

TORONTO TRANSIT COMMISSION REPORT NO.

MEETING DATE: July 14, 2010

SUBJECT: DECLARE SURPLUS – 4759 & 4789 YONGE STREET

ACTION ITEM

RECOMMENDATION

It is recommended that the Commission declare surplus to its operating requirements the portions of the Yonge—Sheppard station lands identified as Parts 18, 20, 21, 22 and 23 on Plan 66R–24871 attached as Appendix 1 and further defined in Schedule H to the Section 37 agreement dated June 1, 2010 between the City of Toronto and Hullmark Centre Inc. (the developer of the lands located at 4759 and 4789 Yonge Street).

FUNDING

There are no net proceeds of disposal anticipated by the Toronto Transit Commission (“TTC”) from the transfer to the City of Toronto (“City”) and subsequent exchange of lands by the City of Toronto for TTC subway facilities in accordance with an undertaking provided by Hullmark Centre Inc. (the “Developer”), as part of the Section 37 agreement between the Developer and the City. The Developer will bear the costs associated with the land exchange.

BACKGROUND

Property was acquired by the former Metro Toronto on TTC’s behalf to construct the southeast open stairwell entrance on Yonge Street to Sheppard station, the emergency exit building and various ventilation shafts for the Yonge--Sheppard subway station as part of the Yonge and Sheppard subway lines. The Developer is proposing to develop a mixed-use commercial retail, office and condominium complex at 4759 and 4789 Yonge Street. In order to facilitate the redevelopment of the site, the Developer, through negotiations with the TTC and the City of Toronto as part of the planning approval process, has agreed to provide TTC with two entrance connections and new ventilation shafts, at its cost, for the Yonge and Sheppard subway lines at the Yonge—Sheppard subway station as well as easements over the development lands and a stratified fee interest in land to the City of Toronto for lands housing TTC’s subway structures and facilities. The Commission previously approved the entrance connections and entry into entrance connection agreements with the Developer at its meeting of March 24, 2010.

DISCUSSION

The surplus property consists of a rectangular parcel of land on Yonge Street containing the open stairwell entrance to the Yonge—Sheppard subway station [Part 18 (17.9 m² at grade) and Part 20 (23.8 m² at grade)]; an irregularly shaped parcel of land containing the TTC’s emergency exit building and ventilation shaft on Sheppard Avenue [Part 23 (193.4 m² at grade)]; and a rectangular parcel of land on Yonge Street containing a ventilation shaft for Yonge—Sheppard station and the Yonge subway line [Part 21 (10.7 m² at grade) and Part 22 (10.7 m² at grade)], as set out on Plan 66R–24871 attached as Appendix 1.

The City will exchange this land on behalf of the TTC for land held by the Developer at the site of the proposed development in accordance with the Undertaking given by the Developer, for a stratified fee interest and easements for the existing wye; an air pressure relief shaft located at the southwest corner of the proposed development; a pedestrian tunnel and future fully accessible elevator to be connected to an entrance connection located at the southwest corner of the development; land in fee simple for new and reconstructed ventilation shafts along Yonge Street and Sheppard Avenue; and an entrance connection to the Sheppard line located at the northeast corner of the development.

The land exchange is further defined in the Undertaking attached as Schedule H to the Section 37 agreement dated June 1, 2010 between the City of Toronto and the Developer.

The City of Toronto has secured performance of the Developer’s obligations through the Section 37 agreement referenced above. The obligations will be further defined and secured under a construction agreement, an entrance connection agreement, a reciprocal easement and maintenance agreement to be entered into by the TTC and the Developer for the construction of the proposed development, pedestrian tunnels, air pressure relief ventilation shaft, relocated and reconfigured ventilation shafts and entrance connections.

JUSTIFICATION

The exchange of lands with the Developer to facilitate construction of the proposed development is of net benefit to TTC. The City of Toronto will hold stratified fee interest in the land in which the subway facilities are located. TTC patrons will benefit from the provision of the entrance connections. The obligations that will allow the exchange of lands to take place in future are secured by agreements made by the Developer with TTC and the City of Toronto, thereby protecting TTC’s interests and facilities until such time as construction of the new subway infrastructure has been completed.

June 25, 2010
 22-7-10
 Attachment: Appendix 1