

September 21, 2006

Ms. Ulli Watkiss
City Clerk
City of Toronto
Toronto City Hall
100 Queen Street West
Toronto, Ontario
M5H 2N2

Dear Ms. Watkiss:

At its meeting on Wednesday, September 20, 2006, the Commission considered the attached report entitled, "Warden Station – Declaration of Surplus Property."

The Commission approved the Recommendation contained in the report, as listed below:

"It is recommended that the Commission:

1. Declare surplus to TTC's operational requirements, the balance of the Warden North Commuter Parking Lot consisting of approximately 14 acres of land located in the north east quadrant of Warden and St. Clair as more particularly set out in Appendix 1 ("Lands") subject to the following conditions:
 - a. Retention of land required to operate and maintain the existing Danforth subway line and structures;
 - b. Confirmation by the City of Toronto of funding for Phase 1 of the Warden redevelopment strategy;
 - c. Transfer of jurisdiction over property declared surplus and determined to be required for municipal use shall not take place until such time as construction of a replacement commuter parking lot in the hydro corridor lands to the east of Warden Station has been completed and the lot opened for use; and
 - d. Sale of property declared surplus and not required for municipal use shall be subject to a lease back to the Commission for a nominal sum for a period of up to two (2) years after close of the sales transaction to permit construction of the replacement commuter parking lot in the hydro corridor lands east of Warden Station.
2. Subject to the conditions listed in this report, request the City of Toronto confirm funding for Phase 1 of the Warden redevelopment strategy and that the proceeds from the sale of the Lands, or part thereof ("the Property"), shall accrue to the TTC in accordance with the City

of Toronto (“the City”) Proceeds Policy and such proceeds shall be used to offset the capital cost of providing a replacement commuter parking lot in accordance with the Warden Woods Redevelopment Strategy approved by City Council on May 23, 24 and 25, 2006;

3. Direct staff that the transfer of jurisdiction over the Lands declared surplus shall not occur until such time as the conditions set out in Recommendations 1 and 2 above have been fulfilled;
4. Authorize staff to enter into a lease agreement for the Property at a nominal amount for a period of time not to exceed two (2) years after the close of the purchase and sale transaction to allow the TTC to construct the replacement commuter parking lot in the hydro corridor lands east of Warden Station; and
5. Authorize TTC staff to take the necessary actions to implement the above to the satisfaction of Property Development staff and the TTC’s General Counsel.”

The foregoing is forwarded to City of Toronto Council through the Budget Advisory Committee and Policy and Finance Committee for consideration of the Commission’s request embodied in Recommendation No. 2 noted above.

Sincerely,

Vincent Rodo
General Secretary
1-16
Attachment

Form Revised: February 2005

**TORONTO TRANSIT COMMISSION
REPORT NO.**

MEETING DATE: September 20, 2006

SUBJECT: WARDEN STATION – DECLARATION OF SURPLUS
PROPERTY

RECOMMENDATION

It is recommended that the Commission:

1. Declare surplus to TTC's operational requirements, the balance of the Warden North Commuter Parking Lot consisting of approximately 14 acres of land located in the north east quadrant of Warden and St. Clair as more particularly set out in Appendix 1 ("Lands") subject to the following conditions:
 - a. Retention of land required to operate and maintain the existing Danforth subway line and structures;
 - b. Confirmation by the City of Toronto of funding for Phase 1 of the Warden redevelopment strategy;
 - c. Transfer of jurisdiction over property declared surplus and determined to be required for municipal use shall not take place until such time as construction of a replacement commuter parking lot in the hydro corridor lands to the east of Warden Station has been completed and the lot opened for use; and
 - d. Sale of property declared surplus and not required for municipal use shall be subject to a lease back to the Commission for a nominal sum for a period of up to two (2) years after close of the sales transaction to permit construction of the replacement commuter parking lot in the hydro corridor lands east of Warden Station.
2. Subject to the conditions listed in this report, request the City of Toronto confirm funding for Phase 1 of the Warden redevelopment strategy and that the proceeds from the sale of the Lands, or part thereof ("the Property"), shall accrue to the TTC in accordance with the City of Toronto ("the City") Proceeds Policy and such proceeds shall be used to offset the capital cost of providing a replacement commuter parking lot in accordance with the Warden Woods Redevelopment Strategy approved by City Council on May 23, 24 and 25, 2006;
3. Direct staff that the transfer of jurisdiction over the Lands declared surplus shall not occur until such time as the conditions set out in Recommendations 1 and 2 above have been fulfilled;
4. Authorize staff to enter into a lease agreement for the Property at a nominal amount for a period of time not to exceed two (2) years after the close of the purchase and sale transaction to allow the TTC to construct the replacement commuter parking lot in the hydro corridor lands east of Warden Station; and
5. Authorize TTC staff to take the necessary actions to implement the above to the satisfaction of Property Development staff and the TTC's General Counsel.

FUNDING

The proceeds arising from the sale of the Warden North Commuter Parking Lot lands will be applied to the cost of constructing an 850 stall replacement commuter parking lot in the hydro corridor lands east of Warden Station in accordance with the Warden redevelopment strategy previously approved by the Commission and City Council. At the present time, the estimated cost

of the replacement commuter parking lot and automated entrance is \$16 million. The TTC 2007 – 2011 capital budget will reflect the implementation of Phase 1 of the Warden redevelopment strategy subject to identification and confirmation of funding.

BACKGROUND

Under the City of Toronto's initiative to develop transit nodes to transit supportive densities and increase transit use, staff undertook a study of Warden Station to determine whether the Warden North Commuter Parking Lot ("Warden North") lands could be released for development. On November 28, 2005 the Commission approved in principle a redevelopment strategy (the "Warden Redevelopment Strategy") for Warden Station which declared 500 parking spaces in Warden North surplus to TTC's operating requirements to facilitate the construction of a community centre/park and road to support the development of private and City/TTC lands and set out the conditions that would need to be fulfilled in order to declare the remainder of the property surplus. (See Appendix 1 for description of the Lands.)

DISCUSSION

The conditions the Commission set out at its November 28, 2005 meeting with respect to declaring the remainder of Warden North surplus have been fulfilled.

Funds to construct a replacement commuter parking lot are not available within the TTC base capital budget. Instead, in accordance with the Warden Redevelopment Strategy, funds generated by the sale of Warden North will be used to fund the construction of an 850 stall replacement commuter parking lot and automated entrance in the hydro corridor lands east of Warden Station. In order to finance the project, the land must be sold in advance of construction.

Although Warden North is not currently used to capacity, closing the existing lot during the construction of the replacement facility would displace approximately 600 to 700 patrons who use it on a daily basis during the work week. The Warden South Commuter Parking Lot is well used and too small to accommodate the displaced Warden North commuters. Because the Kennedy commuter parking lot is fully utilized, closure of the existing Warden North lot prior to the opening of the new lot will result in loss of ridership and revenue to TTC. As a result, TTC staff are proposing that any sale or change in jurisdiction of the lands should be subject to a delay in transfer in the latter case or in the case of a sale on the open market, a provision that would allow TTC to lease back the land for a length of time sufficient to design, obtain the necessary approvals and construct the replacement commuter parking lot – a period of approximately two years. In the case of a sale, this would also allow a developer to own the land during the lease period and pursue the necessary planning approvals while TTC retained the use of the Property.

JUSTIFICATION

The Commission has previously approved the Warden Redevelopment Strategy. City Council approved components of Phase I of the Warden Woods redevelopment strategy. Declaring the

Lands surplus at this time subject to the above conditions is in keeping with the approved strategy and allows construction of a replacement commuter parking lot in the hydro corridor lands east of Warden Station and redevelopment of Warden North to proceed in the absence of funding from the TTC capital budget while protecting TTC ridership and revenues.

September 20, 2006
22-10-10
Attachment