

**Yonge/Dundas Redevelopment Project- Settlement of Expropriations
Claims: 291 Yonge Street, Toronto, 766743 Ontario Limited
cob as Hotel Employees and Restaurant Employees (H.E.R.E.)
Local 75 Dental Care - (Ward 24 - Downtown)**

(City Council on November 23, 24 and 25, 1999, adopted this Clause, without amendment.)

The Policy and Finance Committee recommends the adoption of the following report (October 20, 1999) from the Acting Commissioner of Corporate Services:

Purpose:

To authorize the settlement of disturbance damage and relocation costs with a tenant of 291 Yonge Street resulting from the expropriation of this property as part of the Yonge/Dundas Redevelopment Project.

Recommendations:

It is recommended that:

- (1) authority be granted to enter into a settlement agreement with 766743 Ontario Limited, cob as Hotel Employees and Restaurant Employees (H.E.R.E.) Local 75 Dental Care, in the amount of \$312,318.77, as a full and final settlement for disturbance damage and relocation costs resulting from the expropriation of property located at 291 Yonge Street; and
- (2) the appropriate City officials be authorized and directed to take the necessary actions to give effect thereto.

Background:

291 Yonge Street was a retail and office building which was located on the east side of Yonge Street, south of Dundas Street East, with space leased to 766743 Ontario Limited, cob as Hotel Employees and Restaurant Employees (H.E.R.E.) Local 75 Dental Care which operated a dental clinic on the fourth floor of the building occupying 4,124 square feet. The lease terminated May 31, 2003 with an option to renew for an additional five years. Tenants that are expropriated are entitled to compensation for reasonable relocation costs, disturbance damage, business loss, legal and other related costs.

At its meeting held on July 8, 9, and 10, 1998, Council approved, as amended, Clause 26 of Report No. 10 of the Strategic Policies and Priorities Committee, approving the expropriation of the properties required for the Yonge/Dundas Redevelopment Project and directing the final financial settlements with land owners be granted by the then Strategic Policies and Priorities Committee and Council.

Subsequent to the favourable Decision of the Ontario Municipal Board sitting as a joint board under the *Consolidated Hearings Act*, an Expropriation Plan was registered on July 14, 1998 to expropriate 291 Yonge Street. The owners and tenants were served with Notices of Expropriation and Notices of Possession pursuant to the provisions of the *Expropriations Act* with possession of the property by the City on January 15, 1999.

On October 10, 1998, in accordance with Section 25 of the *Expropriations Act*, an offer for the subject tenant's interest of \$1.00 was made to 766743 Ontario Limited as the disturbance damage and relocation costs to be incurred by the dental clinic could not be determined until after the clinic had been relocated. The H.E.R.E. Local 75 Dental Care clinic relocated to its new offices at 123 Edward Street with a reduced area of 3,200 square feet.

Comments:

A Full and Final Settlement and Release has been negotiated with 766743 Ontario Limited, cob as Hotel Employees and Restaurant Employees (H.E.R.E.) Local 75 Dental Care, in the amount of \$312,318.77. This settlement is based upon the renovation costs of their new location at 123 Edward Street in the amount of \$228,084.03; the costs to disconnect, move, and reconnect dental equipment of \$64,984.75; other miscellaneous relocation costs including emergency patient service, telephone relocation, and stationary of \$9,249.99; and reasonable legal fees estimated at \$10,000.00. These costs are inclusive of GST. The cost to renovate the premises at 123 Edward Street were reviewed by an independent engineering consultant and were found to be fair and reasonable. A dental supply and equipment company also reviewed the costs to move the dental equipment to ensure that they were fair and reasonable and that there was no betterment involved in the relocation. As the H.E.R.E. Local 75 Dental Care clinic is a non-profit operation, there is no business loss claimed or paid as part of the settlement. The City's external business valuator and solicitor recommend this settlement.

Conclusion:

The settlement with 766743 Ontario Limited, cob as Hotel Employees and Restaurant Employees (H.E.R.E.) Local 75 Dental Care, is considered to be fair and reasonable and should be approved.

Contact Name:

Mike Saffran, Tel.: 416-392-7205, Fax: 416-392-1880; E-mail: msaffran@city.toronto.on.ca

Insert Table/Map No. 1
appendix a