

233 Carlton City Council Motion



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At its meeting on July 28 and 29, 2020, City Council adopted motion MM23.28, "233 Carlton Street - Request for Additional Accountability and Transparency for the Lease Agreement". Councillor Kristyn Wong-Tam's motion directed the City Manager and the Executive Director, Corporate Real Estate Management to make public additional information on the shelter respite centre siting process and leasing agreement for 233 Carlton.

The motion preamble states, "We believe it is in the public's interest for the City of Toronto to release as much detail as possible outlining the process used to identify, secure and decision on the location." For almost one year, the Cabbagetown Coalition has been seeking transparency and accountability on the 233 Carlton issues from the City and specifically Shelter, Support & Housing Administration. In response to the motion the Executive Director, Corporate Real Estate Management has submitted a report which discloses no new information and no meaningful insight into the 233 Carlton deal. The report is fully lacking in transparency and accountability, for example:

- The report states, "due diligence included a comprehensive review of market rates in negotiating the rental rate for the Property. The negotiated rental rate was calculated to be approximately 20 percent less than the rental rates for comparable properties at the time of negotiations, and for that reason is considered a competitive rate." While the report states that due diligence was done to affirm fair market valuation, it does not make public the information used to support that opinion.
- The report states, "All available sites within a reasonable distance from 67 Adelaide Street East were considered. Approximately 11 different sites were investigated". What was the "reasonable distance" from the current location? 233 Carlton Ave. is 2.2 kms from 67 Adelaide Street East. Where are the other 10 potential sites that were under consideration located?
- The report states, "the 11 potential sites, including the Property, [were evaluated] against the specified criteria and the Property was selected as the most optimal site when compared with the other potential sites". What was the decisioning framework? How were the specified criteria weighted? How did each of the other 10 potential sites rank on each of the specified criterion?
- The report downplays Marc Kielburger's role in negotiating the lease agreement by saying, "In early 2019, Corporate Real Estate Management (CREM) and Shelter, Support and Housing Administration (SSHA) staff engaged in one (1) direct telephone discussion". The report fails to disclose that Marc Kielburger's name is on the lease agreement, "I, Marc Kielburger, have the authority to bind the corporation" and Marc Kielburger is on a Committee of Adjustment application as the "owner" of 233 Carlton Ave. What is Marc Kielburger's business relationship with the Landlord, 1622774 Ontario Ltd.? Does Marc Kielburger have financial interest in 233 Carlton Ave.? Why is SSHA not providing fulsome disclosure of relevant information?

- The scope of the City Manager’s Delegated Authority is outlined in CD24.7 2018 Shelter Infrastructure Plan and Progress Report adopted by City Council on December 5, 2017. As a condition to exercise the Delegated Authority a proposed site needs to meet applicable zoning by-laws. 233 Carlton did not satisfy this requirement as evidenced by the minor variance that was before Committee of Adjustment in February 2020 and currently under appeal at Toronto Local Appeal Body. Other potential SSHA shelter sites are filtered out of consideration because they do not meet applicable zoning regulations. The 233 Carlton site should have been filtered out. Also for the same reason, the City Manager acted beyond his Delegated Authority in approving the 233 Carlton real estate transaction. There is no mention of these due diligence failures in the CREM report.

Attached file contains Councillor Kristyn Wong-Tam’s motion and the CREM report that will be taken up (Item CC24.6) at the City Council meeting of September 30, 2020 (today) and October 1, 2020. I encourage you to read the CREM report and to email councillor_wongtam@toronto.ca and the City Council Secretariat councilmeeting@toronto.ca with your comments and feedback on the level of accountability and transparency demonstrated by SSHA and the enclosed report from CREM.

Lastly, we are working on building out our website with more content. Also, to provide an update on 233 Carlton and general plans going forward for supporters and advocates, zoom meetings are in the works to take place ASAP.

Best,

Cabbagetown Coalition – Safer Stronger Together