

# **REPORT FOR ACTION**

## Expropriation of Temporary and Permanent Easements at 2333 and 2295 Dundas Street West for a Municipal Shelter

Date: December 18, 2019
To: General Government and Licensing Committee
From: Executive Director, Corporate Real Estate Management
Wards: Ward 4 - Parkdale-High Park

#### SUMMARY

This report seeks authority to initiate expropriation proceedings for a temporary easement and a permanent easement as part of the property municipally known as 2333 Dundas Street West ("2333 Dundas"), and temporary easements as part of the property municipally known as 2295 Dundas Street West ("2295 Dundas", and collectively, the "Properties"). These easements are required for the construction of a proposed emergency shelter for men at 2299 Dundas Street West, a transition site which is a part of the George Street Revitalization ("GSR") Project.

The City of Toronto (the "City") acquired 2299 Dundas Street West (the "City Property") in March 2019 as one of the replacement sites for the Seaton House, a shelter residence for men. The Properties adjoin the City Property and the City requires access and use of certain portions of the Properties in order to carry out the necessary renovations at the City Property (the "Project").

While negotiations with the respective owners of the Properties continue for acquisition of the easements, it appears unlikely that a negotiated agreement can be reached and authority to initiate expropriation proceedings is requested.

This report is the first stage of the expropriation process. After the application for approval to expropriate is authorized, staff will serve and publish notice on the registered owners of the Properties. Registered owners will have 30 days to request an inquiry into whether the proposed takings are fair, sound, and reasonably necessary.

If no inquiry is requested, City Council may approve the expropriation by a subsequent Stage 2 report. At that time, staff will report to City Council with further details on the anticipated costs, based on appraisals. Following the Stage 2 report, the Expropriation Plan will be registered and Notices of Expropriation served. Statutory offers of compensation must be served prior to the City taking possession of the expropriated Properties. The Executive Director, Corporate Real Estate Management, recommends that:

1. City Council authorize the Executive Director, Corporate Real Estate Management, to continue negotiations for the acquisition of the Property Requirements municipally known as 2333 Dundas Street West and 2295 Dundas Street West in Appendix A and outlined on the Property Interests Sketch in Appendix B and on the Project Map in Appendix C, and if unsuccessful, to initiate expropriation proceedings for the Property Requirements.

2. City Council authorize the Executive Director, Corporate Real Estate Management, to execute, serve, and publish Notices of Application for Approval to Expropriate the Property Requirements referenced in Recommendation 1, to forward any requests for hearings to the Chief Inquiry Officer, to attend any hearings in order to present the City of Toronto's position, and to report the Chief Inquiry Officer's recommendations to City Council for 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 2019-2028 Council Approved Capital Budget and Plan for Shelter, Support and Housing Administration (SSHA) (Capital Account CHS-040-03) and will be included in SSHA's 2020-2029 Staff Recommended Capital Budget and Plan for City Council's consideration through the 2020 Budget process.

Funding for the compensation stipulated under the *Expropriations Act*, including without limitation, the market value of the Properties, disturbance costs (if any), interest, and related costs, including without limitation, land transfer tax, and registration costs, will be identified in a subsequent report to the Committee and City Council. Request for approval to expropriate, along with the detailed funding amounts and sources of funding, will form part of this subsequent report.

The Chief Financial Officer and Treasurer has been provided the financial impacts associated with this report for review as part of the 2020 Budget process.

#### **DECISION HISTORY**

On June 26, 27, 28 and 29, 2018, City Council adopted CD29.8 "2019 Shelter Infrastructure Plan and System Update", approving the 2019 Shelter Infrastructure Plan and 2018-19 Winter Plan, which included identification of GSR relocation sites. <u>http://app.toronto.ca/tmmis/viewAgendaltemHistory.do?item=2018.CD29.8</u>

On September 4, 2018, the Offer to Sell from UGO IV INC. to acquire the City Property was authorized to be accepted by the City as per Delegated Authority Form 2018-302.

https://www.toronto.ca/wp-content/uploads/2018/09/972b-2018-302\_-2299-Dundas-DAF.pdf

On May 14 and 15, 2019, City Council adopted MM7.16 to authorize the City to enter into a Lease Amending and Extending Agreement to terminate a former tenant on the City Property.

http://app.toronto.ca/tmmis/viewAgendaItemHistory.do?item=2019.MM7.16

On September 4, 2019, The Big Award Panel granted authority to award Tender Call Doc1877796194 to Anacond Contracting Inc. for Abatement and Demolition of the Building Interior at the City Property.

http://app.toronto.ca/tmmis/viewAgendaltemHistory.do?item=2019.BA42.6

On June 11, 2019, The Economic and Community Development Committee received the report titled "2020 Shelter Infrastructure Plan and System Update Report" from the General Manager, Shelter, Support and Housing Administration for information. http://app.toronto.ca/tmmis/viewAgendaltemHistory.do?item=2019.EC6.9

#### COMMENTS

In March 2019, the City acquired 2299 Dundas Street West as one of the replacement shelters for the Seaton House. For the GSR project to move forward with construction, replacements sites to accommodate 400 men are required. The larger GSR project cannot commence until all of the men have been relocated.

The City Property is a zero-lot-line property where both the north and south walls of the building situated on the City Property (the "City Building") are placed at the respective boundary lines. The City cannot carry out the renovations required by the Ontario Building Code, address State of Good Repair issues, and other necessary renovations for the site, without access to the neighbouring Properties.

The City requires a temporary easement of approximately eighty four (84) square metres over the lands of 2333 Dundas to complete localized repairs on the north wall of the City Building where the brick is deteriorated and provide the application of a new protective coating system on the entire north wall in order to prevent water penetration and to complete other ancillary works as may be required to facilitate renovations to the site, including without limitation, crane swings or hydro relocations. The City will provide garage roof protection during all times of the construction work. The required term for this temporary easement is eighteen (18) months.

The City also requires a permanent easement of approximately thirty five (35) square metres over the lands of 2333 Dundas for access and use of a waste removal route. The City plans to install a new entrance/exit on the north side of the City Building in order to streamline facility operations. This permanent easement will allow the City to remove waste from the City Building to Dundas Street West via the new entrance/exit. The City requires a temporary easement of approximately one hundred and six (106) square metres over the roof of the building situated on 2295 Dundas to complete localized repairs on the south wall of the City Building. However, the City will provide entire roof protection and may require air space above the building and property for a

crane swing of a site area of approximately five hundred and seventy five (575) square metres during the construction work. Construction will include localized brick repair where the brick is deteriorated, application of a new protective coating system on the entire south wall, installation of two (2) new light wells in the south wall as required by the Ontario Building Code, and any other ancillary work as may be required to facilitate renovations to the site, including without limitation, crane swings and hydro relocations. The required term for this temporary easement is eighteen (18) months.

In August 2019, Real Estate Services staff informed the affected property owners about the easement needs. In October 2019, upon completion of the appraisals and confirmation from the project design team of the Property Requirements, the affected property owners were provided with compensation details. Construction for the proposed emergency shelter is planned from 2020 to 2021. Staff will continue to negotiate with the affected property owners, as negotiated agreements are preferred. However, as the affected property owners have not responded to the City's offers in respect of the Properties, it is prudent to initiate the expropriation process to maintain project timelines of both the Project and the GSR Project.

As the City must adhere to strict schedule requirements under the GSR Project, in order to facilitate the Project and works ancillary thereto, the City needs to acquire or expropriate the Property Requirements summarized in Appendix A and B.

#### CONTACT

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#### SIGNATURE

Patrick Matozzo Executive Director, Corporate Real Estate Management

#### **ATTACHMENTS**

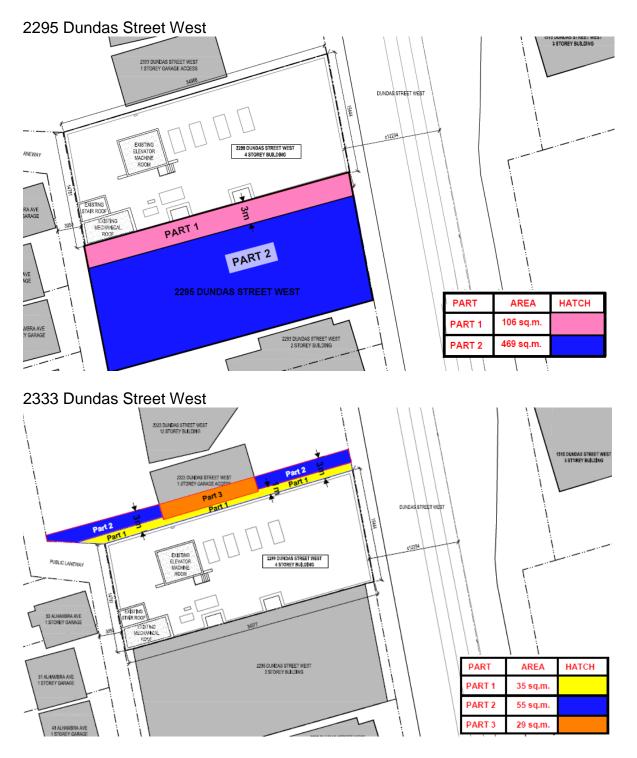
Appendix A - Property Requirements Appendix B - Property Interests Sketch Appendix C - Location Maps

Expropriation of Easements at 2333 and 2295 Dundas Street West

### Appendix A Property Requirements

Municipal Address	Legal Description	Required Property Interest	Approximate Area (square meters)
2333 Dundas Street West	Part of PIN No. 21350-0294 (LT): PT LT 1, 45 PL 664 CITY WEST AS IN WG158890, EXCEPT PT 1, 63R653; CITY OF TORONTO	Permanent Easement in the area shaded in yellow and labelled as "Part 1" in the sketch for 2333 Dundas Street West in Appendix B	35 square meters
2333 Dundas Street West	Part of PIN No. 21350-0294 (LT): PT LT 1, 45 PL 664 CITY WEST AS IN WG158890, EXCEPT PT 1, 63R653; CITY OF TORONTO	Temporary Easement in the area shaded in blue and orange and labelled as Parts 2 and 3 in the sketch for 2333 Dundas Street West in Appendix B for a term of eighteen (18) months	84 square meters
2295 Dundas Street West	Part of PIN No. 21350-0292 (LT): PT LT 3-5 PL 664 CITY WEST AS IN CA575913; CITY OF TORONTO	Temporary Easement in the area shaded in pink and labelled as Part 1 in the sketch for 2295 Dundas Street West in Appendix B for a term of eighteen (18) months	106 square meters
2295 Dundas Street West	Part of PIN No. 21350-0292 (LT): PT LT 3-5 PL 664 CITY WEST AS IN CA575913; CITY OF TORONTO	Temporary Easement in the area shaded in blue and labelled as Part 2 in the sketch for 2295 Dundas Street West in Appendix B for a term of eighteen (18) months	469 square meters

#### Appendix B Property Interests Sketch



#### Appendix C Location Maps



