

Expropriation of 300 Commissioners Street

Date: June 18, 2018

To: Government Management Committee

From: Director, Real Estate Services

Wards: Ward 30 - Toronto - Danforth

SUMMARY

At its meeting on June 7, 8 and 9, 2016, City Council directed Real Estate Services to report to the Government Management Committee meeting on September 6, 2016 with a staff report regarding the potential acquisition of the leasehold option interest in 300 Commissioners Street. The Property Interests to which these interests apply are depicted on Appendix "A" and are legally described in Appendix "B" (the "Property Interests"). These Property Interests have been identified as being potentially required for the future Broadview Avenue Extension.

The Port Lands and South of Eastern Transportation and Servicing Master Plan adopted by Council in 2017 identified a portion of the 300 Commissioners Street lands as part of the preferred alignment for the proposed extension of Broadview Avenue. The City is undertaking an Environmental Assessment ("EA") for the future Broadview Avenue extension south of Eastern Avenue into the Port Lands.

Negotiations for the acquisition of the property interests have been ongoing with the property interest holder, however in order to protect for the future alignment of the Broadview Avenue Extension this report seeks authority to acquire the property interests by agreement and if necessary initiate expropriation proceedings.

RECOMMENDATIONS

The Director, Real Estate Services recommends that:

1. City Council authorize the Director, Real Estate Services to continue negotiation for the acquisition of the property interests respecting 300 Commissioners Street shown on Appendix "A" and legally described on Appendix "B" (collectively the "Property Interests"), and grant authority if necessary to initiate expropriation proceedings for the Property Interests.
2. City Council authorize the Director, Real Estate Services to serve and publish Notices of Application for Approval to Expropriate the Property Interests, to forward to the Chief Inquiry Officer any requests for hearing that are received, to attend any hearing in order to present the City's position and to report the Inquiry Officer's recommendations back 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, are approximately \$50,000. Funding is available within the 2018-2027 Capital Budget & Plan for Transportation Services in the Engineering Studies – Broadview account (CTP818-03).

In the event of expropriation, funding for the market value of the Properties, as well as disturbance costs (if any), interest, land transfer tax costs, and all other associated costs stipulated under the Expropriations Act, will be requested as part of a future Transportation Services capital budget submission to be considered with all City priorities during the budget process.

A subsequent report will be submitted to Committee and Council seeking final approval for the expropriation. If funding for the expropriation has not yet been approved in the Transportation Services Capital Budget & Plan, the report will request Council authority to amend the Transportation Services Capital Budget & Plan to create the expropriation project with detailed funding requirements and funding sources identified.

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

DECISION HISTORY

At its meeting held on June 7, 8 and 9, 2016 Council adopted the following recommendation from Attachment 1 - Confidential Information of that report, which the City Solicitor has determined no longer has to remain confidential:

"Direct TEDCO to enter into negotiations to purchase back the leasehold option interests to the Lands and if successful convey the area necessary for the Broadview Avenue extension to the City for nominal consideration when required."

TEDCO was unable to successfully purchase back the leasehold interests in the Lands and as such this report is before Council for consideration.

COMMENTS

The subject property is owned by the City of Toronto Economic Development Corporation ("TEDCO") operating as Toronto Port Lands Company. The subject lands are subject to an option for a 91 year ground lease with Port Lands Land Co Limited Partnership (the "Partnership"), a limited partnership that is unrelated to the City's TEDCO operating as Toronto Port Lands Company, which option would be effective as of March 18, 2015 (the "Option"), and which was exercised by the Partnership. This resultant lease is currently being negotiated between TEDCO and the Partnership.

Belleterre Real Estate partners Limited, acting as agent for the Partnership, submitted a Site Plan Control application on March 21, 2015 which proposed to develop the northern portion of the site with a 5-storey, 13,447 square metre self-storage warehouse and 371 square metre designer studio on the subject lands. The applicant referred the application to the Ontario Municipal Board on October 26, 2015. The matter was heard before the OMB on June 14 and 15, 2016. The hearing focused on the issue of whether or not the proposed location of the self-storage building should be altered to accommodate the staff preferred alignment of the future Broadview Avenue Extension. The OMB approved the proposed location of the building and directed the parties to work together to finalize site plan approval.

The City is undertaking Phases 3 and 4 of an Environmental Assessment ("EA") to extend Broadview Avenue southward from Eastern Avenue into the Port Lands. The EA will build upon the Phase 1 and 2 EA work completed as part of the Port Lands and South of Eastern Transportation and Servicing Master Plan. This Master Plan was adopted by Council in 2017 and forms the basis for the future street network and other transportation infrastructure in the area. It identified a portion of the 300 Commissioners Street lands as part of the preferred alignment for the proposed extension of Broadview Avenue. Aside from laying out the major road network in the Port Lands, the servicing plan to be located under the proposed road network is intrinsically linked to the planning framework of the Master Plan. City Council adopted an Official Plan modification to the Central Waterfront Secondary Plan in December 2017 to imbed the future road network and the Don River re-alignment in the Official Plan. Once that has been approved by the Local Planning Appeals Tribunal, the City will have the ability to secure the required lands identified for the road network through future development approval processes.

Portions from five separate properties, including 300 Commissioners Street, have been identified for this section of the Broadview Avenue extension south of Lake Shore Boulevard up to the ship turning basin. Alternative alignments for this section of the roadway to avoid 300 Commissioners Street and the other four properties were determined through the Transportation and Servicing Master Plan to not be feasible. Six alternative alignments were considered and this one was selected because of the location and alignment of the road where it crosses the shipping channel and the spacing for the road network. The selected alignment also provides an arterial road which divides the former Unilever site to support transit and traffic.

Negotiations with the owner to acquire the subject Property Interests have been on-going and unsuccessful to date. In order to protect for the future alignment of the Broadview Avenue Extension authority to acquire the property interests and if necessary initiate expropriation proceedings is required.

CONTACT

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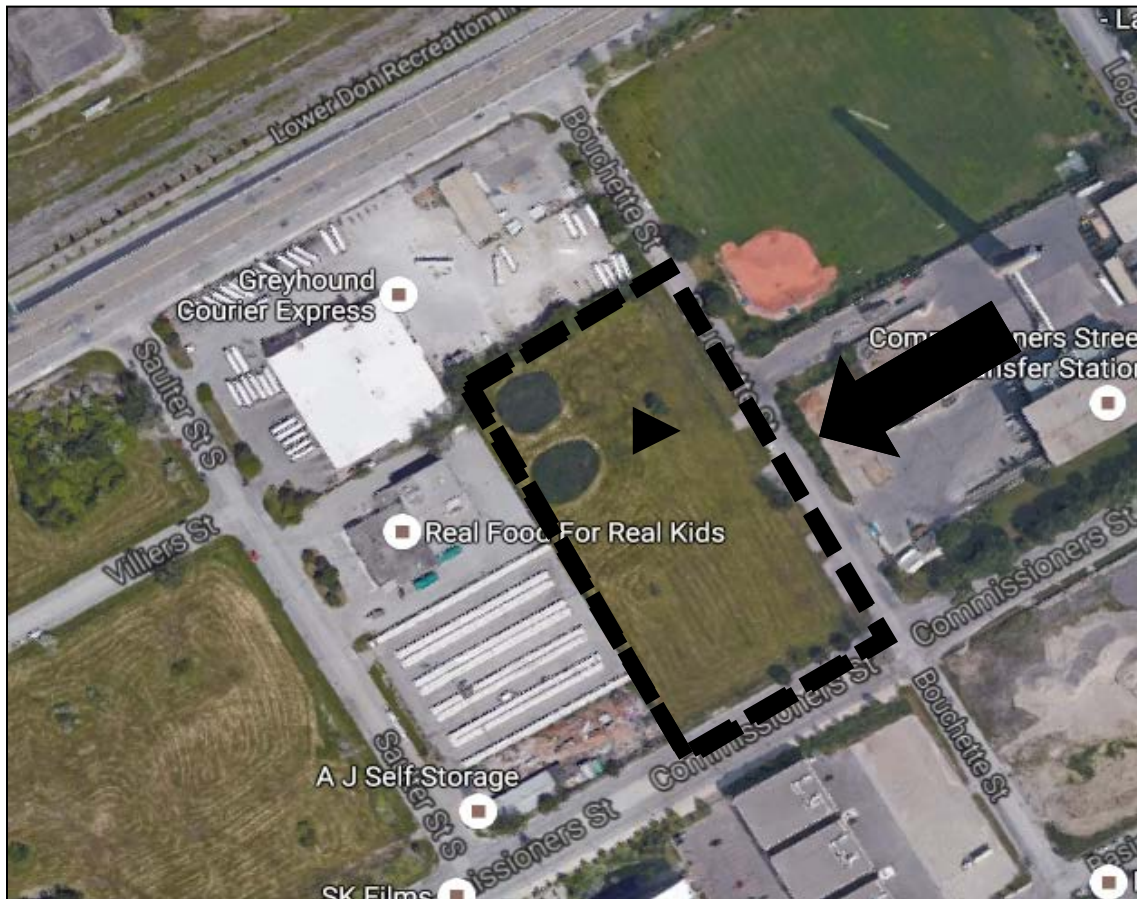
SIGNATURE

David Jollimore
Director, Real Estate Services

ATTACHMENTS

Appendix "A" - Location Map
Appendix "B" - Legal Description

Appendix "A" – Location Map



Appendix "B" - Legal Description

Municipal Address	Legal Description
300 Commissioners Street, Toronto	The leasehold interest in those lands legally described as Part of Block D, Plan 554E Toronto as in Instrument No. CA298174 (Schedule A-20) City of Toronto being All of PIN: 21385-0109 (LT)