

255 Avenue Road - City Initiated Relocation of Enbridge Station Box

Date: April 14, 2022

To: General Government and Licencing Committee

From: Executive Director, Corporate Real Estate Management and General Manager, Parks, Forestry and Recreation

Wards: Ward 11 - University-Rosedale

SUMMARY

The purpose of this report is to seek City Council authority to enter into a Project Delivery and/or License Agreement and to grant a permanent easement to Enbridge Gas Inc. ("Enbridge") for nominal consideration for the relocation of a natural gas district station (the "Station Box") located on the south side of Avenue Road and Macpherson Avenue. This authority is required to implement 2018 Council direction to relocate the existing Station Box from its current location in the right-of-way to the rear (south-east corner) of Jay Macpherson Green, an adjacent City-owned park located at 255 Avenue Road.

The large, above-ground Station Box was installed in 2017 and is located within an area of the right-of-way which functions as the frontage of Jay Macpherson Green. Local residents have raised concerns with its location and the resulting visual obstruction of the park frontage. The Station Box will be relocated to the rear of the park in a less visible location, which will improve the local streetscape and park frontage.

In order to relocate the Station Box in the park, Enbridge requires a permanent easement over a portion of the parkland (the "Easement Lands"). In 2019, Council approved the amendment of the Official Plan to allow for the establishment of a permanent easement and enable such a disposition of City-owned land.

Enbridge is willing to complete this work provided that costs are largely borne by the City. By means of this report, staff are seeking authority to pay for the majority of relocation costs through Section 37 funds, with the balance to be contributed by Enbridge.

RECOMMENDATIONS

The Executive Director, Corporate Real Estate Management and General Manager, Parks, Forestry and Recreation recommends that:

1. City Council authorize the City of Toronto to enter into, and the General Manager, Parks, Forestry and Recreation to execute on behalf of the City, a Project Delivery and/or License Agreement with Enbridge Gas Inc. for the relocation of the Station Box within Jay Macpherson Green, on terms and conditions deemed necessary and appropriate by the General Manager, Parks, Forestry and Recreation and in a form satisfactory to the City Solicitor.
2. City Council authorize the City of Toronto to enter into, and the General Manager, Parks, Forestry and Recreation to execute on behalf of the City, any other ancillary agreements necessary to complete the relocation of the Station Box on terms and conditions satisfactory to the General Manager, Parks, Forestry and Recreation in a form satisfactory to the City Solicitor.
3. City Council approve an amendment to Parks, Forestry and Recreation's 2022-2031 Council Approved Capital Budget and Plan to create a new capital sub-project known as Jay Macpherson Green Station Box in the Parks Development project, with a project cost and cash flow of \$900,000 in 2022, fully funded by Section 37 funds received from 836-850 Yonge Street and 1-9A Yorkville Avenue (Account XR3026-3700722) subject to entering into a Project Delivery and/or License Agreement with Enbridge Gas Inc. to that entity to fund the relocation of the Station Box within Jay Macpherson Green.
4. City Council authorize the City of Toronto to grant a Permanent Easement to Enbridge Gas Inc. for the Station Box over the City-owned parcel of land described in Appendix A (the "Easement Lands"), for the nominal sum of Two Dollars (\$2), and on such other terms and conditions as may be satisfactory to the Executive Director, Corporate Real Estate Management, and in a form satisfactory to the City Solicitor.

FINANCIAL IMPACT

The cost estimate for the Station Box relocation within Jay Macpherson Green, including a ten (10) per cent contingency, is \$1,085,000, towards which Enbridge will contribute \$185,000. The cost to the City will be \$900,000 for the relocation, to take place in 2022 subject to the City entering into a Project Delivery and/or License Agreement with Enbridge. Authority from Council is required to amend the 2022-2031 Approved Capital Budget and Plan for Parks, Forestry and Recreation to create a new capital sub-project known as Jay Macpherson Green Station Box in the Parks Development project, with the project cost of \$900,000 cash flowed in 2022, funded by the Section 37 funds that have been received from the development at 836-850 Yonge Street and 1-9A Yorkville Avenue (Account XR3026-3700722).

The market value of the nominal permanent easement represents an additional \$1,595,160 in foregone revenue to the City.

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

DECISION HISTORY

At its meeting on November 16, 2019 City Council adopted a City Initiated Official Plan Amendment to add part of 255 Avenue Road, to the list of properties in Site and Area Specific Policy 265 substantially in accordance with the draft Official Plan Amendment from the Director, Community Planning, Toronto and East York District.

<http://app.toronto.ca/tmmis/viewAgendaItemHistory.do?item=2019.TE10.7>

At its meeting on May 2, 2018 Toronto and East York Community Council directed the Acting Director, Community Planning, Toronto and East York District, in consultation with appropriate staff from Transportation Services, Parks, Forestry and Recreation and any other relevant City staff to determine the appropriate location for the Enbridge Gas Distribution District Station ("Station Box") which is to be relocated from the Macpherson Avenue right-of-way into Jay Macpherson Green Park at 255 Avenue Road and to bring forward any required Official Plan Amendment to a statutory public meeting under the Planning Act after holding a community meeting.

<http://app.toronto.ca/tmmis/viewAgendaItemHistory.do?item=2018.TE32.96>

COMMENTS

Reason for Relocation

Jay Macpherson Green, located at the southeast side of Avenue Road and Macpherson Avenue, is a City-owned park approximately 2,206 square metres in area.

In January 2017, Enbridge Gas Inc. performed upgrades to their Station Box, located in the right-of-way adjacent to Jay Macpherson Green. The Station Box, which had previously been buried, was brought above-ground. Enbridge Gas Inc. raised the Station Box to address provincially Ministry of Labour safety regulations regarding workers in confined spaces. The Station Box was also significantly enlarged to account for current and forecasted natural gas usage.

While the Station Box is located within the right-of-way, this area functions as the frontage of the park. Local residents have raised concerns about the impact of the Station Box to the park frontage, including the resulting visual obstruction.

Since 2018, the Ward Councillor has held several meetings with the local residents' association, Enbridge, and City staff from Transportation Services, Parks, Forestry and Recreation, and City Planning to discuss the feasibility of relocating the Station Box. Through these meetings, participants recommended investigating opportunities to move the Station Box to the rear of the property, where it will be less visible, in order to improve the local streetscape and park frontage. Enbridge, alongside Transportation

Services staff, investigated the practicality of the proposed relocation and found that the Station Box can be moved successfully into the southeast corner of the property with access thereto from the existing municipal lane.

Project Delivery and/or License Agreement

According to Enbridge, the relocation of the Station Box can only be undertaken during June to September when the demand for natural gas is lower. The relocation work is expected to last two months and includes restoration of the current location and any other excavated areas. The work is tentatively scheduled for June to August of 2022, with the ability to extend to September 2022 in the event of unexpected delays.

Staff are seeking authority to enter into a Project Delivery Agreement and/or Licence Agreement to permit Enbridge access to Jay Macpherson Green and to perform the relocation work. The agreement(s) will include terms that address: scope of the project, specification of construction methodology as per City requirements, for capital projects, insurance, protection and restoration of parkland, the satisfaction and warranty of the work by Enbridge, project budget and payment.

Easement Considerations

The Easement Lands are situated within a Parks and Open Space designated area according to the Official Plan. See Appendix A, B and C for additional details on the Easement Lands.

On November 26, 2019 City Council approved an Official Plan Amendment to add the Easement Lands to the list of properties in Site and Area Specific Policy No. 265. Site and Area Specific Policy No. 265 of the Official Plan identifies certain lands to which the provisions of the Official Plan prohibiting the disposal of City owned land in Parks and Open Space Areas do not apply. The establishment of a permanent easement is considered a form of disposition of City-owned land.

City Council authority is needed in order to grant the permanent easement to Enbridge for nominal consideration. The market value of the permanent easement was appraised at \$1,595,160.

Cost of Station Box Relocation

The cost estimate for the Station Box relocation (including a ten (10) per cent contingency) is \$1,085,000, of which \$185,000 will be contributed by Enbridge. The net cost to the City will be \$900,000, which will be funded from a nearby development. The Section 37 agreement for this development specifies that the funds may be used for local streetscape improvements.

CONTACT

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SIGNATURE

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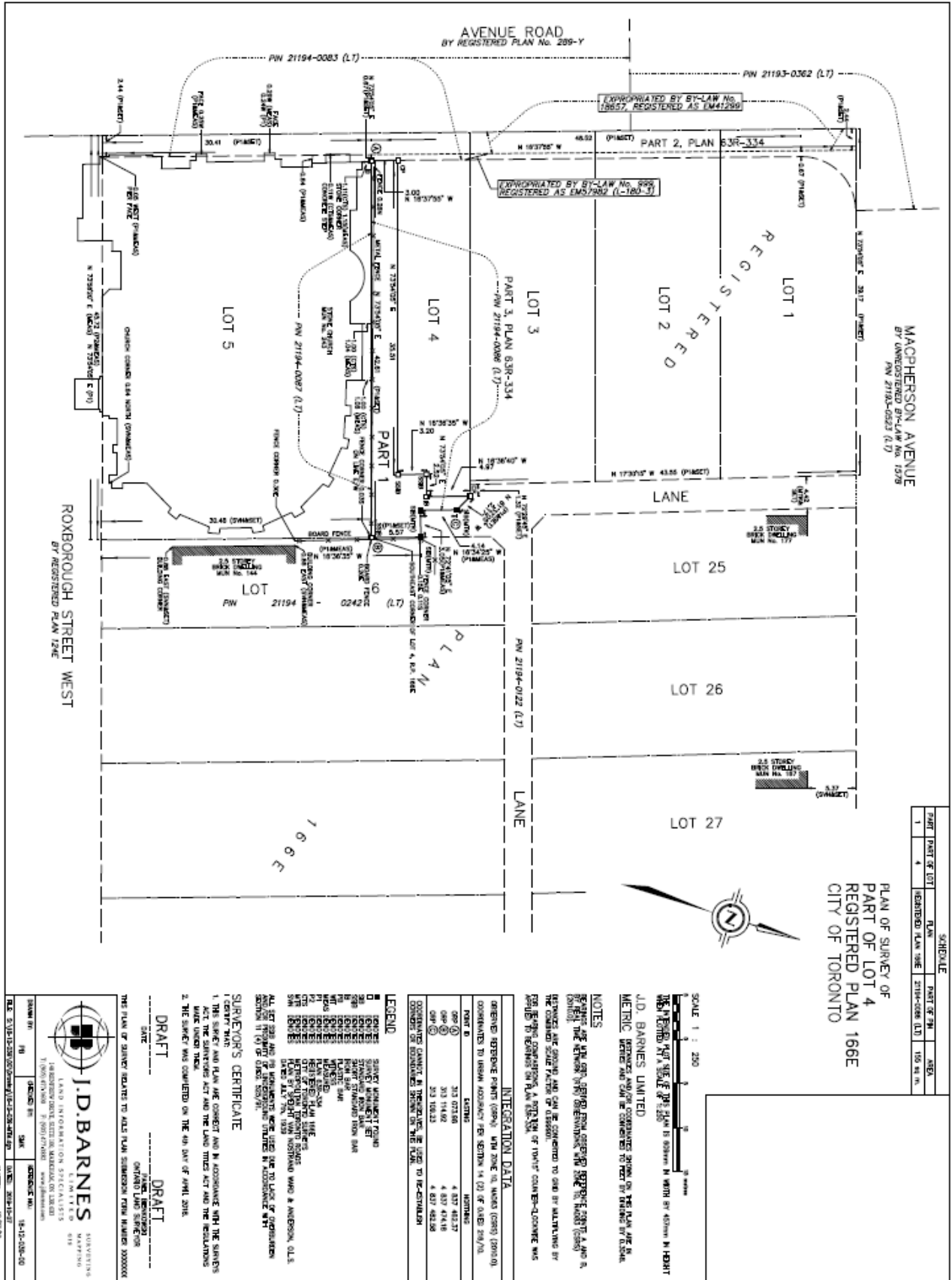
ATTACHMENTS

Appendix A – Legal Description of Easement Lands
Appendix B – Draft Plan of Survey
Appendix C – Location Map

Appendix A – Legal Description of Easement Lands

Municipal Address	Legal Description
255 Avenue Road, Toronto	Part of PIN 21194-0086, being Part of Lot 4, Plan 166E, shown as Part 1 on Draft Plan of Survey attached hereto in "Appendix B".

Appendix B – Draft Plan of Survey



Appendix C – Location Map

