



**STAFF REPORT  
ACTION REQUIRED  
with Confidential Attachment**

**Acquisition of 11 Wellesley Street West from  
Infrastructure Ontario for Park Purposes**

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| <b>Date:</b>                                | October 2, 2012   |
| <b>To:</b>                                  | Government Management Committee   |
| <b>From:</b>                                | Chief Corporate Officer   |
| <b>Ward:</b>                                | 27 – Toronto Centre - Rosedale  |
| <b>Reason for Confidential Information:</b> | This report is about a proposed or pending land acquisition by the City or one of its agencies, boards, and commissions |
| <b>Reference Number:</b>                    | P:\2012\Internal Services\RE\Gm12032re – (AFS – 16169)  |

**SUMMARY**

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This report responds to the request from City Council directing the City Manager and the Director of Real Estate Services, in consultation with the General Manager, Parks, Forestry and Recreation, the Toronto Parking Authority and the Ward Councillor, to hold exploratory discussions with Infrastructure Ontario, the Ontario government and/or its agents to acquire 11 Wellesley Street West for parkland purposes.

The City Manager's office has been in contact with Infrastructure Ontario regarding this property and this report presents the results of those discussions.

**RECOMMENDATIONS**

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**The Chief Corporate Officer recommends that:**

1. The Government Management Committee receive this report for information.
2. The confidential information in Attachment 1 to this report remain confidential as it contains information on a proposed land acquisition.

## **Financial Impact**

There are no financial implications as a result of this report.

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

## **DECISION HISTORY**

At its meeting on July 11, 12 and 13, 2012 City Council directed the City Manager and the Director of Real Estate Services, in consultation with the General Manager, Parks, Forestry and Recreation, the Toronto Parking Authority and the Ward Councillor, to begin exploratory discussions with Infrastructure Ontario, the Ontario government and/or its agents and report back to the October 18, 2012 meeting of Government Management Committee on the results of negotiations to acquire 11 Wellesley Street West for parkland purposes.

Member Motion MM25.7

(<http://www.toronto.ca/legdocs/mmis/2012/mm/bgrd/backgroundfile-48938.pdf>)

(July 11, 2012) Financial Impact Statement from the Deputy City Manager and Chief Financial Officer

(<http://www.toronto.ca/legdocs/mmis/2012/mm/bgrd/backgroundfile-49096.pdf>)

## **ISSUE BACKGROUND**

The lands are located at 11 Wellesley Street West and are bounded by Wellesley Street, Breadalbane Street, St. Luke's Lane and Bay Street (see Appendix "A"). The entire 2.10 acres of land was originally to be donated in the late 1980s by the provincial government to construct a new ballet and opera house. Construction was supposed to begin in 1991. However in 1992 funding by the three levels of government was withdrawn. The site has remained abandoned for 20 years with a brief appearance as a temporary skateboard park.

Recently, Infrastructure Ontario and the Ministry of Finance have deemed 11 Wellesley Street West as surplus land and ordered the sale of the land. Infrastructure Ontario retained CBRE to market the property on their behalf. No listing price was indicated for the property and Offers to Purchase were to be submitted by August 15, 2012.

As there was no available immediate capital funding in place or Council authority to submit an offer on the property, the City Manager contacted the CEO of Infrastructure Ontario expressing the City's interest in the property and requesting Infrastructure Ontario hold its sale process in abeyance until the City has been able to have full and meaningful discussions to explore all opportunities for a mutually beneficial use of the site (see Appendix "B").

The City Manager received a response by from the CEO of Infrastructure Ontario dated September 20, 2012 (see Appendix "C") which referred to a letter from the Minister of Infrastructure to Councillor Kristyn Wong-Tam.

The Minister states bids for the property started to be received starting August 15, 2012. The Minister indicates the property is being sold in a fair and open process and the City is still has an equal opportunity to purchase it.

## **COMMENTS**

The local Councillor has indicated the importance of securing the subject lands for parkland purposes. Parks, Forestry & Recreation have verified the site is desirable as parkland.

In discussions with the Toronto Parking Authority, they have indicated an interest in developing a surface parking lot in the area.

See Confidential Attachment 1 for the staff estimate of the property value. Due to the value of the property, sufficient funding is not available to submit an Agreement of Purchase and Sale for the subject lands.

## **CONTACT**

Joe Casali, Director of Real Estate Services; Tel: (416) 392-7202; Fax: (416) 392-1880; E-Mail: [jcasali@toronto.ca](mailto:jcasali@toronto.ca)

## **SIGNATURE**

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Josie Scioli  
Chief Corporate Officer

## **ATTACHMENTS**

Attachment 1 – Confidential Attachment  
Appendix "A" – Site Map  
Appendix "B" – Letter to Infrastructure Ontario from City Manager  
Appendix "C" – Letter from Infrastructure Ontario, with attachment from the Minister of Infrastructure to the City Manager