

## **Disposition of the Property at 281 Cherry Street**

<b>Date:</b>	September 27, 2012
<b>To:</b>	City Council
<b>From:</b>	Deputy City Manager, Cluster B
<b>Wards:</b>	Toronto-Danforth - Ward 30
<b>Reference Number:</b>	P:\2012\Cluster B\PLN\City Council\CC12071

### **SUMMARY**

Toronto and East York Community Council forwarded the report from the Director of Urban Design, dated March 9, 2012 to City Council without recommendation and requested that the Deputy City Manager responsible for the Waterfront Initiative report directly to City Council for its meeting on October 2 and 3, 2012, on the disposition of the property at 281 Cherry Street.

### **Financial Impact**

The recommendations will have no financial impact beyond what has already been approved in the current year's budget.

### **DECISION HISTORY**

Toronto and East York Community Council requested that staff report directly to City Council on the disposal of this land. The link to the Community Council request is:

<http://app.toronto.ca/tmmis/viewAgendaItemHistory.do?item=2012.TE18.20>

City Council on June 8 and 9, 2010 requested the City Manager to report to the Executive Committee on the feasibility of a shareholder direction to Toronto Hydro for the transfer of lands at 281 Cherry Street to the City of Toronto for nominal consideration.

<http://app.toronto.ca/tmmis/viewAgendaItemHistory.do?item=2010.EX44.9>

### **ISSUE BACKGROUND**

This property is owned by Toronto Hydro-Electric System Limited, not the City of Toronto. In 2010, Toronto Hydro identified this property as being potentially surplus to its requirements. In April 2010, City Real Estate Services staff circulated information about the Toronto Hydro properties to City agencies, boards and divisions for comment.

City Planning advised that 281 Cherry Street is listed on the City's inventory of heritage properties and outlined the relevant Official Plan policies. This information was provided to Toronto Hydro in a June 30, 2010 letter. Toronto Hydro is a separate corporate entity and is not subject to the City's municipal procedural requirements with respect to the disposition of land.

The City Manager's Office followed up on the 2010 Council request to report on the feasibility of a shareholder direction to Toronto Hydro for the transfer of lands at 281 Cherry Street to the City for nominal consideration. Counsel for Toronto Hydro responded to the City by way of a confidential letter dated July 21, 2010.

## **COMMENTS**

It appears that the City is precluded from issuing a binding shareholder direction to Toronto Hydro to transfer the lands at 281 Cherry Street to the City at nominal cost in light of the provisions of the Affiliate Relationships Code for Electricity Distributors and Transmitters. This Ontario Energy Board-approved Code requires utility assets to be sold to affiliates (i.e. the City) at the greater of the market price and the net book value of the asset.

The Port Lands Acceleration Initiative - Final Report is being considered at this City Council meeting. Co-ordinated strategic City actions, including the acquisition of property in the Port Lands, will assist as we move forward to deliver Port Lands revitalization. The Toronto Port Lands Company is finalizing the purchase of this property and this purchase would keep the land in public ownership.

The property is contaminated. TPLC was created to hold title to contaminated lands with the goal of eventually getting them back into productive service. Since this was a key reason TPLC was created, it is the logical City agency to hold these lands.

Legal Services staff were involved in the preparation of this report.

## **CONTACT**

Gwen McIntosh, Acting Project Director, Waterfront Secretariat  
Phone: 416 392 8113, Fax: 416 392 8805  
Email: [mcintosh@toronto.ca](mailto:mcintosh@toronto.ca)

## **SIGNATURE**

---

John W. Livey F.C.I.P.  
Deputy City Manager