

Expropriation of 1430 Gerrard Street East - Request for Directions Regarding Ontario Land Tribunal Hearing

Date: April 14, 2026

To: City Council

From: City Solicitor

Wards: Ward 14 - Toronto-Danforth

REASON FOR CONFIDENTIAL INFORMATION

This report contains advice or communications that are subject to solicitor-client privilege. This report contains information regarding potential litigation.

SUMMARY

On February 6 and 7, 2024, City Council authorized the expropriation of the property municipally known as 1430 Gerrard Street East (the "Property") which are lands comprised of approximately 9,135 square feet, for municipal purposes including Permanent Affordable Rental Housing (the "Project").

On April 29, 2024, the City registered Plan AT6560961 which expropriated the fee simple interest in the Property.

The Property is located on the north side of Gerrard Street East and west of Coxwell Avenue. At the time of the expropriation, the Property was leased by the owner to the City of Toronto and sub-leased to a non-profit provider of transitional housing.

Parties with security interests in the Property, namely Dramel Limited, Empire Capital Inc., and His Majesty The King In Right of Canada as Represented by the Minister of National Revenue (collectively, the "Security Interest Holders"), have filed claims against the City in respect of their interests. A two-week hearing at the Ontario Land Tribunal has been scheduled to commence on May 17, 2027.

This report deals with litigation that affects the City and contains advice or communications that are subject to solicitor-client privilege.

RECOMMENDATIONS

The City Solicitor recommends that:

1. City Council adopt the recommendations contained in Confidential Attachment 1 to this Report.
2. City Council direct that all information contained in Confidential Attachment 1, including the confidential recommendations, is to remain confidential at the discretion of the City Solicitor as it contains advice and information which is subject to solicitor-client privilege.

FINANCIAL IMPACT

The financial impact is discussed in Confidential Attachment 1 to this report.

DECISION HISTORY

At its meeting of March 9, 2022, City Council adopted the recommendations contained within Item 2022.PH31.4 titled "Creating Transitional and Supportive Housing Opportunities at 1430 Gerrard Street East - Authority to Sublease, Exempt Property Taxes and Initiate Expropriation Proceedings" authorizing the Director, Real Estate Services, to continue negotiations for the acquisition of the Property and to initiate the expropriation process, if necessary.

<https://secure.toronto.ca/council/agenda-item.do?item=2022.PH31.4>

At its meeting of February 6 and 7, 2024, City Council adopted the recommendations contained within Item 2024.GG9.12 titled "Expropriation of 1430 Gerrard Street East for Permanent Affordable Rental Housing - Stage 2", thereby approving the expropriation of the Property, and authorizing staff to take all necessary steps to comply with the *Expropriations Act* for the purpose of the expropriation.

<https://secure.toronto.ca/council/agenda-item.do?item=2024.GG9.12>

COMMENTS

This report has been prepared in consultation with staff from Corporate Real Estate Management, Corporate Finance, and the Housing Secretariat.

The Security Interest Holders have made claims against the City for damages and interest.

The City Solicitor requires further instructions. This report is about litigation before the Ontario Land Tribunal and contains advice or communications that are subject to solicitor-client and litigation privilege. Confidential Attachment 1 to this report contains confidential advice and should be considered by City Council *in camera*.

CONTACT

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SIGNATURE

Wendy Walberg
City Solicitor

ATTACHMENTS

1. Confidential Attachment 1 - Confidential Recommendations and Confidential Information