



STAFF REPORT ACTION REQUIRED

North York City Centre Service Road Acquisitions

Date:	May 18, 2007
To:	Government Management Committee
From:	Bruce Bowes, Chief Corporate Officer
Wards:	Ward 23 – Willowdale
Reference Number:	P:\2007\Internal Services\F&re\ Gm07044F&re – (AFS 5012)

SUMMARY

Real Estate Services seeks authority for the City to acquire the properties municipally known as 51 Hounslow Ave, 70 Ellerslie Ave and parts of 38 Ellerslie Ave. These properties are required to expand and complete the North York City Centre Service Road.

Negotiations with the owners of these properties have been ongoing since June of 2006. The owners have signed irrevocable Offers to Sell their respective properties to the City. Appendices “A” and “C” to this report describe the salient terms of these proposed acquisitions which are considered fair and reasonable.

RECOMMENDATIONS

Chief Corporate Officer Recommends that:

- (1) the Offer to Sell from Soonyong and Youngja Lee to the City the property municipally known as 51 Hounslow Avenue in the amount of \$605,000.00 be accepted substantially on the terms outlined in Appendix "A" to this report, and that each of the Chief Corporate Officer or the Director of Real Estate Services be authorized severally to accept this Offer on behalf of the City;

- (2) the Offer to Sell from the Trustees of the Congregation of the Willowdale Presbyterian Church to the City the properties municipally known as 70 Ellerslie Avenue and parts of 38 Ellerslie Avenue in the amount of \$2,590,000.00 (which amount includes \$65,000.00 on account of disturbance damages) be accepted substantially on the terms outlined in Appendix 'C' to this report, and that either the Chief Corporate Officer and the Director of Real Estate Services be authorized severally to accept this Offer on behalf of the City;

- (3) the City Solicitor be authorized to complete these transactions on behalf of the City, including making payment of any necessary expenses and amending the closing date and the commencement or other dates to such earlier or later date(s) and on such terms and conditions as she may from time to time consider reasonable; and

- (3) the appropriate City Officials be authorized and directed to take the necessary action to give effect thereto.

Financial Impact

The total cost of these acquisitions, in the amount of approximately \$3,528,850.00 including all taxes and charges, will be funded from the 2007 Approved Capital Budget for Transportation Services, Capital Account CTP800-8 (North York Centre). A break down of the contemplated costs for the various properties can be found in Appendices "A" & "C".

Payments to all Owners:	Purchase price (less GST)	\$3,130,000.00
	Total of all Owner Payments	\$3,130,000.00
City's Closing Costs:	Disturbance Damages	\$150,000.00
	Land Transfer Taxes – app.	\$56,850.00
	Registration Costs –app.	\$300.00
	Total Third Party Costs	\$207,150.00
Net Cost to City less GST		\$3,337,150.00

GST on Total Purchase Price of all Properties \$191,700.00

The Deputy City Manager and Chief Financial Officer have reviewed this report and agree with the financial impact information.

DECISION HISTORY

On July 29, 30 and 31, 1998, Toronto City Council approved Report No. 8, Clause No. 20, from the Commissioner of Works and Emergency Services and from the Commissioner of Urban Planning and Development Services entitled “North York Centre Plan Services Road-North York Centre”. The Report includes the following recommendations:

“a property acquisition strategy and reporting mechanism be developed to ensure a continuance of the program to initiate the construction of the Service Road in stages and that the matter be referred to the Property Division of the Corporation Services Department for implementation;” and

“the property acquisition strategy include the powers granted to the City under the Expropriation Act to ensure that contiguous land assemblies are successfully acquired in a reasonable time frame to enable the annual road construction program to be implemented.”

With this acquisition strategy in place the City has acquired a number of properties to construct a service road in the former City of North York (the “NYSR”). The proposed acquisition of these properties will continue the implementation of this acquisition strategy.

By its adoption of Clause No. 8 of Administration Committee Report No. 7 on September 28, 29 and 30, 2005, Council authorized the initiation of expropriation proceedings for the property municipally known as 51 Hounslow Avenue. The approval and completion of the Offer to Sell for 51 Hounslow Avenue would render expropriation unnecessary.

ISSUE BACKGROUND

A plan to construct the “NYSR” was established to facilitate new development and to provide new opportunities for development in the North York Centre area. The service road is required to accommodate traffic generated by this development. An environmental assessment (the “ESR”) was completed in May of 1993 which addressed the alignment for the service road in the uptown area. The ESR was approved by the Ministry of Environment & Energy on December 14, 1993.

COMMENTS

The properties municipally identified as 51 Hounslow Avenue, & 70 Ellerslie Ave and parts of 38 Ellerslie Ave, are required for the purpose of the “NYSR”. Negotiations with the owners of each property have resulted in Offers to Sell for a total purchase price of \$3,130,000.00 plus additional costs substantially on the terms and conditions outlined in Appendices “A” & “C” of this report.

The City (if applicable) in regards to the property at 51 Hounslow will incur a 6% interest charge on the purchase price from July 15, 2007 if closing takes place afterwards.

Staff considers these Offers to Sell to the City to be fair and reasonable and therefore recommend the approval of these transactions.

CONTACT

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SIGNATURE

Bruce Bowes, P. Eng.
Chief Corporate Officer

ATTACHMENTS

Appendix "A" - Summary of Terms and Conditions 51 Hounslow Avenue
Appendix "B" - Location Map 51 Hounslow Avenue
Appendix "C" - Summary of Terms and Conditions 70 & parts of 38 Ellerslie Ave
Appendix "D" - Location Map 70 Ellerslie Avenue
Appendix "E" - Location Map 38 Ellerslie Avenue
Appendix "F" - Sketch of 38 Ellerslie Avenue

APPENDIX "A"

Terms and Conditions – 51 Hounslow Ave

Owner: Soonyong and Youngja Lee

Location: 51 Hounslow Ave, Toronto (as shown on Appendix B)

Legal Description: All of PIN 10142-0416 (LT), Part of Lot 14, Plan 2057, Township of York, being Part 2 on Plan 64R-7634, Toronto (formerly North York)

Purchase Price: \$605,000.00, plus GST, if applicable

Additional Costs: The City will pay to the Owner an additional amount of \$55,000.00 in respect of all disturbance damages, inconvenience, moving costs, legal and appraisal fees and disbursements (all GST inclusive) and other costs

Irrevocable Date: June 29, 2007

Due Diligence: 60 business days (with a possible extension of 30 days) following acceptance by the City of Toronto

Closing Date: 30 business days following the expiry of the Due Diligence Condition

Deposit: \$2.00

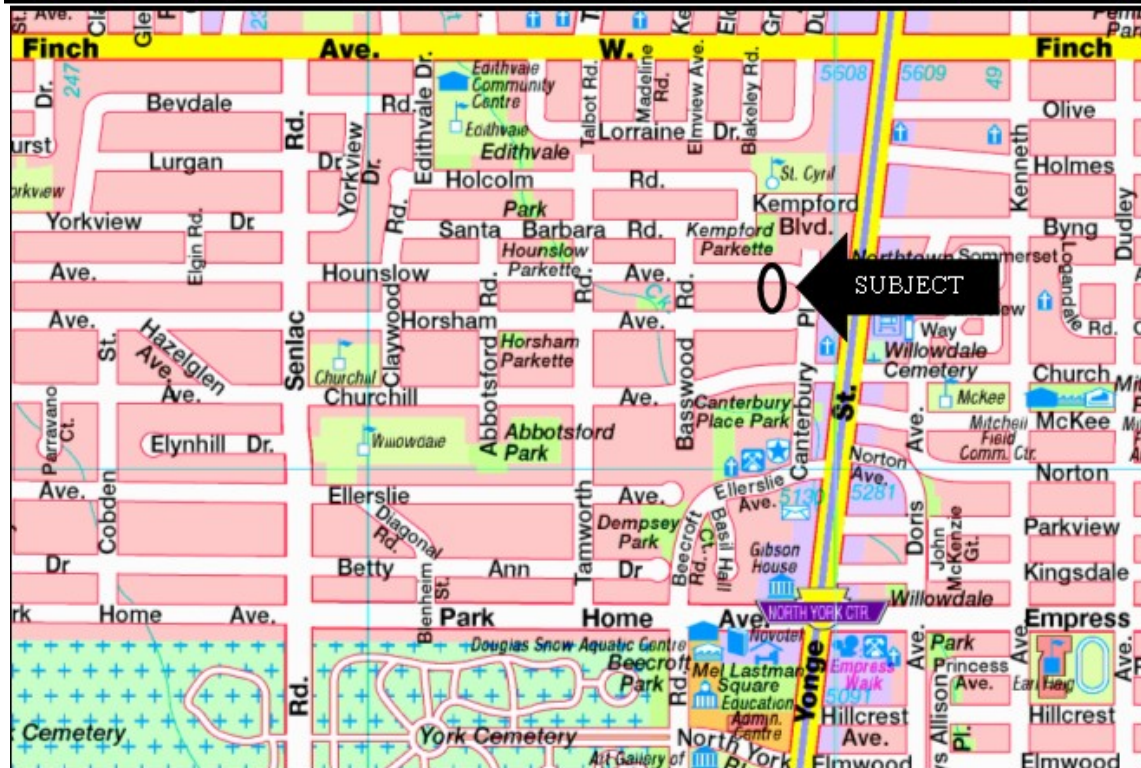
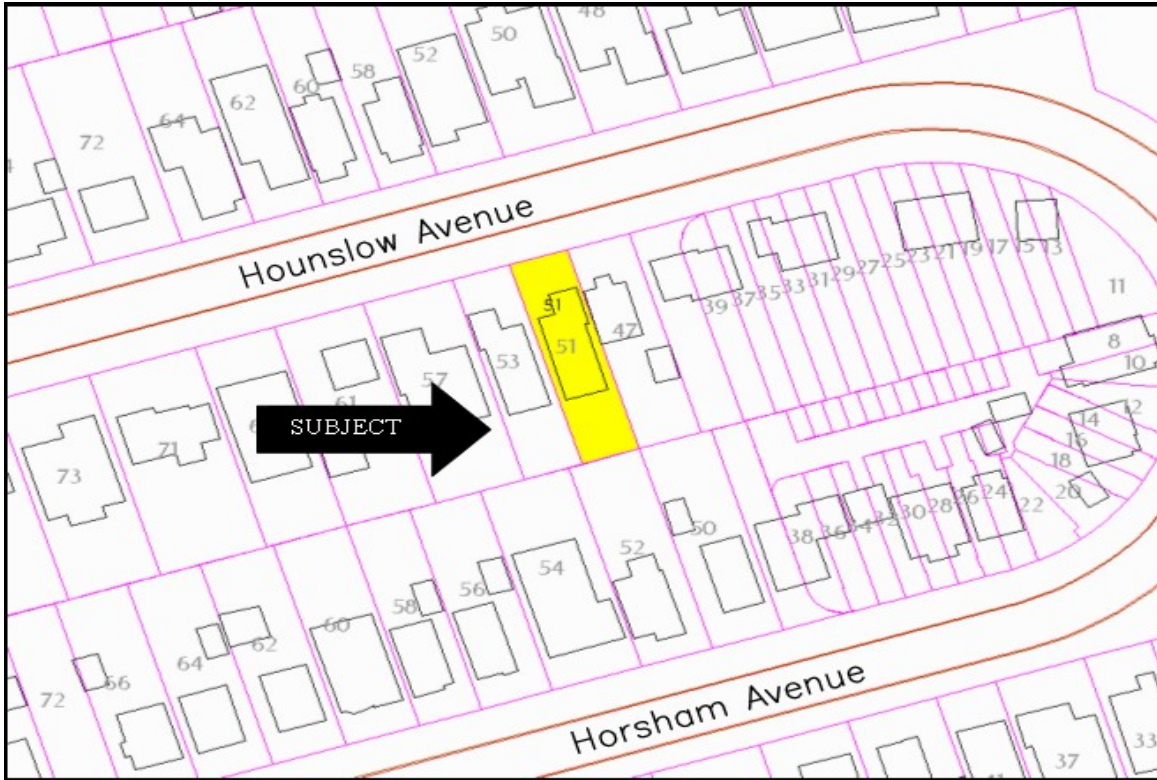
Conditions: Satisfactory results of the Due Diligence Condition

COSTS:

Payments to Owners:	Purchase Price	\$605,000.00
	6% interest on purchase price from July 15, 2007 if closing takes place afterwards	if applicable
	Total to Owners:	\$605,000.00
City's Closing Costs:	Disturbance Damages, inconvenience and moving, legal and appraisal fees	\$55,000.00
	Land Transfer Tax – app.	\$8,575.00
	Registration Costs – app.	\$100.00
	Total Third Party Costs	\$63,675.00
Cost to City Net of GST		\$668,675.00

GST on Purchase Price \$36,300.00

APPENDIX "B"
51 Hounslow Avenue
(Ward 23 – Willowdale)



APPENDIX “C”

Owner: The Trustees of the Congregation of the Willowdale Presbyterian Church

Location: 70 Ellerslie Ave, Toronto (as shown on Appendix D)
Parts of 38 Ellerslie Ave (As shown on appendices E & F)

Legal Description: Part Block 2 on Plan 2097 comprising all of the land identified in PIN 10143-0131 (LT)

Part Block 2 on Plan 2097 and Part of Lot 19, Concession 1 comprising a portion of the lands identified in PIN 10143-0132 (LT), as approximately shown as Parts 1 and 2 on Sketch No. PS-2007-141

Purchase Price: \$2,590,000.00, plus GST, if applicable.

Additional Costs: The purchase price includes a value of \$65,000.00 which represents the Vendor’s disturbance damages in connection with the sale of the Property to the City,

On closing the City will pay to the Owner the additional amounts of \$15,000.00 in respect of legal fees, and \$15,000.00 in respect of appraisal fees

Irrevocable Date: TBA

Due Diligence: 90 business days following acceptance by the City of Toronto

Closing Date: 30 business days following the expiry of the Due Diligence Condition

Deposit: \$10.00

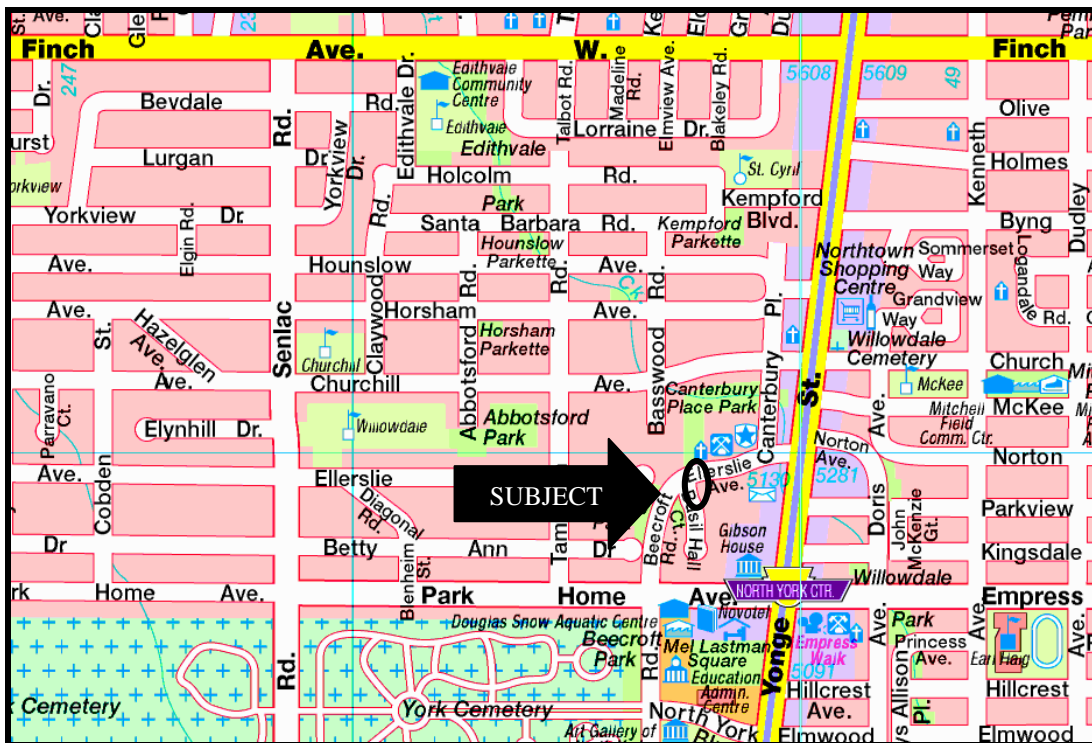
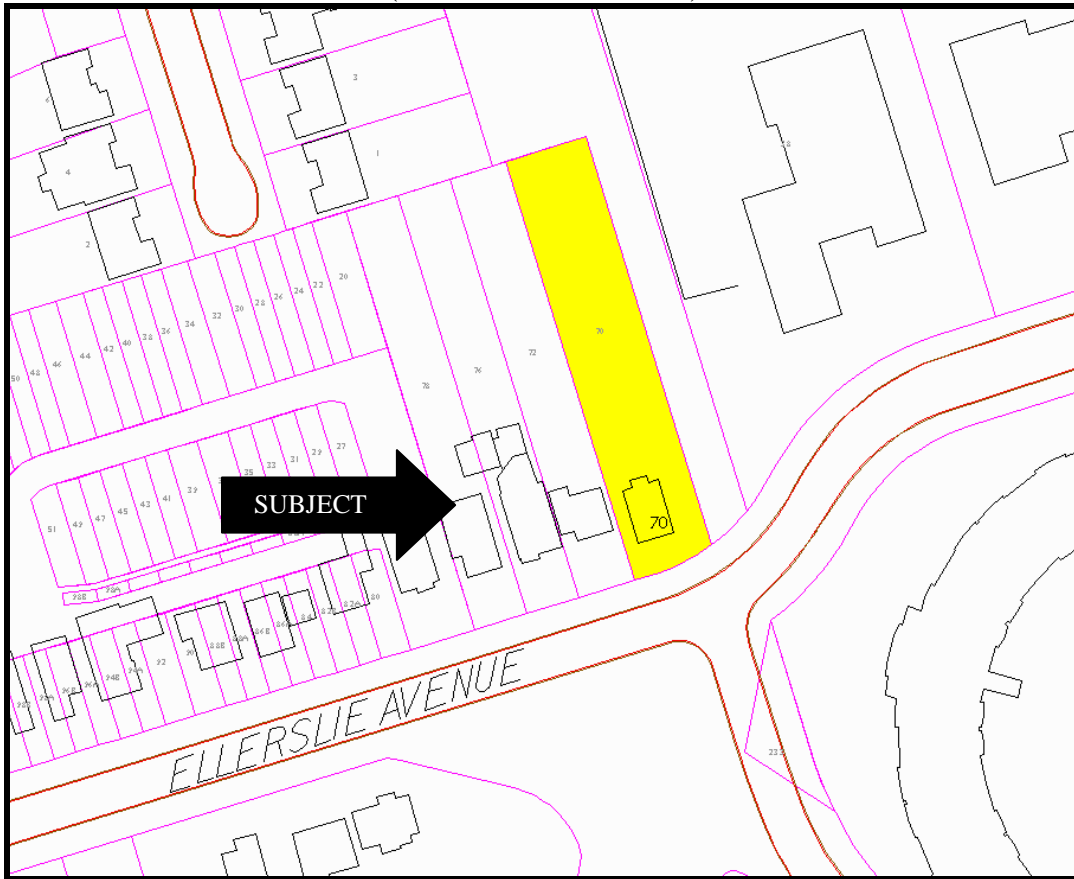
Conditions: Satisfactory results of the Due Diligence Condition

COSTS:

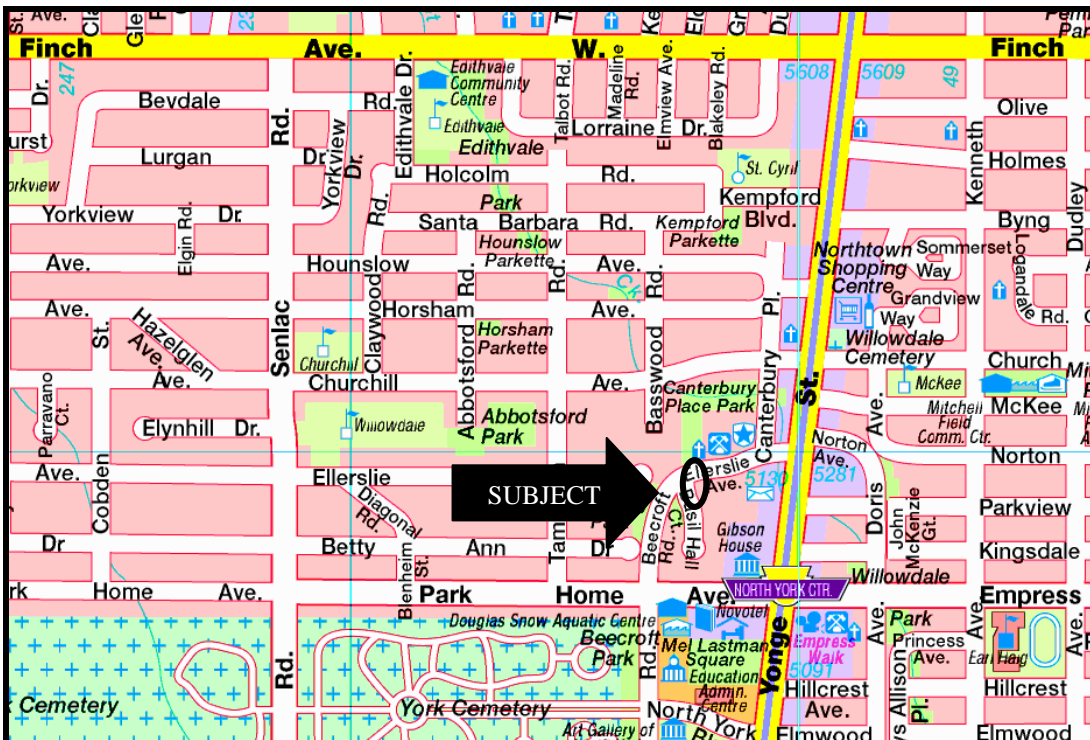
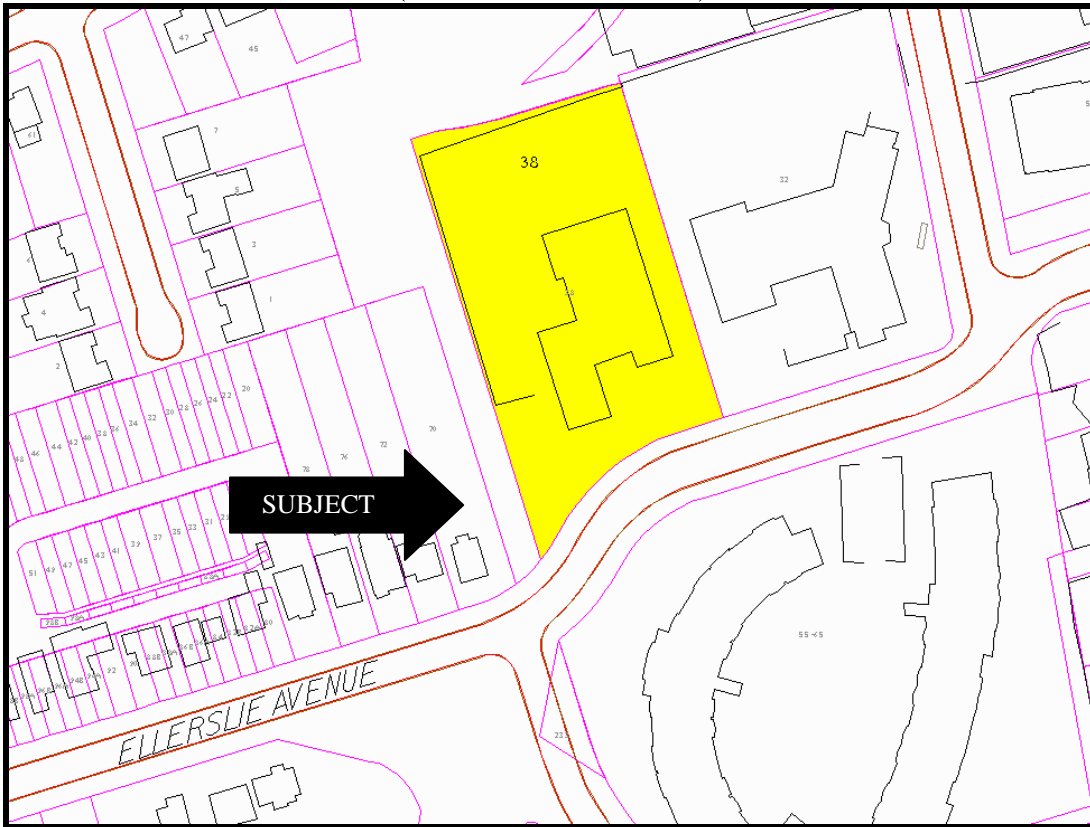
Payments to Owner:	Purchase Price	\$2,590,000.00
	Total to Owners	\$2,590,000.00
City’s Closing Costs:	Legal and Appraisal fees	\$30,000.00
	Land Transfer Tax – app.	\$48,275.00
	Registration Costs –app.	\$200.00
	Total Third Party Costs	\$78,475.00
Cost to City Net of GST		\$2,668,475.00

GST on Purchase Price \$155,400.00

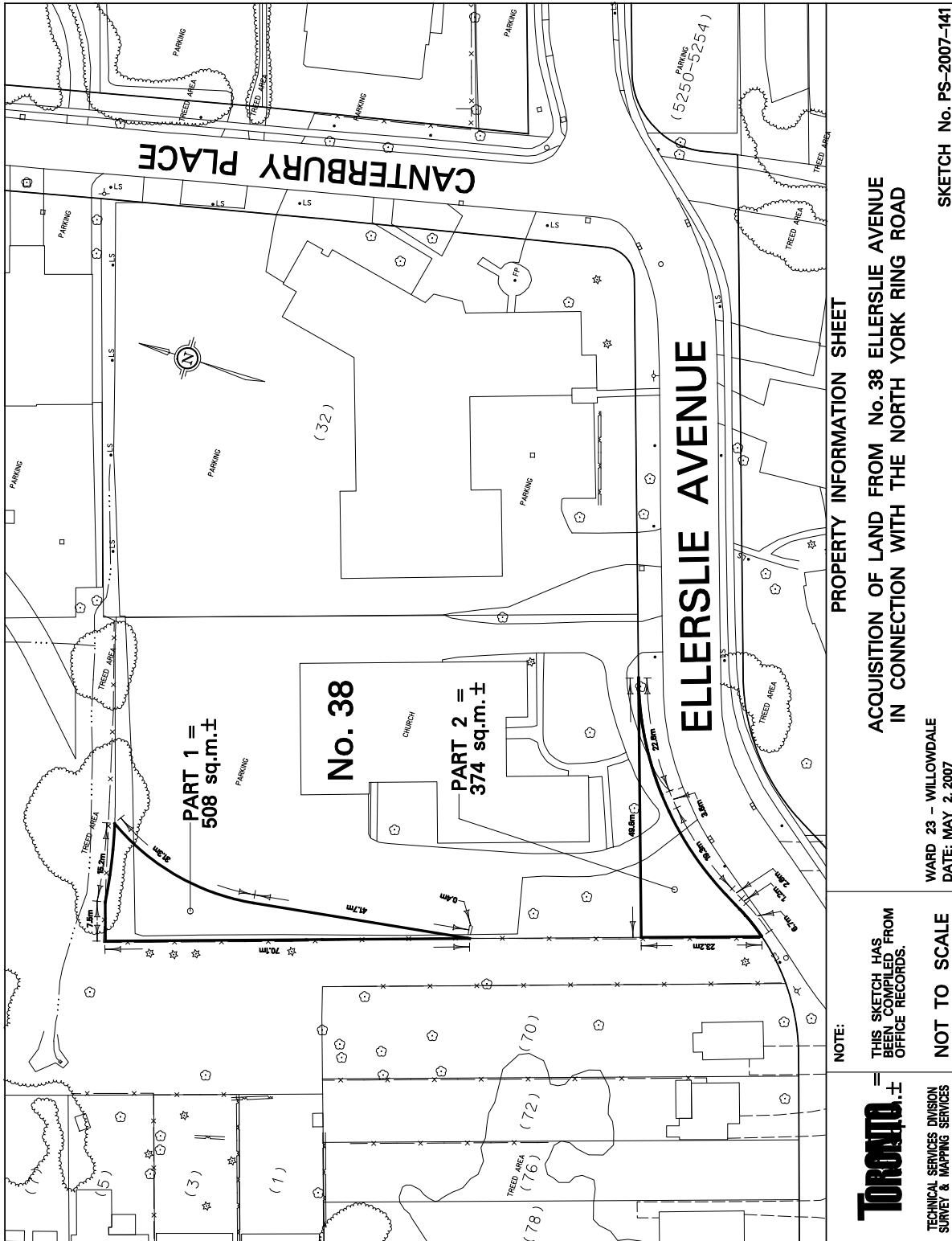
Appendix "D"
70 Ellerslie Avenue
(Ward 23 – Willowdale)



Appendix "E"
38 Ellerslie Avenue
(Ward 23 – Willowdale)



Appendix "F"
Parts One and Two of 38 Ellerslie Ave
 (Ward 23 - Willowdale)



PROPERTY INFORMATION SHEET

ACQUISITION OF LAND FROM No. 38 ELLERSLIE AVENUE
 IN CONNECTION WITH THE NORTH YORK RING ROAD

WARD 23 - WILLOWDALE
 DATE: MAY 2, 2007

SKETCH No. PS-2007-141

NOTE:

THIS SKETCH HAS
 BEEN COMPILED FROM
 OFFICE RECORDS.

NOT TO SCALE

Toronto

TECHNICAL SERVICES DIVISION
 SURVEY & MAPPING SERVICES