

Approved pursuant to the Delegated Authority contained in Article 1 of City of Toronto Municipal Code Chapter 213, Real Property

Prepared By:	Eric Allen	Division:	Corporate Real Estate Management
Date Prepared:	30-MAY-2024	Phone No.:	416-392-1852
Purpose:	<p>1. To declare surplus the City-owned parcel of land located at 275 Merton Street and, if acquired by the City of Toronto (the "City"), 267 Merton Street, for the purpose of the invitation of an offer of a 99-year lease of the lands, for nominal consideration, from the parent company of the owner of 267 Merton Street for the purpose of constructing purpose-built rental housing with affordable rental housing units.</p>		
Property:	<p>(1) The City-owned lands known as 275 Merton Street, and legally described as PCL 152-1 SEC M5; PT LT 152 S/S MERTON ST PL M5 TORONTO FIRSTLY: COMM AT THE N ELY ANGLE OF THE SAID LT; THENCE WLY ALONG THE NLY LIMIT OF THE SAID LT, 50 FT; THENCE SLY, PARALLEL, TO THE ELY LIMIT OF SAID LT, 118 FT, MORE OR LESS, TO A POINT, DISTANT 59 FT, MEASURED NLY FROM THE SLY LIMIT OF THE SAID LT; THENCE ELY, PARALLEL, TO THE SLY LIMIT OF THE SAID LT, 50 FT, MORE OR LESS, TO THE ELY LIMIT OF THE SAID LT; THENCE NLY ALONG THE ELY LIMIT OF THE SAID LT, 117 FT, MORE OR LESS, TO THE POB; SECONDLY: COMM IN THE SLY LIMIT OF MERTON ST, 50 FT W OF THE N E ANGLE OF SAID LT 152; THENCE SLY AND PARALLEL TO THE ELY LIMIT OF SAID LT, 118 FT, MORE OR LESS, TO A POINT, DISTANT 59 FT, MEASURED NLY FROM THE SLY LIMIT OF SAID LT; THENCE WLY, PARALLEL TO THE SLY LIMIT OF THE SAID LT, 50 FT, MORE OR LESS TO THE WLY LIMIT OF SAID LT; THENCE NLY ALONG THE WLY LIMIT OF THE SAID LT, 118 FT, MORE OR LESS, TO THE N W ANGLE OF SAID LT; THENCE ELY ALONG THE NLY LIMIT OF SAID LT, 50 FT, MORE OR LESS, TO THE POB; TORONTO, CITY OF TORONTO, being all of PIN 21123-0010 (LT); and, PCL 151-1 SEC M5; PT LT 151 S/S MERTON ST PL M5 TORONTO COMM AT THE N W ANGLE OF SAID LT; THENCE SLY ALONG THE WLY LIMIT OF THE SAID LT, 117 FT, MORE OR LESS, TO A POINT DISTANT 59 FT NLY FROM THE S W ANGLE OF THE SAID LT; THENCE ELY, CURVING TO THE RIGHT ON A RADIUS OF 1560 FT FROM A CENTRE SITUATED S OF THE LAND HEREIN DESCRIBED, 101 FT, MORE OR LESS, TO THE ELY LIMIT OF SAID LT, AT A POINT DISTANT 55 FT NLY FROM THE S E ANGLE OF THE SAID LT; THENCE NLY ALONG THE ELY LIMIT OF THE SAID LT, 120 FT, MORE OR LESS, TO THE N E ANGLE OF THE SAID LT; THENCE WLY ALONG THE NLY LIMIT OF THE SAID LT; 100 FT, MORE OR LESS, TO THE POB; TORONTO, CITY OF TORONTO, being all of PIN 21123-0011 (LT); and,</p> <p>(2) If acquired by the City, the lands known as 267 Merton Street, and legally described as PCL 2073 SEC N TORONTO; PT LT 153 S/S MERTON ST PL M5 TORONTO COMM AT THE NE ANGLE OF THE SAID LT; THENCE SLY ALONG THE ELY LIMIT OF THE SAID LT, 118 FT, MORE OR LESS, TO A POINT DISTANT NLY 59 FT FROM THE SE ANGLE THEREOF; THENCE WLY PARALLEL WITH THE SLY LIMIT OF THE SAID LT, 50 FT, MORE OR LESS, TO THE LINE DIVIDING THE SAID LT INTO THE E AND W HALVES; THENCE NLY ALONG THE SAID LINE 118 FT 6 INCHES, MORE OR LESS, TO THE SLY LIMIT OF MERTON ST; THENCE ELY ALONG THE SAID LIMIT, 50 FT, MORE OR LESS TO THE POC; TORONTO, CITY OF TORONTO, being all of PIN 21123-0021 (LT), as shown on Appendix "A".</p>		
Actions:	<ol style="list-style-type: none"> The Properties be declared surplus for the purpose of a 99-year lease for the lands at the Properties with Markee Missing Middle (Merton) Limited Partnership, for nominal consideration, for the purpose of constructing purpose-built rental housing, including a minimum target of 30% affordable rental units. Notice be published in a newspaper in circulation in the area of the Properties and be posted on the City's website. All steps necessary to comply with the City's real estate disposal process, as set out in Chapter 213 of the City of Toronto Municipal Code, be taken. 		
Financial Impact:	<p>The intended method of disposal is by 99-year land lease for nominal consideration. The Properties are proposed to be leased to Markee Missing Middle (Merton) Limited Partnership for the purpose of achieving the City's affordable housing objectives. Notwithstanding that the related compensation may exceed \$5 million, the estimated value of the rental savings that will be realized by tenants of the affordable housing units is appropriate compensation when assessing whether a proposed transaction reflects market value.</p> <p>The Chief Financial Officer and Treasurer has reviewed this DAF and agrees with the financial impact information.</p>		
Background:	<p>The owner of 267 Merton Street, a subsidiary of Markee Missing Middle (Merton) Limited Partnership, approached the City to sell the property to the City and enter into a long-term (99-year) lease for the Properties with the City for the purpose of constructing purpose-built rental housing; lease terms include provision for costs of relocating current Toronto Water uses at 275 Merton Street.</p>		
Comments:	<p>A circulation to the City's Divisions and Agencies was undertaken to ascertain whether or not there is any municipal interest in retaining the Property. No municipal interest was expressed; the Housing Secretariat is satisfied with the proposal to construct affordable housing at the Property. Accordingly, it is appropriate that the Property be declared surplus. The Technical Review Committee has reviewed this matter and concurs.</p>		
Property Details:	Ward:	Ward 4 - Toronto-St. Paul's	
	Assessment Roll No.:	190410301002300 and 190410301002200	
	Approximate Size:	61.9 m x 36 m ± (200.43 ft x 118.2 ft ±)	
	Approximate Area:	2200.9 m ² ± (23690 ft ² ±)	
	Other Information:		
		<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No Lands are located within the Green Space System or the Parks & Open Space Areas of the Official Plan.	

Pre-Conditions to Approval:

- (1) **Highways** - The General Manager of Transportation Services has concurred in the Highway being declared surplus conditional upon City Council approving the permanent closure of the Highway.
- (2) **Lands located within the Green Space System and the Parks & Open Space Areas of the Official Plan** - The Chief Planner & Executive Director of City Planning and the General Manager of Parks, Forestry & Recreation have confirmed that the land being exchanged is (i) nearby land of equivalent or larger area, and (ii) of comparable or superior green space utility.

Deputy City Manager, Corporate Services has approval authority for:

- (1) declaring land surplus and approving the intended manner or process by which the sale of the land will be carried out, provided that the local Councillor does not require the matter to be determined by Council through the appropriate standing committee (§ 213-1.6).
 - Councillor does not require the declaration of surplus or the intended manner or process by which the sale of the land will be carried out to be determined by Council.
- (2) determining the method of giving notice to the public, following consultation with the local Councillor (§ 213-1.7).
 - Councillor has been consulted regarding method of giving notice to the public.
- (3) exempting sales to the following public bodies from the requirement for an appraisal, provided that the local Councillor (or if the land abuts other wards, the local Councillors) does not require the determination to be made by Council (§ 213-1.4):
 - (a) a municipality
 - (b) a local board, including a school board and a conservation authority
 - (c) the Crown in right of Ontario or Canada and their agencies
 - n/a Councillor(s) agrees with exemption from appraisal. **[Revise box to an x if any of (3)(a)-(c) applies.]**
- (4) exempting the sale of land in the following classes from the requirement for an appraisal and/or for notice to the public, provided that the local Councillor(s) (if the land abuts other wards) does not require the determination to be made by Council (§ 213-1.5):
 - (a) land 0.3 metres or less in width acquired in connection with an approval or decision under the *Planning Act*
 - (b) closed highways if sold to an owner of land abutting the closed highways
 - (c) land formerly used for railway lines if sold to an owner of land abutting the former railway land
 - (d) land does not have direct access to a highway if sold to the owner of land abutting that land
 - (e) land repurchased by an owner in accordance with section 42 of the *Expropriations Act*
 - (f) easements
 - n/a Councillor(s) agrees with exemption from appraisal. **[Revise box to an x if any of (4)(a)-(f) applies.]**
 - n/a Councillor(s) agrees with exemption from notice to the public. **[Revise box to an x if any of (4)(a)-(f) applies.]**
- (5) revising the intended manner of sale.
- (6) rescinding the declaration of surplus authority.

Title	Date	Recommended/ Approved
Manager, Real Estate Services Niall Robertson	May 30, 2024	Signed by Niall Robertson
Director, Real Estate Services Alison Folosea	May 31, 2024	Signed by Alison Folosea
Executive Director, Corporate Real Estate Management Patrick Matozzo	May 31, 2024	Signed by Patrick Matozzo
Deputy City Manager, Corporate Services David Jollimore	June 3, 2024	Signed by David Jollimore
Return to: Eric Allen (eric.allen@toronto.ca) DAF 2024-114		

Consultation with Councillor(s):					
Councillor:	Josh Matlow				
Contact Name:	Andrew Athanasiu				
Contacted by	Phone	<input checked="" type="checkbox"/>	E-mail	Memo	Other
Comments:					
Councillor:					
Contact Name:					
Contacted by	Phone		E-mail	Memo	Other
Comments:					

Consultation with other Division(s):			
Division:	CREM PMO / Housing Secretariat	Division:	Finance
Contact Name:	Ryan MacNeil / Noah Slater	Contact Name:	Ciro Tarantino
Comments:		Comments:	
Real Estate Law Contact:	Bronwyn Atkinson	Date:	07-May-2024

APPENDIX "A"
Location Map



Source: <https://map.toronto.ca/torontomaps/>

