

Proceeding with the Transfer of a Part of 301 Rockcliffe Boulevard to the City of Toronto Economic Development Corporation (“TEDCO”)

Date:	March 28, 2008
To:	Government Management Committee
From:	Chief Corporate Officer
Wards:	11 – York-South-Weston
Reference Number:	P:\2008\Internal Services\F&re\Gm08036F&re – (AFS 7243)

SUMMARY

On May 16, 2006, the Joint Policy and Finance and Administration Committee postponed consideration of the May 2, 2006 report of the Chief Corporate Officer regarding the transfer of part of 301 Rockcliffe Boulevard to the City of Toronto Economic Development Corporation (“TEDCO”), pending the results of the Etobicoke York District Yard Consolidation Study (the “Yard Study”).

This report requests authority to proceed with the transfer of a portion of 301 Rockcliffe Boulevard to TEDCO, as the interim findings of the Yard Study are that these lands will not be required for any potential yard purposes. TEDCO has requested that the transfer proceed as soon as possible, as it has potential users for the property.

RECOMMENDATIONS

The Chief Corporate Officer recommends that:

1. Authority be granted to enter into an agreement with TEDCO to transfer the City-owned land municipally known as part of 301 Rockcliffe Boulevard, being Part of Lot 37, Concession 3 From The Bay, City of Toronto (formerly City of York), being Blocks 5 and 6 on Plan 66M-2324, and shown as Parts 1 and 2 on Sketch No. PS-2006-001, subject to such easements or other property interests as may be required for municipal services and utilities located thereon (the “Property”), for nominal consideration, together with any applicable taxes and registration costs, substantially on the terms and conditions set out in

- Appendix “A” to this report and on such other terms and conditions as may be approved by the Chief Corporate Officer, in a form satisfactory to the City Solicitor (the “Transfer Agreement”) and to complete the transactions provided for in the Transfer Agreement.
2. Each of the Chief Corporate Officer and the Director of Real Estate Services be authorized severally to execute the Transfer Agreement on behalf of the City.
 3. The City Solicitor be authorized to complete the transaction(s) on behalf of the City, including making payment of any necessary expenses and amending and/or waiving the closing and other dates to such earlier or later date(s) and on such terms and conditions as she may from time to time consider reasonable.

Financial Impact

No revenue will be generated as a result of the transfer to TEDCO as the Property is to be transferred for nominal consideration. TEDCO will be responsible for any applicable Land Transfer Tax, GST and registration costs.

TEDCO will also assume responsibility for all costs associated with remediation and development of the Property. Due to significant environmental issues with the Property, all future revenues, if any, that TEDCO receives from the development of the Property will remain with TEDCO.

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

DECISION HISTORY

By its adoption of Clause No. 28 of Report No. 1, as amended, of the Policy and Finance Committee at its meeting on January 31, February 1 and 2, 2006 (the “Surplus Report”), City Council declared certain properties, including the Property, surplus to municipal requirements, subject to any required easements, with the intended manner of disposal to be by way of an “as is” transfer to TEDCO for nominal consideration (except TEDCO to pay any applicable Land Transfer Tax, GST and registration costs).

By its adoption of Consolidated Clause No. 1 of Joint Report No. 1 of the Policy and Finance Committee and Administration Committee at its meeting on May 23, 24 and 25, 2006, City Council adopted, with amendments, a status report on the proposed terms of transfer of properties to TEDCO. At the same meeting, City Council received for information Clause No. 3a of Joint Report No. 1 of the Policy and Finance Committee and Administration Committee regarding the postponement of consideration by the Joint Committee of the staff report on the transfer of the Property pending completion of the Yard Study.

ISSUE BACKGROUND

In 1954, the former Municipality of Metropolitan Toronto (“Metro”) assumed the Rockcliffe Sewage Treatment Plant, together with an outstanding debenture of

\$621,000.00, from the former City of York, pursuant to the *Municipality of Metropolitan Toronto Act*. Metro subsequently constructed replacement sewage treatment facilities at the Humber Sewage Treatment Plant, and decommissioned the Rockcliffe facility. The property was then used as a Works yard.

The former City of York, which also operated a Parks and Works yard on the property adjoining the Metro property, initiated discussions with Metro about the development potential of these lands. In 1989, Metro Council approved the development of the Rockcliffe lands as an industrial subdivision. A plan of subdivision for the industrial park was registered in 1998, creating six separate lots on the Rockcliffe lands. Two of the lots were later sold to a private developer. A subdivision agreement was also registered on title. Due to evidence of environmental contamination on site resulting from its prior municipal use, including previous use as a landfill site, the subdivision agreement included certain Ministry of Environment conditions. The requirements of subdivision agreement, both with respect to planning and environmental matters, remain on title to the Property but will need to be updated to current standards.

The Property is also located within the floodplain of Black Creek and is therefore subject to the Toronto and Region Conservation Authority review of future development proposals. It is within an area identified as Special Policy Area 4 on Maps 10 and 11 in the new Official Plan – Rockcliffe Park – Black Creek. The Property is subject to Policy 3.4.4, which states:

“Development is prohibited within the floodplain, except for buildings and structures in Special Policy Areas on Maps 10 and 11, which must be protected from flooding to at least the 350 year flood level.”

The Property is zoned for Prestige Employment use and is also designated as an Employment Area under the new Official Plan.

All steps necessary to comply with the City’s real estate disposal process as set out in Chapter 213 of the City of Toronto Municipal Code have been complied with.

COMMENTS

Consideration of the transfer of the Property to TEDCO was postponed in 2006 pending review of the results of the Etobicoke York District Yard Consolidation Study. Interim findings of the Yard Study are that these lands are not likely to be required for any yard purposes.

Details of the Property are as follows:

Approximate Dimensions	Irregular shape
North/South Measurement East/West Measurement	229.7 m (753.61 ft) on Rockcliffe Boulevard 337.2 m (1106.3 ft)
Approximate Area:	Part 1 32,267 m ² (7.97 ac) Part 2 30,609 m ² (7.56 ac) Total 6.28 ha (15.54 ac)

Completion of the transaction on the terms detailed in this report will give effect to Council's direction as set out in the Surplus Report.

CONTACT

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

Chuck Donohue, P.Eng.
Executive Director Facilities & Real Estate
(416) 397-5151
cdonohue@toronto.ca

SIGNATURE

Bruce Bowes, P.Eng.
Chief Corporate Officer

ATTACHMENTS

Appendix "A" – Terms and Conditions
Appendix "B" – Site Map and Sketch No. PS-2006-001

APPENDIX “A”

Terms of Transfer of Part of 301 Rockcliffe Boulevard shown as Parts 1 and 2 on Sketch No. PS-2006-001

- 1) Closing on December 31, 2008, or such earlier or later date as the parties may agree;
- 2) Property being transferred “as is” for nominal consideration with an agreed property value of \$0, with TEDCO to assume any and all liabilities arising from or connected with the state, quality, matter or condition of the Property, whether or not known including, but not limited to, its environmental condition;
- 3) TEDCO to be responsible for all costs associated with remediation and development of the Property;
- 4) All future revenue or income derived from the Property, if any, will be for TEDCO’s sole account and the City will receive no deferred payment for the Property;
- 5) TEDCO to pay any taxes applicable upon transfer, together with registration costs;
- 6) TEDCO to provide such usual closing documents as the City may require;
- 7) The City makes no representation as to use (i.e. either zoning or Official Plan);
- 8) Property is within the floodplain of Black Creek and subject to the Toronto and Region Conservation Authority review of future development proposals. It is located within an area identified as Special Policy Area 4 on Maps 10 and 11 in the Official Plan – Rockcliffe Park – Black Creek;
- 9) Title to the Property shall remain subject to the terms of any registered subdivision agreement, although TEDCO acknowledges that the terms of the subdivision agreement may be changed, in whole or in part, prior to permitting any future development;
- 10) The TTC has a pole storage facility that occupies a portion of the site pursuant to a tenancy agreement with the City. This tenancy is to be assigned to TEDCO and be allowed to continue at a nominal rent until TEDCO requires this part of the Property for an alternate use.
- 11) TEDCO to obtain from any purchaser or tenant of the Property an agreement releasing TEDCO and the City from liability for environmental contamination, and an indemnity in favour of TEDCO and the City in respect of any and all claims arising on the basis of its prior use or environmental contamination; and

12) Title to the Property shall be subject to such easements or other interests as are required for existing and future utility installations and municipal services on the Property, including, but not limited to:

- i. an easement for the Hillary Combined Trunk Sanitary and Storm Sewer running north/south through the road allowance and extending south along the boundary between Parts 1 and 2 (including Parts 5, 6, 7, 8, 9, 11 and 12 on Plan 66R-18005);
- ii. an easement for the St. Clair Sanitary Trunk Sewer within the road allowance and extending through the southeast portion of Part 2 (including Parts 64, 66, 67 and 68 on Plan 66R-18005);
- iii. an easement for the proposed Keele Relief Trunk Sewer extending east/west along the southern limit of Part 1 and Part 2 (including Parts 1-5, 7-10, and 67-69 on Plan 66R-18005); and
- iv. an easement in favour of Toronto Hydro along the eastern limit of the cul-de-sac including Part 62 on Plan 66R-18005.

Appendix "B"

Site Map and Sketch

