



Toronto Parking Authority

Meeting No.	10	Contact	Julie Lavertu, Committee Administrator
Meeting Date	Monday, November 25, 2019	Phone	416-397-4592
Start Time	3:30 PM	E-mail	tpaboard@toronto.ca
Location	Committee Room 2, City Hall	Chair	Hartley Lefton

PA10.4	ACTION	Amended		Ward: 14
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Property Transaction/Parking Development at Municipal Car Park 282, 838 Broadview Avenue

Board Decision

The Board of Directors of Toronto Parking Authority recommends to the Planning and Housing Committee that:

1. City Council forward the item to the appropriate City Divisions and CreateTO to achieve the maximum opportunity for the affordable housing units at 838 Broadview Avenue and direct the Executive Director, Housing Secretariat, in consultation with the President, Toronto Parking Authority, to report directly to City Council at its meeting on December 17 and 18, 2019.

Decision Advice and Other Information

1. Approved that the property transaction be directed through the real estate approval process, as outlined in Section 8.1 (Delegated Real Estate Authority) of the City of Toronto Municipal Code Chapter 179, Toronto Parking Authority, to seek City delegated authority approval of the property transaction, which will involve:

- a. the sale of 838 Broadview Avenue up to a certain ceiling height at an agreed price of \$4,090,000 plus Harmonized Sales Tax;

- b. the purchase of the portions of an underground public parking garage located at 838-844 Broadview Avenue on the P1 level to accommodate a minimum of 31 spaces and a maximum of 35 spaces at a cost of \$37,500 per space plus Harmonized Sales Tax for total costs ranging from \$1,162,500 (plus Harmonized Sales Tax) for a minimum of 31 spaces and \$1,312,500 (plus Harmonized Sales Tax) for a maximum of 35 spaces;

- c. entering into a Purchase and Sale Agreement and all ancillary agreements, including, but not limited to, reciprocal cost-sharing agreements, along with all necessary transfers, easements, and undertakings; and
- d. incurring additional Toronto Parking Authority expenditures of up to \$85,000 to cover ancillary costs associated with this project, such as legal fees, Harmonized Sales Tax, and Land Transfer Tax;

substantially on the terms and conditions in Appendix A to the report (November 12, 2019) from the Acting President, Toronto Parking Authority, and on such other terms and conditions deemed acceptable to the President, Toronto Parking Authority, and the Deputy City Manager, Corporate Services, in consultation with CreateTO.

2. Directed the President, Toronto Parking Authority, to consult with the appropriate City Divisions, CreateTO, and other appropriate Agencies, Boards, and Committees on any future Toronto Parking Authority developments relating to affordable housing.
3. Forwarded the item to City Council for information.

Origin

(November 12, 2019) Report from the Acting President, Toronto Parking Authority

Summary

Toronto Parking Authority (TPA), the City's Housing Secretariat, and City Real Estate Services (City RES) have been working together through CreateTO on the major business terms of a property transaction with a Developer involving the City-owned property located at 838 Broadview Avenue, also known as Municipal Car Park 282 (the Subject Property) and adjacent lands owned by the Developer at 840-844 Broadview Avenue (Developer Lands) (collectively, Development Lands). The proposed transaction involves the sale of the Subject Property (to a certain ceiling height) to the Developer and the subsequent acquisition of a strata area sufficient to accommodate the portions of an underground parking garage which would provide approximately 33 spaces on the Development Lands. The Developer is proposing to construct a residential development, including 69 residential condominium units, 16 affordable housing units, and an underground parking garage (collectively, the Development).

As part of the overall Development, the City would acquire the portions of the parking garage containing approximately 33 spaces and approximately 16 affordable housing units from the Developer. The public parking garage would be constructed in accordance with TPA standards and specifications and operated by TPA as a municipal parking facility. The affordable housing units would be owned by the City and leased to a non-profit operator.

TPA has conducted a business case analysis to support the acquisition of the public parking spaces. Based on the proposed terms of the transaction, the business case analysis identifies a 8.6 percent Internal Rate of Return (IRR) over a twenty-year period plus terminal value, which is above the 5 percent benchmark criteria established by TPA policies and guidelines for the acquisition of new facilities.

This report is requesting TPA Board of Directors to approve the property transaction to be directed through the City RES delegated approval process to authorize a Purchase and Sale Agreement to sell the Subject Property and to acquire 31 to 35 underground parking spaces from the Developer of the Development Lands (838-844 Broadview Avenue) for a purchase price for an agreed upon cost of \$37,500 per space (\$1,162,500 for 31 spaces, \$1,237,500 for 33 spaces, \$1,312,500 for 35 spaces). Additional funding of up to \$85,000 in associated closing costs are also required. Sufficient funding is available in TPA's 2019 Capital Budget and 2020-2028 Capital Plan for this purchase.

The proposed transaction has been assessed in accordance with City RES' due diligence procedures and City RES is supportive of the proposed transaction. All further due diligence will be conducted in accordance with City RES' due diligence procedures. The overall transaction is also subject to a number of other approvals through the City's processes, including the proposed acquisition of affordable housing units within the Development. The local Councillor has been consulted throughout the process.

Background Information

(November 12, 2019) Report and Appendices A-E from the Acting President, Toronto Parking Authority on Property Transaction/Parking Development at Municipal Car Park 282, 838 Broadview Avenue
(<http://www.toronto.ca/legdocs/mmis/2019/pa/bgrd/backgroundfile-139881.pdf>)

Communications

(November 19, 2019) Letter from Councillor Paula Fletcher (PA.New.PA10.4.1)
(<http://www.toronto.ca/legdocs/mmis/2019/pa/comm/communicationfile-99205.pdf>)
(November 25, 2019) Letter from Mark J. Richardson, HousingNowTO (PA.New.PA10.4.2)
(<http://www.toronto.ca/legdocs/mmis/2019/pa/comm/communicationfile-99283.pdf>)