



STAFF REPORT ACTION REQUIRED

Sale of Vacant Land at 47 Terrace Avenue

Date:	December 14, 2009
To:	North York Community Council
From:	Chief Corporate Officer
Wards:	Ward 23 - Willowdale
Reference Number:	P:\2010\Internal Services\F&re\Ny10007F&re – (AFS 9474)

SUMMARY

The purpose of this report is to obtain approval for the sale of the City-owned parcel of vacant land known as 47 Terrace Avenue.

The property was listed for sale on the open market, and the Offer to Purchase from Gurdhian S. Sidhu is being recommended for acceptance by the City.

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

RECOMMENDATIONS

The Chief Corporate Officer recommends that:

1. City Council accept the Offer to Purchase from Gurdhian S. Sidhu to purchase the City-owned parcel of vacant land, municipally known as 47 Terrace Avenue, shown as Part 1 on Sketch No. PS-2009-102, being Part of Lots 24, 25 and 26 on Plan 3178, designated as Part 3 on Reference Plan 64R-1480 (the "Property"), in the amount of \$340,000.00, substantially on the terms and conditions outlined in Appendix "A" to this report.
2. City Council authorize that each of the Chief Corporate Officer and the Director of Real Estate Services be authorized severally to accept the Offer to Purchase on behalf of the City.
3. City Council authorize that a portion of the proceeds of closing be directed to fund the outstanding expenses related to the completion of the sale transaction.

4. City Council authorize the City Solicitor 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

Revenue in the amount of \$340,000.00, less closing costs, real estate commission fees, applicable taxes and the usual adjustments is anticipated.

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

DECISION HISTORY

At its meeting held on January 31, February 1 and 2, 2006, City Council adopted Clause 9 of Report No. 1 of the Administration Committee, thereby declaring the Property surplus to the City's requirements. Council further authorized the Chief Corporate Officer to list the Property for sale on the open market subject to an existing tenancy. The tenant vacated the Property prior to it being listed for sale.

ISSUE BACKGROUND

In 1963, the former Municipality of Metropolitan Toronto expropriated a residential property known municipally as 47 Terrace Avenue, being Part 3 and the northerly portion of Part 2 on Reference Plan 64R-1480, in connection with the widening of Bathurst Street from Sheppard Avenue West to Steeles Avenue West. Upon completion of the road widening Part 2 was dedicated as public highway forming part of Bathurst Street road allowance and Part 3 was determined not to be required for road purposes. The site was improved with a detached house which encroached onto the Bathurst Street road allowance. Staff of Transportation Services objected to permitting the encroachment to remain and the existing structure was demolished prior to the Property being listed for sale.

COMMENTS

Further details of the Property are:

Approximate Measurement:	13.55m x 40.20m (44.47 ft x 131.89 ft)
Approximate Area:	655.6m ² (7,057ft ²)

The Property was listed for sale with Ashlar Urban Realty Inc. in October 2008 and in March 2009, but no recommendable offers were received.

On September 14, 2009 the Property was again listed for sale on the open market with Ashlar Urban Realty Inc., at the asking price of \$359,900.00. No offers were received by

the submission deadline of October 14, 2009. The Listing was extended and the asking price was reduced again to \$339,900.00. As a result, the following offers were received:

Offeror's Name	Offer Amount	Deposit	Additional Terms
Gurdhian S. Sidhu	\$340,000.00	\$40,000.00 (bank draft)	None
Maurizio Falsetta	\$259,000.00	\$25,900.00 (Certified Cheque)	None

The Offer to Purchase submitted by Gurdhian S. Sidhu in the amount of \$340,000.00 is considered fair, reasonable and reflective of market value and is recommended for acceptance substantially on the terms and conditions outlined in Appendix "A" to this report. The City will pay the real estate commission from the proceeds of the sale.

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. A Cost Centre has been put in place to charge costs directly related to the sale of City-owned properties. A recommendation is included in this report to direct a portion of the sale proceeds to fund the outstanding expenses related to this property.

CONTACT

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

Chuck Donohue, P. Eng.
Executive Director, Facilities & Real Estate
Tel: (416)392-5151
E-mail: cdonohue@toronto.ca

SIGNATURE

Bruce Bowes, P. Eng,
Chief Corporate Officer

ATTACHMENTS

Appendix "A" – Terms and Conditions
Appendix "B" – Site Map and PS Sketch