



## REPORT FOR ACTION

## Expropriation of 1269 Danforth Road, Scarborough Subway Extension

**Date:** October 25, 2017

**To:** Government Management Committee

**From:** Deputy City Manager, Internal Corporate Services

**Wards:** Ward 38 - Scarborough Centre

### SUMMARY

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The purpose of this report is to obtain authority to initiate expropriation proceedings at 1269 Danforth Road, (the "Property"), required for a traction power sub-station for the Scarborough Subway Extension ("SSE").

Staff will continue to negotiate terms of an agreement with the owner of the Property. However, if an agreement cannot be reached, expropriation may be necessary.

### RECOMMENDATIONS

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**The Deputy City Manager, Internal Corporate Services recommends that:**

1. City Council authorize the Director, Real Estate Services to negotiate the acquisition of the property known municipally as 1269 Danforth Road (the "Property"), depicted on the Property Sketch in Appendix "A" and as shown on the Location Map attached as Appendix "B", and if the negotiations are unsuccessful, authorize staff to initiate the expropriation process for the Property.
2. City Council grant authority to serve and publish Notices of Application for Approval to Expropriate the 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.

## FINANCIAL IMPACT

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The costs to serve and publish the required Notices of Application for Approval to Expropriate, together with any costs related to attendance at the Hearing of Necessity, if any, will be funded from the 2017 Council Approved Capital Budget for the Toronto Transit Commission ("TTC") for the Scarborough Subway Extension.

In the event of expropriation, expenditures for the market value of the Property Interests as well as disturbance costs (if any), interest, land transfer tax costs, and all other associated costs stipulated under the *Expropriations Act* will also be funded from the 2017 Council Approved Capital Budget for the Toronto Transit Commission for the Scarborough Subway Extension. The detailed funding amounts will form part of a subsequent report to Committee and Council seeking final approval for the expropriation, if necessary.

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

## DECISION HISTORY

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At its meeting held on October 16, 2017, the TTC Board considered and adopted the recommendations within a report titled, *Scarborough Subway Extension Property Acquisition*. The report contained the recommendation to request Real Estate Services staff to negotiate the acquisition of the necessary property interests with the impacted property owner for the first traction power station.

At its meeting of March 28 and 29, 2017, City Council adopted, *Next Steps in the Scarborough Subway Extension*. This report sought approval for the extension of Line 2 (Bloor-Danforth Subway) from Kennedy Station to Scarborough Centre via the McCowan alignment and to conduct the necessary Transit Project Assessment Process. <http://app.toronto.ca/tmmis/viewAgendaItemHistory.do?item=2017.EX23.1>

At its meeting of July 12, 13, 14 and 15, 2016, City Council adopted, *Developing Toronto's Transit Network Plan to 2031*. City Council requested the 3-stop McCowan alignment be removed from consideration and an express option be developed. <http://app.toronto.ca/tmmis/viewAgendaItemHistory.do?item=2016.EX16.1>

## COMMENTS

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The Transit Project Assessment Process (TPAP) was completed for the Scarborough Subway Extension and a letter of acceptance is anticipated to be issued by the Minister of the Environment and Climate Change by the end of October. The SSE is currently at a 10% design milestone and properties that will be required in their entirety have been identified. Where full property acquisitions are required and owners have indicated a desire to sell, staff are recommending to accommodate the owners, which will minimize costs if expropriation can be avoided.

The SSE will require three (3) Traction Power Substations (TPSS), needed for powering the subway. The entire Property has been identified as the ideal location for the first TPSS. Discussions with the owner have commenced and while the Property is not required until the year 2020 at the earliest, the owner has expressed an interest in selling the lands as soon as possible.

The Property is improved with a free standing retail plaza roughly 7,400 square feet and has a site area of 14,375 square feet (0.33 acres). It is comprised of five (5) commercial tenants and two (2) residential tenants. The commercial tenants include a pharmacy/medical clinic, a beauty salon, a restaurant, a financial business and a convenience store. Relocating the tenants may require additional compensation to be paid and while not the preferred solution, it may be necessary to expropriate the tenant's leasehold interests.

## **CONTACT**

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## **SIGNATURE**

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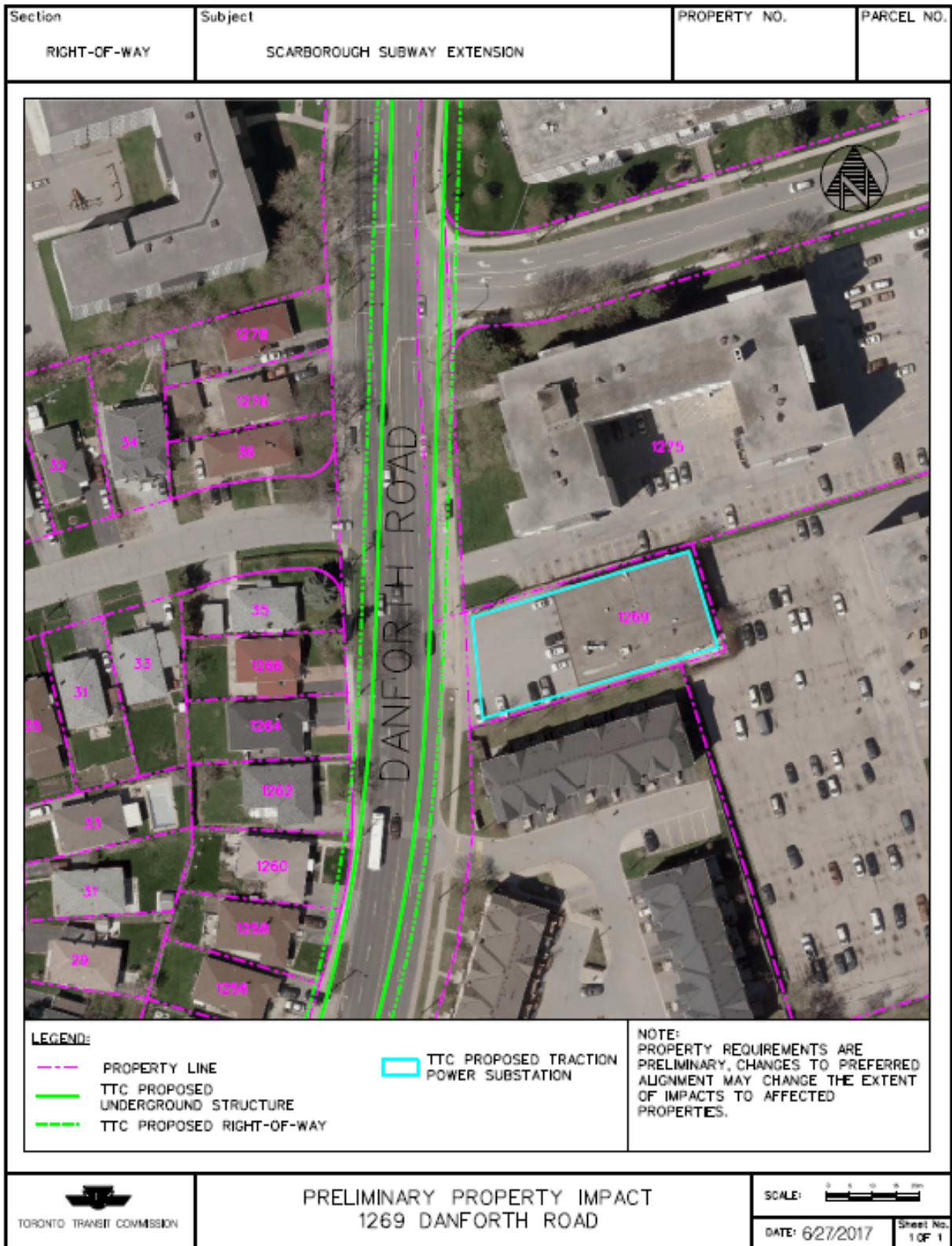
Josie Scioli  
Deputy City Manager, Internal Corporate Services

## **ATTACHMENTS**

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Appendix "A" - Property Sketch  
Appendix "B" - Location Map

# Appendix "A" – Property Sketch



**Appendix "B" – Location Map**

