



## STAFF REPORT ACTION REQUIRED

### Implications on Community Notification Regarding Disposal of City Land

<b>Date:</b>	April 27, 2015
<b>To:</b>	Government Management Committee
<b>From:</b>	Chief Corporate Officer
<b>Wards:</b>	All Wards
<b>Reference Number:</b>	P:\2015\Internal Services\RE\Gm15017re (AFS #20302)

#### SUMMARY

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This report provides information respecting the notification process related to the City's procedures for the sale of real property.

#### RECOMMENDATIONS

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##### The Chief Corporate Officer recommends that:

1. City Council direct that the Chief Corporate Officer enhance the present disposal process such that newly elected Councillors are briefed on all City real estate activities in their wards, and no further action be taken.

##### Financial Impact

There is no financial impact.

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

#### DECISION HISTORY

MM52.17 "Community Notification with Respect to the Declaration of City Land as Surplus and the Disposal of the Land" adopted by City Council on June 10, 11, 12 and 13, 2014 provided for various changes to the notification process to be followed when the City disposes of land, to: (i) require signage on a property at least 60 days before commencing the process of declaring City land surplus; and (ii) require that such signage include a notation that local residents may seek to purchase the land if declared surplus

and offered for sale. Implementation of MM52.17 was deferred by MM55.72 on August 25, 26, 27 and 28, 2014 for staff to report and make recommendations on the implications of MM52.17.

## **ISSUE BACKGROUND**

MM52.17 resulted from the disposal of a particular property where concern was expressed that the public had not received adequate notification regarding the sale.

## **COMMENTS**

The wording of MM52.17 impacts leases over 21 years, land exchanges and development proposals that may be beneficial to the City and frequently supported by the local Councillor, small parcels of land appropriate for sale to specific parties (often the adjoining owner), and disposals intended to support City objectives.

The City's policy with respect to its sale of real property is provided for in Toronto Municipal Code Chapter 213 Sale of Real Property (the "Disposal By-law"). These provisions were developed over time to accommodate the business of the City and provide an effective procedure to efficiently implement strategic City initiatives, projects and goals while concurrently ensuring a transparent process.

The current procedure provides the local Councillor with continuous input at strategic points in the disposal process. The Disposal By-law authorizes the Chief Corporate Officer to declare land surplus and approve the intended manner or process of sale, but only following consultation with the local Councillor and only if the local Councillor does not require such determination to be made by Council through the Government Management Committee. In other words, if there is disagreement on the reasons or terms for a property being declared surplus, the area Councillor has the ability to "bump up" the discussion to Committee and City Council.

The Disposal By-law provides the conditions for sale of land, including that notice be given to the public of a proposed sale. It also sets out the minimum information to be included in the notice, which must include at least the following:

- Description of the manner by which the sale will be carried out;
- Location of land by reference to legal description or municipal address, or both;
- Approximate size of land by reference to dimensions and area, or both, and a brief description of any buildings or improvements thereon;
- Date the land was declared surplus;
- Name, title, address and telephone number of one or more City Official having information about the proposed sale; and
- Latest date by which enquiries may be made of such Official.

The existing By-law provides that notice may include publication and/or the posting of a sign. In addition, the practice of Real Estate Services is generally to post the notice on the City's website. It also requires that the Chief Corporate Officer consult with the local Councillor on a property by property basis on the method of public notification of the sale. This provides the local Councillor the opportunity to shape the notice (and the resultant expenditure) that he/she feels is appropriate in the circumstances.

The process provided for in the Disposal By-law respects strategic City initiatives and ensures an open and transparent process that contributes to the continued success of the City's real property disposal program. Real Estate Services staff have also put a new procedure in place to ensure that first time Councillors are aware of City practice in this regard. In addition, Real Estate Services has compiled a list of City-owned property within each ward and have distributed that list to the local Councillor for his/her information.

There are many circumstances in which MM52.17 may cause confusion for the public due to the different types of property interests that may be surplus to the City's needs. The following are examples of property interests that might fall into this category whereby the interests may be much less obvious than a fee simple transaction:

- Easements;
- Strata above or below grade; and
- Long term lease agreements

The effect of MM52.17 would be to require protracted and costly community notification in every circumstance, and which could result in unrealistic public expectation. While MM52.17 purports to give local communities certain advantages, it does not take into account strategic City and Council endorsed initiatives and projects, certain types of property interests that require special consideration or the Property Management Committee process. Staff have identified that it may adversely impact land requirements for strategic City initiatives such as various Metrolinx projects (including the Union-Pearson Airport link), Rouge National Urban Park, and Waterfront Toronto. The component requiring local residents to be advised that they may seek to purchase land in these types of transactions may lead to the mistaken belief by residents that they might be successful in purchasing the land.

## **CONCLUSION**

The City's current policy with respect to the sale of real property provided for in the existing Disposal By-law, together with the enhanced process provided herein, respects strategic Council adopted initiatives and the integrity of the current disposal process. Accordingly, no further action should be taken to implement MM 52.17.

## **CONTACT**

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## **SIGNATURE**

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