TORONTO

STAFF REPORT
ACTION REQUIRED
with Confidential Attachment

Proposed Land Exchange at 444 Yonge Street

Date:	July 8, 2008
To:	Government Management Committee
From:	Chief Corporate Officer
Wards:	Ward 27 – Toronto Centre – Rosedale
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:\2007\Interal Services\F&re\Gm08069F&re - (AFS 8101)

SUMMARY

The purpose of this report is to report on negotiations and seek further direction regarding a proposed exchange of property interests between the City and The Residences of College Park Tower III Inc. and The Residences of College Park Tower IV Inc. (collectively the "Purchaser") in order to facilitate a service and pedestrian connection for the building to be constructed at the corner of Yonge and Gerrard Streets and to comply with the City's Official Plan.

City staff and the Purchaser have been involved in discussions and negotiations but have not reached agreement on monetary value.

RECOMMENDATIONS

The Chief Corporate Officer recommends that:

1. The City enter into a Land Exchange Agreement with the Purchaser substantially on the terms and conditions outlined in Appendix "A" and in Attachment 1 and such further terms and conditions as may be acceptable to the Chief Corporate Officer and the City Solicitor.

2. The information contained in Attachment 1 be released upon execution by the City and the Purchaser of a Land Exchange Agreement.

3. The City Solicitor be authorized 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 she considers reasonable.

4. City Council grant authority to direct a portion of the proceeds from the transaction to fund any out-of-pocket expenses related to the completion of the transaction.

5. The net proceeds be deposited to the Land Acquisition Reserve Fund – Parks, Forestry and Recreation (XR1214).

Financial Impact

The financial implications resulting from the adoption of this report are set out in Attachment 1.

The Deputy City Manager and Chief Financial Officer has reviewed this report and agrees with the financial impact information in Attachment 1.

DECISION HISTORY

Pursuant to its decision issued on March 3, 2008, the Ontario Municipal Board approved in principle the Purchaser's development on the northwest corner of Yonge and Gerrard Streets, consisting of a 75-storey mixed commercial and residential building. The approval contemplates a service connection and pedestrian tunnel to link the development with the building to the north through the subsurface portion of the adjacent City-owned Hayter Street. The subsurface portion of Hayter Street is shown as Parts 3 and 4 on the attached Sketch No. PS-2008-081 (the "Closed Highway").

ISSUE BACKGROUND

Hayter Street was closed by By-law 822-78 and now forms part of College Park also known as the Barbara Ann Scott Outdoor Ice Rink.

Negotiations with the Purchaser were undertaken relating to the potential sale of the Closed Highway. However, part of the Closed Highway, shown as Part 3 on Sketch No. PS-2008-081 is currently designated in the Official Plan as *Parks and Open Space Areas*. Section 4.3.8 of the Official Plan stipulates that "The sale or disposal of publicly owned lands in *Parks and Open Space Areas* is discouraged and no City owned lands in *Parks and Open Space Areas* will be sold or disposed of. However, City owned land in *Parks and Open Space Areas* may be exchanged for other nearby land of equivalent or larger area and comparable or superior green space utility."

The Purchaser has also requested a permanent easement for the purpose of providing a pedestrian connection between the parking garage and the pedestrian tunnel areas to be built over an existing truck ramp at 444 Yonge Street and over a portion of the underground parking structure. The location of the proposed easement is shown in heavy black lines as Parts 1 and 2 on the attached Sketch No. PS-2008-092 (the "Easement

Lands"). Part of the Easement Lands, shown as Part 2 on Sketch No. PS-2008-092, is also designated as *Parks and Open Spaces Areas* in the Official Plan.

To facilitate the construction of the service connection and pedestrian tunnel, the Purchaser has offered to convey to the City two parcels of stratified lands currently used as walkways shown as Parts 1 and 2 on the attached Sketch No. PS-2008-026 (the "Walkways") in exchange for the portion of the Closed Highway shown as Part 3 on Sketch No. PS-2008-0081 and a permanent easement over a portion of the Easement Lands shown as Part 2 on Sketch No. PS-2008-092.

COMMENTS

Staff from City Planning and Parks, Forestry & Recreation Divisions have reviewed the areas of land proposed to be exchanged and are satisfied that the exchange of the Walkways for the portions of the Closed Highway and the portion of the Easement Lands which are designated as *Parks and Open Spaces* meets the intent of Section 4.3.8 policies of the Official Plan, i.e., proximity, equivalency and green space utility, for the parkland exchange.

At this time, not all steps necessary to comply with the City's real estate disposal process, as set out in Chapter 213 of the City of Toronto Municipal Code have been complied with. However, by the date of consideration by City Council, the required public notice of the proposed sale will have been given.

CONTACT

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SIGNATURE

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Bruce Bowes, P. Eng.
Chief Corporate Officer

ATTACHMENTS

Attachment "1" – Confidential Attachment
A ppendix "A" - Terms and Conditions of the Land Exchange Agreement
Appendix "B" - Sketches PS-2008-92, PS-2008-081 and PS-2008-26