

**Calcorp Incorporated Option to Purchase Part of
Viking Road - Request for Extension
(Markland-Centennial)**

(City Council on December 14, 15 and 16, 1999, adopted this Clause, without amendment.)

The Etobicoke Community Council recommends the adoption of the following report (November 29, 1999) from the Acting Commissioner of Corporate Services:

Purpose:

To authorize an extension of the Option Agreement for the sale of Viking Road to Calcorp Incorporated.

Financial Implications and Impact Statement:

The City will receive revenue from the eventual sale of the land.

Recommendations:

It is recommended that:

- (1) the Option to Purchase Agreement between Calcorp Incorporated and the City of Toronto (formerly City of Etobicoke) be extended for a further 12 months on the same terms and conditions as the original option save and except for any further rights of extension;
- (2) the City Solicitor be authorized and directed to complete this transaction according to the terms and conditions as set out in this report and pay any City costs incidental to the closing and be further authorized to amend the closing date to such earlier or later date as considered reasonable; and
- (3) the appropriate City officials be authorized and directed to take the necessary action to give effect thereto.

Background:

At its meeting held on September 22, 1997, the Council of the former City of Etobicoke adopted Clause 240-A-97 of the Sixteenth Report of the Administration Committee, 1997, authorizing the appropriate City officials to take all steps necessary to enter into an option agreement with Calcorp Incorporated whereby Calcorp Incorporated would have an option to purchase the north-easterly and north-westerly halves of the Viking Road allowance on an "as-is" basis at a price of \$200,000.00 per half, with interest to accrue from the date of acceptance until the completion of the sale at the prime rate charged by the Royal Bank, subject to the necessary road closing process, and subject to the reservation of any easements required for municipal services

or public utilities. The subject portions of Viking Road comprise a total area of 0.60 acre shown on the attached sketch.

The Option Agreement was for a period of 18 months and allowed for five, 30-day extensions beyond that. The Option Agreement was also conditional upon Calcorp Incorporated making application to amend the official plan and rezone the subject and surrounding lands for high-density residential development. In order to include the Viking Road allowance in the application an Option to Purchase was granted to Calcorp Incorporated.

By way of letter dated November 12, 1999, the solicitor for Calcorp Incorporated has requested an extension until December 4, 2000, based on the following reasons:

“At the time of entering into the Option Agreement, it was felt that the time specified for exercising the option plus the extensions aforementioned, would have been ample time for Calcorp Incorporated to process its rezoning application, however, due to the following reasons, Calcorp Incorporated has not been able to initiate and proceed with its rezoning application with all due haste, namely:

- (1) the City did not, until recently, reach a decision to expand the sanitary sewers in the vicinity of the subject lands and more recently to make a further expansion which would service our client’s second and third phases, which would include the lands being the subject of this option; and
- (2) during the period that the City was considering the increase in the said sanitary sewer and capacity, Planning staff were reluctant to process our client’s application, due to lack of adequate sewers.”

Comments:

The proponents are undertaking a land assembly in the vicinity of Viking Road which involves an Official Plan amendment and rezoning to allow for phased high-density residential development. A plan, entitled "Key Development Sites in the Kipling Islington Secondary", is attached for reference.

The proposal would result in a economic boost of the area and provide for job creation and expansion of the City’s tax base. Furthermore, the development is seen as a catalyst for further long-awaited re-development of the Kipling/Dundas area.

Conclusions:

As a result of the unavoidable delays related to the servicing issues the request for a further extension of up to 12 months is deemed reasonable.

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(A copy of each of the attachments, referred to in the foregoing report, was forwarded to all Members of Council with the agenda for the Etobicoke Community Council meeting of December 2 and 3, 1999, and a copy of each is on file in the office of the City Clerk.)