



## **STAFF REPORT ACTION REQUIRED**

### **Amending Report on the Permanent Closure of the Public Lane at the Rear of 709 and 711 Yonge Street, Extending Northerly from Hayden Street**

<b>Date:</b>	March 2, 2009
<b>To:</b>	Toronto and East York Community Council
<b>From:</b>	Director, Transportation Services, Toronto and East York District
<b>Wards:</b>	Toronto Centre – Rosedale – Ward 27
<b>Reference Number:</b>	Ts09042te.top.doc

#### **SUMMARY**

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The purpose of this report is to seek an amendment to Recommendation No. (1) of Item TE13.54, adopted by City Council at its meeting of March 3, 4 and 5, 2008, authorizing the permanent closure of the public lane at the rear of 709 and 711 Yonge Street, subject to City Council approving the sale of the lane to the abutting owner, One Bloor Street East Limited (IBSEL).

#### **RECOMMENDATIONS**

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**Transportation Services, Toronto and East York District recommends that:**

1. Recommendation No. (1) of Item TE13.54 adopted by City Council at its meeting of March 3, 4 and 5, 2008 authorizing the permanent closure of the public lane at the rear of 709 and 711 Yonge Street, subject to City Council approving the sale of the lane to the abutting owner, IBSEL, be deleted and replaced with the following recommendation:
  - (a) As a result of City Council authorizing the sale to Bazis International (One Bloor Street East) Inc. (the "Purchaser"), of the public lane shown as Part 1 on the attached copy of Sketch No. PS-2007-248 (the "Lane"), subject to compliance with the requirements of the City of Toronto Municipal Code, Chapter 162, City Council permanently close the Lane.

## **Financial Impact**

No costs will be incurred by the City from the adoption of this report.

## **DECISION HISTORY**

In accordance with the City's Real Estate Disposal By-law No. 814-2007, the Lane was declared surplus on January 18, 2008 (DAF No. 2008-023) with the intended manner of disposal to be by inviting an offer to purchase the Lane from the abutting owner at 709 and 711 Yonge Street.

At its meeting of March 3, 4 and 5, 2008, City Council adopted Item TE13.54 authorizing the Lane to be permanently closed subject to compliance with the requirements of the City of Toronto Municipal Code, Chapter 162 and subject to City Council authorizing the sale of the Lane to the abutting owners, IBSEL.

City Council, at its meeting of March 3, 4 and 5, 2008, also adopted Item GMC12.12, approving the sale of the Lane and authorizing the City of Toronto to enter into an Agreement of Purchase and Sale with the abutting owners, IBSEL. This report was amended by City Council at its meeting of February 23, 24 and 25, 2009, by Item GM21.10, thereby authorizing the sale of the Lane to the Purchaser.

## **ISSUE BACKGROUND**

The Purchaser's solicitor has advised that IBSEL is a corporation which is co-owned by two companies; one controlled by Bazis International Inc. (the "Developer") and one controlled by Lehman Brothers. Lehman Brothers have filed for bankruptcy and IBSEL is not able to advance funds in order to complete the Lane transaction.

The Developer intends to complete the purchase of the Lane from the City and progress with their development plan on the abutting lands known collectively as 1 Bloor Street East.

## **COMMENTS**

In view of the fact that the Lehman Brothers bankruptcy proceedings will take some time to resolve, the Developer has proposed that the Lane be conveyed to the Purchaser, a company that is controlled by the Developer, with the understanding that the Lane will eventually be merged with the abutting lands and form part of the whole development site.

City Planning staff have no concern or objection to the Developer's request.

**CONTACT**

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Director  
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**ATTACHMENTS**

Sketch No. PS-2007-248 dated October 9, 2007

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