



# STAFF REPORT FOR ACTION with Confidential Attachment

## TTC Surplus Land Review

<b>Date:</b>	September 28, 2016
<b>To:</b>	TTC Board
<b>From:</b>	Chief Executive Officer
<b>Reason for Confidential Information:</b>	This report is about a proposed or pending acquisition or disposition of land for municipal or local board purposes.

## Summary

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This report provides a listing of vacant, unused, and non-TTC occupied properties and also provides a listing of TTC occupied properties that have air-rights redevelopment potential. This report outlines the policies and procedures that TTC follows in declaring properties surplus to its needs. Details of historical transactions with Build Toronto, including the 2009 declaration of 11 TTC properties as surplus are further explained.

## Recommendations

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### It is recommended that the Board:

1. Direct staff to report back to the Board in Q2 of 2017 with recommendations regarding the properties as listed in Tables 1, 2, and 3 of Attachment 1- Confidential Information that can be declared surplus to the operational needs of the TTC.
2. Direct staff to review the operational requirements of the properties listed in Table 4 of Attachment 1- Confidential Information and, in consultation with City Real Estate Services and Build Toronto, report back to the Board with a plan for the redevelopment of these properties, if feasible.
3. Not authorize the public release of the information contained in Attachment 1 – Confidential Information until the properties have been formally declared surplus by the TTC.

## **Financial Impact**

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In accordance with the City of Toronto's Principles of a City Real Estate Strategy, TTC does not benefit financially from any transfer to an Agency, Board, Commission, or Division ("ABCD") of the City, nor any sale to a third party or the redevelopment of its property. If the property is transferred from the TTC to Build Toronto and the property is sold, Build Toronto collects the revenue from the sale of the property and provides the City with a dividend payment. Build Toronto is responsible to manage the property and the revenue generated, along with the associated costs arising from the property transferred to it. ABCDs that are affected by the transfer of revenue generating properties will need appropriate adjustments to their annual operating budgets.

Multiple properties outlined in Attachment 1 generate revenue for the TTC by way of lease and/or air-rights agreements. Any transfer of these properties would require an offsetting increase to future TTC operating budgets. Furthermore, the redevelopment of TTC property may have an impact on TTC's capital and operating budgets due to the nature of the development of the property.

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

## **Accessibility/Equity Matters**

The recommendations within this report have no accessibility or equity issues.

## **Decision History**

At its meeting of August 27, 2008 the Board approved the "Development of Transit Properties 'Work Plan'" report. This report approved the examination of potential redevelopment of TTC property.

[https://www.ttc.ca/About\\_the\\_TTC/Commission\\_reports\\_and\\_information/Commission\\_meetings/2008/Aug\\_27\\_2008/Other/Development\\_Of\\_Trans.jsp](https://www.ttc.ca/About_the_TTC/Commission_reports_and_information/Commission_meetings/2008/Aug_27_2008/Other/Development_Of_Trans.jsp)

At its meeting of April 27, 2009 the Board approved the "Build Toronto – Transit Properties" report. This report, amongst other recommendations, declared 11 properties surplus to the TTC, and approved the transfer or turnover of these properties to the City of Toronto.

[https://www.ttc.ca/About\\_the\\_TTC/Commission\\_reports\\_and\\_information/Commission\\_meetings/2009/Apr\\_27\\_2009/Supplementary\\_Reports/BUILD\\_TORONTO\\_-\\_TRAN.pdf](https://www.ttc.ca/About_the_TTC/Commission_reports_and_information/Commission_meetings/2009/Apr_27_2009/Supplementary_Reports/BUILD_TORONTO_-_TRAN.pdf)

At its meeting of May 25-27, 2009 City Council approved the "Principles of a Real Estate Strategy and Declaration of Surplus for Sale/Transfer or Turnover to Build Toronto" report. This report amongst other recommendations requested the TTC to concur that those properties

registered in the name of TTC (having been identified and determined by TTC as no longer required for its operations), be made available to Build Toronto, in the same manner as properties registered in the name of the City, subject to approval and execution by the TTC of a transfer or turnover agreement acceptable to the TTC.

<http://app.toronto.ca/tmmis/viewAgendaItemHistory.do?item=2009.EX32.5>

At its meeting of November 23, 2015 the Board moved the following motion:

Report back in Q3 2016 with a list of all unused, vacant, and non-TTC occupied properties and lands owned by the TTC and after consulting Build Toronto and the Toronto Real Estate Services Division identify any properties which could be deemed surplus by the TTC.

[https://www.ttc.ca/About\\_the\\_TTC/Commission\\_reports\\_and\\_information/Commission\\_meetings/2015/December\\_16/Minutes/Minutes\\_November\\_23%2C\\_2015.pdf](https://www.ttc.ca/About_the_TTC/Commission_reports_and_information/Commission_meetings/2015/December_16/Minutes/Minutes_November_23%2C_2015.pdf)

## **Issue Background**

Following the City's Principles of Real Estate Strategy, once a property (held in TTC title or is under TTC operational management) is declared surplus by the TTC, the property is then offered to all ABCD's of the City, including Build Toronto. If there is no interest in the use of a given property by any ABCD, and it is determined that the property will be transferred or turned over to Build Toronto for redevelopment purposes, the TTC will enter into an agreement with Build Toronto for the subject property. The relevant agreement will set out the conditions that are required by the TTC in order to protect for its ongoing and future transit operational requirements, on the subject property, if applicable.

In 2009, the TTC and City Council declared 11 properties surplus to the TTC for transfer or turnover to Build Toronto. To date, five of the 11 properties have been formally transferred to Build Toronto, four of which have been sold by Build Toronto for redevelopment purposes. The remaining six properties will continue to be held in TTC/City ownership until they are formally transferred or turned over to Build Toronto.

## **Comments**

A search of TTC properties (TTC title/owned and jurisdiction) through the City of Toronto Real Estate Services has been carried out. This search produced 267 City-owned property records and 42 TTC/private-owned property records. From these properties, staff arranged the listing to provide properties that are vacant, unused, or not occupied by the TTC. A TTC Consultant has also carried out a study of the TTC occupied properties that present value potential including air-rights redevelopment. Attachment 1 contains four tables that outline these findings.

## **Contact**

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## **Attachments**

Attachment 1 – Confidential Information

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