

Request to Encroach on City's Easement at Signal Hill Avenue and Steeles Avenue West

Date:	October 15, 2009
To:	Etobicoke York Community Council
From:	Chief Corporate Officer
Wards:	Ward No. 1 (Etobicoke North)
Reference Number:	P:\2009\Internal Services\F&re\Ey09086F&re – (AFS 10688)

SUMMARY

The purpose of this Report is to obtain authority to enter into an Encroachment Agreement between the City of Toronto (the “City”) and Sherfam Inc. (“Sherfam”) to erect a ground sign on the City’s Easement at the south-western corner of Signal Hill Avenue and Steeles Avenue West. Community Council has delegated authority to make a final decision, provided that it is not amended so that it varies with City Policies or By-Laws.

RECOMMENDATIONS

The Chief Corporate Officer recommends that Council:

1. Grant authority to enter into an Encroachment Agreement with Sherfam regarding the erection of a ground sign on the City’s Easement at the south-western corner of Signal Hill Avenue and Steeles Avenue West substantially on the terms and conditions outlined in Appendix “A” of this Report, and in a form acceptable to the City Solicitor; and,
2. Grant authority to the Chief Corporate Officer to administer and manage the Encroachment Agreement, including the provision of any consents, approvals, notices and notices of termination provided that the Chief Corporate Officer may, at any time, refer consideration of such matter (including their content) to City Council for its determination and direction.

Financial Impact

This Encroachment Agreement will generate the following annual revenue, net of GST, commencing retroactively on June 1, 2006:

Year	Period	Annual Revenue net of GST
1st	June 1, 2006 to May 31, 2007	\$650.00
2nd	June 1, 2007 to May 31, 2008	\$670.00
3rd	June 1, 2008 to May 31, 2009	\$690.00
4th	June 1, 2009 to May 31, 2010	\$710.00
5th	June 1, 2010 to May 31, 2011	\$730.00
	Total Revenue	\$3,450.00

The total revenue to the City over the five year term is \$3,450.00 plus GST. There are no outstanding payments under the current terms.

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

DECISION HISTORY

The City obtained a permanent easement from Sherfam, which was required as a condition of a Site Plan approval. The permanent easement was registered on July 18, 2002 as Instrument No. E570022. The purpose of the Permanent Easement was for the operation and maintenance of a storm and sanitary sewer within Lands described as Block A, Plan 66M-2260, designated as Parts 2, 3 and 4 on Reference Plan 66R-19699 (the "Easement Lands")

ISSUE BACKGROUND

The Easement Agreement between the City and Sherfam contains a clause which prohibits the building of any structure within the City Easement. Notwithstanding this restriction, in 2006 Sherfam erected a ground sign which encroaches onto the City Easement.

The Encroachment is situated on the northwest corner of Signal Hill Avenue and Steeles Avenue West, and consists of approximately 434.54 sq. ft. The encroachment does not impact upon the City's requirements at this time.

Negotiations were conducted with Sherfam and agreement was reached for a five year period commencing retroactively from June 1, 2006 to May 31, 2011. The City retains the right to terminate the Encroachment Agreement upon giving 6 months written notice to Sherfam.

COMMENTS

The annual encroachment fee reflects current market value according to market research and valuation conducted by Facilities and Real Estate Division staff. In good faith, Sherfam has paid the City the entire encroachment fee of \$3,450.00 for the entirety of the term.

CONTACT

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SIGNATURE

Bruce Bowes, P. Eng.
Chief Corporate Officer

ATTACHMENTS

Appendix “A” – Major terms and conditions
Appendix “B” – Location Map