



REPORT FOR ACTION

Acquisition of 925 Albion Road for Multi-Service Centre and Parkland Purposes

Date: October 24, 2017

To: Government Management Committee

From: Deputy City Manager, Internal Corporate Services
Deputy City Manager, Cluster A
and Acting Chief Financial Officer

Wards: Ward 1 - Etobicoke North

SUMMARY

The purpose of this report is to obtain authority to acquire a 4.84 acre (1.96 ha) surplus Toronto District School Board property located at 925 Albion Road which is currently leased by the City for multi-service centre and parkland purposes. The subject property to be acquired by the City is shown on Appendix "B".

RECOMMENDATIONS

The Deputy City Manager, Internal Corporate Services, Deputy City Manager, Cluster A and Acting Chief Financial Officer recommend that:

1. City Council authorize the Deputy City Manager, Internal Corporate Services to enter into an agreement of purchase and sale with the Toronto Lands Corporation (the "Owner") to acquire 925 Albion Road (the "Property"), substantially on the terms outlined in Appendix "A" and such other terms and conditions and such related documents as may be acceptable to the Deputy City Manager, Internal Corporate Services and in a form satisfactory to the City Solicitor.
2. City Council amend the 2017 Council Approved Capital Budget for Facilities, Real Estate, Environment & Energy (FREEE) by adding a new capital project "925 Albion Road Multi-Service Centre and Parkland Acquisition " with total project cost of \$10.507 million (\$0.05 million in 2017, \$10.457 million in 2018), representing the purchase price and associated costs as identified in Appendix "A", for the acquisition of the property, to be funded \$5.1 million from the Land Acquisition Reserve Fund (XR1012) allocated to the School Lands Acquisition Framework and \$5.407 million from Parkland Acquisition – City-Wide Land Acquisition Fund (XR2210).

3. City Council authorize severally each of the Deputy City Manager, Internal Corporate Services and the Director of Real Estate Services to execute the agreement on behalf of the City.
4. City Council authorize the Deputy City Manager, Internal Corporate Services to administer and manage the transaction relating to the acquisition of the Property, including the provision of any consents, approvals, waivers and notices, provided that the Deputy City Manager, Internal Corporate Services 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 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 the City Solicitor considers reasonable.

FINANCIAL IMPACT

This report seeks Council approval to amend the 2017 Council Approved Capital Budget for Facilities, Real Estate, Environment & Energy (FREEE) to create a new capital project called "925 Albion Road Multi-Service Centre and Parkland Acquisition" for a total project cost of \$10.507 million to be cash flowed with \$0.05 million in 2017 and \$10.457 in 2018.

The total cost of the capital project includes the following approximate values: purchase price of \$10.1 million, Land Transfer Tax of \$0.150 million, Harmonized Sales Tax (HST) of \$0.178 million (non-refundable), environmental assessment costs of \$0.056 million, survey/appraisal costs of \$0.023 million and registration costs of approximately \$200.00. Funding for the acquisition of this land is available in the Land Acquisition Reserve Fund (XR1012) allocated to the School Lands Acquisition Framework for \$5.1 million and in the Parkland Acquisition – City-Wide Land Acquisition, Parkland Reserve Fund (XR2210) for \$5.407 million.

If this property is approved for acquisition, the transaction is expected to close by January 2018. The acquisition of this site will result in rental savings of \$0.380 million per year, as the existing lease with the Toronto District School Board will no longer be required. These savings will be partially reduced by additional maintenance costs of approximately \$0.080 million per year, resulting in net savings of \$0.300 million per year. These savings have been included in the Parks, Forestry & Recreation 2018 Operating Budget submission.

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

DECISION HISTORY

City Council at its meeting held on July 12, 13, 14 and 15, 2016 adopted the following recommendation; City Council authorize the Chief Corporate Officer to negotiate and submit an offer to the Toronto Lands Corporation for the acquisition of the property municipally known as 925 Albion Road (Thistletown Multi-Service Centre), funded from the remaining balance of the Land Acquisition Reserve Fund allocated to the School Lands Acquisition Framework and with additional contribution of funding from the Parkland Acquisition Reserve Funds, and on such other terms and condition as may be acceptable to the Chief Corporate Officer, in consultation with the Executive Director, Social Development Finance and Administration, and the General Manager Parks, Forestry and Recreation, and in a form satisfactory to the City Solicitor.

2016.EX16.21 - Schools as Community Assets: Review and Prioritization of 23 Toronto District School Board Properties

<http://app.toronto.ca/tmmis/viewAgendaItemHistory.do?item=2016.EX16.21>

COMMENTS

Thistletown Multi-Service Centre has been leased by the City from the Toronto District School Board for recreation programming for close to thirty years and is a core access point for child care services, green space and community programming in a Neighbourhood Improvement Area.

The City of Toronto provides a number of recreational services to the surrounding community at this site. Arts programs, children's camps, fitness programs, organized sports and a number of other structured and informal programs are available at Thistletown Multi-Service Centre. Acquisition of the community centre and the sports fields adjacent to this site will allow the continuation of the current level of community programming and will allow Parks, Forestry & Recreation to continue to meet the current and address future recreation needs of the community.

A 1.85 acre (0.75 ha) portion of the Property located within the southwest corner of the Property, legally described in Schedule "B" of *The Board of Education for the Borough of Etobicoke Act, 1973*, S.O. 1973, c.180 requires that such portion of the Property be held for the purposes of a park available for use and enjoyment by the public generally and that the owner of the Property may only convey it for such purpose. For all intent and purposes, this trust requirement effectively extinguished development from that

area of the subject site and limits the use to public park only. As a result, this area of the property was not included in the appraisal work undertaken to determine the market value of the subject lands.

CONTACT

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SIGNATURE

Josie Scioli
Deputy City Manager, Internal Corporate Services

Giuliana Carbone
Deputy City Manager, Cluster A

Joe Farag
Acting Chief Financial Officer

ATTACHMENTS

Appendix "A" – Terms and Conditions
Appendix "B" – Location Map

Appendix "A" –Terms and Conditions

Owner: Toronto District School Board

Location: 925 Albion Road, Toronto

Legal Description: **PIN 07321-0046 (LT)**

PT LTS 32 AND 33 CON B FRONTING THE HUMBER, PT 57 64R9967 PT 26 RS 1103; PT LTS 87 TO 97 PLAN 1946 AS IN EB159649, EB132086, EB9874, EB267479, EB272425, EB267847, EB271569, EB267178, EB243630, EB480693, EB731, EB243651, EB276893, EB253676, EB268784, EB413388, EB9871, EB7313, EB7314 & EB267478 EXCEPT PTS 9, 10, 11 RS902 & PT 29 RS1103 S/T TB75716.

"DESCRIPTION IN EB159649, EB132086, EB9874, EB267479, 272425, EB267478, EB267847, EB271569, EB267178, EB243630, EB243651, EB276893, EB253676, EB268784, EB9872, EB9871, EB7313, EB7314, EB413388, EB480693, AND EB731 MAY NOT BE ACCEPTABLE IN THE FUTURE" RE: MULTIPLE METES AND BOUNDS WITH EXCEPTIONS- REFERENCE PLAN MAY BE REQUIRED IN THE FUTURE S/T EB255826, EB335768 ETOBICOKE, CITY OF TORONTO

Approximate Area: 4.84 acres / 1.96 hectares

Improvements: School building occupied by the Thistleton Multi-Service Centre:

Purchase Price: \$10,100,000.000

Closing Date: January 25, 2018

Expiry of Irrevocable Period: December 19, 2017

Costs: Payment to Vendor:
Sale Price: \$10,100,000.00

City's Costs (Approximately)

Land Transfer Tax	\$150,000.00
H.S.T. (non-refundable):	\$178,000.00
Registration Costs:	\$200.00
Environmental Testing:	\$56,500.00
Survey and Appraisal:	\$22,600.00

City's Total Closing Costs (Approximately) \$407,300.00

Total Closing Costs: **\$10,507,300.00**

Village Green:

The City and Owner acknowledge that part of the Property legally described in Schedule "B" of The Board of Education for the Borough of Etobicoke Act, 1973, S.O. 1973, c.180 (the "Act") requires that it be held for the purposes of a park available for use and enjoyment by the public generally. The City covenants and agrees that it will hold the Village Green subject to the trust respecting the Village Green imposed by the Act. The parties agree to register notice of the trust pursuant to the Act against title to the Property on Closing.

Subsequent Sale:

The City agrees that if the Property or any part thereof is sold or transferred at any time on or before the tenth (10th) anniversary of the Closing Date, it will pay to the Owner the amount by which the value of consideration for the sale or transfer less the costs of sale exceeds the City's cost of the Property.

Appendix "B" – Location Map

