



# Councillor Chin Lee

## Scarborough Rouge River – Ward 41



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6 May 2014

Yvonne Davies  
City Clerk's Office  
Scarborough Civic Centre  
150 Borough Dr.  
Toronto, Ontario. M5H 2N2

**Moved By: Councillor Chin Lee**

### **5789-5951 Steeles Avenue East – Deferral of Section 37 Funds**

In November 2006, the Ontario Municipal Board approved amendments to the Scarborough Official Plan and the Scarborough Zoning By-law to permit the development of 5789-5951 for commercial and industrial uses. As per the Section 37 requirements for this development, the owner agreed to make cash contribution of \$1,800,000.00 to fund the capital cost of expanding the existing Milliken Park Community Recreation Centre in order to satisfy the requirement for "community space."

The owner made an initial contribution of \$180,000.00 to facilitate architectural and design services for expansion of the Milliken Park CRC. The provisions of the Section 37 agreement required the remaining balance of \$1,620,000.00 plus interest, to be paid on or before December 31, 2011. The property changed ownership in late 2011 due to bankruptcy proceedings.

This matter has been deferred a number of times, as a result of a downturn in the economy and tighter credit market. Planning and Legal staff have met with the new owner, Mady Steeles 2011 Ltd., to negotiate a resolution that would continue the long planned expansion to the Milliken Park CRC. After much discussion, the owner has agreed to proceed generally on the basis of the section 37 provisions agreed to by the previous owner. The owner has agreed to pay the remaining balance of \$1,620,000.00, as indexed from January 1, 2008, with payments to be made in installments tied to building permit issuance, but ensuring total payment to the City no later than two years from the date of execution of the section 37 agreement. If the actual cost of the expansion is less than \$1,800,000.00, as indexed, the surplus funds would be refunded to the owner. All other provisions in the Zoning By-law regarding the relocation, restoration and reuse

of the historical buildings and the requirement for public art will continue to apply and will be part of the Section 37 agreement, notwithstanding the possible division of the subject lands into two or more parcels.

**Recommendation**

1. That the City Solicitor be authorized to prepare a section 37 agreement for execution by the new owner of 5789-5951 Steeles Avenue East and the City, to secure the planned expansion of the Milliken Park Community Recreation Centre on the terms outlined above. Such agreement to be registered on title and be applicable to all the lands notwithstanding any future sale or partial land division.

Chin Lee  
Councillor – Ward 41  
Scarborough Rouge River

May 6, 2014

Sincerely,

A handwritten signature in black ink that reads "Chin Lee". The signature is written in a cursive, flowing style.

**Councillor Chin Lee**  
**Ward 41 - Scarborough Rouge River**