

## MEETING NOTICE

### Regular Meeting (Public Session)

**Tuesday November, 28 2017**

**6:15 pm, Location: Aird & Berlis LLP, Brookfield Place, 181 Bay Street, Suite 1800**

To: Members of the Toronto Lands Corporation

Board Members: David Crombie (Chair), Alexander Brown, Jerry Chadwick, Michael Fenn, Gerri Gershon, Avtar Minhas, Jennifer Quinn, Brenda Patterson, Sheerin Sheikh, and Steven Zakem

## AGENDA

1. Call to Order
2. Approval of Agenda
3. Declarations of Possible Conflict of Interest
4. Approval of Minutes Page 1
  - Board – September 26, 2017
5. Report No. 20 from the Finance Committee See Reports from the Finance Committee
6. Report No. 15 the Audit Committee See Reports from the Audit Committee
  - Approval of draft audited financial statements for the Toronto Lands Corporation, for its fiscal year ending August 31, 2017
7. Management Report to the Board, November 2017 Page 8  
(Rpt. # 2017-11-634)
8. 721 Royal York Easement Report Page 29  
(Rpt. # 2017-11-635)
9. Resolution into Committee of the Whole, In-Camera
10. Committee of the Whole rises and reports and reconvenes in Public
11. PwC Presentation – 7 p.m. Presentation by John Bauer and Domenic Belmonte
  - 20min followed by Q&As

See Presentation Attached

## 12. Adjournment

G03 (2018 Board Meetings/28 Nov 2017/Public)lp.8000  
Updated: Nov. 20, 2017

## **Board Meeting Report No. 47**

September 26, 2017

A regular meeting convened at 6:00 pm., Tuesday, September 26, 2017, at the office of Aird & Berlis, 181 Bay Street, Suite 1800 with David Crombie, Chair of the Board presiding.

The following members were present: Crombie, M. Fenn, G. Gershon (until 7:49 p.m.) J. Quinn, A. Minhas B. Patterson, S. Sheikh, S. Zakem

The following from TDSB were in attendance: Dan Castaldo, Senior Manager, Planning (until 6:44 p.m.)

The following members expressed regrets: J. Chadwick and A. Brown

### **1. Call to Order**

The meeting was called to order by David Crombie, Chair of the Board.

### **2. Approval of the Agenda**

J. Chadwick seconded by B. Patterson, moved:

**That the agenda be approved as distributed.**

**The motion was carried.**

### **3. Declarations of Possible Conflict of Interest**

There were no declarations of conflict of interest reported.

### **4. Approval of Minutes**

- Swim Toronto – May 16, 2017
- Finance – May 16, 2017
- Board – May 16, 2017
- Audit – June 13, 2017
- Nominating and Governance – June 13, 2017
- Board – June 13, 2017

**B. Patterson seconded by S. Sheikh moved that the Minutes be approved as distributed.**

**The motion was carried**

## **5. CEO Report, September 2017**

D. Sage highlighted the following:

### **Baycrest**

Site was declared site surplus to serve the TCDSB's needs in this area. The site was referred to the TLC for disposition effective June 20, 2018. The Baycrest school and child care centre will be relocated to the former Sir Sandford Fleming building. A closing date of April 2019 was established with the possibility of a lease back from the TCDSB should there be delays in construction.

### **Greenwood**

Site was declared surplus for lease by the TDSB at its June 21<sup>st</sup> board meeting. The TDSB Board report supporting the surplus declaration indicated an interest by the French Public Board (CSV). In late September, the French Board approved a motion to proceed with entering into a satisfactory lease arrangement.

### **Buttonwood**

Site was declared surplus for sale in February 2017, with TCDSB submitting an expression of interest. TLC submitted an offer at the appraised value. TCDSB responded by the indicating they intend to request arbitration on the appraised value, but have agreed to all other terms and conditions.

Buttonwood is also currently occupied by a daycare and a private school, and in which TLC has served termination notice. TDSB staff has agreed to relocate the day care however there are some complications due to the tenant's for-profit status and revised municipal and provincial policies related to childcare funding.

One of the Directors asked a question with respect to On. Reg. 444/98 and if it allows for arbitration? It was noted that the regulation does allow for arbitration following the 180<sup>th</sup> day but only the purchaser can opt for arbitration. Furthermore, it was stated that this is the first time the TLC and TDSB have engaged in binding arbitration. The issue at hand is that TDSB and TCDSB have a high degree of variance between appraisals. Therefore in order to resolve the matter of value, the TCDSB has requested of TLC the names of three arbitrators but have yet to select one. Once a resolution is arrived at by the arbitrator, it is binding subject to the TCDSB obtaining Board approval.

### **Nelson A. Boylen**

TLC has negotiated the sale of the site, other than the sales price as the TCDSB has opted for binding arbitration. The negotiated agreement does include an anti-flip clause which will protect the TDSB by ensuring the site will remain as a public asset for 10 years or the TDSB would receive monetary benefit if the TCDSB decided to see all or a portion of the site.

## **Thistletown**

TLC continues to negotiate the sale of the site with the City of Toronto. Both parties have agreed to the conditions of the sale other than price. Anticipated closing for the site is early 2018. The City will be retaining the land for community use.

## **Sir Robert L. Borden**

Site was declared surplus for sale; early in the circulation process the City of Toronto expressed interest but was later withdrawn. Following completion of regulatory requirement, province contacted TLC to indicate there may be non-profit interest in the site to develop a community hub. There are several issues with the site: As a result, the Province asked TLC to pause any sale to all them time to pursue the non-profit interest.

It was noted by staff, the best approach to the Borden site would be one that is similar to Bloor/Dufferin in that the site would be placed on the open market to engage a developer and have the developer provide the community hub. An alternate strategy is for the City to work the developer to purchase a piece of land and develop that portion with the community for a hub.

## **99 Cartwright**

TDSB declared site surplus for sale in June 2017 following public consultations and following a previous TLC report indicating that the existing tenant hold a first right of purchase which is only subordinate to priorities established by Regulation 444/98. Interested parties are required to submit an initial expression of interest on or before October 11, 27, 2017.

## **Lawrence/Midland**

- Large 37 acre site. Entire site is owned by TDSB.
- Have an approved subdivision plan.
- Have severed 2 acres, sold to the City
- Once the 9 acre parcel has the building removed, vacant possession can be secured when selling
- Ministry has approved the build of the new school
- Severance for all three parcels has been secured
- The Councillor was heavily involved at the onset of the project in the subdivision plan. From a public asset perspective, the French Board had intended to purchase the David and Mary Thomson site; however, 14 months later the Ministry of Education pulled the funding from the French board, which has caused some distrust in the community.

It was noted that the Lawrence/Midland site, with a portion kept as a public asset, the rebuilding of a new school with the support of the Province and the remainder to be sold on the open market is another excellent example of asset recycling. A concept that is

helpful to retain, reuse and repurpose public assets while providing essential community services.

### **Bloor-Dufferin**

- It was noted the Developer Capital Developments has been keeping the community informed with respect to the development plan through community meetings and meetings with the local Councillor.
- The province is committing \$7M toward the community hub and has approved the funding for a new school. With respect to ownership of the hub, the idea is the City would be the owner of the process but there hasn't yet been a determination of who will own the hub space. The site is still in the early stages of site plan and severance approval.

One of the Directors' questioned if the City could have these kinds of projects expedited, for example with the local Councillor or, it was suggested through a point person hired either jointly with the City and TDSB or singularly by the City to coordinate the project. If done jointly, the idea is to have the TDSB and City share the cost of a coordinator. Another Director further suggested rather than hiring an additional coordinator, the TDSB may want to first consider requesting a City staff person in Planning and already familiar with all parties be appointed to coordinate the project. Staff took this information under advisement.

### **Davisville**

Another form of a community hub. The TDSB has approval to build a new school and the City will be building a community aquatic facility on the site. City is contributing 6.8M.

### **TLC Review**

It was noted that TLC understands that PwC has completed the review, with the report to potentially be brought forward to the TDSB Board for October or November 2017. TLC continues to await for a copy of the report in order to give TLC Directors an opportunity to review and respond.

### **Public Asset Working Group**

D. Sage noted from 2009 to approximately 2012-13, based on a request from the Ministry of Education, the TLC in conjunction with the TCDSB, City, both the French Public and French Catholic School boards formed the Public Asset Working Group (PAWG) with the purpose of providing an opportunity for large public partners to work collaboratively to focus on medium and long range property needs. D. Sage further indicated that given the extent of TLC's project and regular discussions with public partners it would be a good time to re-engage the group to look at public utilization of space and how we can come together for a broader plan for community hubs. The PAWG would be a way to share ideas, finding ways to preserve public space as well as to better understand each board's needs and co-plan.

### **Bill 30 Schools**

In 1988 following a settlement agreement relating to provincial equalization funding, the TDSB transferred eight secondary school facilities to the TCDSB under a long-term lease arrangements. The properties remain in the ownership of TDSB.

Loblaws purchased the property abutting West Park Secondary School which is one of the Bill 30 schools. Loblaws is working with TCDSB, having offered to rebuild a new Catholic high school. The issue is the property is owned by the TDSB and the TCDSB requires the cooperation of the TDSB. The land carries no real value to the TDSB due to all the lease encumbrances. Based on this situation, there is the possibility for an equitable exchange of value in that the TDSB could enter into an arrangement with the TCDSB to transfer all eight properties.

### **705 Progress Avenue**

The site is a 10.89 acre site co-purchased by TDSB and City with the intent to build a new elementary school and preserve part of the land for park land. The City has now come forward indicating they are prepared to move forward with the development of a 2.5 acre park. Currently, there are five (5) buildings on the land; the City is proposing to demolish a building which is the highest income generator for the TDSB. TLC believes there is an opportunity to establish some key business terms which will be discussed in-camera portion of the meeting.

### **Update on Pools**

D. Sage stated that the 5-Year City-TDSB Lease Agreement on pools expired in June 2017. A two-year extension agreement was established and has now been fully executed between the City, TLC and TDSB which places a 2-year moratorium on pool any deletion.

With respect to the TLC permitted pools, TLC continues to maximize the utilization of the facilities through having a point person working with community organizations and helping in the permitting process. As a result of this, gross revenues for pools as at August 31, 2017 have reached approximately \$2M.

**M. Fenn seconded by. S. Zakem moved that the CEO Report to the Board, September 2017, be received for information and be forwarded to the TDSB Board at its October 18, 2017 meeting for information.**

**The motion was carried.**

## **6. Provincial Surplus Property Transition Initiative**

D. Sage indicated that the purpose of the report is to outline that the Province has introduced a new voluntary program to school board selling surplus lands whereby a group/organization looking to purchase land will have an additional 18 months over and above the 180 days outlined in Ontario Regulation 444/98 to purchase the lands. During this 18 month process a school board cannot dispose of a property.

The initiative requires that a group submit its business plan to the Ministry of Education by October 16, 2017. The province then reviews applications determining eligibility and is to select a proponent by November 30th, 2017.

It was noted there is risk to a school board in participating in this initiative, including but not limited to:

1. On Reg. 444/98 still applies, which means selling a site at FMV.
2. This program could be used by Developers as a means to purchase a property by partnering with community group which in essence can be seen as sole sourcing
3. The additional 18 months could result in a re-circulation of the property.
4. TDSB would have a short-fall in its proposed capital plan which could result in a delay in its capital projects

This is currently the situation surrounding the Sir Robert L. Borden site. The property was circulated with no expressions of interest received. The Ministry indicated that the TLC pause proceeding to the open market to determine if the site could be a viable community hub during the pause period. TLC was made aware of an application submitted under the Surplus Property Transition Initiative. The province will determine if it accepts or declines the application, but the property owner, (TDSB in this case) must determine if it will participate in the program.

One of the Director's noted that the program has significant financial impact to the TDSB, and as a board, indicated that the Director's has a fiduciary responsibility to assess what the implications and risks are to the TDSB before it considers its participation in the voluntary program and requested that TLC staff provide a report back to the TLC Board and prior to the Ministry selecting a proponent.

**On a motion of S. Zakem, seconded by S. Sheikh, it was recommended that the recommendation in the report be amended to the following:**

- 1. That the report Provincial Surplus Property Transition Initiative be received and forwarded to the TDSB Board for information;**
- 2. That TLC staff undertake a review of the Provincial Surplus Property Transition Initiative in conjunction with any applications submitted following the October 16, 2017 submission deadline; and,**
- 3. That TLC staff report back to the TLC Board of Directors at its November 2017 meeting, in order to better inform the TDSB of implications that may arise should TDSB consider participating in the initiative.**

**The motion was carried.**

## **7. Draft 2018 TLC Board and Committee Schedule**

D. Sage noted that TLC is presenting an interim Board schedule for 2018. A finalized schedule will be provided to the Board once Director schedules have been confirmed and once the TDSB has released its Board schedule at its Organizational Board meeting in December.

## **8. Resolution into Committee of the Whole**

At 7:01 p.m. on a motion by A. Minhas, seconded by G. Gershon, the meeting convened in private session

**9. Committee of the Whole Rises and Reports and reconvenes Public**

At 8:01 p.m. S. Sheikh seconded by B. Patterson, the meeting reconvened in Public session.

**10. Adjournment**

At 8:02 p.m. on a motion from A. Minhas, seconded by B. Patterson the meeting adjourned.

**TORONTO LANDS CORPORATION**  
**Management Report to the Board, November 2017**

**TO** Chair and Members of the Toronto Lands Corporation 28 November 2017

**RECOMMENDATION** **IT IS RECOMMENDED that** the *Management Report to the Board, November 2017*, be received for information and be forwarded to the next meeting of TDSB for information.

**RATIONALE** **Background**

This report provides an overview and update with regard to work in progress on property and project files within the TLC portfolio as directed by TDSB.

**IMPLEMENTATION AND REVIEW** **SURPLUS PROPERTIES: UPDATE**

**Baycrest Public School**

Built in 1953, Baycrest Public School is located in the vicinity of Bathurst Street and Wilson Avenue, has a gross floor area of 22,206 square feet, and sits on 5.4 acres of land.

On April 19, 2017, the TDSB Board declared the school surplus and referred the site to the TLC for sale with a stipulation that any sale not be completed before 30 June 2018.

TLC circulated the Baycrest property to qualifying public agencies pursuant to Regulation 444/98 on August 25, 2017. Under the regulation, interested parties were required to submit an expression of interest on or before the 90<sup>th</sup> day concluding on November 23, 2017.

As a part of the surplus declaration, TDSB Planning indicated that the Baycrest students cannot be relocated into the Sir Sandford Fleming school until early 2019. Accordingly, TLC included in the circulation materials a stipulation that the property valuation date is to be as of November 1, 2018.

Given the TCDSB expressed interest in the Baycrest site, staff will draft and submit a Purchase and Sale Agreement (PSA) to the TCDSB. The PSA will be consistent with previously accepted terms and conditions between the Boards excluding the selling price which will be inserted following the November 2018 evaluation date.

**Greenwood Secondary School**

Constructed in 1971, this three-story building is located in the vicini-

ty of Coxwell Avenue and Danforth Avenue. It has a reported gross floor area of 84,463 square feet and a site area of 0.9 acres.

On June 21<sup>st</sup>, 2017 TDSB declared the Greenwood Secondary School surplus for lease and referred the property to the Toronto Lands Corporation for actioning. On July 13, 2017 TLC circulated the property pursuant to Regulation 444/98 of the Education Act. The only party that submitted an expression of interest before the regulatory 90 day deadline of October 11, 2017 was the French Public Board, Conseil Soclaire Viamonde (CSV). Staff prepared and delivered a draft lease to the CSV on October 31, 2017 which provided for a potential start date of January 1, 2018.

The draft lease provides for the operating and renewal rental figure of \$7.97 psf. and \$1.12 psf., respectively as provided for in Regulation 444/98. It also allows for an initial lease term of 5 years and a 5 year right of renewal. Although the term is 5 years with the right of renewal, TLC has included a standard condition stipulating that either the landlord or the tenant can terminate the lease on June 30th of any year subject to providing prior notice of not less than 12 months.

#### **Nelson A. Boylen – 155 Falstaff Avenue**

A 10.89 acre parcel of land improved with a two-storey school having a gross floor area of 107,229 square feet, was declared surplus by TDSB on June 22, 2016. Regulatory circulation resulted in an interest from the Toronto Catholic District School Board (TCDSB).

In June, 2017, the TCDSB requested an arbitrator to determine purchase price for the acquisition of the Boylen property. With the agreement of purchase and sale executed (subject to purchase price), due diligence in progress, and now an arbitrator confirmed by both parties, all parties are awaiting an arbitration date. As previously reported, it is anticipated that a date for the hearing will likely commence sometime in late spring 2018. In preparation, TLC has engaged the services of an appraiser who will attend as an expert witness at the arbitration.

#### **Buttonwood Hill**

Constructed in 1964, this 30,555 square feet, school sits on 6.0 acres located in the vicinity of Royal York Road and Eglinton Avenue West.

TDSB declared Buttonwood Public School surplus for sale on February 8, 2017. On July 13, 2017 TLC circulated the property to prescribed public agencies in accordance with Regulation 444/98. TCDSB was the only party to submit an expression of interest for

the property before the 90 day deadline of May 25, 2017.

As agent of TDSB, a purchase and sale agreement was signed by TLC and TCDSB on July 28, 2017. Subsequently, the TCDSB waived its due diligence conditions on October 30, 2017. However the signed agreement included TCDSB's regulatory option to establish the selling price through binding arbitration and included a buyer condition that its Board and MOE approved the sale within 30 days of the established price.

### **Thistletown – 925 Albion Road**

The City of Toronto has leased the TDSB facility for almost three decades and has successfully operated as a hub providing multiple services and programs to the neighbouring community. TLC and the City of Toronto have successfully negotiated an Offer to Sell Agreement for the property which will ensure that the Thistletown Multi Service Centre will continue to remain operational as a community hub by the City for the benefit of the neighbourhood and community at large.

City staff is now proceeding to City of Toronto Council for approval of the terms and conditions of the agreement at its meeting in December, 2017. For reference, the City report is attached as *Appendix A*.

A City of Toronto Council authorization of the transaction should result in closing in the first quarter of 2018.

### **Sir Robert Borden – 200 Poplar Road: Provincial Surplus Property Initiative**

Following an accommodation review, the Sir Robert Borden property was declared surplus by TDSB and referred to TLC for sale. TLC completed the regulatory requirement in March, 2017, without any prescribed public sector interest in acquiring the site. The Borden site is a 11.93 acre parcel of land with a two-storey school of approximately 142,000 square feet. The property is situated in the West Hill Neighbourhood Improvement area at Lawrence Avenue East and Kingston Road.

As previously reported, the City and Province requested that TLC delay any open market sale in an effort to allow more time to pursue interest in the site and assess any arising community benefits. During this time, the Province announced its short term initiative for surplus properties whereby Boards would volunteer their surplus properties to be held for up to a further 18 months.

On September 26, 2017, the TLC Board was informed on the new voluntary Provincial Initiative and provided the following direction:

*That the report Provincial Surplus Property Transition Initiative be received and forwarded to the TDSB Board for information;*

1. *That TLC staff undertake a review of the Provincial Surplus Property Transition Initiative in conjunction with any applications submitted following the October 16, 2017 submission deadline; and,*
2. *That TLC staff report back to the TLC Board of Directors at its November 2017 meeting, in order to better inform the TDSB of implications that may arise should TDSB consider participating in the initiative.*

At the TDSB meeting on October 18, 2017, the Board received the Provincial Surplus Property Transition Initiative report as directed by TLC Board and was advised that a non-profit group did submit an application to the Province under this program. To reiterate, for the application to be approved by the Province, the property owner, (the TDSB) would be required to provide a letter in support of holding the property in abeyance for 18 months and entering into a MOU with the Province whereby the 18 month time frame would only commence upon execution of the MOU. Under this program, the Province is to receive a letter from the property owner on or before November 30, 2017, otherwise the participant cannot be considered for this program.

Upon receiving both the update on the Bordon report and the detailed report on the Surplus Property Initiative that illustrated Borden as an example of the program, the TDSB approved the following resolution.

On October 18, 2017, the Board decided:

*“Whereas, in its report to the TDSB on the Provincial surplus Property Transition Initiative, the TLC has presented, as a case study, the Sir Robert L. Borden property, which was closed in June 2016 and transferred to the TLC for disposition; and*

*Whereas, the Provincial initiative is a strategy to enhance and encourage local community hub development and a key element of the initiative is to place a publicly-owned property on hold for up to 18 months to allow interested, eligible organizations more time to complete their business plan, secure funding and establish partnerships in order to potentially acquire the property and create a community hub at the site;*

*Therefore, be it resolved:*

*(a) That prior to issuing a request for offers for the Sir Robert L. Borden property, to be completed prior to June 2018, the Toronto Lands Corporation:*

*(i) establish and lead a steering committee that includes provincial, Ministry of Education, City of Toronto and Toronto District School Board representatives, to develop an effective framework that will guide the identification of local community service needs and potential supporting partners, that would contribute to the creation of a vibrant and sustainable community hub, to be integrated with the redevelopment of the surplus lands;*

*(ii) present a report to the Toronto District School Board on the work of the steering committee, by the March 2018 cycle of meeting;*

*(b) That ongoing operational costs to sustain and protect the facility and site at Sir Robert L. Borden be identified and forwarded to the Ministry of Education for reimbursement.*

As a result, TLC has created a Steering Committee that has engaged the services of Public Interest, the consultant who previously provided support to TDSB in the area's pupil accommodation review thus being very familiar with the site and the community. Public Interest has been authorized by the Steering Committee to approach existing relevant stakeholders (up to 25) to gather data and complete an environmental scan of all parties who had previously been involved in the Borden site and representing local community interests. They will also gather statistical data along with demographic and local service information from the City of Toronto on the West Hill Community. Public Interest upon completing its research will catalogue existing services and identify further opportunities to strengthen local community supports. Public Interest findings will be presented through a report to the Steering Committee on December 5, 2017.

Based on this analysis, the Steering Committee will determine its next steps aligning with TLC's requirement to provide a report back to TDSB in March, 2018. In accordance with the board resolution, the intention is that a Request for Offer (RFO) will go to the market in late spring 2018; it will incorporate requirements for a community hub on a portion of the site as long as the TDSB is able to remain whole from a highest and best use perspective as required under the Regulation. At this time, it is anticipated that the reports of Public Interest will also serve the Province and the City of Toronto in support of a community hub on a portion of the property at this location. A new community hub would be beneficial to the local neighbourhood and become a destination for community for services and activities.

As a procedural regulatory requirement, TLC provided evidence to

the Ministry of Education that the circulation process to prescribed public agencies was satisfactorily completed and that no public agencies expressed interest in the acquisition of the Borden property.

Attached as *Appendix B* is the Ministry's formal acknowledgment. Having satisfied the conditions within Ontario Regulation 444/98, the property is cleared to be presented on the open market. At the appropriate time, TLC will select a real-estate broker as required under the shareholders agreement, and develop a Request For Offers (RFO) that will ensure an open, transparent and competitive bid process. The RFO will include the Steering Committees input regarding the redevelopment of the site to consider a community hub subject to Provincial and City commitment to funding. As per the TDSB decision, the RFO is to be completed prior to June 2018.

### **99 Cartwright Avenue**

This 6.0 acre site is located in the vicinity of Dufferin Street and the Yorkdale Shopping Centre. The Cartwright site has been under a lease arrangement for the past 25 years and the existing lease provides for potential continued leasing through to 2052.

TDSB formally declared the property surplus for sale on June 21, 2017 and on July 13, 2017, TLC circulated the property in accordance with Regulation 444/98. No expressions of interest were received before the regulatory deadline of October 11, 2017.

TLC has now finalized an unconditional agreement of purchase and sale with the tenant who holds and a first right of purchase subject to statutory rights granted by Regulation 444/98. The sale is scheduled to close on November 29, 2017.

### **Lawrence-Midland Lands**

#### **1555 Midland Avenue & 2740 Lawrence Avenue East**

Following TDSB's decision to merge Bendale Technical School and David and Mary Thompson High School into one Ministry approved new High School, TLC was given the authority to redevelop the sites surplus lands. As a result, TLC undertook the severance of lands into three parcels whereby a 7.6A parcel was taken through the City planning process and received approval for its plan of subdivision. A second 2A parcel was sold to the City with the remaining 9A parcel to be a part of a new redevelopment plan with the potential to include a community hub.

As part of its current new school construction contract, TDSB will be demolishing the old Bendale Technical School ("BTI", 158,000 sf. on two storeys) situated on the smaller parcel while the buyer of

the large parcel will be required to assume TDSB responsibility to demolish the David Thompson High School (“DMT”, 232,000 sf. on 2 storeys) as stipulated by a severance agreement between TDSB and the City.

The new school to replace the planned closure of BTI and DMT is currently under construction. To date the new school footings and 90% of the 1st floor load bearing walls have been completed. Installation of the 2nd floor slab has begun and the entire project is considered 16% complete. Marketing of the sale parcels will likely begin in the spring to summer of 2018 with closing scheduled following demolition of BTI.

### **Bloor Dufferin**

The buyer, Capital Developments, submitted its Site Plan Application to the City of Toronto in late September, 2017. The developer advises that the application has been deemed complete by the City and currently remains in circulation within City departments awaiting comments.

Key features of the redevelopment scheme provide opportunities for greater school and broader community access to the overall site to achieve a truly vibrant community. A few of the key elements to community use and space include:

- The inclusion of up to a 30,000 square foot community hub, subject to approved Provincial and City funding.
- Former Kent school to have its historical building assembly retained with a portion of the school being a potential destination for the community hub, including child care.
- A new public park, 0.385 hectares, fronting onto Croatia Street, which will include soft and hard landscaping, which will be activated and turn into a new public gathering space with community events.
- A new indoor/outdoor POPS (Privately Owned Public Space) at the corner of Bloor and Dufferin. The indoor space will be designed as a winter garden, similar to the IBM atrium in New York City. Attached as *Appendix C* is an image of the IBM space. This space will create a relief area for people waiting for buses all year around. Art, plants, benches, lighting are all part of this unique and versatile space.
- A creation of an “Artist Mews” within the alleys between blocks that will provide unique gallery-like spaces outdoors with street furniture, overhead lighting and plantings.
- The main street will be enhanced with an activity zone that will allow for patios for restaurants and retail uses or pop up shops and/or community driven uses.

While the development proposal is only in its initial stage, it is apparent that the existing school and neighbourhood community are a key focus in the overall plan to create a dynamic space for all the residents. Given the developer's pre-consultation efforts and preliminary City overview, they remain optimistic that the project, including site plan and severance approvals, remains on schedule.

### **New Davisville Public Elementary School**

TLC continues its' negotiations with City staff on the lease of TDSB approved 0.452 acres of surplus lands for the construction of a City funded and operated community aquatic Centre and a shared-use agreement for gym access in the new the Davisville school. Ongoing discussions rely on input from TDSB in order to ensure that the new facility will adequately respond to current and future ongoing school programming needs. All parties agree that a key principle in sharing the space and truly creating a community hub atmosphere is to make best efforts to maximize the use of the gymnasium guided by changing policy and procedures of TDSB and the Province.

TLC staff anticipate finalizing the terms and conditions within the prescribed time period of February 2018. In the interim, TLC still awaits a response from its August, 2017, request to the Ministry for consent to enter into a 49 year Lease arrangement pursuant to section 194(4) of the Education Act. At present, MOE staff has advised that consent is forthcoming.

### **Update on Additional TLC Projects:**

#### **TLC Review by PWC: Update**

Pricewaterhouse Coopers LLP (PwC) completed its review of the TLC by report dated July, 2017. A TDSB trustee information session was held by PWC on November 15<sup>th</sup> and their report will be received at the TDSB meeting on November 22, 2017. It is anticipated that TDSB staff will respond to the PwC report in the first quarter of 2018.

#### **Bill 30 Schools:**

In a 1988 settlement agreement relating to equalizing Provincial funding, the TDSB transferred eight secondary school facilities under long term lease agreements to the TCDSB. Given the leasing terms within the settlement, TDSB continues as owner of each site and as such must review and sign off on any initiatives involving City Planning approvals.

Choice Properties REIT is intending to redevelop the south-east corner of Bloor & Dundas, which abuts the former West Park Secondary School site. This school board property is one of the Bill 30 sites under long term lease to the TCDSB. Before any applications are submitted to the City, Choice Properties is working with the TCDSB with the goal of integrating a new Catholic High School into their redevelopment scheme for this area. In order to move forward through the City Planning process, should the TCDSB wish to proceed with any proposal for a new school, they will require approval from TDSB/TLC.

On June 14th, Choice Properties held a public meeting and outlined their conceptual plans for the development of their site Plan. It is anticipated that the developer will need to know soon whether or not to include a new TCDSB secondary high school in their submission. To date the TCDSB is considering next steps although has not made any formal request through TDSB/TLC for approval to proceed.

#### **Land Donation-Agincourt PS, portion of 25 Lockie Avenue**

According to City staff, the land area to be donated to the TDSB does not meeting zoning requirements for school playground use. As a result, a committee of adjustment application for a minor variance in zoning along with the severance is required prior to transfer to TDSB. In October, 2017, the City of Toronto Committee of Adjustment approved that the property owner, Mr. Milton Lee, of 25 Lockie Avenue did not have to cover the cost for the rezoning application as his application was a direct result of wanting to donate the land to the TDSB. The next step will now be the Committee of Adjustment hearing to request the severance and rezoning. City staff and Mr. Lee advise that the Councillor is in support of the application as the additional land will benefit the school community. Upon satisfactory completion with City requirements, TLC will commence the acquisition of the property with the general terms and conditions already concurred to with all parties.

#### **705 Progress Road**

This property comprises 10.89 acres of land and 5 industrial buildings with a total rentable are of 155,000 square feet. The City and TDSB each hold a 50% undivided interest in the property.

The City has indicated their interest to begin the first phase of its planned park development in 2019 and have asked TLC to identify its conditions for approving same. Staff's proposed key business terms were outlined in a report to the TLC Board in September and then onto the TDSB Board in October. At the TDSB Board, the

Board requested that prior to finalizing the proposed business conditions, TLC request that the City provide a pro-forma statement demonstrating the financial impact on tenant revenues given the proposed demolition of the largest revenue producing facility in order to accommodate the park. Staff has now made this request and is awaiting a response. Both the TLC and TDSB Board's will be updated accordingly.

### **Alexander Muir Land Sale and Construction Staging Easement**

TDSB design and construction, planning and legal staff will be submitting a report to the TDSB Board on November 22, 2017 requesting authority to declare surplus and sell to the City of Toronto a small land parcel comprising part of the Dufferin Street frontage of the Alexander Muir Public School.

The City plans to use the lands to create a short north-south link between 2 staggered stretches of the west cross-town bike route that was approved by City council.

To date, TLC staff has been involved in reviewing and confirming the conclusions of a third party appraisal used to establish the selling price for the lands. Under the directive of TDSB, TLC staff was requested to negotiate, on a conditional basis, the rent to be paid for short term City use of an adjacent lands area for construction staging purposes.

Subject to TDSB approval and direction to TLC, the surplus parcel of land will be circulated pursuant to Regulation 444/98 and together with legal council would finalize the selling and easement agreements.

### **Update on Pools**

#### **Condition Survey –City Pools**

A request for proposals has been issued seeking quotes to complete a condition survey for the 30 pools included under the umbrella agreement with the City of Toronto. Interested parties are required to identify and evaluate potential capital improvements identified over the next 10 years. In addition, pricing was requested for 3 optional and additional areas of inquiry including code compliance, performance and safety enhancement and operating cost improvement.

The condition survey component requires the consultant to group future costs into 4 priority categories including urgent, high, medium and low or further described as immediate, 1-3 years, 4-6 years – 6-

10 years.

The deadline for proposals is the end of calendar year.

**Update: Director's and Officer's Liability Insurance**

In 2009 when TLC was created, TLC arranged for Director's and Officer's (D&O) liability insurance. According to TDSB's Insurance provider at the time, OSBIE, TLC was excluded from TDSB's coverage as a subsidiary company. In 2011, TLC and TDSB legal staff agreed that a full indemnity from TDSB was sufficient to protect TLC. It wasn't until 2016-17, TDSB entered into an agreement with a new insurance company, Aon. Based on a revised risk assessment, it was agreed by TDSB that TLC should consider obtaining a separate D&O policy.

As a result, TLC staff has purchased D&O coverage for a 3-year term through Chubb Insurance Company at an annual premium of \$2,250. TLC can cancel coverage without any repercussions at any time, for example, either at the time of the annual expiry, therefore not renewing for the next year or anytime during the year which would result in pro-rated refund of the premium paid.

**APPENDICES**

Appendix A: City of Toronto Council Report, Thistletown  
Appendix B: Ministry of Education-Sir Robert Borden  
Appendix C: Bloor Dufferin-Images of IBM Atrium, NYC

**FROM**

Daryl Sage, Executive Officer, Toronto Lands Corporation, at  
dsage.tlc@tdsb.on.ca or at 416-393-0575.

**ROUTING**

TLC Board      28 November 2017



## REPORT FOR ACTION

### Acquisition of 925 Albion Road for Multi-Service Centre and Parkland Purposes

**Date:** October 24, 2017

**To:** Government Management Committee

**From:** Deputy City Manager, Internal Corporate Services  
Deputy City Manager, Cluster A  
and Acting Chief Financial Officer

**Wards:** Ward 1 - Etobicoke North

#### SUMMARY

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The purpose of this report is to obtain authority to acquire a 4.84 acre (1.96 ha) surplus Toronto District School Board property located at 925 Albion Road which is currently leased by the City for multi-service centre and parkland purposes. The subject property to be acquired by the City is shown on Appendix "B".

#### RECOMMENDATIONS

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**The Deputy City Manager, Internal Corporate Services, Deputy City Manager, Cluster A and Acting Chief Financial Officer recommend that:**

1. City Council authorize the Deputy City Manager, Internal Corporate Services to enter into an agreement of purchase and sale with the Toronto Lands Corporation (the "Owner") to acquire 925 Albion Road (the "Property"), substantially on the terms outlined in Appendix "A" and such other terms and conditions and such related documents as may be acceptable to the Deputy City Manager, Internal Corporate Services and in a form satisfactory to the City Solicitor.
2. City Council amend the 2017 Council Approved Capital Budget for Facilities, Real Estate, Environment & Energy (FREEE) by adding a new capital project "925 Albion Road Multi-Service Centre and Parkland Acquisition " with total project cost of \$10.507 million (\$0.05 million in 2017, \$10.457 million in 2018), representing the purchase price and associated costs as identified in Appendix "A", for the acquisition of the property, to be funded \$5.1 million from the Land Acquisition Reserve Fund (XR1012) allocated to the School Lands Acquisition Framework and \$5.407 million from Parkland Acquisition – City-Wide Land Acquisition Fund (XR2210).

3. City Council authorize severally each of the Deputy City Manager, Internal Corporate Services and the Director of Real Estate Services to execute the agreement on behalf of the City.
4. City Council authorize the Deputy City Manager, Internal Corporate Services to administer and manage the transaction relating to the acquisition of the Property, including the provision of any consents, approvals, waivers and notices, provided that the Deputy City Manager, Internal Corporate Services may, at any time, refer consideration of any such matters (including their content) to City Council for its consideration and direction.
5. City Council authorize the City Solicitor to complete the transaction on behalf of the City, including paying any necessary expenses, amending the closing, due diligence and other dates and amending and waiving terms and conditions, on such terms as the City Solicitor considers reasonable.

## **FINANCIAL IMPACT**

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This report seeks Council approval to amend the 2017 Council Approved Capital Budget for Facilities, Real Estate, Environment & Energy (FREEE) to create a new capital project called "925 Albion Road Multi-Service Centre and Parkland Acquisition" for a total project cost of \$10.507 million to be cash flowed with \$0.05 million in 2017 and \$10.457 in 2018.

The total cost of the capital project includes the following approximate values: purchase price of \$10.1 million, Land Transfer Tax of \$0.150 million, Harmonized Sales Tax (HST) of \$0.178 million (non-refundable), environmental assessment costs of \$0.056 million, survey/appraisal costs of \$0.023 million and registration costs of approximately \$200.00. Funding for the acquisition of this land is available in the Land Acquisition Reserve Fund (XR1012) allocated to the School Lands Acquisition Framework for \$5.1 million and in the Parkland Acquisition – City-Wide Land Acquisition, Parkland Reserve Fund (XR2210) for \$5.407 million.

If this property is approved for acquisition, the transaction is expected to close by January 2018. The acquisition of this site will result in rental savings of \$0.380 million per year, as the existing lease with the Toronto District School Board will no longer be required. These savings will be partially reduced by additional maintenance costs of approximately \$0.080 million per year, resulting in net savings of \$0.300 million per year. These savings have been included in the Parks, Forestry & Recreation 2018 Operating Budget submission.

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

## DECISION HISTORY

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City Council at its meeting held on July 12, 13, 14 and 15, 2016 adopted the following recommendation; City Council authorize the Chief Corporate Officer to negotiate and submit an offer to the Toronto Lands Corporation for the acquisition of the property municipally known as 925 Albion Road (Thistletown Multi-Service Centre), funded from the remaining balance of the Land Acquisition Reserve Fund allocated to the School Lands Acquisition Framework and with additional contribution of funding from the Parkland Acquisition Reserve Funds, and on such other terms and condition as may be acceptable to the Chief Corporate Officer, in consultation with the Executive Director, Social Development Finance and Administration, and the General Manager Parks, Forestry and Recreation, and in a form satisfactory to the City Solicitor.

2016.EX16.21 - Schools as Community Assets: Review and Prioritization of 23 Toronto District School Board Properties

<http://app.toronto.ca/tmmis/viewAgendaItemHistory.do?item=2016.EX16.21>

## COMMENTS

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Thistletown Multi-Service Centre has been leased by the City from the Toronto District School Board for recreation programming for close to thirty years and is a core access point for child care services, green space and community programming in a Neighbourhood Improvement Area.

The City of Toronto provides a number of recreational services to the surrounding community at this site. Arts programs, children's camps, fitness programs, organized sports and a number of other structured and informal programs are available at Thistletown Multi-Service Centre. Acquisition of the community centre and the sports fields adjacent to this site will allow the continuation of the current level of community programming and will allow Parks, Forestry & Recreation to continue to meet the current and address future recreation needs of the community.

A 1.85 acre (0.75 ha) portion of the Property located within the southwest corner of the Property, legally described in Schedule "B" of *The Board of Education for the Borough of Etobicoke Act, 1973*, S.O. 1973, c.180 requires that such portion of the Property be held for the purposes of a park available for use and enjoyment by the public generally and that the owner of the Property may only convey it for such purpose. For all intent and purposes, this trust requirement effectively extinguished development from that

area of the subject site and limits the use to public park only. As a result, this area of the property was not included in the appraisal work undertaken to determine the market value of the subject lands.

## **CONTACT**

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David Jollimore, Director, Real Estate Services, Tel.: (416) 392-8217;  
Email: [David.Jollimore@toronto.ca](mailto:David.Jollimore@toronto.ca)

Michael Schreiner, Director, Parks, Development & Capital Projects,  
Tel.: (416) 392-8453; Email: [Michael.Schreiner@toronto.ca](mailto:Michael.Schreiner@toronto.ca)

Chris Brillinger, Executive Director, Social Development, Finance & Administration  
Tel.: (416) 392-5207, Email: [Chris.Brillinger@toronto.ca](mailto:Chris.Brillinger@toronto.ca)

## **SIGNATURE**

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Josie Scioli  
Deputy City Manager, Internal Corporate Services

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Giuliana Carbone  
Deputy City Manager, Cluster A

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Joe Farag  
Acting Chief Financial Officer

## **ATTACHMENTS**

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Appendix "A" – Terms and Conditions  
Appendix "B" – Location Map

**Appendix "A" –Terms and Conditions**

Owner: Toronto District School Board

Location: 925 Albion Road, Toronto

Legal Description: **PIN 07321-0046 (LT)**

PT LTS 32 AND 33 CON B FRONTING THE HUMBER, PT 57 64R9967 PT 26 RS 1103; PT LTS 87 TO 97 PLAN 1946 AS IN EB159649, EB132086, EB9874, EB267479, EB272425, EB267847, EB271569, EB267178, EB243630, EB480693, EB731, EB243651, EB276893, EB253676, EB268784, EB413388, EB9871, EB7313, EB7314 & EB267478 EXCEPT PTS 9, 10, 11 RS902 & PT 29 RS1103 S/T TB75716.

"DESCRIPTION IN EB159649, EB132086, EB9874, EB267479, 272425, EB267478, EB267847, EB271569, EB267178, EB243630, EB243651, EB276893, EB253676, EB268784, EB9872, EB9871, EB7313, EB7314, EB413388, EB480693, AND EB731 MAY NOT BE ACCEPTABLE IN THE FUTURE" RE: MULTIPLE METES AND BOUNDS WITH EXCEPTIONS- REFERENCE PLAN MAY BE REQUIRED IN THE FUTURE S/T EB255826, EB335768 ETOBICOKE, CITY OF TORONTO

Approximate Area: 4.84 acres / 1.96 hectares

Improvements: School building occupied by the Thistlethorn Multi-Service Centre:

Purchase Price: \$10,100,000.000

Closing Date: January 25, 2018

Expiry of

Irrevocable Period: December 19, 2017

Costs:	Payment to Vendor:	
	Sale Price:	\$10,100,000.00

City's Costs (Approximately)

Land Transfer Tax	\$150,000.00
H.S.T. (non-refundable):	\$178,000.00
Registration Costs:	\$200.00
Environmental Testing:	\$56,500.00
Survey and Appraisal:	\$22,600.00

City's Total Closing Costs (Approximately)	<u>\$407,300.00</u>
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Total Closing Costs:	<u><b>\$10,507,300.00</b></u>
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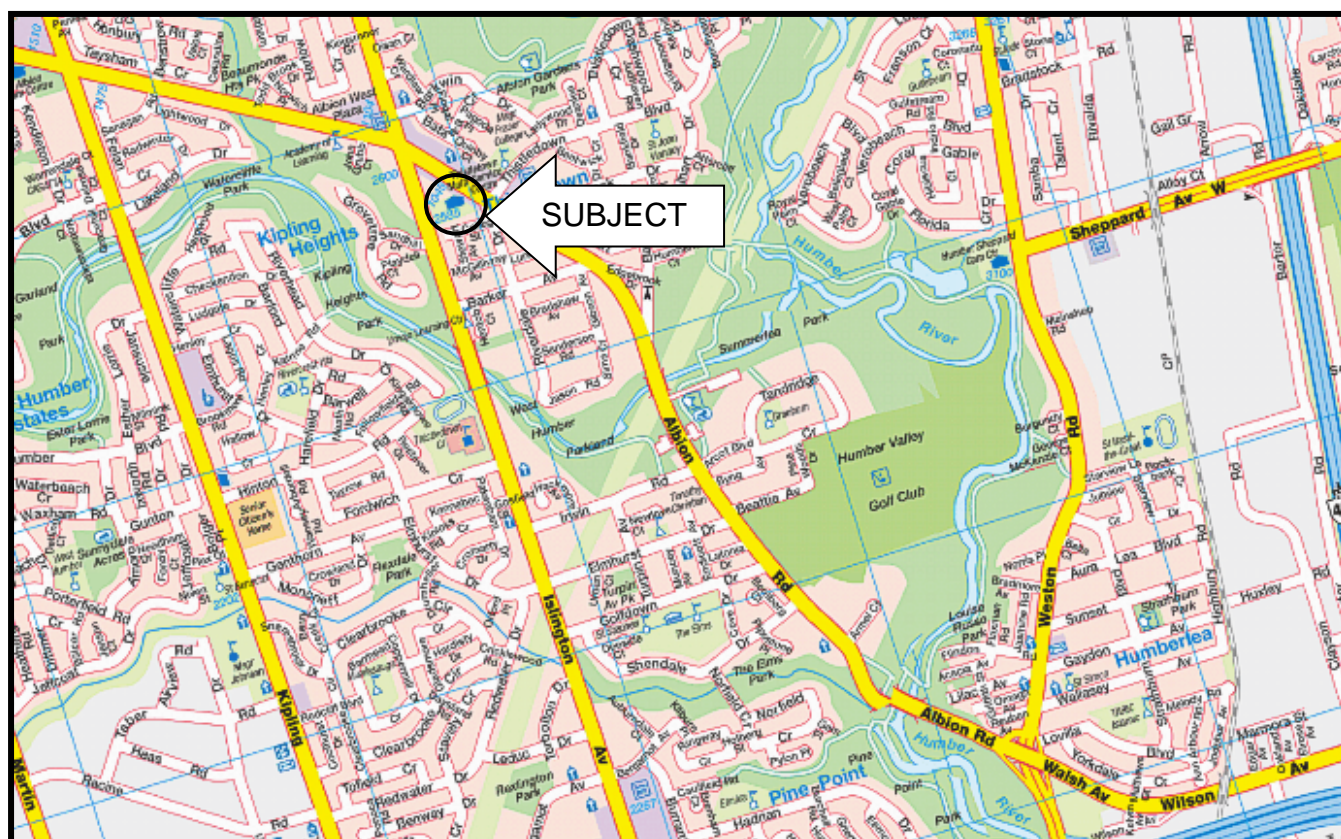
Village Green:

The City and Owner acknowledge that part of the Property legally described in Schedule "B" of The Board of Education for the Borough of Etobicoke Act, 1973, S.O. 1973, c.180 (the "Act") requires that it be held for the purposes of a park available for use and enjoyment by the public generally. The City covenants and agrees that it will hold the Village Green subject to the trust respecting the Village Green imposed by the Act. The parties agree to register notice of the trust pursuant to the Act against title to the Property on Closing.

Subsequent Sale:

The City agrees that if the Property or any part thereof is sold or transferred at any time on or before the tenth (10th) anniversary of the Closing Date, it will pay to the Owner the amount by which the value of consideration for the sale or transfer less the costs of sale exceeds the City's cost of the Property.

# Appendix "B" – Location Map



**Ministry of Education**

Capital Program Branch  
900 Bay Street  
19<sup>th</sup> Floor, Mowat Block  
Toronto ON M7A 1L2

**Ministère de l'Éducation**

Direction de programme d'immobilisation  
900, rue Bay  
19<sup>e</sup> étage, Édifice Mowat  
Toronto ON M7A 1L2



November 20, 2017

Mr. Daryl Sage  
Chief Executive Officer  
Toronto Lands Corporation  
60 St. Clair Avenue East, Suite 201  
Toronto, ON M4T 1N5

Dear Mr. Sage,

**Re: Disposition of Sir Robert L. Borden BTI**

Thank you for your communication received on February 6, 2017 regarding the proposed sale of Sir Robert L. Borden BTI (SFIS #8899) located on an 11.93 acre site at 200 Poplar Road, Toronto ON, M1E 1Z7.

This property is legally described as:

PIN# 063282-0017 (LT); Parts 1-13 on 66R-1782; Scarborough, City of Toronto

I would like to take this opportunity to thank you for your patience in this matter. As you are aware, there has been significant interest in exploring opportunities to use this site to create a community hub, and I would like to thank you and the Toronto District School Board for your understanding during the past several months while discussions were ongoing.

The information your board provided is satisfactory evidence that your board has met the requirements set out in Ontario Regulation 444/98, s. 12(3). This information will be kept on file at the ministry.

Please be reminded to review the ministry's proceeds of disposition (POD) policy, effective September 2015, which outlines restrictions on the use of POD as well as reporting requirements.

Thank you again for writing.

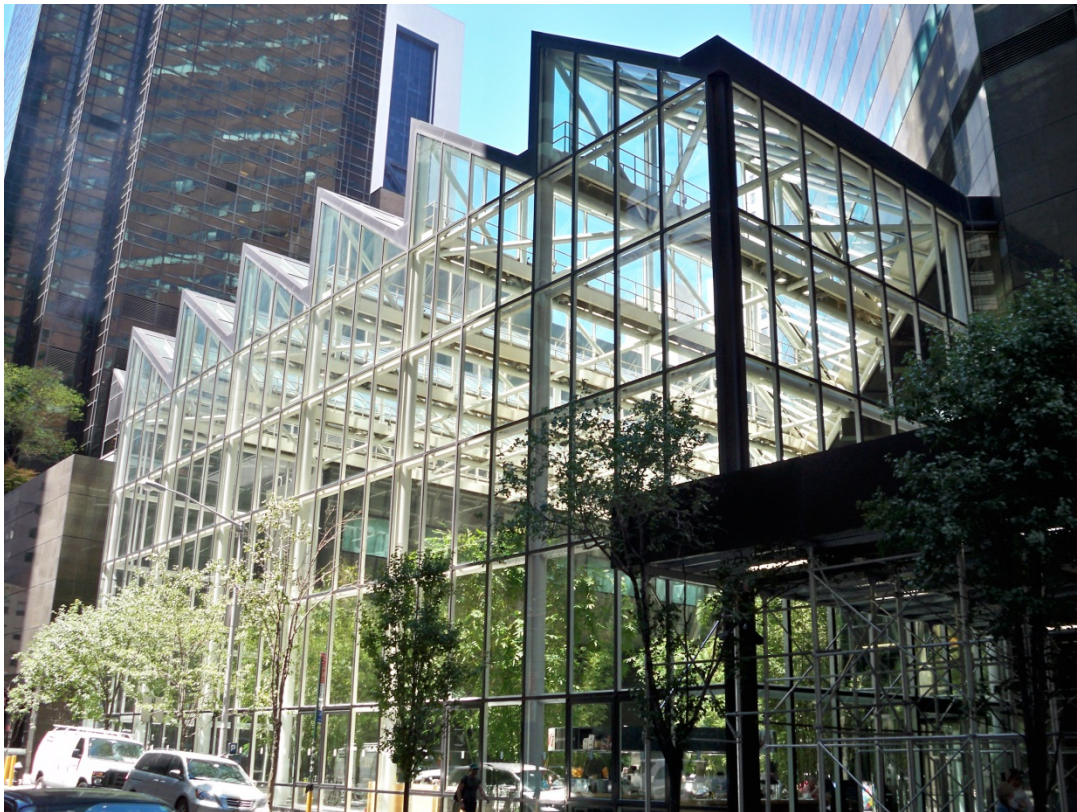
Sincerely,

*Original signed by:*

Paul Bloye  
Director  
Capital Program Branch

cc: John Malloy, Director of Education, Toronto District School Board  
Carlene Jackson, Associate Director, Operation Service Excellence,  
Toronto District School Board

APPENDIX C: Bloor Dufferin Update: IBM ATRIUM, NEW YORK CITY



Images retrieved

from: <https://www.bing.com/images/search?q=images+new+york+city+ibm+atrium+building&id=23F03A150F68A4B04704B7D3A81998177A04425C&FORM=IQFRBA> on November 14, 2017.

**TORONTO LANDS CORPORATION**  
**721 Royal York Easement Report**

**TO** Chair and Members of the Toronto Lands Corporation 28 November 2017

**RECOMMENDATION IT IS RECOMMENDED that :**

That the Toronto Lands Corporation (TLC) as agent of the Toronto District School Board (TDSB) be authorized to enter into a Temporary Easement Agreement with the City of Toronto for a portion of TDSB owned lands located at the former Kingsmill Secondary School (located at 721 Royal York and under a long term lease agreement to the TCDSB) in order to provide the City of Toronto site access to accommodate a construction staging area to facilitate the rehabilitation of the South Mimico Sanitary Trunk Sewer.

**RATIONALE**

**Background**

Under the Provincial Bill 30 separate school funding agreement of 1988, the Board of Education in the City of Etobicoke, entered into a perpetual lease with the Metropolitan Separate School Board ("MSSB) for the Kingsmill Secondary School. The property now known as Bishop Allen Academy remains under the operation by the Toronto Catholic District School Board (TCDSB). This lease was one of several entered into between local school Boards and MSSB under a provincially mediated settlement that was necessary to accommodate the extended high school funding of MSSB and its students.

The initial 99 year lease term expires June 30, 2087 and automatically renews for successive terms of 99 years on the condition that TCDSB uses property for any purpose permitted by the Education Act. All Bill 30 lease agreements were contained for TDSB reference in TLC's previous report on long term leases.

The requested easement area is located in the remote rear of the property and backs onto Mimico Creek. These lands are also traversed by the Mimico Sanitary Trunk sewer. This sewer has experienced moderate to heavy corrosion and requires rehabilitation. In order to complete this project the City requires a construction staging area adjacent to the sewer line.

**IMPLEMENTATION  
AND REVIEW**

The easement area covers approximate 4,300 square feet and is highlighted in yellow on the aerial map provided in *Appendix 1*. This portion of land is contained within the conservation set back area of the creek.

The easement lands will be used for the installation of a temporary access road, routing of by-pass piping and vehicular stationing. The TCDSB is supportive of the City's access as it does not interfere with student programming and will be a party to the easement agreement.

Key Terms of the Easement Agreement will include but are not be limited to the following:

1. Co-execution of the agreement by TCDSB
2. City Indemnification of TDSB for any resulting damages or 3rd party claims, in a form satisfactory to its legal counsel.
3. A maximum term of not more than 5 Years to accommodate the planned lifespan of the rehabilitation project.
4. Full rehabilitation and restoration of any damaged or modified surfaces including the replacement of trees in accordance with City Bylaws.
5. City access to the easement area will be from the rear of the school via the Berry Road Park parking lot. Any required truck traffic or deliveries will be prohibited during ingress and egress times at the start and the end of the school day. A flag person will direct pedestrian traffic at other times.
6. City reimbursement to TLC for all 3rd party legal costs incurred in reviewing and approving the agreement.
7. City shall install secure fencing and/or hoarding around the easement lands.

**APPENDIX**

Appendix A: Aerial View Showing Boundaries of Easement Area

**FROM**

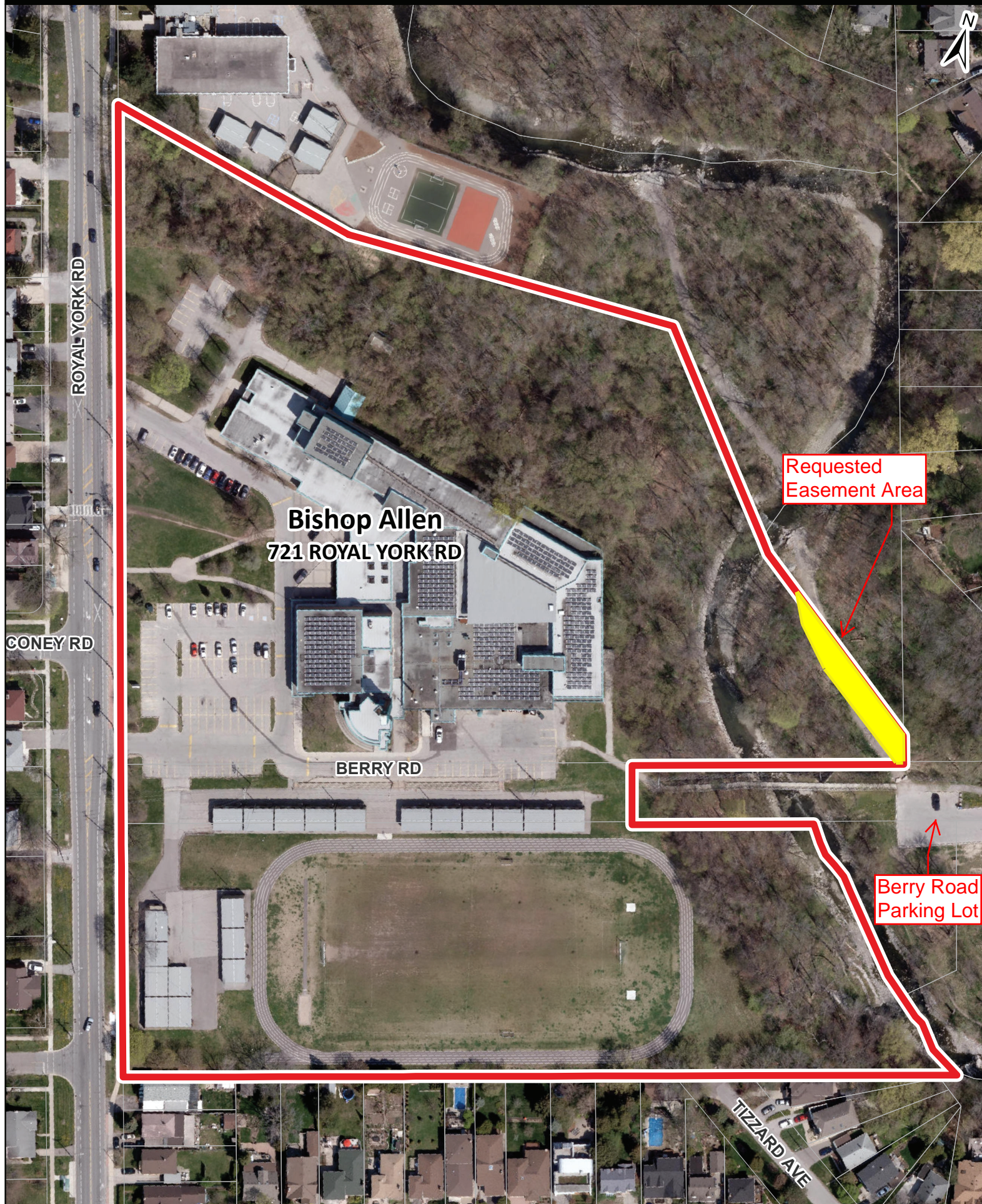
Daryl Sage, Executive Officer, Toronto Lands Corporation, at dsage.tlc@tdsb.on.ca or at 416-393-0575

**ROUTING**

TLC Board

28 November 2017

# SCHOOL SITE - SATELLITE IMAGERY MAP



Property Boundary  
Easement Limits

0 65 130 Meters