

### Expropriation of 1229 Ellesmere Road

**Date:** January 4, 2017

**To:** Government Management Committee

**From:** Chief Corporate Officer

**Wards:** Ward 37 - Scarborough Centre

#### SUMMARY

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The purpose of this report is to seek authorization from City Council to commence proceedings for the expropriation of 1229 Ellesmere Road, Toronto, known as Birkdale Residence. Birkdale Residence provides emergency shelter for women led families and is managed through Shelter, Support and Housing Administration (SSHA). The building has a capacity of up to 65 families.

This shelter has been leased by the City as a tenant since 1996. The current lease term ends on March 31, 2017. While negotiations with the owner continue, it appears unlikely that satisfactory terms can be reached for an extension of the City's tenancy or purchase of the property. Due to the sensitive use of the site, this property acquisition is necessary to ensure its continued use as an emergency shelter.

#### RECOMMENDATIONS

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**The Chief Corporate Officer recommends that:**

1. City Council authorize the Director, Real Estate Services to continue negotiations to extend the City's tenancy or to acquire the property known municipally as 1229 Ellesmere Road (the "Property"), depicted as Part 1 on the PS Sketch in Appendix "A" and as shown on the Location Map attached as Appendix "B", and if the negotiations are unsuccessful, authorize staff to initiate the expropriation process for the acquisition of the Property.

2. City Council grant authority 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**

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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 2016 Council Approved Capital Budget for Shelter Support and Housing Administration (SSHA), account F01523 - Birkdale Residence.

Funding for the market value of the Property, as well as disturbance costs (if any), interest, land transfer tax costs, and all other associated costs stipulated under the Expropriations Act will be identified through a subsequent report to Committee and to Council. Final approval of the expropriation along with the detailed funding amounts and sources of funding will also form part of this subsequent report.

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

## **DECISION HISTORY**

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This matter has not previously been considered by City Council.

## **COMMENTS**

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### **Issue Background**

Shelter, Support and Housing Administration (SSHA) has been a tenant at 1229 Ellesmere Road since 1996. The site is operated as a shelter for women and children and can accommodate 65 families. During the last 20 years, Birkdale Residence has developed close ties to the local community. Neighbours have been extremely supportive and have welcomed the shelter as part of their community. They regularly donate clothing, furniture and other household items for the benefit of the residing families.

Programming supports in the area are extensive. For example, the community schools work closely with children living at the shelter. Aisling Discoveries provides mental health and parenting supports both on site and at their nearby facility on Milner Road. The local community centre provides space for special events for the clients throughout the year. A seniors group fundraises for residents to support programming and holiday gifts. The local Salvation Army and neighbouring churches provide weekly programs onsite, transportation for grocery shopping and worship. They also subsidize the enrollment for children to attend summer camp each year.

Parks, Forestry and Recreation provides free swimming lessons to children at the local community pool. They also allocate gym time for school age sport activities. An Early Year Centre, the local public library and other nearby agencies also provide free programming to preschool children and their parents.

Toronto Employment and Social Services, Kennedy Office, delivers on-site service three days per week to families who require financial assistance and employment supports. The designated shelter worker collaborates with the shelter case management team to ensure families are able to access housing when opportunities are identified.

Toronto Police Services (41 Division), provide training and guidance to staff regarding family violence and legal matters on a regular basis. They also donate clothing, furniture, baby food, formula and toys to families throughout the year.

Finally, Birkdale Residence contributes to the delivery of an after school program with Agincourt Community Centre and Edgewood Public School, which provides services to community children as well as those in the shelter. Joint programs like these provide a great opportunity to give back to the community and are an important part of nurturing the relationship with shelter clients in their time of need.

## **Real Estate Services**

The City has been a tenant of the Property since 1996, by various lease agreements. The current owner, 2288868 Ontario Limited (the "Owner") purchased the Property in June 2012 and became the landlord. Well before the expiry date of the lease on September 30, 2016, Real Estate Services (RES) staff negotiated with the Owner for a new lease. By a letter dated August 17, 2016, the Owner's lawyer provided notice that vacant possession of the Property was required on September 30, 2016. After further negotiations, the Owner agreed to extend the lease for a term of six (6) months, commencing October 1, 2016 and expiring March 31, 2017, at gross rent of \$125,000 per month.

RES staff are in continued discussions with the Landlord. While the Owner has indicated a willingness to negotiate a sale of the Property to the City, it is uncertain if there can be an agreement on terms. The Owner is unwilling to entertain the City's offer to purchase or long term lease extension at the appraised valuation obtained by the City through an external appraisal. The Owner anticipates being able to receive a higher price elsewhere, and is in the process of having its own appraisal completed, which will be considered by staff.

In light of the sensitive use of the site, the shortage of shelter beds available in the system, the strong community support, the programming in place and SSHA's desire to have this site continue in its current use, if further negotiations are unsuccessful, the commencement of expropriation proceedings for the Property is recommended.

## **CONTACT**

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## **SIGNATURE**

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Josie Scioli  
Chief Corporate Officer

## **ATTACHMENTS**

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

# Appendix "A"

Sketch - Property known municipally as 1229 Ellesmere Road, depicted as Part 1



# Appendix "B"

Location Map - 1229 Ellesmere Road

