



**STAFF REPORT
ACTION REQUIRED
with Confidential Attachment**

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

Date:	July 27, 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\Gm10053re - (AFS 10996)

SUMMARY

This report seeks approval to expropriate partial interests from thirteen 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 11-15 Kodiak Crescent, 23 Kodiak Crescent, 25-27 Kodiak Crescent, 40 Kodiak Crescent, 42-44 Kodiak Crescent, 1140 Sheppard Avenue West, 1150 Sheppard Avenue West, 1280-1300 Finch Avenue West, 1 Four Winds Drive, 3926-3932 Keele Street, 3940 Keele Street, 44-46 Romfield Drive

and 50 Romfield Drive 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 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 station elements, 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>

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/2009-11-30-cc42-dd.htm>

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 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 new Finch West Station and the segment of subway tunnels between Downsview subway station and the proposed Sheppard West subway station, including a permanent easement for support to maintain the structural integrity of the subsurface infrastructure. Details of the interests to be expropriated from each property are 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. In the initial report to Council, the property required for the subsurface subway infrastructure was identified simply as "subsurface fee simple". Subsequently it was determined to be more appropriate to split the same area into a subsurface stratified fee simple taking for the subsurface infrastructure plus a permanent easement above it for support and safety to maintain the structural integrity of the tunnels and other subsurface infrastructure and otherwise ensure their safety. This permanent easement does indirectly impact the surface and so all notices, plans and discussions with the affected owners have reflected the split interests extending above the surface.

The owner of 23 Kodiak Crescent had initially requested an Inquiry but after discussions with City staff the owner has formally withdrawn its request. 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.

Real Estate Expropriations – TYSSE Project (South of Steeles): Finch West Station and Allen Curve Tunnel Alignment Properties.

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 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

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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 (between Downsview and Sheppard West subway stations)
Appendix B2– Location map - Finch West Station Properties.
Appendices C1-C13 – Draft Plans of Survey