



**STAFF REPORT  
ACTION REQUIRED  
with Confidential Attachment**

**North York City Centre Service Road Acquisition**

<b>Date:</b>	September 26, 2008
<b>To:</b>	Government Management Committee
<b>From:</b>	Chief Corporate Officer
<b>Wards:</b>	Ward 23 – Willowdale
<b>Reason for Confidential Information:</b>	This report is about a proposed or pending land acquisition by the City or one of its agencies, boards, and commissions
<b>Reference Number:</b>	P:\2008\Internal Services\F&re\Gm08085F&re – (AFS 8600)

**SUMMARY**

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Real Estate Services seeks authority for the City to acquire the property municipally known as 2 Anndale Drive. This property is required for the North York City Centre Service Road.

Negotiations with the owner of this property have been ongoing since November 2006. The owner has signed an irrevocable Offer to Sell his property to the City. Appendix “A” and Attachment 1 to this report describe the salient terms of this proposed acquisition, which are considered fair and reasonable.

**RECOMMENDATIONS**

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The Chief Corporate Officer recommends that:

1. City Council authorize the public release of the confidential information in Attachment 1, upon final settlement and completion of all property transactions and claims related to the North York City Service Road;
2. the Offer to Sell from Wayne Steven Browne to sell to the City the property known municipally as 2 Anndale Drive be accepted substantially on the terms outlined in Appendix “A” and Attachment 1 to this report and that each of the Chief Corporate Officer and the Director of Real Estate Services be authorized severally to accept the Offer on behalf of the City; and

3. the City Solicitor be authorized to complete the transaction on behalf of the City, including paying any necessary expenses, amending the closing, due diligence and other dates, and amending and waiving terms and conditions, on such terms as she considers reasonable.

### **Financial Impact**

The total cost of this acquisition is listed in Attachment 1 and will be funded from the 2008 Approved Capital Budget for Transportation Services, Capital Account CTP800-8 (North York Centre).

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

### **DECISION HISTORY**

On July 29, 30 and 31, 1998, City Council approved North York Community Council Report No. 8, Clause No. 20, being a joint report (July 10, 1998) from the Commissioner of Works and Emergency Services and the Commissioner of Urban Planning and Development Services entitled “Strategy for the Implementation of the North York Centre Plan Service Road-North York Centre”. The Report included the following recommendations:

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

“the property acquisition strategy include the powers granted to the City under the Expropriations 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.”

At its meeting held on April 23 and 24, 2007, City Council considered the report (March 13, 2007) from the Director, Community Planning, North York District entitled “Request for Direction Report – Zoning Amendment and Site Plan Control Applications – 23 & 33 Sheppard Avenue East and 4 Anndale Drive” and adopted the following motion, among others:

“... should the applicant (Minto) have used reasonable efforts to acquire the 2 Anndale Drive property and have not been successful in acquiring those lands, City Council authorize City staff to initiate the expropriation process for 2 Anndale Drive immediately following Council’s consideration of the report (March 13, 2007) from the Director, Community Planning, North York District, at its meeting scheduled for April 23 and 24, 2007, including serving and publishing

Notices of Application for Approval to Expropriate, forwarding to the Chief Inquiry Officer any requests for hearing received, attending at the hearing to present the City's position, and reporting the Inquiry Officer's recommendations to Council for its consideration, with all costs incurred and compensation payable as a result of any expropriation to be at the owner's (Minto's) sole expense, up to a total maximum limit of \$125,000 for these additional costs."

Request for Direction Report- 23 & 33 Sheppard Avenue East

<http://www.toronto.ca/legdocs/mmis/2007/ny/bgrd/backgroundfile-2093.pdf>

At its meeting on May 1, 2007, the North York Community Council deferred consideration of the report (April 11, 2007) from the Executive Director, Technical Services entitled "Construction Timeline for the Interim Anndale Drive" to its next meeting on May 29, 2007. North York Community Council further requested the Executive Director, Facilities and Real Estate, to report for its meeting on May 29, 2007, on whether or not expropriation had commenced.

Anndale Dr. Construction Timeline

<http://www.toronto.ca/legdocs/mmis/2007/ny/bgrd/backgroundfile-2958.pdf>

At its meeting on May 29, 2007, North York Community Council received, for information, the report on the status of the expropriation proceedings (May 9, 2007) from the Chief Corporate Officer.

Status of Expropriation Proceedings - 2 Anndale

<http://www.toronto.ca/legdocs/mmis/2007/ny/bgrd/backgroundfile-3621.pdf>

## **ISSUE BACKGROUND**

Construction of the North York Service Road ("NYSR") was established to facilitate new development and to provide new opportunities for development in the North York Centre area. The provision of the NYSR and associated road network is articulated within policy contained in the North York Centre Secondary Plan, together with relevant environmental studies.

The North York Downtown South of Sheppard Avenue Class Environmental Assessment Study Report Addendum April 1998 identifies Anndale Drive to be improved and extended to connect to Yonge Street. However, the properties at 2 and 4 Anndale Drive are required for the interim road section from approximately Bales Avenue to Tradewind Avenue to facilitate Minto's Phase 2 development at 23 & 33 Sheppard Avenue East. Minto acquired the property at 4 Anndale Drive, but was unsuccessful in acquiring 2 Anndale Drive.

## **COMMENTS**

Negotiations with the owner of 2 Anndale have been ongoing since November 2006. In May 2007, pursuant to Council authorization, Notices of the Application for Approval to Expropriate Land were served on the owner and published in the newspaper in accordance with the *Expropriations Act*. Despite the service of such notice, City staff continued to negotiate with the owner, preferring to resolve the issue without the expense and delay of expropriation proceedings.

As a result of these negotiations, the owner has submitted an Offer to Sell substantially on the terms set out in Appendix “A” and Confidential Attachment 1 to this report. Staff consider the terms of the Offer to Sell to be fair and reasonable and, therefore, recommend the approval of this transaction.

## **CONTACT**

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## **SIGNATURE**

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Bruce Bowes, P. Eng.  
Chief Corporate Officer

## **ATTACHMENTS**

1. Appendix “A” - Terms and Conditions of Proposed Purchase
2. Confidential Attachment 1
3. Site Map

## APPENDIX "A"

### Terms & Conditions of Proposed Purchase

Purchase Price and Additional Costs:	See Confidential Attachment 1
Deposit:	\$2.00
Irrevocable Date:	November 14, 2008
Due Diligence Period:	60 days (with City having right to extend for an additional 30 days) following acceptance by the City of Toronto
Closing Date:	30 days following satisfaction or waiver of Due Diligence Condition
Conditions:	Conditional until expiry of Due Diligence Period upon City determining, in its sole discretion, that Property is suitable for City's purposes (including environmental condition of Property)