



## STAFF REPORT ACTION REQUIRED

### Declaration of Surplus for Transfer to Build Toronto – 10, 11 and 25 Ordnance Street and 45 Strachan Avenue

<b>Date:</b>	August 31, 2011
<b>To:</b>	Government Management Committee
<b>From:</b>	Chief Corporate Officer
<b>Ward:</b>	19 – Trinity-Spadina
<b>Reference Number:</b>	P:\2011\Internal Services\RE\Gm11029re – (AFS 14422)

#### SUMMARY

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This report recommends that 11 Ordnance Street and 25 Ordnance Street (also known as 35 Strachan Avenue) be declared surplus for the purpose of transfer to Build Toronto. This report also recommends amendment of the intended manner of disposal of 45 Strachan Avenue and 10 Ordnance Street, previously declared surplus for turnover to Build Toronto, to provide for a transfer to Build Toronto.

#### RECOMMENDATIONS

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**The Chief Corporate Officer recommends that:**

1. City Council declare surplus 11 Ordnance Street and 25 Ordnance Street, as set out in Appendix 1, subject to the retention of those areas and interests required to satisfy operational requirements and subject to the retention of any interests required by law as well as those City and other interests required to be protected (Required Interests), with the intended method of disposal to be by way of a transfer to Build Toronto, on an “as is” basis, for nominal consideration (with Build Toronto to pay any applicable Land Transfer tax, HST, registration and other costs).

2. City Council amend the intended manner of disposal of 10 Ordnance Street and 45 Strachan Avenue, as set out in Appendix 2, previously declared surplus for turnover to Build Toronto, to provide for a transfer to Build Toronto, subject to the retention of those areas and interests required to satisfy operational requirements and subject to the retention of any interests required by law as well as those City and other interests required to be protected (Required Interests), with the intended manner of disposal to be by way of a transfer to Build Toronto, on an “as is” basis, for nominal consideration (with Build Toronto to pay any applicable Land Transfer tax, HST, registration and other costs).
3. City Council authorize that all steps necessary to comply with the City’s real estate disposal process, as set out in Chapter 213 of the City of Toronto Municipal Code, be taken.
4. City Council authorize and direct the appropriate City officials to introduce in Council any Bills necessary to give effect to the foregoing.

### **Financial Impact**

There are no financial implications as a result of this surplus declaration. The Deputy City Manager and Chief Financial Officer has reviewed this report and agrees with the financial impact information.

### **DECISION HISTORY**

New Model to Enhance Toronto’s Economic Competitiveness

<http://www.toronto.ca/legdocs/mmis/2008/ex/bgrd/backgroundfile-15926.pdf>

On May 25, 26, and 27, 2009, City Council adopted EX32.5, as amended, endorsed the Principles of a Real Estate Strategy and declared surplus, subject to the retention of required interests, sixteen properties, with the intended method of disposal to be a transfer to Build Toronto, and five properties, with the intended method of disposal to be a turnover to Build Toronto.

Principles of a Real Estate Strategy and Declaration of Surplus for Sale/Transfer or Turnover to Build Toronto

<http://www.toronto.ca/legdocs/mmis/2009/ex/bgrd/backgroundfile-20629.pdf>

Appendices 2, 3 and 4 - Properties to be Declared Surplus

<http://www.toronto.ca/legdocs/mmis/2009/ex/bgrd/backgroundfile-20630.pdf>

Report on Executive Committee Motion Regarding EX32.5a

<http://www.toronto.ca/legdocs/mmis/2009/cc/bgrd/backgroundfile-21424.pdf>

<http://www.toronto.ca/legdocs/mmis/2009/cc/bgrd/backgroundfile-21647.pdf>

On May 17, 18 and 19, 2011, City Council adopted GM3.21, approved the terms of transfer to Build Toronto of eight properties, and declared surplus three properties for the purposes of a turnover to Build Toronto (including 45 Strachan Avenue and 10 Ordnance Street). Three additional properties were to be the subject of a master planning process by Build Toronto.

Report (April 14, 2011) from the Chief Corporate Officer on Transfer of Properties to Build Toronto and Declaration of Surplus - Second Quarter 2011  
(<http://www.toronto.ca/legdocs/mmis/2011/gm/bgrd/backgroundfile-37549.pdf>)

Appendices 1-11 to the report (April 14, 2011) from the Chief Corporate Officer  
(<http://www.toronto.ca/legdocs/mmis/2011/gm/bgrd/backgroundfile-37550.pdf>)

## **COMMENTS**

There are four (4) City-owned properties east of Strachan Avenue and fronting on Ordnance Street, between the CNR and CPR rail corridors. The City-owned properties surround a privately-owned parcel at 30 Ordnance Street. City Council has directed that the Official Plan be amended for this parcel to permit residential uses as well as employment uses. The redevelopment of 30 Ordnance Street is imminent. It is critical that co-ordination and integration with this adjoining redevelopment be provided for by Build Toronto in order to achieve an efficient servicing plan and the appropriate provision of community amenities.

On May 17, 18 and 19, 2011, Council declared two (2) of these properties, 45 Strachan Avenue and 10 Ordnance Street, surplus, with the intended manner of disposal to be by way of a turnover to Build Toronto to facilitate master planning for the site. Build Toronto has initiated master planning to determine how to best redevelop all four (4) City properties. On the basis of its analysis to date, Build Toronto has determined that it is now appropriate that the intended manner of disposal for these two properties be amended from turnover to Build Toronto to transfer to Build Toronto.

45 Strachan Avenue is occupied by Municipal Licensing and Standards with 40 staff in a building that has been renovated for its use. Toronto Water has advised that an easement is required on this property to accommodate a storm sewer service that must be relocated due to the Strachan Avenue grade separation project.

10 Ordnance Street is a currently vacant parcel of land that was planned to be used for construction staging for the Fort York Pedestrian and Cycle Bridge as well as accommodating a major pier of the proposed bridge structure. City Council has deferred the construction of the bridge and requested a report by Technical Services on options for

reducing the budget of this project. The northeast corner of this property (approximately 54 square metres (581 square feet) is to be licenced to Metrolinx by DAF for a ten year period to accommodate an Air Quality Monitoring Station (AQMS). The location of the AQMS is a requirement of the Ministry of the Environment in order for Metrolinx to proceed with the Georgetown South Service Expansion and Union-Pearson Rail Link. City Council has directed City Planning staff to initiate the rezoning of 10 Ordnance Street to (G) Park Land with the adoption of TE30.42 on January 26 and 27, 2010.

Although currently occupied by Below Market Rent tenancies, staff recommend that 11 and 25 Ordnance Street be declared surplus for transfer to Build Toronto in order to permit Build Toronto to devise a comprehensive development concept and phasing timeline that will integrate, where possible, with the plans of the adjoining owner. 11 Ordnance Street is leased to Eva's Phoenix, a Below Market Rent tenant, for the operation of a hostel for homeless youth, which provides shelter and employment training. Eva's has a supplier of service relationship with Shelter, Support and Housing Administration and receives per diem funding to support its operation based on an Operating Subsidy Agreement that is renewed automatically on an annual basis. Eva's has also leased 5,000 ft<sup>2</sup> in 25 Ordnance Street to operate a print shop and youth training centre. Eva's has invested in the renovation of both of these buildings to provide for these uses.

A 3,000 ft<sup>2</sup> portion of the rear of 25 Ordnance Street has been approved by City Council for lease to another Below Market Rent tenant, Clay and Paper Theatre, to use for storage and administration for a 5 year term. The lease has not been finalized due to the cost of improvements to the building that would be required to accommodate this tenancy. Clay and Paper Theatre currently use only a small portion of the building for storage under a licence agreement. The remainder of the building is vacant.

The terms and conditions of transfer of the City's properties will be reported on to Government Management Committee at a subsequent date. The report will address the relocation by Build Toronto of the existing tenancies and a public park to serve the proposed redevelopment.

## **Conclusion**

This report recommends that 11 Ordnance Street and 25 Ordnance Street be declared surplus for the purposes of transfer to Build Toronto. It further recommends that the intended manner of disposal of 10 Ordnance Street and 45 Strachan Avenue, previously declared surplus for turnover to Build Toronto, be amended to provide for a transfer to Build Toronto.

The terms and conditions of transfer of the four (4) City-owned properties that will be reported on to Government Management Committee later this year will permit Build Toronto to facilitate comprehensive development of this tract.

## **CONTACT**

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## **SIGNATURE**

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Bruce Bowes, P.Eng.  
Chief Corporate Officer

## **ATTACHMENTS**

Appendix 1 – 11 and 25 Ordnance Street  
Appendix 2 – 10 Ordnance Street and 45 Strachan Avenue