



**Real Estate Expropriations – Toronto-York Spadina
Subway Extension Project (South of Steeles):
Tunnel Alignment**

**STAFF REPORT
ACTION REQUIRED
with Confidential Attachment**

| | |
|---|--|
| Date: | June 1, 2010 |
| To: | Government Management Committee |
| From: | Chief Corporate Officer |
| Wards: | Ward 8 – York West |
| Reason for Confidential Information: | This report is about a proposed or pending land acquisition by the City or one of its agencies, boards, and commissions and deals with litigation or potential litigation that affects the City or one of its agencies, boards, and commissions. |
| Reference Number: | P:\2010\Internal Services\ Re\ Gm10043re - (AFS 11743) |

SUMMARY

This report seeks approval to expropriate partial interests from ten properties as set out in Appendix A and illustrated in Appendix C for the purposes of the Toronto-York Spadina Subway Extension Project (the “Project”) within the geographical boundaries of the City of Toronto.

RECOMMENDATIONS

The Chief Corporate Officer recommends that:

1. City Council, as Approving Authority under the *Expropriations Act*, approve the expropriation of the property interests set out in Appendix A and illustrated in Appendix C from 47 St. Regis Crescent, 53 St. Regis Crescent, 77 St. Regis Crescent, 3725 Keele Street, 3675-3677 Keele Street, 3685 Keele Street, 3695 Keele Street, 3701 Keele Street, 3711-3715 Keele Street and 3875 Keele Street for the purposes identified in Appendix A in connection with the construction of the Toronto-York Spadina Subway Extension.

2. City Council grant leave for introduction of the necessary Bill in Council to give effect thereto.
3. City Council, authorize City staff to take all necessary steps to comply with the *Expropriations Act*, including but not limited to the preparation and registration of an Expropriation Plan and the service of Notices of Expropriation, Notices of Election as to a Date for Compensation and Notices of Possession.
4. City Council authorize the Director of Real Estate Services or his designate to sign the Notices of Expropriation and Notices of Possession on behalf of the City.
5. City Council authorize the public release of the confidential information contained in Attachment 1 once there has been a final determination of the compensation payable to the owners by arbitration, appeal or settlement to the satisfaction of the City Solicitor.

Financial Impact

Total property acquisition costs for the Project were estimated preliminarily at \$125 million (in as spent dollars). Funding for property acquisition is shared by the Move Ontario Trust (includes \$870 million set aside for the purposes of Project funding), and by the City and the Regional Municipality of York. Of the municipal portion of Project funding, 59.96% is attributable to the City and the remainder to York Region. Confidential Attachment 1 to this report identifies the initial appraised values for the properties identified for expropriation. Funding is available in the Council Approved 2010 Capital Budget and 2011-2019 Capital Plan within the Toronto-York Spadina Subway Extension Capital Project.

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

DECISION HISTORY

On January 27 and 28, 2009, City Council adopted Item GM20.4, thereby authorizing the Director of Real Estate Services to negotiate to acquire and initiate expropriation proceedings, if necessary, with respect to property requirements at thirty-two properties for the purposes identified in that report, including subway tunnels and ancillary structures. The report can be found at:

<http://www.toronto.ca/legdocs/mmis/2009/cc/decisions/2009-01-27-cc30-dd.pdf>

On August 5 and 6, 2009 City Council adopted Item CC38.4, further authorizing the Director of Real Estate Services to negotiate or initiate expropriation proceedings where necessary to acquire certain newly identified property requirements from five properties

and revised requirements from six of the properties previously approved by Council at Item GM20.4, to accommodate a change to the design of the subway tunnels between the proposed Sheppard West and Finch West subway stations. The report can be found at:

<http://www.toronto.ca/legdocs/mmis/2009/cc/bgrd/backgroundfile-22576.pdf>

Subsequently, at its meeting on November 30, December 1, 2, 4 and 7, 2009, City Council adopted Item GM26.31, thereby authorizing the Director of Real Estate Services to negotiate or initiate expropriation proceedings where necessary to acquire additional property requirements as a result of further refinement of the Project design from three newly identified properties and revised requirements from four properties previously approved by Item GM20.4. The report can be found at:

<http://www.toronto.ca/legdocs/mmis/2009/cc/decisions/2009-01-27-cc30-dd.pdf>

ISSUE BACKGROUND

The \$2.6 billion Project involves an 8.6 km, 6 station extension of the TTC Spadina Subway system from the existing Downsview station to the Vaughan Corporate Centre at Highway 7 in York Region. The City of Toronto and York Region are each responsible for acquiring properties within its own geographical boundaries, and for resolving all related claims for compensation.

The City portion of the Project is 6.2 km in length, and includes four stations: Sheppard West, Finch West, York University, and Steeles West (this station crosses the municipal boundary). As the design progresses, TTC identifies its property requirements and submits them to the City for acquisition by negotiation or expropriation.

TTC has identified the need to acquire both temporary and permanent interests in portions of the properties identified in Appendix A (the "Properties") in connection with the construction of the subway tunnels and ancillary structures such as emergency exit buildings and stairwell connections, between the proposed Sheppard West and Finch West subway stations. In addition, a permanent easement for support is required to maintain the structural integrity of the tunnels and other subsurface infrastructure which may be constructed. Details of the interests to be expropriated from each property are also set out in Appendix A.

COMMENTS

As authorized by City Council, negotiators have approached the owners of the Properties to secure voluntary acquisitions, but agreements have not yet been reached. Notices of Application for Approval to Expropriate Land have been published and served. The owners of 77 St. Regis Crescent, 3675-3677 Keele Street, 3685 Keele Street and 3875 Keele Street had initially requested an Inquiry but after discussions with City staff they have formally withdrawn their requests. The remaining owners have not requested an Inquiry and the time limitation set out in the *Expropriations Act* for the receipt of such

requests has expired. The City has received initial draft appraisals for the required property interests. Real Estate Services has reviewed the appraisals and is satisfied that they represent a fair estimate of the market values.

Therefore, this report seeks approval from City Council, as the Approving Authority under the *Expropriations Act*, to expropriate those property interests identified in Appendix A for the purposes described therein to ensure that ownership is secured to meet construction time lines. It directs the Director of Real Estate Services to sign and serve the required Notices. All necessary steps to complete the expropriation process including payment of the required compensation will be undertaken by City staff pursuant to delegated authority as applicable.

CONTACT

Joe Casali, Director, Real Estate Services; Tel: (416) 392-7202; Fax: (416) 392-4880;
E-Mail: jcasali@toronto.ca

Joanna Kervin, Deputy Chief Project Manager, Third Party, Planning and Property
Spadina Subway Extension Department; TTC; Tel: (416) 393-7884;
Fax: (416) -338-0271; E-Mail: Joanna.Kervin@ttc.ca

SIGNATURE

Bruce Bowes, P.Eng.
Chief Corporate Officer

ATTACHMENTS

Confidential Attachment 1 – Confidential Information
Appendix A – Property Requirements To Be Expropriated
Appendix B1– Location map - Tunnel Alignment
Appendix B2– Location map - Emergency Exit Building
Appendices C1-C10 – Draft Plans of Survey