

## STAFF REPORT ACTION REQUIRED

# Land Exchange with the Toronto District School Board and Muki Baum Treatment Centre for Lands at 111 Anthony Road

Date:	March 13, 2012
То:	Government Management Committee
From:	Chief Corporate Officer and General Manager of Parks, Forestry and Recreation
Wards:	Ward 9 – York Centre
Reference Number:	P:\2012\Internal Services\RE\Gm12017re (AFS-15397)

## SUMMARY

The purpose of this report is to seek authority to enter into an agreement to exchange lands owned by the City for lands currently owned by the Toronto District School Board for the purpose of making a park available for the local community in an area that lacks green and open space.

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

### RECOMMENDATIONS

# The Chief Corporate Officer and General Manager of Parks, Forestry and Recreation recommend that:

1. City Council authorize the City to enter into a transaction with the Toronto District School Board ("TDSB") and the Muki Baum Treatment Centre ("Muki Baum") pursuant to which the City will transfer title to the Closed Highway shown as Part 1 on Sketch No. PS-2011-100, attached as Appendix "B" (the "Sketch"); confirm its release of any interest that the City may have over Part 2; and make payment in the amount of \$700,000 (plus HST if applicable) in exchange for title to the lands shown as Part 3 on the Sketch, substantially on the terms and conditions outlined in Appendix "A" to this report and on such other terms as the Chief Corporate Officer and the City Solicitor deem advisable to protect the interests of the City.

- 2. City Council authorize the City to enter into a shared use arrangement with Muki Baum in relation to the open space portions of the lands approximately shown as Parts 2 and 3 on the Sketch, on the terms and conditions outlined in Appendix "A" and such other terms as may be acceptable to the General Manager of Parks, Forestry and Recreation and the City Solicitor.
- 3. City Council authorize the City acquire a permanent easement over Part 4 as shown on the Sketch, or over an area of equivalent utility, for the purpose of a public walkway and access to the lands that will be acquired by the City.
- 4. City Council authorize that the 2012 Parks, Forestry and Recreation Capital Budget be amended by the addition of a new project "Purchase of Open Space at 111 Anthony Road" in the amount of \$700,000, with funding from North York Local Reserve Fund (XR-2206).
- 5. The report be forwarded to the Budget Committee and Executive Committee for consideration.
- 6. 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**

Funding for \$700,000 of the property acquisition is available in the North York Local Reserve Fund (XR2206). An assessment will be made on the impact of maintaining the park and will be included for consideration in the Parks, Forestry & Recreation 2013 Operating Budget submission. There is an option in favour of Muki Baum to enter into a shared use agreement with the City that would permit Muki Baum use of the City-owned lands for the purpose of constructing, managing and operating landscaped green space, including the installation of a sensory garden. If Muki Baum exercises its option to these lands, then they will be responsible for the operating costs to maintain this park instead of Parks, Forestry & Recreation.

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 Closed Highway was declared surplus on February 2, 2012 (DAF No. 2012-006) with the intended manner of disposal to be by way of a land exchange with the TDSB/Muki Baum.

#### **ISSUE BACKGROUND**

The former Board of Trustees of First Township School Area of North York ("School Board") acquired the easterly portion of the school site known as 111 Anthony Road in 1950 from the former Township of North York ("Township"). The remainder of the site was acquired by the School Board from a private developer and the school was subsequently built in 1953. When the easterly portion of the site was purchased from the Township of North York, the School Board and Township entered into an agreement that allowed the school lands to be used by the community when the school was not operating. The agreement also reserved the Township the right to repurchase the easterly portion of the site should it no longer be used for school purposes in the future.

In 1958, the Township stopped up and closed the unopened road allowance at the front of the school. Since then the entranceway to 111 Anthony Road and a large portion of the staff parking area for the school building have been located on this closed road allowance. The City is still the registered owner of this land, though TDSB is of the view that it may have a claim to ownership based on its historical use of the property. This issue is resolved in the context of this comprehensive land transaction.

In the 1980s the School Board stopped operating its own school at this site and leased the property to the Muki Baum Treatment Centre. The programs delivered by Muki Baum are Section 23 programs with the Toronto District School Board. Section 23 programs serve students who for a variety of reasons require their educational needs to be met outside of the regular school system in specialized settings. Muki Baum provides people who have developmental and emotional disabilities with a window of opportunity, through which they will experience social inclusion, practice individual choice, become independent, fulfil their rights and be able to develop their talents, actualize their potential and their ability, achieve personal growth and become contributing members of society.

Earlier in 2011, TDSB, represented by the Toronto Lands Corporation as an agent for and on behalf of TDSB, circulated 111 Anthony Road as a surplus school site. Muki Baum expressed interest in acquiring the school site. In response to the TDSB circulation the City also drew TDSB's attention to the fact that the City has the right to repurchase the

easterly portion of the school site at its original purchase price should the property stop being used for school purposes, and that this right would need to be recognized in any transaction. TDSB does not agree with the City's position and is of the view that the City's rights in relation to the easterly portion of the site have expired. However, through negotiations TDSB, the City and Muki Baum have developed a proposal whereby TDSB will convey one hectare of the school site to the City, and the remainder of the property to Muki Baum. In return, the City would convey the Closed Highway to Muki Baum, release any future claim it may have in relation to Part 2 on the Sketch, and pay \$700,000 in cash to TDSB. Muki Baum will acquire the remainder of the property from TDSB at market value.

#### COMMENTS

The residents in this area of the City have used the open space of the 111 Anthony Road site for many years. Up until 2009 there was a City installed, and maintained bocce court in the southeast corner of the site. The potential removal of this open space from community use would leave the area residents without any city park available unless they cross Wilson Avenue north to Ancaster Park. The proposed transaction with TDSB and Muki Baum will ensure public open space is available for the community. The City's ownership of the southern hectare will continue even if Muki Baum eventually decides to move from the 111 Anthony Road site.

The south portion of this site is designated Parks and Open Space (POS), the portion of the site with the school building is designated Neighbourhood. The entire site is zoned R4, both parks and schools are permitted uses in the R4 zone.

The City is acquiring the land from the TDSB with a combination of considerations. There is a land exchange, for the 751  $\text{m}^2$  of City-owned Closed Highway; the City is confirming its release of any future interest in the land shown as Part 2 on the Sketch; and the City is making payment in the amount of \$700,000.

While the shared use agreement has been arrived at through a complex set of circumstances, the outcome of this land deal is straight-forward. The open space portion of the site will be available for both the local community and individuals attending Muki Baum to enjoy for many years, and the southern portion of the site will be secured under City ownership for continued park use.

Additional details of the terms and conditions of the land exchange are set out in Appendix "A" and are considered to be fair, reasonable and reflective of market value.

#### CONTACT

Joe Casali Director of Real Estate Services Tel: (416) 392-7202 Fax: (416) 392-1880 jcasali@toronto.ca Anne Marra Director of Parks Development & Capital Projects Tel: (416) 394-5723 Fax: (416) 394-8935 amarra@toronto.ca

#### SIGNATURE

Bruce Bowes, P. Eng. Chief Corporate Officer Jim Hart General Manager Parks, Forestry and Recreation

#### **ATTACHMENTS**

Appendix "A" – Terms and Conditions Appendix "B" – Site Map and Sketch No. PS 2011-100