Renewal of Encroachment Agreement with Bell Mobility Inc. - 226 Wilson Ave

Date: July 24, 2014
To: North York Community Council
From: Chief Corporate Officer
Wards: Ward 16 – Eglinton-Lawrence
Reference Number: P:/2014/Internal Services/RE/Ny14030re (AFS # 20016)

SUMMARY

The purpose of this report is to obtain authority to renew an encroachment agreement between the City of Toronto and Bell Mobility Inc. (the “Licensee”) to permit an encroachment on the City owned land and adjacent lands over which the City has an easement. The encroachment is required for the location of underground cables, and comprises a land area of 99 sq.m., being a 3.0 m wide strip centered on the cable location (the "Encroachment"), as outlined in Appendix "B." Community Council has delegated authority to make a final decision with respect to encroachments.

RECOMMENDATIONS

The Chief Corporate Officer recommends that:

1. North York Community Council grant authority to renew the Encroachment Agreement with Bell Mobility Inc. regarding the Encroachment substantially on the terms and conditions outlined in Appendix “A” of this Report, with such revisions thereto, and such other terms and conditions acceptable to the Chief Corporate Officer, or designate, and in a form acceptable to the City Solicitor.

2. North York Community Council authorize the Chief Corporate Officer, or designate, to administer and manage the Encroachment Agreement, including the provision of any consents, approvals, notices and notices of termination provided that the Chief Corporate Officer may, at any time, refer consideration of such matter (including their content) to City Council for its determination and direction.
**Financial Impact**

The renewal of the Encroachment Agreement will generate the total revenue of $10,510, net of HST, for the first five (5) years term and at least $11,025 for the second five (5) years of the term.

The licence fees for the 2nd 5-year period will be determined at the discretion of the Licensor provided that such annual fee will not be lower than for the last previous period and based on fair market rent.

The current licence fee is $1,500 per annum.

There are no outstanding payments due to the City pursuant to the current agreement.

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

**DECISION HISTORY**

Bell Mobility built a communication tower on adjoining land and installed underground cables on both Metropolitan lands and the City's easement lands, without Metropolitan Toronto consent. Metropolitan Council in 1992 gave its approval to enter into an Encroachment Agreement with Bell Mobility to regularize the occupation.

By adoption of Clause No.24 of Report No. 27 of the Management Committee by the former Metropolitan Council on August 12, 1992, authority was granted to enter into an encroachment agreement with Bell Mobility Inc. for the underground cable installation for a five year period, commencing on August 12, 1992 and ending on August 11, 1997, with an option to extend for a further five year period.

By adoption of Clause No. 35 of Report No. 19 of the Corporate Administration Committee by the former Metropolitan Council on August 13 and 14, 1997, authority was granted to extend the existing Encroachment Agreement for a further five year term, commencing on August 12, 1997 and ending on August 11, 2002.

At its meeting on March 22, 2011 North York Community Council granted authority to renew the Encroachment Agreement for a further term of seven (7) years commencing on August 12, 2002 and expiring on August 11, 2014.

ISSUE BACKGROUND

The City of Toronto is the owner of the Armour Heights Pumping Station at 226 Wilson Avenue. Additionally, the City has an easement over a portion of the lands immediately east of the site that was acquired by former Metropolitan Toronto from the City of North York when they closed the then-existing road (Eastborne Avenue) and conveyed the lands to the Temple Sinai Congregation of Toronto. This easement requires that the lands shall remain clear and unencumbered of building and structures and free of physical encumbrances, and further grants the City the right to determine the nature, locations and terms of new easements which may be granted, at any future date, over the area of the City's easement.

COMMENTS

The annual encroachment fee reflects current market value according to market research and valuation conducted by Real Estate Services Division staff.

CONTACT

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SIGNATURE

Josie Scioli
Chief Corporate Officer

ATTACHMENTS

Appendix “A” – Major terms and conditions
Appendix “B” – Location Map