

# STAFF REPORT ACTION REQUIRED

## Surplus Land Review Update and Declaration of Surplus TTC Properties

Date:	May 18, 2017	
То:	TTC Board	
From:	Chief Executive Officer	

### Summary

This report is a follow-up to the previous Surplus Land Review report from the Board meeting held September 28, 2016, regarding TTC surplus property and potential redevelopment properties. This report recommends declaring those properties surplus to the TTC that have no impact on TTC operations and includes the status of properties declared surplus by the TTC in 2009, which were to be transferred or turned-over to Build Toronto.

This report also summarizes the review of the usage and staff recommendation of the Roe Loop property located at 1870 Avenue Road.

#### Recommendations

#### It is recommended that:

- 1. The Board declare the following corporate real estate assets surplus to the operational needs of the TTC:
  - a. 64-70 Parliament Street;
  - b. Lands adjacent to 151 Rumsey Road; and
  - c. Northern portion of 1870 Avenue Road (Roe Loop);
- 2. The Board authorize staff to release these assets to the City of Toronto through the Property Management Committee (PMC) process, in accordance with the City of Toronto's Principles of a City Real Estate Strategy, on terms and conditions acceptable to the TTC's Head of Legal and General Counsel; and

3. The Board authorize staff to work with the local Councillor's office and appropriate City agency on the future use, method of disposal, agreements and compensation, if applicable including land swap consideration if used by TPA in the future, for the disposition of the northern portion of Roe Loop located at 1870 Avenue Road

## **Implementation Points**

In accordance with the current City of Toronto's Principles of a City Real Estate Strategy, real estate assets are to be released through the City's Property Management Committee. These assets will be considered for other municipal purposes or be made available to Build Toronto for sale or redevelopment.

The City, with its consultant Deloitte LLP, is presently completing the City-wide Real Estate Review. It is not yet established how the Real Estate Review will affect the process for declaring TTC owned property, or property under TTC's operational management, as surplus to the TTC. As such, staff will continue to work closely with City Real Estate Services to ensure the correct procedure is followed.

### **Financial Summary**

As noted in the Surplus Land Review report dated September 28, 2016, TTC does not currently benefit financially from any transfer of real estate to an ABCD of the City, 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.

Current City policy requires that any ABCDs affected by the transfer of revenue generating properties will need to make the appropriate adjustments to their annual operating budgets. At the September 28, 2016 meeting, the TTC Board approved a motion for staff to consult with the City Manager's Office and Build Toronto on the mandate and business refinements necessary to facilitate partnerships models to meet a broader range of TTC's facility, accommodation and revenue needs. Staff will report to the Board in 2017 with the results of these consultations. Furthermore, staff will report to the Board if there are impacts to TTC policies and procedures relating to property arising as a result of the City-wide Real Estate Review process as previously stated.

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 various TTC properties.

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 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

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

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

At its meeting of December 16, 2015 the Board approved the "546 Lansdowne Avenue Tamil Coop" report. This report made recommendations specifically related to the property at 546 Lansdowne Avenue.

https://www.ttc.ca/About\_the\_TTC/Commission\_reports\_and\_information/Commission\_meetings/2015/December\_16/Reports/546\_Lansdowne\_Avenue\_Tamil\_Coop.pdf

At its meeting of April 27, 2016 the Board approved the "Redevelopment of TTC Lands at Yonge-Eglinton" report. This report outlined the TTC role and endorsed the principles of the redevelopment of the TTC's property at Yonge-Eglinton.

https://www.ttc.ca/About the TTC/Commission reports and information/Commission meetings/2016/April 27/Reports/6 Redevelopment of TTC Lands at Yonge Eglinton. pdf

At its meeting of September 28, 2016 the Board approved the "Surplus Land Review" report. This report outlined those properties that are considered vacant, unused, or non-TTC occupied. The report also outlined properties which may contain air-rights redevelopment potential.

https://www.ttc.ca/About\_the\_TTC/Commission\_reports\_and\_information/Commission\_meetings/2016/September\_28/Reports/9\_TTC\_Surplus\_Land\_Review.pdf

## **Issue Background**

As a result of a Board motion from November 23, 2015, staff prepared the Surplus Land Review report dated September 28, 2016, which outlined a listing of properties that are considered vacant, unused, and non-TTC occupied. This report also outlined a number of properties that staff and TTC's consultant, Cushman & Wakefield ("CW"), consider having potential for significant air-rights redevelopment. At the September meeting the Board approved the following motions:

- Direct staff to report back to the Board in second quarter of 2017 with recommendations regarding the properties that can be declared surplus to the operational needs of the TTC;
- That staff report back with additional information on properties not on the list that were excluded for non-operational reasons, one such example being area restrictions and/or properties declared surplus to be turned over to Build Toronto in 2009 or earlier; and
- That staff report back to the Board by the second quarter 2017, on the current usage of the Roe Avenue bus loop (1870 Avenue Road) and the feasibility of declaring the property surplus.

At the September meeting, the Board approved additional motions that will be the subject of subsequent reports to the Board later in 2017.

#### Comments

#### **Surplus Properties**

The following tables contain the properties were identified as non-TTC occupied properties with either redevelopment or sale potential:

Table 1: Non-TTC Occupied Properties with Redevelopment Potential						
<b>Property Name</b>	Address	Property	Comments			
Parliament Loop	64-70 Parliament St.	Leased Property Former Bus Loop	Property leased to a third party. Potential redevelopment with no TTC operational requirements			
Rumsey Road	Adjacent to 151 Rumsey Road	Vacant Land	Consolidation/sale to an adjacent third party residential owner possible, with no TTC operational impacts			

As there would be no impact to TTC operations, staff recommends declaring the above noted properties surplus and releasing of these assets to the City of Toronto through the PMC process.

#### **2009 Build Toronto Properties**

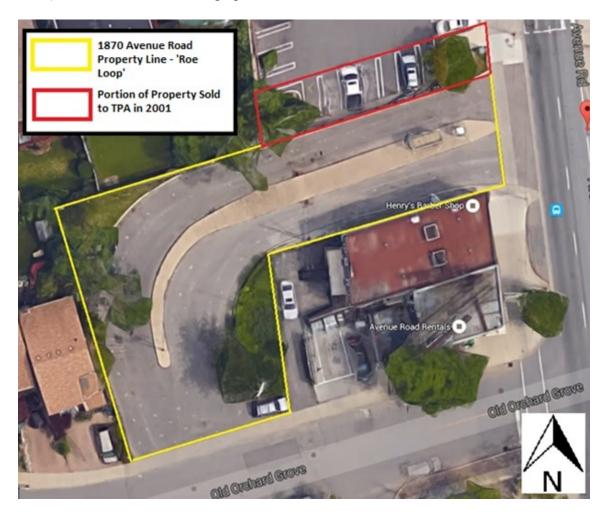
In 2009, the TTC and City Council declared 11 properties surplus to the TTC for transfer or turnover to Build Toronto. To date, five of these properties have been formally transferred to Build Toronto, four of which have been sold to third party developers. The remaining six properties will continue to be held in TTC/City ownership until they are formally transferred or turned over to Build Toronto. The following tables outline the status of all of the 11 properties declared surplus in 2009. Table 2 contains the properties that have been transferred from TTC to Build Toronto. Table 3 lists the properties that have not yet been transferred or turned over to Build Toronto. It is anticipated that redevelopment activity will occur on some of these properties within the next 5-10 years. Build Toronto has reviewed and provided input for both of the following tables.

Table 2: Properties Transferred to Build Toronto						
Property Name	Address	Property Type	Comments			
BPX Building	154 Front St.	N/A	Sold by Build Toronto			
Islington - Cordova	64-70 Cordova Ave.	N/A	Sold by Build Toronto			
Wilson - Billy Bishop	75 Billy Bishop Way	Commuter Parking Lot	Commuter parking lot operations terminated by Build Toronto. Build Toronto currently constructing a retail plaza.			
Wilson - Tippet	30 Tippet Rd.	Commuter Parking Lot	Sold by Build Toronto. TTC commuter parking lot operations continue until the use is terminated by the new owner.			
York Mills	4050 Yonge St.	N/A	Sold by Build Toronto			

Table 3: Properties Pending Transfer or Turnover to Build Toronto						
Property Name	Address	<b>Property Type</b>	Comments			
Eglinton Station & Lands	Strata Part of Part 74, Plan 66R– 20876, City of Toronto	Leased Property/Former Eglinton bus terminal/Garage	Ongoing discussions are occurring between TTC, Build Toronto, the City and Oxford regarding the future redevelopment of the TTC owned property.			
Islington Station	1240 Islington Ave.	Subway/Bus Terminal/Commuter Parking Lot/PPUDO	TTC staff has been working with Build Toronto on the proposed development concept for the property, including determination of TTC's ongoing operational requirements for the property (bus terminal, easier access, and fire ventilation). Redevelopment of this property cannot occur until Mississauga Transit (MiWay) is relocated to the Kipling Interregional Bus Terminal that is scheduled to be completed in 2019 by Metrolinx.			
Victoria Park Commuter Parking Lot	777 Victoria Park Ave.	Commuter Parking Lot/PPUDO	TTC staff has been working with Build Toronto and City Planning on the proposed redevelopment concept for the property. TTC commuter parking lot operations continue until such time as Build Toronto finalizes a redevelopment proposal, the site is transferred to Build Toronto, and the use is terminated.			
Warden - North	705 Warden Ave.	Commuter Parking Lot	Commuter parking lot to remain open until the completion of the Eglinton Crosstown construction at Kennedy Station (Scheduled 2021).			
Wilson - North	50 Wilson Heights Blvd.	Commuter Parking Lot	TTC staff has been working with Build Toronto regarding the redevelopment concept for this property. TTC commuter parking operations will continue until the use is terminated by Build Toronto following the opening of the TYSSE.			

#### 1870 Avenue Road (Roe Loop)

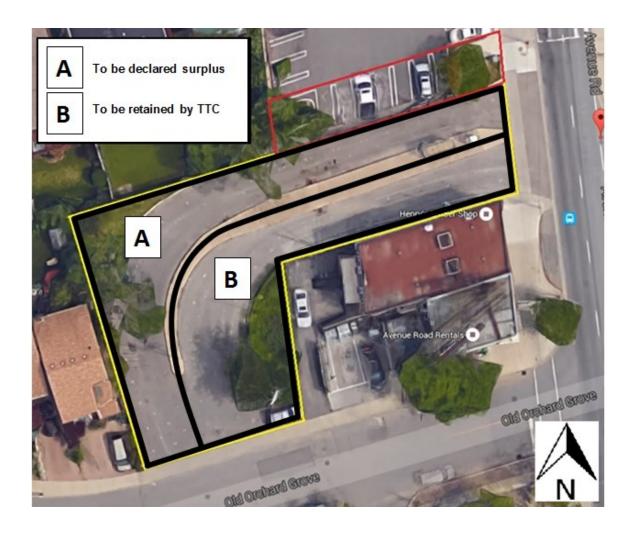
On September 28, 2016, the Board approved a motion requesting staff to review the current usage of the Roe Loop and the feasibility of declaring the property surplus. TTC presently has 63 streetcar and bus loops which provide end of route or mid-route bus and streetcar looping abilities. Roe Loop is an L-shaped bus loop property with access off of Old Orchard Grove and Avenue Road. The property is located on the west side of Avenue Road approximately 1.1 km north of Lawrence Avenue West. The property contains two drive-through lanes and totals a size of approximately 1140 sq. m. (0.28 acres), as shown on the below graphic.



Following the Board's motion of September 28, 2016, staff undertook a review of the TTC's requirements for Roe Loop. TTC has determined that it still requires some looping ability in this location as this is the only loop remaining along Avenue Road north of Eglinton Avenue West. Roe Loop is presently used for unscheduled service adjustments and emergency turn backs on an as-needed basis. The future usage of this loop may increase due to the construction of the Eglinton Crosstown LRT and station at Avenue Road and Eglinton Avenue West. Without this loop, buses would be required to loop on residential streets in order to short turn or adjust service accordingly. Looping

along residential streets can occur; however, it would negatively impact the local residents and as such is not recommended.

Given the requirement to retain this loop, staff undertook a further review to determine whether or not a portion of this property could be deemed surplus. Staff has since determined that TTC could declare half of the property as surplus. It has been determined that buses would only require one drive aisle, rather than the two presently on the property. Buses could use the loop in a counter-clockwise fashion entering off of Avenue Road and exiting back onto Old Orchard Grove. Therefore it is recommended that TTC declare the outer portion of the property as surplus, shown as parcel "A" on graphic 2 below. TTC will retain parcel "B" for the loop. Staff will continue to work with the local Councillor and the ABCD through the City's Property Management Committee process.



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