



**STAFF REPORT
ACTION REQUIRED
with Confidential Attachment**

Acquisition of a Portion of 12 Bannockburn Avenue

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| Date: | January 8, 2015 |
| To: | Executive Committee |
| From: | Acting Deputy City Manager, Cluster A; and Deputy City Manager & Chief Financial Officer |
| Wards: | Ward 16 – Eglinton-Lawrence |
| Reason for Confidential Information: | This report is about a proposed or pending land acquisition by the City or one of its agencies, boards, and commissions |
| Reference Number: | P:\2015\Cluster A\PFR\EX02-012215-AFS#20682 |

SUMMARY

The purpose of this report is to obtain authority and funding to acquire a minimum of 0.5 acres of the surplus school site at 12 Bannockburn Avenue (the "Property") from the Toronto District School Board ("TDSB") for parkland purposes. The City of Toronto received an Offer to Sell from the Toronto Lands Corporation ("TLC") on behalf of the TDSB. This report seeks City Council approval to proceed as outlined in Confidential Attachment 1.

RECOMMENDATIONS

The Acting Deputy City Manager, Cluster A, and the Deputy City Manager and Chief Financial Officer recommend that:

1. City Council authorize the Chief Corporate Officer to negotiate the acquisition of the Property with the TDSB and TLC at the purchase price outlined in Confidential Attachment 1, and authorize the City to enter into an agreement of purchase and sale substantially on the terms outlined in Appendix "A" to this report and on such other terms and conditions and such related documents as may be acceptable to the Chief Corporate Officer and in a form satisfactory to the City Solicitor.

2. City Council amend the 2015 Parks, Forestry and Recreation Capital Budget to create a new capital project called "12 Bannockburn Avenue- Land Acquisition" as outlined in Confidential Attachment 1, including all fees and disbursements, to be funded from the following reserve funds: Park Acquisition – North York pre 1999 (XR2004), 5% and 2% Land Acquisition Reserve Fund – North York (XR2008), Parkland Acquisition – North York (XR2039), Alternative Parkland Dedication for Ward 16 (XR2213-4200615, XR2213-4200628, and XR2213-4200629) and Parkland Acquisition – North District Local Land (XR2206), when successful negotiations are completed.
3. City Council authorizes severally each of the Chief Corporate Officer and the Director of Real Estate Services to execute the Offer to Sell agreement (the "Agreement") and associated agreements and documents under the Agreement on behalf of the City.
4. City Council authorize the Chief Corporate Officer to administer and manage the transaction, including the provision of any consents, approvals, waivers and notices, provided that she may, at any time, refer consideration of any such matters (including their content) to City Council for its consideration and direction.
5. City Council authorize the City Solicitor to complete the contemplated 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.
6. City Council authorize the public release of the confidential information and recommendations in Confidential Attachment 1 once the transaction contemplated in this report has been completed, and TDSB has disposed of its interest in the remainder of the 2.13 acre surplus parcel.
7. City Council authorize that the appropriate City officials be directed to take the necessary action to give effect thereto.

Financial Impact

This report seeks Council direction to proceed with the purchase of a portion of surplus school lands at 12 Bannockburn Avenue, based on a counter-offer to the TLC as outlined in Confidential Attachment 1.

The operating and maintenance costs of the Property are estimated at \$18,000 per year, starting in 2016. The maintenance cost for the remainder of 2015 will be absorbed within the 2015 Parks, Forestry and Recreation Operating Budget. The future operating impact for this Property will be added to the 2016 Operating Budget submission when full maintenance services are expected to commence. Park development costs of between

\$500,000 and \$600,000 will be covered in the 2016 Capital Budget with no impact to other planned Parkland Development projects.

DECISION HISTORY

Staff in the City's Parks, Forestry and Recreation Division have been in discussions with the TLC since August of 2013 on the City's interest in purchasing a portion of 12 Bannockburn Avenue. At its meeting of November 13, 2013, City Council directed Staff to; 1) inform the TLC that the City has an interest in the 2.13 acre Bannockburn site; and for 2) Senior Staff to examine funding opportunities based on future development and Section 42 requirements.

<http://app.toronto.ca/tmmis/viewAgendaItemHistory.do?item=2013.MM41.38>

ISSUE BACKGROUND

The subject property is owned by the Toronto District School Board (TDSB) and was declared surplus to their needs, pursuant to the provisions of *Ontario Regulation 444/98* made under the *Education Act, R.S.O. 1990* at its meeting of June 19th, 2013. Pursuant to *Ontario Regulation 444/98*, any offers to purchase the above noted property needed to be received by the TDSB by February 13th, 2014. The Toronto Land Corporation (TLC), which is the real estate "arm" of the TDSB, was advised in writing on December 24th, 2013 that the City had an interest in the Property. The TLC advised that there were two other School Boards that had also responded to the surplus school site circulation. Since that time, Parks, Forestry and Recreation staff and TLC have been in discussions on the potential purchase of the subject property.

The TLC applied for consent to sever the 2.13 acre portion of the site from the rest of the site on February 26, 2014. The remainder of the site which has a school building that is currently rented as a Montessori School is to be retained as a "core" holding of the TDSB. At its meeting on May 14, 2014, the Committee of Adjustment refused the consent to sever. The TDSB appealed the Committee of Adjustment's decision on June 10, 2014. The appeal was heard by the Ontario Municipal Board (OMB) on November 13 and 14, 2014. The OMB has directed the TLC to continue its negotiations with the City in an effort to come to an agreement on the purchase of the Property. Subsequently, the TLC has provided the City with an Offer to Sell document dated December 8, 2014.

The OMB had set aside two days starting January 8, 2015 to complete the hearing of the appeal. The decision from the OMB was not known at the time this report was being written.

COMMENTS

A. Desirability of the use of the Property as a park.

Acquisition of the Property is desirable for park purposes, as the surrounding community has a lower level of parkland provision (the second lowest quintile of five levels of existing parkland provision as shown on the LPAC map, 8B in the Official Plan). The existing school yard acts as the major open space component for this neighbourhood. By retaining a portion of the site, the impact of losing the School Site as open space is lessened. If the remainder of the surplus property is to be redeveloped into residential units once sold by the TLC, these units would be subject to parkland dedication as per Section 42 of the Planning Act. The parkland dedication can then be added to the land obtained by the City, creating a somewhat larger park. Due to the changes in grade along the western edge of the portion of the site retained for school purposes, City Staff prefer acquiring the park location that fronts on Clyde Avenue as shown as Option 2 on Appendix "C" – (Site Plan Options).

B. Environmental Due Diligence

As part of the City's due diligence in the acquisition of the Property, City staff will perform an environmental assessment review and additional environmental assessments to confirm that the Property meets the Ministry of the Environment standards or other requirements for the City's intended municipal use of the Property as a park.

C. Agreement

Terms of the Agreement are provided in Appendix "A" attached hereto. The TLC provided the City with 3 different options to sell. Should City Council provide the necessary authority as contained within the recommendations of this report (including the recommendation in the Confidential Attachment 1), a counter-offer will be submitted to the TLC for its consideration. City Staff considers an Agreement based on Confidential Attachment 1 to this report to be fair and reasonable and therefore, recommends the approval of this transaction.

This proposed acquisition is to protect and guarantee access by the community to a portion of a valued community open space, in a lower parkland provision area. The City seeks to acquire a portion of the Property at fair market value as outlined in Confidential Attachment 1.

CONTACT

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SIGNATURE

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Acting Deputy City Manager, Cluster A

Roberto Rossini
Deputy City Manager & Chief
Financial Officer

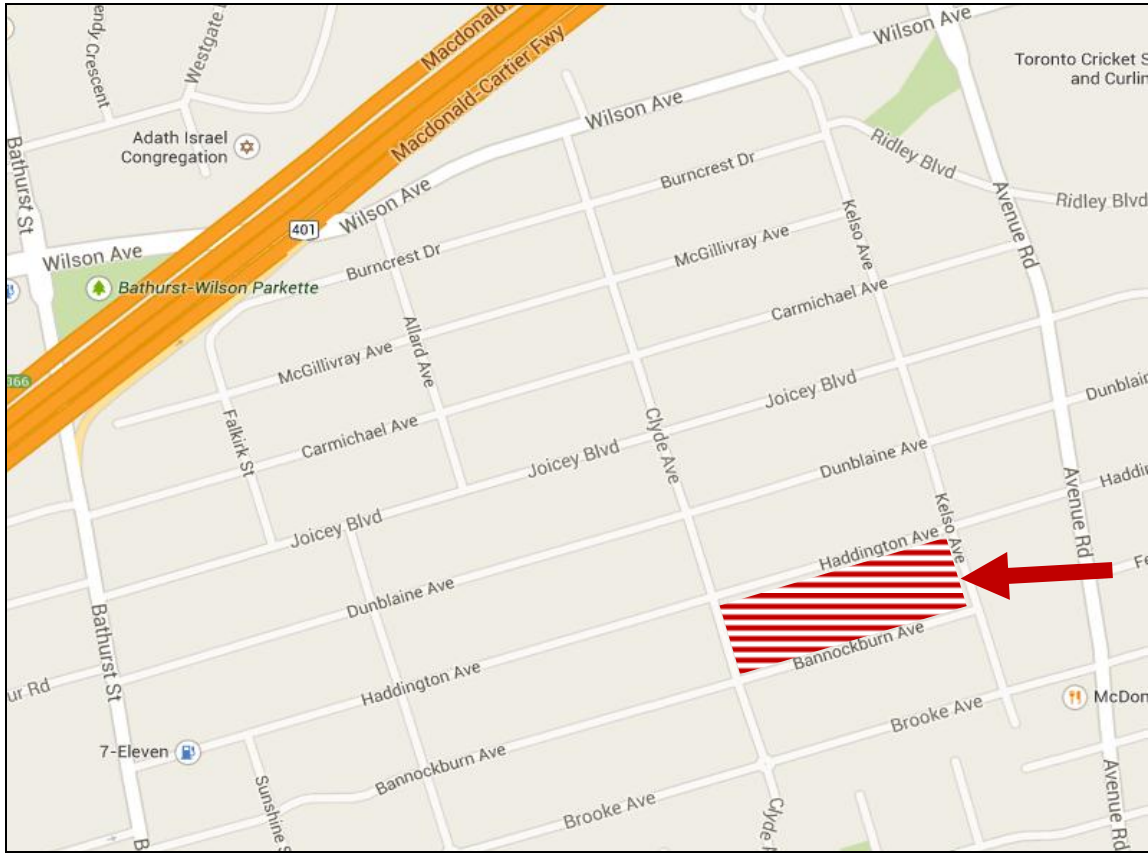
ATTACHMENTS

Appendix "A" – Terms and Conditions
Appendix "B" – Location Map
Appendix "C" – Site Plan Options – Option #2
Appendix "D" – Site Plan Options – Option #1
Appendix "E" – Draft Reference Plan
Attachment 1 – Confidential Information

Appendix "A" – Terms and Conditions

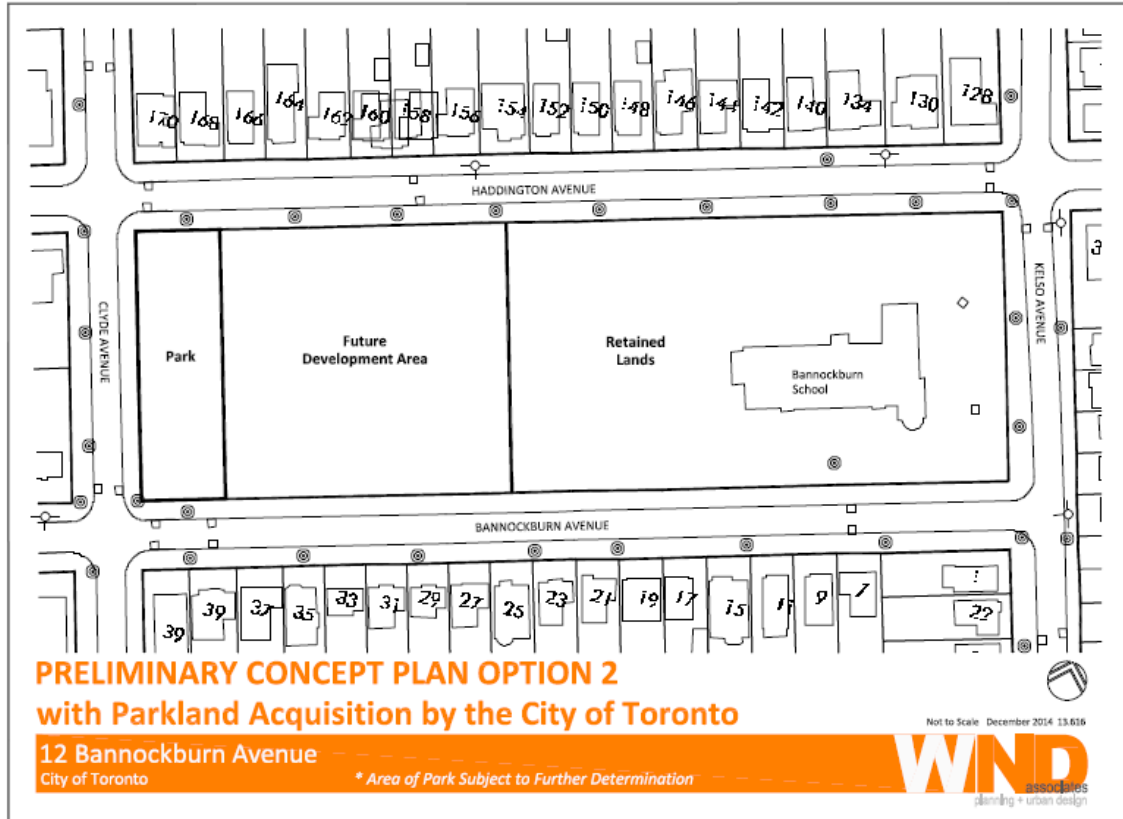
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| Address (Location): | Portion of 12 Bannockburn Avenue – Toronto, Ontario |
| Owner: | Toronto District School Board (c/o Toronto Lands Corporation) |
| Legal Description: | Being those lands having a minimum area of 0.5 acres (21,780 ft ²) as shown in Appendix "C" and part of those lands legally described as Lots 63-67 and 95-99 on Plan 1576; Township of York; Toronto (North York), being part of PIN: 10188-0170(LT) in the Land Registry Office of Toronto (No. 66). |
| Proposed Purchase Price: | Contained within the Confidential Attachment |
| Additional Costs: | Contained within the Confidential Attachment |
| Due Diligence Period: | Shall be the period of time ending at 11:59 pm on the Business Day next following 90 days after the Acceptance Date (once both parties have signed an Agreement of Purchase and Sale) |
| Requisition Period: | Shall be the Business Day next following 10 days after delivery of a Notice of Waiver or Notice of Satisfaction in connection with the Due Diligence Condition. |
| Closing Date: | Shall be the Business Day next following 30 days after delivery of a Notice of Waiver or Notice of Satisfaction in connection with the Due Diligence Condition or such other date as is reasonably required to accommodate the TDSB's sale of the remainder of its surplus site. |

Appendix "B" – Location Map



Appendix "C" – Site Plan Options

Option #2 – Site Plan



Appendix "D" – Site Plan Options

Option #1 – Site Plan

