# **DA TORONTO**

## **GM18.12** REPORT FOR ACTION

### **Expropriation of 731 Runnymede Road**

Date: February 14, 2017To: Government Management CommitteeFrom: Chief Corporate OfficerWards: Ward 11- York South-Weston

#### SUMMARY

The purpose of this report is to provide an update to Government Management Committee on continuing the negotiation of 731 Runnymede Road, Toronto, (the "Property"). The Property, a previous Goodwill location, was first identified by Real Estate Services (RES) as a potential site for an emergency shelter in January 2016. Since then, Shelter, Support and Housing Administration (SSHA) and Real Estate Services have completed their due diligence of the Property and based on the site's suitability as a shelter, had recommended it be leased as a City-operated shelter for homeless men as required for the George Street Revitalization project. At its meeting of October 5, 6 and 7, 2016, City Council directed the Director, Real Estate Services, to secure the property at 731 Runnymede Road through a lease on terms that are reasonable and at fair market value. Staff have been unable to secure the property to date and will consider a report in the future to committee and Council.

#### RECOMMENDATIONS

#### The Chief Corporate Officer recommends that:

1. City Council authorize the Director, Real Estate Services to continue negotiations to lease or consider acquiring the property known municipally as 731 Runnymede Road (the "Property"), legally described as Lots 53 to 55 inclusive and part of Lot 56 on Plan 539 West Toronto Junction, and as shown on the Location Map attached as Appendix "A".

#### FINANCIAL IMPACT

The costs to the lease is still unknown at this time as the City is still in negotiations with the Landlord.

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

#### **DECISION HISTORY**

At its meeting of October 5, 6 and 7, 2016, City Council adopted "Update on Proposal for Emergency Men's Shelter at 731 Runnymede Road" and directed the Director, Real Estate Services, to secure the property at 731 Runnymede Road through a lease on terms that are reasonable and at fair market value. http://app.toronto.ca/tmmis/viewAgendaltemHistory.do?item=2016.CD14.9

At its meeting of July 12, 13, 14 and 15, 2016, City Council adopted "Proposal for Emergency Men's Shelter at 731 Runnymede Road" and directed the Director, Real Estate Services, to negotiate a lease for the use of 731 Runnymede Road by the City of Toronto, or otherwise secure the property, on terms acceptable to the Chief Corporate Officer and in a form acceptable to the City Solicitor, subject to approval of the proposed shelter program plan by City Council in October 2016. http://app.toronto.ca/tmmis/viewAgendaltemHistory.do?item=2016.CD13.1

#### COMMENTS

As directed by Council, staff offered to lease the Property at the independently established fair market rent in December 2016. Negotiations between the landlord and the City to reach mutually acceptable terms have been unsuccessful thus far. The City will continue to negotiate.

In addition, Facilities Management, along with an external architect, have estimated that in order to bring the facility up to the standards required for the intended use by SSHA, a substantial renovation of the space and significant capital investment will be required. The Property would be the first of four shelters required to support City Council's adopted transition plan for the George Street Revitalization Project. The City will reconsider the use of the space once the George Street Revitalization is fully complete. Real Estate Services staff will continue discussions to lease or acquire the Property with the owner.

#### CONTACT

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#### SIGNATURE

Josie Scioli Chief Corporate Officer

#### ATTACHMENTS

Appendix "A" - Location Map

#### Appendix "A" Location Map

