



**For Action  
with Confidential Attachment**

## **640 Lansdowne Avenue Lease (Affordable Housing) & Licence (Metrolinx)**

**Date:** February 27, 2019  
**To:** TTC Board  
**From:** Chief Capital Officer

### **Reason for Confidential Information**

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This report is about a proposed or pending land acquisition or disposition of land for municipal or local board purposes and contains advice or communications that are subject to solicitor-client privilege.

### **Summary**

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This report provides an update on the status of the TTC's property located at 640 Lansdowne Avenue ("640 Lansdowne") including: details regarding the temporary Licence of a portion of 640 Lansdowne to Metrolinx; the relocation of TTC's Streetcar Maintenance and Infrastructure Department to 301 Rockcliffe Boulevard; and the agreements required to facilitate the construction of affordable housing and long-term care use ("Residential Use") on a portion of 640 Lansdowne Avenue.

This report between has been prepared in cooperation with City Real Estate Services ("CRES") and the Affordable Housing Office ("AHO") regarding the Residential Use arrangements that will be forwarded to City Council for consideration. The temporary Licence to Metrolinx will be approved under delegated authority by CRES and not forwarded to City Council for consideration.

### **Recommendations**

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It is recommended that the TTC Board:

1. Approve the execution of the necessary agreements between the TTC ("Landlord"), the Proponent ("Tenant"), and the City of Toronto – Affordable Housing Office ("AHO") on the Terms and Conditions set out in Attachment 1 – Confidential Information for the construction and operation of affordable housing and long-term care, satisfactory to the TTC's General Counsel and the City Solicitor;
2. Authorize the release of the Terms and Conditions as referenced in recommendation #1 above upon execution of the necessary agreements between the TTC, the Proponent and the City of Toronto; and

3. Authorize that the information contained in the confidential attachment that is subject to solicitor-client privilege remain confidential in its entirety.

## **Implementation Points**

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The Residential Use of 640 Lansdowne (portions of Parts 1, 2, and 4 on Appendix 1) will be formalized by agreements between the TTC, the City, and the Tenant. The details of these agreements are included in the Attachment 1 – Confidential Information.

The temporary use of Part 3 on Appendix 1 by Metrolinx is anticipated from June 1, 2019 until December 31, 2023, and will be formalized in a Licence Agreement (“Licence”).

In accordance with Toronto Municipal Code Chapter 279, the TTC has authority to approve and enter into temporary and short term licences and leases for the use of lands under the jurisdiction of the TTC. The TTC is working closely with CRES and CreateTO on both the Licence with Metrolinx and Residential Use agreements as these matters are not short term. Approvals for the Residential Use arrangements are being sought from both the TTC Board and City Council in Q1 of 2019. Authority to enter into the Licence to Metrolinx will be sought through the City’s delegated approval authority.

## **Financial Summary**

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The financial details of the Metrolinx Licence and Residential Use agreements are outlined in the Attachment 1 - Confidential Information.

## **Equity/Accessibility Matters**

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The Residential Use will add affordable housing and long-term care units for the City, which is in accordance with the City’s Housing Opportunities Toronto Action Plan 2010-2020. The Residential Use will have both accessible units and fully accessible common areas.

## **Decision History**

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The decision history is contained in Appendix 2.

## **Issue Background**

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640 Lansdowne Avenue has been owned by the TTC (under TTC title) since 1925 when it took over operations from the Toronto Railway Company. The property was an active streetcar and trolley bus facility until 1996. It was declared surplus in 1997 and in 2004 the former garage building was demolished due its deteriorated and structurally unsafe condition.

In 2002, as part of the property disposition process, the TTC undertook subsurface environmental testing of the property and discovered trichloroethylene (“TCE”) in soil and groundwater beneath the site.

640 Lansdowne has been partially vacant since the early 2000s being used mainly for TTC and third party outdoor storage. Currently TTC’s Streetcar Maintenance and Infrastructure Department (SMI) is using a portion of the property for storage of streetcar track panel assemblies and associated equipment, which will need to be permanently relocated from 640 Lansdowne.

In 2017, City Council approved the subject property for use as Affordable Housing in accordance with the City’s Housing Opportunities Toronto Action Plan 2010-2020. The current zoning is Industrial (Tr D0.6) within the former City of Toronto Zoning By-law 438-86, and the Site has not been brought into the City’s Consolidated Zoning Bylaw 569-2013. The Site has a split Official Plan designation, as the portion of the Site fronting Lansdowne is designated Mixed Use Areas, and the remainder is designated General Employment Area within the City’s Employment Area. The Residential Use will occupy portions of Parts 1, 2, and 4 on Appendix 1. Part 5 on the plan is allocated for a future park space. Metrolinx will occupy Part 3 for the term of the temporary licence agreement. The designated General Employment Area is expected to contain future uses which are complimentary to the Residential Use.

A public Request for Proposal was issued by CreateTO on behalf of the AHO to determine the Tenant for the Residential Use on the site. The proposed method of disposal of portions of Parts 1, 2 and 4, as identified on Appendix 1, is through a long-term lease (99 years) in accordance with the City’s Housing Opportunities Toronto Action Plan 2010-2020 and the Toronto Seniors Strategy, Version 2.

Metrolinx has approached the City and has requested a temporary licence to occupy Part 3 of 640 Lansdowne Avenue as a construction staging and laydown area for the Metrolinx Davenport Grade Separation Project. Metrolinx will occupy Part 3 for the anticipated period from June 1, 2019 until December 31, 2023. CRES and CreateTO have found TTC an alternative location for the SMI use at the City-owned property of 301 Rockcliffe Boulevard. The TTC will not need to relocate the SMI use, or any other use, back to 640 Lansdowne in the future.

## **Comments**

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The TTC declared this property surplus to its operational needs in 1997 and the TTC will remain as the Landlord in the lease agreement(s) for the Residential Use portion of the property.

## **Contact**

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## **Signature**

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Susan Reed Tanaka  
Chief Capital Officer

## **Attachments**

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Appendix 1 – Plan of 640 Lansdowne Avenue  
Appendix 2 – TTC Decision History

Attachment 1 – Confidential Information

SP#03078-31-386



## Appendix 2 – Decision History

### TTC Decision History:

At its meeting on July 15, 1997, the Toronto Transit Commission declared certain properties including 640 Lansdowne Avenue surplus to its operational needs:

[https://www.ttc.ca/About the TTC/Commission reports and information/Commission meetings/2002/Mar 20 2002/Other/Disposal Of Surplus .jsp](https://www.ttc.ca/About%20the%20TTC/Commission%20reports%20and%20information/Commission%20meetings/2002/Mar%2020%202002/Other/Disposal%20Of%20Surplus.jsp)

On March 20, 2002, the Board approved a report entitled “Disposal of Surplus Properties - Method of Sale” approved that 640 Lansdowne was no longer needed for municipal purposes and that the property be disposed of by public sale:

[https://www.ttc.ca/About the TTC/Commission reports and information/Commission meetings/2002/Mar 20 2002/Other/Disposal Of Surplus .jsp](https://www.ttc.ca/About%20the%20TTC/Commission%20reports%20and%20information/Commission%20meetings/2002/Mar%2020%202002/Other/Disposal%20Of%20Surplus.jsp)

On November 20, 2002, the Board approved the report entitled “Status of 1997 Surplus Property” that indicated that the sale of 640 Lansdowne had been placed on hold pending the completion of the environmental cleanup on site and the resolution of City and private interest in the property:

[https://www.ttc.ca/About the TTC/Commission reports and information/Commission meetings/2002/Nov 20 2002/Other/Status Of 1997 Surpl.jsp](https://www.ttc.ca/About%20the%20TTC/Commission%20reports%20and%20information/Commission%20meetings/2002/Nov%2020%202002/Other/Status%20Of%201997%20Surpl.jsp)

On June 18, 2003, the Board approved the demolition of the former Lansdowne Garage building:

[https://www.ttc.ca/About the TTC/Commission reports and information/Commission meetings/2003/Jun 18 2003/Other/Lansdowne Garage Dem.jsp](https://www.ttc.ca/About%20the%20TTC/Commission%20reports%20and%20information/Commission%20meetings/2003/Jun%2018%202003/Other/Lansdowne%20Garage%20Dem.jsp)

A January 31, 2012, a confidential report entitled “Lansdowne Bus Garage - Update” provided an update on the litigation regarding the environmental contamination on the property:

[https://www.ttc.ca/About the TTC/Commission reports and information/Commission meetings/2012/January 31/Reports/Lansdowne Bus Garage.pdf](https://www.ttc.ca/About%20the%20TTC/Commission%20reports%20and%20information/Commission%20meetings/2012/January%2031/Reports/Lansdowne%20Bus%20Garage.pdf)

On November 21, 2012, the Board approved a confidential report entitled “TTC v. General Electric” that provided an update to the 2005 lawsuit regarding the sub-surface contamination of the property:

[https://www.ttc.ca/About the TTC/Commission reports and information/Commission meetings/2012/November 21/Supplementary Reports/TTC vs General Elect.pdf](https://www.ttc.ca/About%20the%20TTC/Commission%20reports%20and%20information/Commission%20meetings/2012/November%2021/Supplementary%20Reports/TTC%20vs%20General%20Elect.pdf)

On August 19, 2014, the Board approved the recommendation of the confidential report entitled “640 Lansdowne Avenue - Update” regarding the environmental contamination on the property:

[https://www.ttc.ca/About the TTC/Commission reports and information/Commission meetings/2014/August 19/Supplementary Reports/640 Lansdowne Avenue Update.pdf](https://www.ttc.ca/About%20the%20TTC/Commission%20reports%20and%20information/Commission%20meetings/2014/August%2019/Supplementary%20Reports/640%20Lansdowne%20Avenue%20Update.pdf)

### City Council Decision History:

At its meeting on July 15, 1997, the Toronto Transit Commission declared certain properties including 640 Lansdowne Avenue surplus to its operational needs:

[https://www.ttc.ca/About the TTC/Commission reports and information/Commission meetings/2002/Mar 20 2002/Other/Disposal Of Surplus .jsp](https://www.ttc.ca/About%20the%20TTC/Commission%20reports%20and%20information/Commission%20meetings/2002/Mar%2020%202002/Other/Disposal%20Of%20Surplus.jsp)

At its meeting on April 26, 2017, City Council authorized the Director, Affordable Housing Office, to conduct the pre-development investigations and due diligence considered necessary to ensure successful affordable housing proposal calls with respect to three properties, including 640 Lansdowne Avenue:

<http://app.toronto.ca/tmmis/viewAgendaItemHistory.do?item=2017.EX24.17>

At its meeting on May 22, 2018, City Council approved Version 2.0 of the Toronto Seniors Strategy and requested the Director, Affordable Housing Office, in consultation with the Transition Lead, CreateTO, to include the opportunity for the development of a senior's continuum of care model in affordable housing development planned for 640 Lansdowne Avenue:

<http://app.toronto.ca/tmmis/viewAgendaItemHistory.do?item=2018.EX34.2>