Surplus Land Declaration for Portion of Valley Crescent & Acquisition of 85-R Westbury Crescent

Date: July 24, 2014
To: Government Management Committee
From: Chief Corporate Officer
Wards: Ward 12 – York South–Weston
Reference Number: P:\2014\InternalServices\RE\Gm14025re (AFS #19821)

SUMMARY

This report seeks authority to declare a small portion of the untraveled public highway known as Valley Crescent surplus to the City’s requirements, conditional upon City Council approving the permanent closure of this portion of the public highway, with the intended manner of disposal to be to invite an offer(s) to purchase from the owners of 75-R and 77-R Westbury Crescent. This report also seeks authority to acquire the property known municipally as 85-R Westbury Crescent in its "as-is" condition. Approval of these recommendations would permit a potential land exchange between the City and the related owners of 75-R and 77-R Westbury Crescent, who are also related to the owner of 85-R Westbury Crescent.

RECOMMENDATIONS

The Chief Corporate Officer recommends that:

1. City Council exempt the portion of Valley Crescent shown as Parts 1 and 2 on the sketch attached as Appendix "B" (the "Road Allowance Lands") from the notification requirements set out in Item MM52.17 adopted by City Council at its meeting held on June 10, 11, 12 and 13, 2014.

2. City Council declare the Road Allowance Lands surplus, conditional upon City Council approving the permanent closure of the Road Allowance Lands as a public highway, and authorize the Chief Corporate Officer to invite an offer(s) to purchase the Road Allowance Lands from the owners of 75-R and 77-R Westbury Crescent that includes a proposed land exchange involving 85-R Westbury Crescent.
3. City Council authorize and direct staff to take all steps necessary to comply with the City’s real estate disposal process set out in Chapter 213 of the City of Toronto Municipal Code.

4. City Council authorize the City to acquire the property municipally known as 85-R Westbury Crescent, shown as Part 1 on the sketch attached as Appendix "C", in its "as-is" condition, including without limitation, its environmental condition, and on such other terms as may be acceptable to the Director of Real Estate Services, if the owners of 75-R and 77-R Westbury Crescent submit an offer(s) to purchase the Road Allowance Lands that includes a proposed conveyance of 85-R Westbury Crescent to the City and the offer(s) is approved by the appropriate City authorities and accepted by the City.

Financial Impact
There is no financial impact related to this report.

Should the potential land exchange take place, the City will acquire a property (85-R Westbury Crescent) that is anticipated to have a lower remediation cost in comparison to the Road Allowance Lands which will be provided by the City. Any additional financial impact related to the proposed land exchange will be reported in the future document that will request the appropriate authority to complete the real estate transaction.

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

DECISION HISTORY
At its meeting held on June 10, 11, 12 and 13, 2014, City Council adopted Item MM52.17 titled "Community Notification with Respect to the Declaration of City Land as Surplus and the Disposal of the Land". Adoption of this Item imposed new notification requirements that must be satisfied as part of the process of declaring land surplus, including the need to place signage on the designated land for a minimum period of 60 days prior to the commencement of the process of declaring the land surplus. http://app.toronto.ca/tmmis/viewAgendaItemHistory.do?item=2014.MM52.17

ISSUE BACKGROUND
The property municipally known as 85-R Westbury Crescent cannot be accessed from an open public highway. Its current owner purchased the lands on speculation that the remainder of the public highway known as Valley Crescent would eventually be constructed, providing direct access to the lands.
Transportation Services has confirmed that there is no intention to complete construction of Valley Crescent beyond its existing dead end and that the Road Allowance Lands are surplus to Transportation's requirements.

Toronto & Region Conservation Authority does not support the completion of the road extension or any development on 85-R Westbury Crescent, given that both parcels are located within the regulatory flood plain area of Black Creek.

**COMMENTS**

This report seeks approval of an exemption to the new surplus land notification requirements imposed by City Council at its meeting in June, 2014, as having to adhere to the new requirements would considerably delay the potential transaction, given the shortened Council meeting schedule this year, which would in turn delay the anticipated benefits of the potential transaction to the local community.

Staff in the Transportation Services Division has advised that the Road Allowance Lands are surplus to its needs. The Toronto & Region Conservation Authority is not supportive of any development on the lands. The road allowance is entirely within the Regulatory flood plain of Black Creek which prohibits any development. Accordingly, it is appropriate that the Road Allowance Lands be declared surplus.

City staff has had initial discussions with the owner of 85-R Westbury Crescent about the potential land exchange, as it would alleviate the concerns of the local residents as well as other industrial users located within the area.

The potential land exchange will improve traffic movement involving large vehicles used by other property owners within the area. This transaction will enable these owners to maneuver large trucks into and out of their respective properties without the need to use/disturb other surrounding properties when backing into and out of their respective properties.

The land exchange would also provide the City with an additional presence in this environmentally sensitive area (Keelesdale Park) and provide a buffer to the adjacent green space (Black Creek). This will alleviate the concerns raised by representatives in the community regarding the damage of the nearby green space by the industrial users along Valley Crescent.

A recent Environmental Site Assessment was performed on 85-R Westbury Crescent and the Road Allowance Lands. It was determined that both properties are contaminated given the historical industrial uses in the vicinity. The estimated remediation costs for 85-R Westbury Crescent is approximately $160,600. The estimated remediation costs for the Road Allowance Lands are approximately $247,850. Should the potential land exchange take place, the City will acquire a larger property which will contain a lower anticipated future remediation expense. However, it should be noted that under the *Environmental Protection Act*, the Ministry of the Environment can order the current owner or a previous owner of a contaminated property to take measures to prevent,
decrease or eliminate an adverse effect that may result from the presence or discharge of the contamination. Therefore, even if the City disposes of the Road Allowance Lands, it is still legally possible that the City could be ordered to carry out remediation on these lands, particularly if the owner of the lands at the time does not have the financial resources to do the necessary work.

At this time, there are no plans for the City to change the existing use of 85-R Westbury Crescent or to carry out remediation work on this parcel of land if the City acquires it.

It is recommended that the City acquire 85-R Westbury Crescent in its "as-is" condition, including its environmental condition, if the owners of 75-R and 77-R Westbury Crescent submit an offer(s) to purchase the Road Allowance Lands that includes a proposed conveyance of 85-R Westbury Crescent to the City and the offer(s) is approved by the appropriate City authorities and accepted by the City.

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SIGNATURE

Josie Scioli
Chief Corporate Officer

ATTACHMENTS

Appendix "A" – Location Map
Appendix "B" – Property Sketch of Road Allowance Lands
Appendix "C" – Property Sketch of 85-R Westbury Crescent
Appendix "A" – Location Map
Valley Crescent
Appendix "B"

Property Sketch of Road Allowance Lands
Appendix "C"

Property Sketch of 85-R Westbury Crescent