



REPORT FOR ACTION

Application for Approval to Expropriate 3300 Kingston Road

Date: March 9, 2017

To: Government Management Committee

From: Chief Corporate Officer

Wards: Ward 36 - Scarborough Southwest

SUMMARY

The purpose of this report is to seek authorization from City Council to commence proceedings for the expropriation of 3300 Kingston Road, Toronto, known as the Eastside Motel. This property is located beside 3306 Kingston Road, which was acquired by the City on March 1, 2016 as a replacement site for the Birchmount Residence, a shelter residence for senior men. At its meeting of December 9 and 10, 2015, City Council directed staff to develop a comprehensive plan for 3300 and 3306 Kingston Road, which would include exploring opportunities for potential future redevelopment. Redevelopment options for the lands for municipal purposes identified to date by staff include but are not limited to the provision of City community, social, and/or health services, which ultimately will be synergistic with the adjacent land uses.

While negotiations with the owner of 3300 Kingston Road continue for the acquisition of the site, it appears unlikely that satisfactory terms can be reached and authority to commence expropriation proceedings is requested.

RECOMMENDATIONS

The Chief Corporate Officer recommends that:

1. City Council authorize the Director, Real Estate Services to continue negotiations to acquire the property known municipally as 3300 Kingston Road, being Parts 3, 5, 6, & 7 on Reference Plan 64R-11616 [PIN 06407-0152 (LT)] attached as Appendix "A" (the "Property") and as shown on the Location Map attached as Appendix "B", and if unsuccessful, to initiate the expropriation process for the acquisition of the fee simple interest in the Property.

2. City Council authorize staff to serve and publish Notices of Application for Approval to Expropriate the Property, to forward to the Chief Inquiry Officer any requests for hearing that are received, to attend the hearing to present the City's position and to report the Inquiry Officer's recommendations to City Council for its consideration.

FINANCIAL IMPACT

The costs to serve and publish the required Notices of Application for Approval to Expropriate, together with any costs related to attendance at the Hearing of Necessity, if any, will be funded from the 2017 Council Approved Capital Budget for Real Estate Service ("RES"), account CCA226-01 - Strategic Property Acquisitions.

Funding for the compensation stipulated under the Expropriations Act including market value of the Property, as well as disturbance costs (if any), interest and related costs, including but not limited to, land transfer tax and registration costs will be identified through a subsequent report to Committee and to Council. Request for the approval to expropriate along with the detailed funding amounts and sources of funding will form part of this subsequent report. The eventual acquisition of the Property will be funded from the Strategic Property Acquisitions fund, which was set aside from the Land Acquisitions Reserve Fund.

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

DECISION HISTORY

At its meeting of December 9 and 10, 2015, City Council adopted Item EX10.12, "Acquisition of 3306 Kingston Road" and requested that the Chief Corporate Officer, in conjunction with applicable Divisions, develop a comprehensive plan for 3300 and 3306 Kingston Road, which would include exploring opportunities with abutting property owners in potential future redevelopment proposals.

<http://app.toronto.ca/tmmis/viewAgendaItemHistory.do?item=2015.EX10.12>.

[At its meeting of August 25, 26, 27 and 28, 2014, City Council adopted, "Strategic Property Acquisitions"](#) and authorized funding from the Land Acquisition Reserve Fund ("LARF"), in the amount of 15 percent of the uncommitted balance in the Land Acquisition Reserve Fund, as an approved budget for the acquisition of property that is determined to be strategically important to the City.

<http://app.toronto.ca/tmmis/viewAgendaItemHistory.do?item=2014.EX44.22>

COMMENTS

In March 2016, the City acquired 3306 Kingston Road as a replacement shelter for the Birchmount Residence. During the negotiation process for this site, residents of the community expressed concerns about the Property which abuts 3306 Kingston Road. The Property has long been the subject of local community complaint and concern for a variety of reasons.

The owner has attempted to sell the Property at various time since 2005 without success. RES has been negotiating to acquire the Property as part of their Strategic Property Acquisition Program. The strategic acquisition and subsequent demolition of the Eastside Motel, in conjunction with the previous acquisition of 3306 Kingston Road, not only eliminates neighbourhood concerns related to the Property, but also results in a larger developable parcel of land for the City.

Optimal development of the Property would best occur in connection with all or part of 3306 Kingston Road in order capitalize on the synergies gained from the combined lot configuration and size, as shown on the aerial photo in Appendix "C". Recognizing the development potential of the 3 plus acres of the two combined properties and through City ownership of both these properties, it gives the City greater flexibility to better utilize the subject lands for the benefit of the surrounding community and the City as a whole and to explore options of working with abutting property owners and/or developers on a larger overall plan for this section of Kingston Road which would address City requirements relative to community, social, and/or health services

The DCM & CFO have determined that the acquisition of 3300 Kingston Road is strategically important to the City in accordance with approval requirements set out EX44.22 (approved by Council on August 25, 2014) and the DCM & CFO has approved the acquisition using the Strategic Acquisition funds within the Land Acquisition Reserve Fund.

RES staff will continue discussions to acquire the Property with the owner. While the owner has indicated a willingness to sell the Property to the City, the owner is unwilling to accept an offer at the City's valuation price. Correspondence has been exchanged and staff have met with the owner and their legal counsel unsuccessfully on numerous

occasions in order to attempt to reach mutually acceptable terms. If negotiations continue to be unsuccessful, the commencement of expropriation proceedings for the Property is recommended in order to achieve previously stated goals to acquire the Property and subsequently demolish the building prior to the opening of the new emergency shelter at 3306 Kingston Road at the end of 2017.

CONTACT

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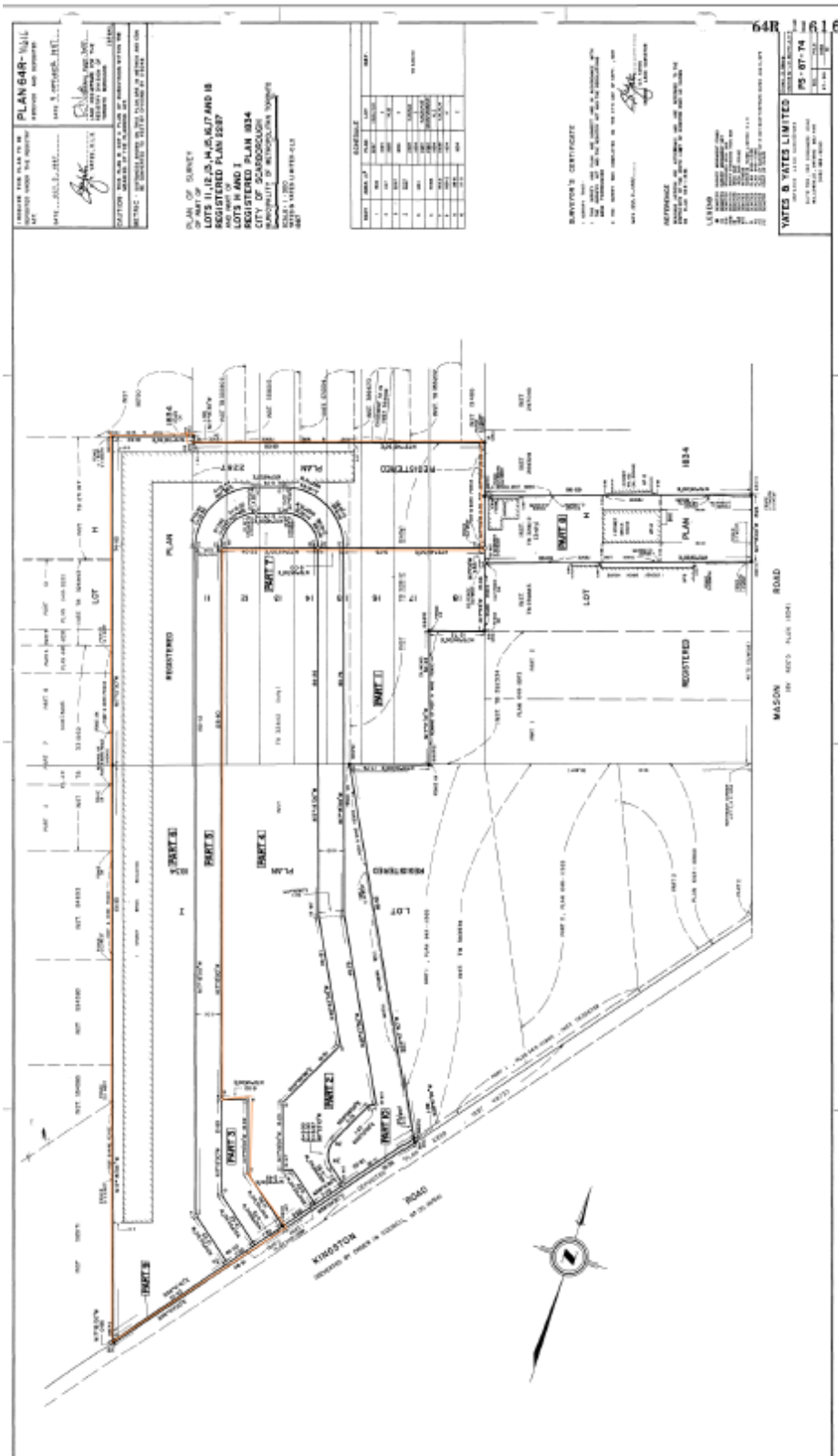
SIGNATURE

Josie Scioli
Chief Corporate Officer

ATTACHMENTS

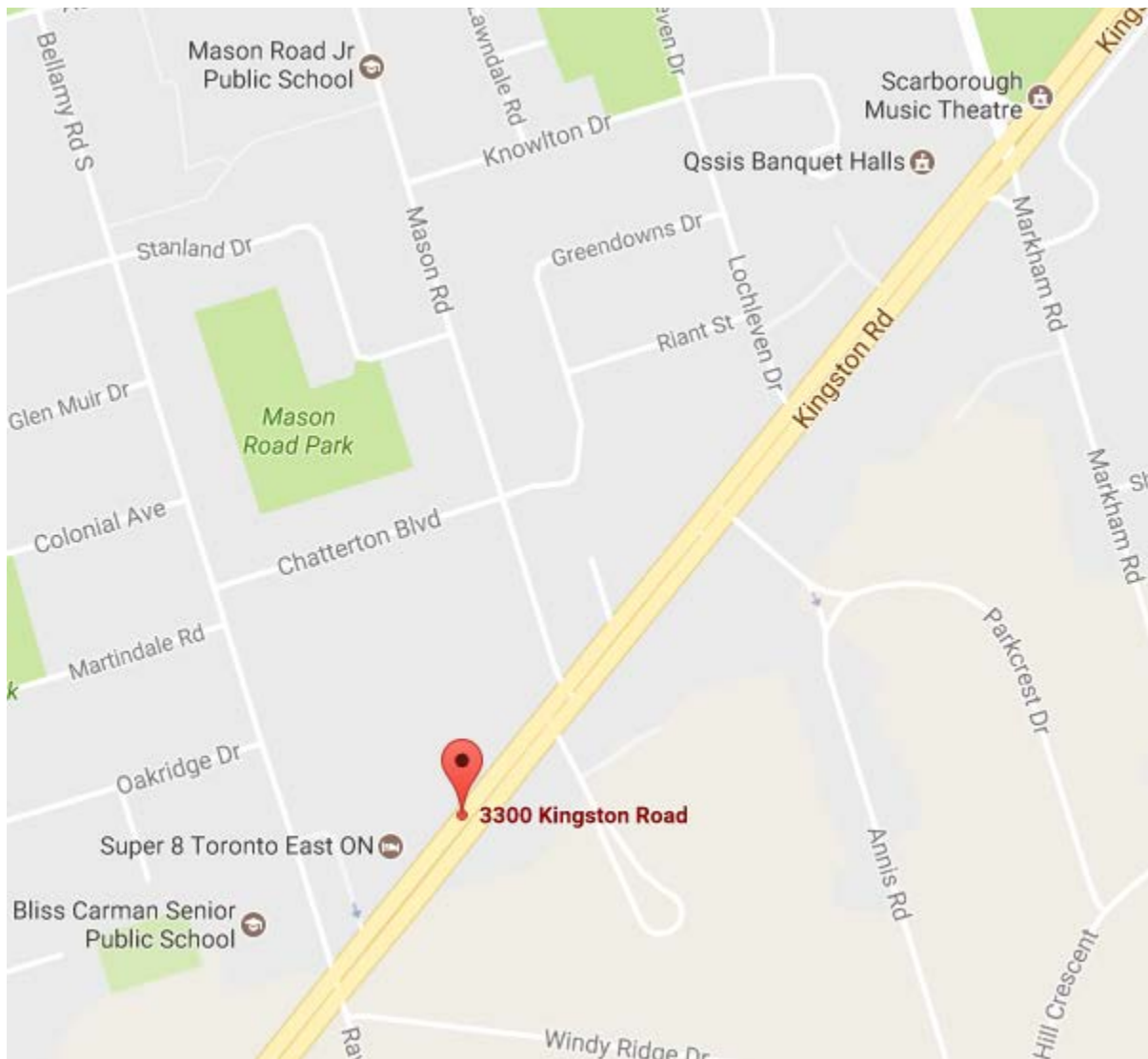
Appendix "A" – Sketch
Appendix "B" – Location Map
Appendix "C" – Arial Map

Appendix "A" Plan 64R-11616



Appendix "B"

Location Map



Appendix "C"

Ariel Map

