

## **Transfer of Properties to Build Toronto – Fourth Quarter 2012**

<b>Date:</b>	November 1, 2012
<b>To:</b>	Government Management Committee
<b>From:</b>	Chief Corporate Officer
<b>Wards:</b>	13, 36, 41
<b>Reference Number:</b>	P:\2012\Internal Services\Re\Gm12034re – AFS # 16023

### **SUMMARY**

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This report recommends the terms of transfer to Build Toronto of 3 properties previously declared surplus: part of 4610 Finch Avenue East; part of 2000 and 2002 Lake Shore Boulevard West; and lands located north of Dale Avenue and west of Kingston Road.

By the adoption of GM13.7 on May 8 and 9, 2012, City Council directed that prior to reporting to Government Management Committee and City Council on the transfers of land to Build Toronto, the Director of Real Estate Services consult with the Chief Planner and Executive Director and the Ward Councillor to consider if the conveyance of a stratified portion of the land is appropriate in the circumstances and consistent with the Official Plan for possible inclusion in the terms of transfer. Consultations are still on-going with respect to developing a general policy framework for the application of strata title for properties to be transferred to Build Toronto and it is anticipated that this policy report would be brought forward early in 2013 and would include review of the option of pre-zoning properties.

### **RECOMMENDATIONS**

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**The Chief Corporate Officer recommends that:**

1. City Council grant authority to enter into an agreement to transfer part of the property municipally known as part of 4610 Finch Avenue East, more particularly described in Appendix 2, including any agreements related thereto, to Build Toronto, substantially on the terms and conditions set out in Appendices 1 and 2 attached, and on such other

and amended terms and conditions as may be approved by the Chief Corporate Officer (CCO), in a form satisfactory to the City Solicitor.

2. City Council grant authority to enter into an agreement to transfer a stratified portion of the property municipally known as part of 2000 and 2002 Lake Shore Boulevard West more particularly described in Appendix 3, including any agreements related thereto, to Build Toronto, substantially on the terms and conditions set out in Appendices 1 and 3 attached, and on such other and amended terms and conditions as may be approved by the CCO, in a form satisfactory to the City Solicitor
3. City Council grant authority to enter into an agreement to transfer the property located north of Dale Avenue and west of Kingston Road more particularly described in Appendix 4, including any agreements related thereto, to Build Toronto, substantially on the terms and conditions set out in Appendices 1 and 4 attached, and on such other and amended terms and conditions as may be approved by the CCO, in a form satisfactory to the City Solicitor.
4. City Council direct that the authority granted in Recommendations 1-3 be subject to compliance with Section 12 of Ontario Regulation 609/06.
5. City Council grant authority to the CCO to permit Build Toronto to engage in licensing and leasing activities in respect of the properties in this report that are or become the subject matter of executed transfer agreements, during the period prior to the closing of the transfer transactions, on terms and conditions as may be approved by the CCO, in a form satisfactory to the City Solicitor.
6. City Council grant authority to fund the City's outstanding expenses related to the properties in this report from the Approved Operating Budget for Facilities Management and Real Estate (FM&RE), in the year(s) that the expenses are incurred, as necessary, and, once these expenses are known, to transfer the funding for these expenses from the Land Acquisition Reserve Fund (LARF), with appropriate adjustments to FM&RE's Approved Operating Budget, as necessary, through subsequent Quarterly Variance Reports.
7. City Council approve, as the approving authority under the provisions of the *Expropriations Act*, the transfer to Build Toronto of any property in this report that was acquired by expropriation without giving the original owner from whom the property was expropriated the first chance to repurchase the property.
8. City Council authorize severally each of the CCO and the Director of Real Estate Services to execute the transaction documents required to implement the Recommendations in this report on behalf of the City, including the execution of any required consents, approvals or permissions.

9. City Council authorize the City Solicitor to complete the transactions provided for in this report on behalf of the City, including making payment of any necessary expenses, amending the closing and other dates to such earlier or later date(s), and amending or waiving the terms and conditions, as she may from time to time consider reasonable.
10. City Council authorize and direct the appropriate City officials to introduce in Council any Bills necessary to give effect to the foregoing.

## **Financial Impact**

The transfer of the properties to Build Toronto that are the subject of the Recommendations in this report will defer the receipt of proceeds from the disposition of the properties during Build Toronto's development process. However, the transfer will optimize benefits to the City as a whole and achieve potentially greater returns over time.

As the properties to be transferred to Build Toronto are being transferred for nominal consideration, no revenue will be available to cover the expenses of affecting the transfers, such as registration charges that would normally be for the account of the vendor in a transaction of purchase and sale, survey fees, appraisal fees, etc. As the total of the expenses related to these properties is not known at this time, it is recommended that these expenses be accommodated within FM&RE's Approved Operating Budget, in the year(s) that the expenses are incurred, as necessary, and that, once these expenses are known, funds be provided from the LARF. Budget transfers to adjust FM&RE's Approved Operating Budget, as necessary, funded from the LARF through subsequent Quarterly Variance Reports, are also recommended.

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

## **DECISION HISTORY**

On May 8 and 9, 2012, City Council adopted GM13.7 and approved terms of transfer for five properties to Build Toronto, declared surplus three properties for transfer to Build Toronto and deferred consideration of the terms of transfer of three properties pending community consultation.

(April 11, 2012) Report from the Chief Corporate Officer on Transfer of Properties to Build Toronto and Declaration as Surplus - Second Quarter 2012

<http://www.toronto.ca/legdocs/mmis/2012/gm/bgrd/backgroundfile-46409.pdf>

(April 11, 2012) Appendix 1 - Terms and Conditions for All Transfer Agreements

<http://www.toronto.ca/legdocs/mmis/2012/gm/bgrd/backgroundfile-46410.pdf>

(April 11, 2012) Appendices 2-9 regarding Transfer of Properties to Build Toronto and Declaration as Surplus - Second Quarter 2012

<http://www.toronto.ca/legdocs/mmis/2012/gm/bgrd/backgroundfile-46438.pdf>

(April 11, 2012) Appendix 10 - Properties to be Declared Surplus for Transfer to Build Toronto

<http://www.toronto.ca/legdocs/mmis/2012/gm/bgrd/backgroundfile-46439.pdf>

## **COMMENTS**

At its meeting on May 8 & 9, 2012, City Council by its adoption of GM13.7 directed the Director of Real Estate Services (Director) to consult with the Chief Planner and Executive Director and the Ward Councillor on a property by property basis to consider if the conveyance of a stratified portion of the land is appropriate in the circumstances and consistent with the Official Plan. These consultations are on-going and further options are being investigated in order to report on this policy issue independently in 2013.

As there is some urgency to report on certain properties that Build Toronto is working on and with respect to which conditional contracts have been entered into, that is, part of 4610 Finch Avenue East and part of 2000 and 2002 Lake Shore Boulevard West, this report on the terms of transfer of a limited number of properties is being submitted for consideration in advance of the general policy recommendations. The Director of Real Estate Services has consulted with the Chief Planner and Executive Director and the Ward Councillors with respect to each of the properties included in this report.

## **Ontario Regulation 609/06**

Ontario Regulation 609/06 provides that if the City proposes to transfer an asset to a corporation and the province has contributed funds for the purchase or improvement of the asset, the City is required to give notice of the proposed transfer to every Minister that made a contribution on behalf of the Province and obtain a release of any provincial interest in the asset.

## **Transfer Properties**

### **Part of 4610 Finch Avenue East (Appendix 2)**

This part of 4610 Finch Avenue East has been developed and previously used for parking in conjunction with the former C. O. Bick College at 4620 Finch Avenue East which was approved for transfer to Build Toronto in 2011. Build Toronto has requested that part of 4610 Finch Avenue East be transferred to it in order to continue to provide parking to the building at 4620 Finch Avenue East. Toronto Police Service (TPS) continue to use the remainder of the 4610 Finch Avenue East property and have agreed that this strip of land may be transferred to Build Toronto.

#### Planning Context:

Official Plan:	Institutional
Zoning:	Institutional Uses – Public Service (I-PS), and building heights are not restricted

City Planning provided no opinion on development parameters given the proposed parking use.

The Ward Councillor does not consider a strata conveyance appropriate in the circumstances.

Following consultation with City Planning and the Ward Councillor, the Director of Real Estate Services has determined that there is no need for a strata limit and it is recommended that the site be transferred to Build Toronto.

**Part of 2000 and 2002 Lake Shore Boulevard West (Appendix 3)**

City Council in May, 2011 (GM3.21) approved terms of transfer of 1978 and part of 2000 Lake Shore Boulevard West to Build Toronto. For development purposes, the depth of this property is constrained between the Gardiner Expressway and Lake Shore Boulevard West. Build Toronto has requested that additional lands be made available to form a larger development site, despite the presence of City and Toronto Hydro infrastructure on the western portion of these lands. The majority of 2000 and 2002 Lake Shore Boulevard West have been declared surplus for transfer to Build Toronto subject to conditions to be included in the terms of transfer requiring Build Toronto to relocate the infrastructure prior to any construction on the property. If this infrastructure is not relocated within 5 years of the title transfer to Build Toronto, the proposed terms of transfer require that the property be transferred back to the City. The existing lay-by, accessed from the Gardiner ramp, and the traffic camera location will be retained in City ownership.

Planning Context:

Official Plan:	Mixed Use Areas
Zoning:	Mixed Use District (CR T2.0 C2.0 R1.0) with a height limit of 14 m

City Planning advised that change may be anticipated but given that no master planning process has been undertaken to date, staff is not yet in a position to provide an opinion on development parameters. Staff also advised of the Western Beaches Waterfront Master Plan recommendations for public realm improvements and relocating parking from the south side of Lake Shore Boulevard West to the north side on this site to improve waterfront park space.

The Ward Councillor has concerns with the height of future development on this property and potential blocking of views of the waterfront for development to the north of the CN rail line and supports a strata limit.

Following consultation with City Planning and the Ward Councillor, the Director of Real Estate Services is recommending that a stratified portion of the property, limited to 65 m above grade, be transferred to Build Toronto.

**North of Dale Avenue & West of Kingston Road (Appendix 4)**

The property was acquired by Metropolitan Toronto in connection with the Scarborough Transportation Corridor project which was subsequently deleted from the planned road system. City Council declared the property surplus for transfer to Build Toronto and this report recommends terms of transfer to Build Toronto.

The property is located between a developed high-rise residential site and an open space area fronting on Dale Avenue. Kingston Road is grade separated over the railway line in this area, so access directly on Kingston Road is not possible and rather must be taken from Dale Avenue.

Planning Context:

Official Plan:	Neighbourhoods
Zoning:	Highway Commercial with no height limit

City Planning advised that change may be anticipated but given that no master planning process has been undertaken to date, staff is not yet in a position to provide an opinion on development parameters.

The Ward Councillor considers that there is an opportunity for intensification on this property and that a strata limit is not required.

Following consultation with City Planning and the Ward Councillor, the Director of Real Estate Services has determined that there is no need for a strata limit and it is recommended that the site be transferred to Build Toronto.

**Conclusion**

This report recommends the terms of transfer to Build Toronto of the following properties: part of 4610 Finch Avenue East; part of 2000 and 2002 Lake Shore Boulevard West; and lands located north of Dale Avenue and west of Kingston Road.

Implementation of the recommendations in this report will contribute to Build Toronto's portfolio of development properties and help to enhance and realize the value of the City's real estate holdings.

**CONTACT**

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**SIGNATURE**

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Josie Scioli  
Chief Corporate Officer

**ATTACHMENTS**

- Appendix 1– Terms & Conditions for All Transfer Agreements
- Appendix 2 – Part of 4610 Finch Avenue East
- Appendix 3 – Part of 2000 and 2002 Lake Shore Boulevard West
- Appendix 4 – North of Dale Avenue & West of Kingston Road