

## City Council

### Motion without Notice

MM23.24	ACTION			Ward: 10
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**Exemption to the Policy for Policy for Accepting Potentially Contaminated Lands to be Conveyed to the City as a Condition of a Development Application Approval - Fedex Block - by Deputy Mayor Malik, seconded by Councillor Gord Perks**

*\* This Motion has been deemed urgent by the Chair.*

*\* This Motion is not subject to a vote to waive referral. This Motion has been added to the agenda and is before Council for debate.*

### Recommendations

Deputy Mayor Malik, seconded by Councillor Gord Perks, recommends that:

1. City Council exempt the parcel of lands shown as Parts 3, 4 and 5 on Reference Plan 66R-32887 required to be conveyed to the City for the construction of a new East-West Road from the application of the Policy for Accepting Potentially Contaminated Lands to be Conveyed to the City under the Planning Act, such that:
  - a. the City will accept the conveyance of the lands in advance of the environmental remediation of those land; and
  - b. with respect to section 5.1.2. of the Policy to allow the acceptance of a letter of credit to secure the remediation of the lands.
2. City Council direct that the exemption in Recommendation 1 is subject to satisfaction of the following conditions prior to the conveyance of those lands to the satisfaction of the Executive Director, Development Review:
  - a. the City and the owner of 215 Lake Shore Boulevard East shall enter into an agreement to secure the obligation of the owner of 215 Lake Shore Boulevard East to remediate the lands in accordance with a peer-reviewed work plan, applicable City standards, and all other requirements of the Policy;
  - b. the owner of 215 Lake Shore Boulevard East shall provide a financial security to secure the environmental remediation of the lands, in accordance with a peer-reviewed cost-estimate.
3. City Council authorize staff to incorporate the above process and requirements into the subdivision agreement for 215 Lake Shore Boulevard East.

## Summary

The block between Lake Shore Boulevard East to the north, Queens Quay East to the south, Richardson Street to the west and Lower Sherbourne Street to the east is referred to as the Fedex Block. The block is comprised of three private sites and a City-owned piece of land, running east to west across the site which is a former Rail Spur “the former Rail Spur Lands”.

At its meeting on February 3, 2016, City Council authorized a land exchange for the Fedex Block, where land for the widening of Lower Sherbourne Street would be conveyed to the City, in exchange for access to the former Rail Spur lands to the owner of the FedEx site (the “Decision”), for the purpose of constructing a new east-west road (the “East-West Road”). The Decision can be found here:

<https://secure.toronto.ca/council/agenda-item.do?item=2016.CC12.13>

The intent of the Decision was to:

- enable the delivery the East-West Road connecting Richardson Street and Lower Sherbourne Street east to west, between Lakeshore Boulevard East to the north and Queen’s Quay East to the south, and to provide access to 215 Lakeshore Boulevard East to the north of the East-West Road, and 162 Queen’s Quay East and 178 Queen’s Quay East to the south of the East-West Road; and
- convey lands from each of 215 Lake Shore Boulevard East and 178-180 Queens Quay East into City ownership to allow for the widening of Lower Sherbourne Street.

The City and owners of 215 Lake Shore Boulevard East and 178-180 Queen’s Quay East have made efforts to implement the Decision through a three-party land exchange agreement, but have not successfully come to terms since the Decision was made in 2016. The issue of access to 162 Queen’s Quay East has become increasingly urgent as development on the site is nearly completed. Accordingly, an alternative approach to implementing the Decision is necessary at this time.

The alternative approach would implement the intent of the Decision through a land exchange agreement and a subdivision agreement with the owner of 215 Lake Shore Boulevard East, who would then be obligated to convey lands in their ownership, and cause the conveyance of lands in the ownership of 178-180 Queens Quay East to the City. Remediation of the land conveyed by the owner of 178-180 Queens Quay East could be undertaken by the owner of 215 Lake Shore Boulevard East, only after conveyance to the City, because the owner of 215 Lake Shore Boulevard East would not have a legal right of access to those lands until then. The owner of 215 Lake Shore Boulevard East would also provide a letter of credit to the City for the cost of remediation, to secure the performance of the work.

In order to proceed with this alternative approach, an exemption to the City’s Policy for Accepting Potentially Contaminated Lands to be Conveyed to the City as a Condition of a Development Application Approval (the “Policy”) is needed. The exemption would permit the remediation of the lands to occur following conveyance to the City and would permit City staff to accept a letter of credit to secure the completion of the remediation work. All other standards and requirements within the Policy would continue to apply, and the owner of 215 Lake Shore Boulevard East would be bound to complete the work in accordance with a peer reviewed remediation action plan.

Reason for urgency: The motion is urgent as all development on the Fedex block relies on the future east-west road for access to each respective site. The development on 162 Queens Quay East is nearing completion, relying the delivery of the east-west road to occupy the building.

## **Background Information (City Council)**

Member Motion MM23.24

(<https://www.toronto.ca/legdocs/mmis/2024/mm/bgrd/backgroundfile-250473.pdf>)