



REPORT FOR ACTION WITH CONFIDENTIAL ATTACHMENT

Purchase of Residential Units - 414 Dawes Road

Date: September 6, 2017

To: Government Management Committee

From: Chief Corporate Officer

Wards: Ward 31 - Beaches-East York

REASON FOR CONFIDENTIAL INFORMATION

This report is about a proposed or pending acquisition by the City or one of its agencies or corporations involving several residential condominium units.

SUMMARY

The purpose of this report is to seek authority from City Council to acquire the residential condominium units located above the existing Dawes Road Library Branch.

RECOMMENDATIONS

The Chief Corporate Officer recommends that:

1. City Council authorize the Chief Corporate Officer or her designate to negotiate the acquisition of the 8 (eight) residential condominium units located at 414 Dawes Road with each respective owner for the proposed consideration outlined in Confidential Attachment 1, containing the major terms as outlined in Appendix "A", and on such other terms and conditions as determined by the Chief Corporate Officer, and in a form acceptable to the City Solicitor.
2. City Council authorize the Chief Corporate Officer or her designate to execute on behalf of the City any ancillary documents necessary to complete the transaction.
3. City Council authorize the City Solicitor to complete the transaction on behalf of the City, including paying any necessary expenses, amending the closing, due diligence and other dates, registering documentation and amending and waiving terms and conditions, on such terms as she considers reasonable.
4. City Council authorize the public release of Confidential Attachment 1 following the acquisition of all applicable residential condominium units.

FINANCIAL IMPACT

The financial implications associated with the proposed acquisition are summarized within the Confidential Attachment 1.

Funding for the applicable costs is available in the 2017-2026 Council Approved Capital Budget & Plan for the Toronto Public Library Board within the Dawes Road Capital Project (CLB 194-1).

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

COMMENTS

The Dawes Road Library Branch is located at 416 Dawes Road. It is situated on the ground floor of a building containing eight residential condominium units above. The branch occupies 52.96% of the entire building however, the Toronto Public Library has only one of the nine votes on the condominium board (York Condominium Corporation No. 260). The Toronto Public Library has a staff member on the condominium board and has provided support for the operations of the entire building.

Despite significant capital improvements since 1998 and ongoing work with the condominium board to ensure adequate building maintenance and repairs, the building continues to be in poor condition. Many repairs in the branch, common areas and building envelope have been necessary to keep the branch operational and safe. Furthermore, the size of the current Dawes Road Library Branch (containing 6,740 square feet) is insufficient to service the increasing demands of the residents within the community.

The Toronto Public Library has been working closely with the local Councillor, and various City Divisions for several years to develop a long-term and sustainable solution to address building and library service issues either at the current site or another location within the general vicinity. Various options were considered at length by all parties resulting in the proposed solution involving the acquisition of all the residential condominium units above the library branch, dissolve the condominium corporation, demolish the existing building, and construct a new multi-storey library facility containing approximately 14,000 square feet that will better service the needs of the local community. There are also plans to include a community hub space on the second storey of the new facility. Utilizing the existing property to construct a new library facility is considered advantageous given its familiarity to residents within the community as well as the continued presence on Dawes Road.

Additional uses for the property will also be explored through the City-wide Real Estate Review which will include a new library branch.

CONTACT

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SIGNATURE

Josie Scioli
Chief Corporate Officer

ATTACHMENTS

Appendix "A" - Major Terms of Purchase Agreement
Appendix "B" - Location Map
Confidential Attachment 1 - Purchase Price

Appendix "A" - Major Terms of Purchase Agreement

Address

414 Dawes Road - Toronto, Ontario

Purchase Price

Contained within Confidential Attachment 1

Advance

Contained within Confidential Attachment 1

Closing Date

August 31, 2018, or such earlier time as agreed by both parties

Irrevocable Date

October 20, 2017

Vacant Possession

The City will be provided with vacant possession of the property on closing

Warranties and Indemnity

The vendor shall deliver a written covenant to indemnify and save harmless the City from and against any claims incurred by, suffered by or brought against the City resulting, directly or indirectly from any breach of the warranties.

Discharges

The vendor agrees to discharge any existing mortgage, charge, liens, work orders, deficiency notices or other encumbrances affecting the property, on or before closing, at the vendor's sole expense.

Registration Costs and Land Transfer Tax

The City shall pay the costs of registration of the transfer/deed of land and the land transfer tax (provincial portion only) required on the registration of the said transfer/deed

Insurance

Pending closing, the vendor shall hold all insurance policies, if any, and the proceeds thereof in trust for the parties as their interests may appear.

Independent Legal Advice

The vendor acknowledges that the City and the City's solicitors have not represented and do not represent the legal or financial interests of the vendor. The vendor acknowledges that the vendor's interests can only be properly protected if the vendor obtains independent legal and financial advice.

Appendix "B" - Location Map

