



## STAFF REPORT INFORMATION ONLY

### Land Exchange Request for the 2.3 acre Parcel Abutting Port Union Village Common Park

<b>Date:</b>	September 28, 2007
<b>To:</b>	Scarborough Community Council
<b>From:</b>	Chief Corporate Officer
<b>Wards:</b>	44 – Scarborough-East
<b>Reference Number:</b>	<a href="P:\2007\Internal Services\F&amp;re\Sc07098F&amp;re – (AFS 6075)"><u>P:\2007\Internal Services\F&amp;re\Sc07098F&amp;re – (AFS 6075)</u></a>

#### SUMMARY

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The purpose of this report is to respond to Scarborough Community Council's request to provide a summary as to how a land exchange for the 2.3 acre parcel abutting the Village Common on the Port Union Waterfront can be achieved.

#### Financial Impact

There is no financial impact.

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

#### DECISION HISTORY

In considering the report from the Director of Community Planning, Scarborough District entitled "East Side of Port Union Road/Duthie Street/Cherry Street – Zoning Application – Preliminary Report", Scarborough Community Council, at its meeting held on September 10, 2007, directed that staff, in consultation with the Ward Councillor, approach the developer on the possibility of a land exchange for the 2.3 acre parcel abutting the Village Common on the Port Union Waterfront and Real Estate Division to report to the October 2, 2007 meeting of Scarborough Community Council providing a summary as to how this land exchange can be achieved.

<http://www.toronto.ca/legdocs/mmis/2007/sc/bgrd/backgroundfile-6054.pdf>

## **ISSUE BACKGROUND**

The privately-owned 2.3 acre parcel of land that is being suggested to be exchanged abuts Port Union Village Common Park. At this time, there is no identified municipal purpose for acquiring the 2.3 acre parcel of land nor is there an identified surplus parcel of City-owned land to be considered for such an exchange.

## **COMMENTS**

A land exchange constitutes a combination of a sale transaction (of the land being disposed of) and a purchase transaction (of the land being acquired). In order to ensure that a corporate approach is taken, the City's acquisition and disposal of real property (including land exchanges) functions within the framework of Council adopted policies and processes, such as "Acquisition and Disposal of Real Property", "Policy Governing Land Transactions Among City ABCD's and Proceeds from Sale of Surplus City-Owned Real Property", and the "Housing First Policy" etc.

### **Processes for Acquiring Lands**

The City's power to acquire real property is limited to property required for the municipality's purposes. Consideration of a potential acquisition of property includes, among other things, whether it's required for City purposes, an analysis of cost to acquire (including a five-year budget plan supporting the acquisition), environmental issues, its actual appropriateness for the need identified, or alternatively, utilization of existing assets so that acquisition of additional lands may not be necessary.

### **Processes for Disposing of City Assets**

The disposal process requires, among other things, Real Estate staff to consult with City ABCDs to determine whether a property continues to be required for alternative municipal purposes. The City's Property Management Committee (PMC) process is then followed resulting in the PMC recommending either that the property be jurisdictionally transferred to another ABCD or, alternatively, be declared surplus and sold. The prime corporate objective for Real Estate staff when selling surplus land is to generate revenue.

### **Policy Governing Land Transactions Among City ABCD's and Proceeds from Sale**

City Council at its meeting on June 18, 19 and 20, 2002 adopted, as amended, Clause 1 of Report No. 9 of the Policy and Finance Committee entitled "Policy Governing Land Transactions Among City Agencies, Boards, Commissions and Departments and Proceeds from Sale of Surplus City-owned Property" (the "Proceeds Policy"). The Proceeds Policy provides a specific system of allocation of proceeds of sale for City real estate and specifically provides that such proceeds should not be directed or otherwise allocated to other specific initiatives or programs. Where any allocation of funds held in the Land Acquisition Reserve Fund ("LARF") or other capital reserve funds is contemplated, such decisions be made on an annual basis by Council and within the context of capital budget deliberations. The capital budget process guidelines requires the City's capital program to be integrated with Council's strategic priorities. The capital program is to be re-evaluated in every budget cycle, and co-ordinated with multi-year

service plans in each program area that are linked to Council's strategic plan. The strategic plan is reviewed at the beginning of each new term of Council to select a prioritized set of goals and strategies to meet Council's objectives. Council determines annually, based on evaluation of current and future capital funding priorities, where surplus proceeds and/or withdrawals from reserve funds or the LARF are to be used to offset capital demands in a given budget year.

## **Land Exchange**

The City considers a land exchange in circumstances where the City has a municipal purpose for the land being acquired, there is a surplus City property identified to exchange (after PMC process has been completed), the value of both properties are comparable, and the City division requiring the property has included the project within its five-year plan. Dedicating proceeds from the sale of surplus properties to a specific initiative (as in a land exchange) would reduce funds available for projects such as transit, community centres, libraries, police stations, or municipal housing facilities or to use for capital projects, or other projects within Council's future strategic plans.

An exchange should only be considered after appropriate financial consideration, prioritization of goals, and ensuring it meets Council's objectives and policies.

## **CONTACT**

Joe Casali  
Director of Real Estate Services  
Tel: (416) 392-7202  
E-mail: [jcasali@toronto.ca](mailto:jcasali@toronto.ca)

Chuck Donohue, P. Eng.  
Executive Director, Facilities and Real Estate  
Tel: (416) 397-5151  
E-mail: [cdonohue@toronto.ca](mailto:cdonohue@toronto.ca)

## **SIGNATURE**

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Bruce Bowes, P. Eng.  
Chief Corporate Officer

## **ATTACHMENTS**

Appendix "A" – Site Map