

**Proposed Permanent Closure and Sale of Portions of
Public Highway Village Green Square (formerly
Sufferance Road) Adjacent to 2055 Kennedy Road**

Date:	March 13, 2008
To:	Scarborough Community Council
From:	General Manager, Transportation Services and Chief Corporate Officer
Wards:	Scarborough-Agincourt – Ward 40
Reference Number:	P:\2008\Internal Services\F&re\Sc08026F&re – (AFS 7334)

SUMMARY

The General Manager, Transportation Services and the Chief Corporate Officer request that portions of the public highway, Village Green Square (formerly Sufferance Road) adjacent to 2055 Kennedy Road be permanently closed, and the Offer to Purchase from Metrogate Inc. be accepted substantially on the terms and conditions outlined in the attached Appendix “A”.

The terms for completing the transaction, as set out herein, are considered to be fair, reasonable and reflective of market value.

RECOMMENDATIONS

The General Manager, Transportation Services and the Chief Corporate Officer recommend that:

1. The City retain an easement for Toronto Water for below grade services on Part 3 of Sketch No. PS-2006-092b (“the Sketch”), on terms and conditions acceptable to the Chief Corporate Officer and in a form acceptable to the City Solicitor.
2. The City permanently close portions of the public highway, Village Green Square (formerly Sufferance Road), being part of Lot 28, Concession 2 and shown as

Parts 1 and 3 on the Sketch (the “Highway”), subject to compliance with the requirements of City of Toronto Municipal Code Chapter 162.

3. City Council direct Transportation Services staff to give notice to the public of a proposed by-law to close the Highway in accordance with the requirements of City of Toronto Municipal Code, Chapter 162, with the Scarborough Community Council to hear any member of the public who wishes to speak to the matter during consideration of the proposed by-law.
4. City Council direct Transportation Services staff to advise the public of the proposed closure of the Highway prior to implementation, in accordance with the requirements of the Municipal Class Environmental Assessment for Schedule A+ activities, by posting notice of the proposed closure on the notices page of the City’s Web site for at least five working days prior to the Scarborough Community Council meeting at which the proposed by-law to close the Highway will be considered.
5. The Offer to Purchase from Metrogate Inc. (“Purchaser”) to purchase the Highway in the amount of \$120,000.00 be accepted substantially on the terms and conditions outlined in Appendix “A” to this report, and each of the Chief Corporate Officer and the Director of Real Estate be authorized severally to accept the Offer to Purchase on behalf of the City.
6. Authority be granted to direct a portion of the proceeds of closing to fund the outstanding expenses related to the Highway and the completion of the sale transaction.
7. 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.
8. City Council authorize and direct the appropriate City officials to take the necessary action to give effect to the above recommendations, including the introduction in City Council of any necessary bills.

Financial Impact

The closing of the Highway will not result in any costs to the City as the Purchaser is required to pay all costs associated with the closing.

We anticipate revenue in the amount of \$120,000.00, (net of GST), less closing costs and the usual adjustments from this sale.

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

DECISION HISTORY

In accordance with the City's Real Estate Disposal By-law, No. 814-2007, the Highway was declared surplus on January 24, 2008 (DAF No. 2008-024) with the intended manner of disposal to be by inviting an offer to purchase the Highway from the adjoining owner at 2055 Kennedy Road.

ISSUE BACKGROUND

In 1973, the Corporation of the Borough of Scarborough acquired portions of the Highway for municipal purposes. Pursuant to By-law 15280 registered on March 20, 1973 and By-law 15280 registered on August 1, 1974, the lands were dedicated as public highway known as Sufferance Road. More recently, By-law No. 1007-2007 registered on October 29, 2007 renamed the Highway to Village Green Square.

The owner of 2055 Kennedy Road has expressed interest in the conveyance of the Highway for incorporation to its development known as Metrogate Inc.

COMMENTS

Details of the Highway are as follows:

Approximate Size:	Irregular – see Sketch
Approximate Area:	Part 1 15 m ² ± (161.46 ft ² ±) Part 3 243 m ² ± (2,615.72 ft ² ±)
Current Status:	Dedicated Public Highway

A Cost Centre has been put in place to charge costs directly related to the sale of City-owned properties, and includes such items as commissions and surveying. We have included in this report a recommendation to direct a portion of the sale proceeds to fund the outstanding expenses related to the Property.

Closing Process:

The closing process requires two separate approvals from City Council. The first approval initiates the process to close the Highway and authorizes the terms and conditions of the sale of the Highway. The second City Council approval authorizes the closing by-law. In addition, the public has the opportunity to speak to the matter if they wish to do so at Scarborough Community Council during consideration of the draft by-law.

The requirements of the Municipal Class Environmental Assessment will be met during the posting of the above-noted public notice.

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SIGNATURE

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Director, Transportation Services,
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Bruce Bowes, P. Eng.
Chief Corporate Officer

ATTACHMENTS

Appendix "A" – Terms and Conditions
Appendix "B" – Site Map and Sketch No. PS-2006-092b