

**MEETING DATE:** DECEMBER 15, 2004

**SUBJECT:** Sale Of Beresford Substation

## **RECOMMENDATION**

It is recommended that:

1. This report be received for information; and
2. The Solotex Corporation offer to purchase 586 Annette Avenue for the amount of \$680,000.00 be accepted.

## **FUNDING**

The successful sale of the property has the ability to generate \$680,000 in gross revenue to the Commission. The net proceeds of the sale of 586 Annette Avenue are to the Commission's account less real estate transaction and site remediation costs that will be netted out from the proceeds.

## **BACKGROUND**

Beresford Substation is located at 586 Annette Street. The land parcel is approximately 0.20 acres in size and was acquired in 1948. The substation built on the site provided power to the trolley system along Annette Avenue. On May 15, 2002, the Commission approved offering the property for sale on the open market having previously declared the property surplus to TTC operational needs. Beresford Substation was subsequently decommissioned, the transformers removed from site, the soils remediated and the property listed for sale on the open market on October 5, 2004

## **DISCUSSION**

The Beresford Substation property was appraised at \$627,000 and listed at \$590,000. The listing broker was J.J. Barnicke Limited and the City of Toronto acted as agent for the TTC. On October 28, 2004, six offers were received. The offers received were within a narrow range of value. In accordance with City of Toronto policy all offerors were provided with further opportunity to submit their highest and best replacement offer. If an offeror chose not to submit a replacement offer then their original offer stood. In accordance with City policy, replacement packages were sent to all offerors on November 3, 2004 and closed November 5, 2004. Upon review of the offers submitted and based on the recommendations of City and TTC legal staff, a second set of replacement offer packages was sent to all offerors on November 15, 2004 with a submission deadline of November 22, 2004. The following is a listing of the November 22<sup>nd</sup> offers received:

Offeror Name:	Amount of Offer (October 24)	Replacement Offer (November 5)	Final Offer (November 22)	Conditions in Final Offer
Solotex Corporation	\$650,000.00	\$650,000.00	\$680,000.00	No
Joe Silva	\$629,000.00	\$629,000.00	\$629,000.00	No

Rivet Development Corp.	\$626,600.00	\$626,600.00	\$626,600.00	No
Curtro Holdings Inc. & 2011745 Ontario Limited	\$602,000.00	\$602,000.00	\$602,000.00	Yes
Namcon Building Corp.	\$376,861.00	\$428,682.00	\$467,601.00	No
1242444 Ontario Inc.	\$334,000.00	\$356,000.00	\$371,000.00	No

**JUSTIFICATION**

The sale of 586 Annette Avenue to the highest unconditional offeror is in the financial best interest of the Commission.

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December 15, 2004  
22-10-10

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