

REPORT FOR ACTION WITH CONFIDENTIAL ATTACHMENT

Amendment to Non-Competitive Purchase Order 6055315 with Osler, Hoskin and Harcourt LLP for Legal Services for Union Station

Date: June 27, 2025

To: General Government Committee

From: Executive Director, Corporate Real Estate Management, and the Chief

Procurement Officer

Wards: 10 - Spadina-Fort York

REASON FOR CONFIDENTIAL INFORMATION

This report is about litigation that affects the City of Toronto.

SUMMARY

The purpose of this report is to seek authority from City Council authority to amend the Non-Competitive Purchase Order 6055315 with Osler, Hoskin and Harcourt LLP ("Osler") for the provision of legal services at the Ontario Land Tribunal (OLT) on behalf of the City related to Metrolinx's expropriation of a portion of lands at Union Station in the amount of \$174,111 net of all applicable taxes and charges (\$177,176 net of Harmonized Sales Tax increasing the overall value of the Purchase Order from \$599,895 net of all applicable taxes and charges (\$610,453 net of Harmonized Sales Tax recoveries) to \$774,006 net of all applicable taxes and charges (\$787,629 net of Harmonized Sales Tax recoveries).

Osler's services were retained in response to the expropriation of land by Metrolinx at Union Station, related to their Union Station Enhancement Project ("USEP"), Package 1, for a new south concourse. Metrolinx took possession of the expropriated lands on July 15, 2020.

A final purchase order amendment is necessary to pay Osler for the services rendered representing the City in legal matters and negotiations which concluded in a settlement agreement between the City and Metrolinx in December 2024. No further amendments to this purchase order will be required in the future.

RECOMMENDATIONS

The Executive Director, Corporate Real Estate Management and the Chief Procurement Officer recommend that:

- 1. City Council, in accordance with Section 71-11.1.C of City of Toronto Municipal Code Chapter 71 (Financial Control By-Law), grant authority to the Executive Director, Corporate Real Estate Management, to amend the Purchase Order 6055315 with Osler, Hoskin and Harcourt LLP for the provision of legal services at the Ontario Land Tribunal (OLT) on behalf of the City related to Metrolinx's expropriation of a portion of lands at Union Station, increasing the contract value by \$174,111 net of all applicable taxes and charges (\$177,176 net of Harmonized Sales Tax recoveries), revising the current contract value from \$599,895 net of all applicable taxes and charges (\$610,453 net of Harmonized Sales Tax recoveries) to \$774,006 net of all applicable taxes and charges (\$787,629 net of Harmonized Sales Tax recoveries).
- 2. City Council, direct that all the information contained in Confidential Attachment 1 remain confidential in its entirety, as it contains information about litigation that affects the City of Toronto.

FINANCIAL IMPACT

The total value of the purchase order amendment identified in this report is \$174,111 net of all taxes and charges (\$177,176 net of Harmonized Sales Tax recoveries), increasing the purchase order value from \$599,895 net of all taxes and charges (\$610,453 net of Harmonized Sales Tax recoveries) to \$774,006 net of all applicable taxes and charges (\$787,629 net of Harmonized Sales Tax recoveries).

Funding for this amendment is included in the 2025 Corporate Real Estate Management's Operating Budget.

Funding details are summarized in Table 1 below.

Table 1: Financial Impact Summary (net of HST recoveries)

| Purchase Order Number | Cost Centre/Cost Element | Amendment Amount |
|-----------------------|--------------------------|---------------------|
| 6055315 | FA3078/4010 | \$177,176 |
| Amendment Total | | \$177,176 |

Additional details are outlined in Confidential Attachment 1.

The Chief Financial Officer and Treasurer has reviewed this report and agrees with the information included in the Financial Impact section.

DECISION HISTORY

At its meeting of September 30, 2020, City Council adopted EX16.6 "Union Station Enhancement Project, Package 1 - Update on Metrolinx Expropriation and Design and Construction Agreement" outlining the details of Metrolinx's expropriation of City-owned land at Union Station and presenting the results of negotiations between City staff and Metrolinx on the necessary agreements for the design and construction of Metrolinx's Union Station Enhancement Project (USEP), Package 1, for a new south concourse. https://secure.toronto.ca/council/agenda-item.do?item=2020.EX16.6

At its meeting of October 9 and 10, 2024, City Council adopted CC22.4 "Union Station Enhancement Project, Package 1 - Metrolinx Expropriation" outlining the confidential instructions to staff including advice and information regarding the Metrolinx's expropriation of City-owned land at Union Station.

https://secure.toronto.ca/council/agenda-item.do?item=2024.CC22.4

COMMENTS

Background

As part of Metrolinx's Union Station Enhancement Project ("USEP"), Package 1, for a new south concourse at Union Station, Metrolinx expropriated portions of Union Station. Metrolinx took possession of the expropriated lands and a temporary easement on July 15, 2020. In early April 2020, Metrolinx served statutory Offers of Compensation on the City. Osler's services were retained on May 20, 2020, to support the City in its proceedings at the Ontario Land Tribunal for the expropriation of land at Union Station.

In June 2022, the City accepted a partial payment on a without prejudice basis to the right to claim further compensation.

The original purchase order was amended by staff in 2023 and in 2024 increasing the spending limits within the authority provided by the Toronto Municipal Code Chapter 71 (Financial Control By-Law) permitting the City to continue the negotiation proceedings with Metrolinx. The negotiations were extensive and required immediate response as both the City and Metrolinx worked towards a negotiated settlement, and Osler's uninterrupted services were necessary.

Rationale for Purchase Order Amendment

A final purchase order amendment is necessary to pay Osler for the services rendered representing the City in legal matters and negotiations which concluded in a settlement agreement between the City and Metrolinx in December 2024. No further amendments to this purchase order will be required in the future.

Additional details are outlined in Confidential Attachment 1.

CONTACT

Scott Barrett, Director, Property Management and Key Assets, Corporate Real Estate Management, 416-338-2361, Scott.Barrett@toronto.ca

Marianne Gonzalez Angulo, Acting Manager, Purchasing Client Services, Purchasing and Materials Management, 416-338-3109, Marianne.GonzalezAngulo@toronto.ca

SIGNATURE

Patrick Matozzo
Executive Director, Corporate Real Estate Management

Geneviève Sharkey Chief Procurement Officer

ATTACHMENTS

Confidential Attachment 1 - Confidential Information