site on which additional parking spaces will be accommodated.

Financial Analysis:

A financial analysis of the proposed parking facility was undertaken. This facility will show a small loss annually. However, the developer is paying \$300,000.00 to the Authority which more than offsets the net profit reduction. In addition, the excess proceeds can be used to acquire other properties in the area where we believe that a future parking shortfall will be identified.

Appraisal:

The Parking Authority retained the Morassutti Group, Real Estate and Financial Advisory Services, to appraise the property. The value of the proposed transaction is within the range of appraised value for the property.

Conclusions:

By pursuing this transaction, the Toronto Parking Authority will retain a more permanent presence in the area through the retention of 12 public parking spaces in an improved facility. From a financial perspective, this transaction will yield a positive financial return and when the specific future parking shortfall is determined, the proceeds from the land sale can be utilized to purchase an additional property.

Contact Names:

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(A copy of the site plan attached to the foregoing report was forwarded to all Members of Council with the October 14, 1999, agenda of the Policy and Finance Committee and a copy thereof is also on file in the office of the City Clerk.)

Respectfully submitted,

MEL LASTMAN
Chair

Toronto, October 14, 1999

(Report No. 9 of The Policy and Finance Committee was adopted, without amendment, by City Council on November 23, 24 and 25, 1999.)