

City Council

Notice of Motion

MM35.31	ACTION			Ward: All
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Ensuring Retention of Community Benefits Through Provincial Expropriation of Municipally-owned Land - by Councillor Kristyn Wong-Tam, seconded by Councillor Joe Cressy

** Notice of this Motion has been given.*

** This Motion is subject to referral to the Executive Committee. A two-thirds vote is required to waive referral.*

Recommendations

Councillor Kristyn Wong-Tam, seconded by Councillor Joe Cressy, recommends that:

1. City Council direct the Executive Director, Corporate Real Estate Management, to report to the September 23, 2021 meeting of the Executive Committee with recommendations to permit City Councillors to seek City Council approval of business transactions related to the expropriation of municipal land by Provincial and Federal governments related to the creation of higher-order transit.
2. City Council direct the Executive Director, Corporate Real Estate Management, to report to the September 23, 2021 meeting of the Executive Committee with recommendations to replace delegated staff authority with City Council approval of all claims and Offers of Compensation related to the expropriation of City-owned properties at 271 Front Street East and 25 Berkeley Street.
3. City Council direct the Executive Director, Corporate Real Estate Management, to report back to the Executive Committee in first quarter of 2022, on a process for returning statutory compensation generated through Provincial and Federal expropriation of municipal lands back to the local community.

Summary

The Province is proceeding with a number of transit projects in the City of Toronto, including the Ontario Line, Scarborough Subway Extension, Yonge North Subway Extension and Eglinton Crosstown West Extension. Through these projects, some City-owned land has been identified as being required by Metrolinx, the provincial transit agency, to facilitate the timely and cost-effective delivery of new higher-order transit. The Province is permitted to expropriate municipal land under the provincial Expropriations Act and Building Transit Faster Act (BFTA).

The acceptance of the statutory compensation under the Expropriation Act and BTFA is delegated to staff under Chapter 213 of the Municipal Code. Prior to the exercise of delegation of approval, the local councillor is to be consulted.

While it is helpful to have staff negotiate with the Province on behalf of the City to ensure proper compensation, major transit projects can and will have a massive impact on local communities.

One such group of City-owned properties are 271 Front Street East and 25 Berkeley Street, colloquially known as the First Parliament Site. The site in total is comparable in size to Nathan Phillips Square. Infrastructure Ontario is planning the significant redevelopment of these properties post-station construction, using the newly acquired lands to help offset the costs of building transit by seeking to sell the properties to a private developer. The development scheme that has been provided to the City for comments include three towers with a mix of commercial, institutional and residential uses that is estimated to create 740 new residential units and approximately 500,000 square feet of non-residential gross floor area. This project, combined with the Ontario Line expansion, will entail over a decade of construction impacts for the local community.

It would be appropriate that rather than allowing this information to be delegated to City Staff behind closed doors that information on compensation arising from provincial expropriation of municipal lands related to higher-order transit expansion be provided to Committee to permit City Councillors and the public to learn the status of negotiations and to ask questions as appropriate. Critically, it would be appropriate for City Council to approve any statutory compensation for expropriations related to major transit expansion rather than delegating approvals to City Staff.

In addition, it is appropriate that any statutory compensation resulting from Provincial expropriation be used to create community benefits for the local community, similar to section 37, rather than compensation becoming part of general revenues. If the Provincial government seeks to make investments in public transit and requires the use of expropriation to do so, then it would be appropriate to return the value generated, even partially, from such a transaction back locally into the area through new and/or improved park and open space, affordable housing, community space public art, etc.

In the case of the First Parliament Site, the City of Toronto has submitted their position to Metrolinx requesting the creation of a publicly owned public square and preserve in situ any archeological resources; create a library and associated public space; create a public park, and create an interpretive centre as outlined in the First Parliament Master Plan. Additional City priorities will be identified through the City Planning development review process, including affordable housing. Infrastructure Ontario has been clear that, absent of an external source of funding, these expressed community priorities will likely compete with each other to be included on the First Parliament Site.

It is unclear whether traditional community benefits, such as through section 37, can be achieved, especially if a Minister's Zoning Order is used to by-pass a traditional development process on lands like the First Parliament Site. Allowing the statutory compensation created through the provincial expropriation of these lands to be returned to the site will assist in maximizing community benefits to the City.

Background Information (City Council)

Member Motion MM35.31