# **DA TORONTO**

# STAFF REPORT ACTION REQUIRED

# Real Estate Acquisitions for the Kipling / Islington Redevelopment Initiative

Date:	June 20, 2007
То:	Government Management Committee
From:	Chief Corporate Officer
Wards:	Ward 5 – Etobicoke-Lakeshore
Reference Number:	P:\2007\Internal Services\F&re\GM07061F&re – (AFS 5419)

# SUMMARY

In February, 2007, City Council approved the Kipling/Islington Redevelopment Initiative (K/I Initiative) and allocated \$17,500,000 of capital funding from the Land Acquisition Reserve Fund (LARF) for this project, subject to confirmation of funding commitments from Mississauga Transit (MT), GO Transit (GO), the Province of Ontario, the Greater Toronto Transportation Authority (GTTA) and the Federal Government.

Positive responses have been received from the Province and MT and a report on capital funding for the K/I Initiative will be submitted to Executive Committee in September 2007. Design work is continuing on the K/I Initiative to meet the TTC's construction schedule.

This report seeks authority to enter into negotiations to acquire, by purchase or expropriation, if necessary, two properties that are required to implement the K/I Initiative, one adjacent to the Cordova commuter parking lot and one at 5341 Dundas Street West adjacent to the proposed inter-regional bus terminal site. Another property that is required for the K/I Initiative, 915 Kipling Avenue, has been reported on separately to the June 12 Government Management Committee.

#### RECOMMENDATIONS

#### The Chief Corporate Officer recommends that:

- 1. City Council grant authority to negotiate to acquire and to initiate expropriation proceedings, if necessary, for:
  - a. the southwest corner of Cordova Avenue and Mabelle Avenue, legally described as Part of Lot 7, Concession 'A', Clergy Reserve in the City of Toronto (formerly City of Etobicoke), as shown on Sketch PS-2007-152 (the "Cordova Property");
  - b. 5341 Dundas Street West, legally described as Part of Lot 7, Concession
    5, City of Toronto (formerly City of Etobicoke) Colonel Smith's Tract, as shown on Sketch PS-2007-151 (the "Dundas Property");
- 2. City Council grant authority to serve and publish Notice of Application for Approval to Expropriate the Cordova Property and the Dundas Property, to forward to the Chief Inquiry Officer any requests for hearing that are received, to attend the hearing to present the City's position and to report the Inquiry Officer's recommendations to City Council for its consideration;
- 3. The appropriate City officials be authorized and directed to take the necessary actions to give effect thereto.

#### **Financial Impact**

It is currently estimated that the K/I Initiative will have a total capital cost of \$58,400,000. Funding for the property acquisitions is included within this total capital cost.

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

#### **DECISION HISTORY**

On September 25, 26, 27 and 28, 2006, City Council adopted recommendations in a September 26, 2006, confidential report from the Deputy City Manager and Chief Financial Officer regarding the K/I Initiative and the status of negotiations with SNC-Lavalin Inc. for the sale of a portion of the City's Bloor/Islington property.

On February 5, 6, and 7, 2007, City Council adopted the recommendations in Clause 2:10 of the Executive Committee that the K/I Initiative be approved and allocated capital funding of \$17,500,000 from the LARF as the City's contribution to the total \$58,400,000 budget, subject to the confirmation of cost-sharing commitments from other government and transportation stakeholders in this project. City Council directed that proceeds from the sale of surplus lands at Bloor/Islington and at Westwood be used to reimburse LARF.

On April 23 and 24, 2007, City Council adopted the recommendations in Clause 3:29 of the Government Management Committee authorizing the acceptance of an Offer to Purchase from SNC-Lavalin Inc. for portions of 3326 Bloor Street West and 1226 Islington Avenue on the terms and conditions set out in a confidential attachment.

#### COMMENTS

The TTC's design work for the K/I Initiative is now at 40% completion for the new bus terminals at Kipling and Islington. The construction of the terminals is scheduled to start in 2008. Three properties have been identified as required to be acquired to implement the K/I Initiative.

In the Islington Station area, the TTC proposes to expand the Cordova commuter lot by acquiring the Cordova Property. The acquisition will help to ensure adequate replacement parking is provided. The vacant Cordova Property is approximately 791 m<sup>2</sup> in size and is owned by Emery Creek Corporate Park Limited.

In the Kipling Station Area, the TTC requires the acquisition of the Dundas Property to provide for the establishment of a new driveway entrance from Dundas Street West to the new inter-regional terminal. The Dundas Property is approximately  $672 \text{ m}^2$  in size and is improved with a converted dwelling used as a legal office. The Dundas Property is owned by 1127792 Ontario Limited.

When City Council's authority is received, staff would seek to secure mutually agreeable Offers to Sell from the owners. If Offers are received, they would then be reported on for Government Management Committee's consideration, with the intent that these conveyances would close in early 2008. Due to the tight time frame of a 2008 commencement of the TTC's construction program, this report seeks authority to initiate expropriation proceedings to ensure that ownership of the properties can be secured as expeditiously as possible if negotiations with the owners are not successful.

City Council has previously authorized the acquisition of 915 Kipling Avenue for commuter parking purposes, which is also a property required for the K/I Initiative, and negotiations with the owner are on-going. A staff report seeking authority to initiate expropriation proceedings for this property was submitted to Government Management Committee's June 12, 2007 meeting.

#### **Other Real Estate Implementation**

In addition to the acquisition of three properties, there are further steps that are required to meet the real estate requirements of the K/I Initiative, including: the renewal of licenses with the Ontario Realty Corporation for Hydro Corridor lands for commuter parking; the negotiation of licenses or agreements to purchase for the properties required for the construction of the new bus terminals, PPUDO facilities, driveways and related parking areas in the Hydro Corridors; the licensing of additional Hydro Corridor lands for commuter parking; and the transfer of certain City lands to the Province as a condition of their funding contribution. These real estate matters will be reported on further to a subsequent Government Management Committee meeting.

## CONTACT

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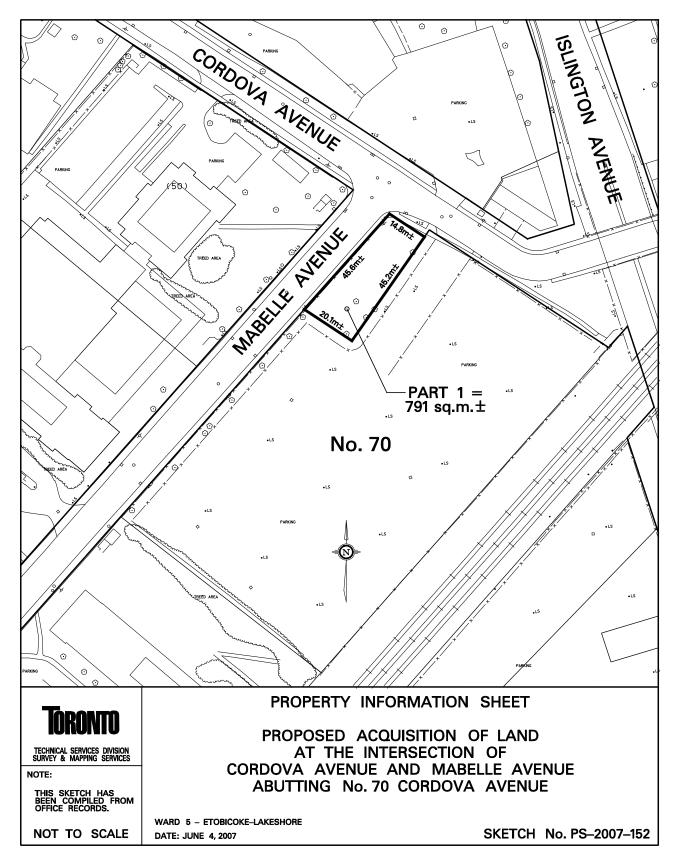
## SIGNATURE

Bruce Bowes, P. Eng., Chief Corporate Officer

#### ATTACHMENTS

Attachment 1 – PS-2007-152 Attachment 2 - PS-2007-151

#### Attachment 1



#### Attachment 2

