Ontario Land Tribunal
Tribunal ontarien de l'aménagement du territoire

ISSUE DATE: April 15, 2026 **CASE NO(S).:** OLT-25-000692

PROCEEDING COMMENCED UNDER subsection 7 of the *Expropriations Act*, R.S.O. 1990, c. E.26

Property Owner:	Kenricia Properties Inc.
Expropriating Authority:	City of Kenora
Subject:	Request for Hearing of Necessity
Description:	Expropriation of the Kenricia Hotel for the purposes of Community Improvement and Heritage Rehabilitation and Preservation
Reference Number:	116-2025
Property Address:	155 Main Street South
Municipality/UT:	Kenora/Kenora
OLT Case No.:	OLT-25-000692
OLT Lead Case No.:	OLT-25-000692
OLT Case Name:	Kenricia Properties Inc. v. Kenora (City)

Heard: February 11 to 12, 2026 by Video Hearing; Final written submissions received on February 27, 2026

APPEARANCES:

Parties	**Counsel**
Kenricia Properties Inc. ("Kenricia")	Jonathan Minnes, Wamika Razdan
City of Kenora ("City")	Chantelle Bryson
Jazz Virdi	James Mercury

REPORT OF THE TRIBUNAL DELIVERED BY WILLIAM R. MIDDLETON

INTRODUCTION

[1] This is the Report of a hearing held pursuant to the request of Kenricia ("Hearing") made under section 6(2) of the *Expropriations Act*, R.S.O. 1990, c. E.26 ("Act") in respect of the City's proposed expropriation ("Expropriation") of 155 Main Street South ("Hotel Lands"), and conducted pursuant to section 7(5) of the Act, which states (below emphasis added):

> At the hearing, the Tribunal shall inquire into whether the taking of the lands or any part of the lands of an owner or of more than one owner of the same lands is fair, sound and reasonably necessary in the achievement of the objectives of the expropriating authority.

[2] This Report is delivered pursuant to section 7(6) of the Act which provides that:

> Following the hearing, the Tribunal shall issue a report respecting the hearing that contains the following information, and shall immediately provide a copy of the report to the approving authority and the parties:
>
> 1. A summary of the evidence and arguments advanced by the parties.
> 2. The Tribunal's findings of fact.
> 3. The Tribunal's opinion on the merits of the application for approval, and the reasons for the opinion.

[3] Under section 8(1) of the Act, the City as the approving authority:

> …shall consider every report it receives under subsection 7 (6) respecting a hearing, and shall,
>
> (a) approve the proposed expropriation;
> (b) not approve the proposed expropriation; or
> (c) approve the proposed expropriation with such modifications as the approving authority considers proper, as long as the modifications do not affect the lands of a registered owner who was not a party to the hearing.

[4] The following materials were filed by the Parties:

(a) Joint Book of Documents, comprising 1069 pages;

(b) Joint Book of Witness Statements, comprising 393 pages;

(c) Preliminary Issues Submissions of the City, comprising 12 pages;

(d) Further City Submissions prior to hearing, comprising 5 pages;

(e) Preliminary Issues Submissions of Kenricia, comprising 5 pages;

(f) Further Kenricia Submissions prior to hearing, comprising 3 pages;

(g) Grounds relied on by City, comprising 2 pages;

(h) City's Closing Statement, comprising 4 pages;

(i) Kenricia's Closing Submissions, comprising 77 pages; and,

(j) Transcripts of February 11 and February 12, 2026 hearing, comprising a total of 497 pages.

RULINGS MADE ON PRELIMINARY ISSUES

[5] The Parties were in dispute concerning the number of days scheduled for the Hearing and concerning whether Kenricia ought to be permitted to retain a verbatim reporter to record the Hearing and, if so, whether the City ought to be liable to pay the costs of such verbatim reporter.

[6] Prior to the Hearing, the Tribunal had scheduled two days for this proceeding pursuant to an Order made on December 19, 2025 ("Order"). As a matter of its discretion – which is undisputed - under section 7(3) of the Act, the Tribunal is empowered to fix the time and place of the Hearing which was set out in the Order.

[7] At the Hearing, the Tribunal provided its oral ruling on the preliminary issues, as follows:

> The first… is the costs of the verbatim reporter and I suppose tangentially the use of any transcripts. And then the second issue is…scope and scheduling beyond the currently assigned hearing days of today and tomorrow.
>
> So in my view, the determination of which party ought to pay for the cost of a verbatim reporter is simply not within the mandate of the OLT on this hearing, which is conducted, as you know, under Section 7(5) of the Expropriation Act…
>
> This is an inquiry into the taking of the lands or any part of the lands of an owner, et cetera, and it's a determination or an inquiry into whether that taking is fair, sound, and reasonably necessary in the achievement of the objectives of the expropriating authority.
>
> In my view, none of the … case law authorities … either of the OLT or any Court … squarely address this specific issue in the context of a Section 7 Expropriation Act hearing. So I'm not going to give you a ruling on the payment of costs. What I will say -- and it's not a decision; it's an observation as [to] a possible avenue -- is that the owner could choose to pursue… if the owner becomes a claimant under the Expropriation Act …and, of course, that depends whether this expropriation goes ahead… So an owner could choose to pursue these costs as recoverable in an application hearing under Section 26 pursuant also to Section 32 of the Expropriation Act and also under Rule 26. It has very specific provisions now regarding costs… but in my view, the Tribunal cannot and will not on that issue make a ruling that binds the discretion of the Tribunal in a later Section 26/Section 32 proceeding… I'm not making a determination that they're properly recoverable. I'm just noting it as something the owner could choose to pursue…
>
> It's unnecessary, in my view, to consider and rule upon the future use of any transcripts provided… I'm not sure that the Tribunal has any mandate or jurisdiction to direct how transcripts could be used in any potential future court proceeding or any Tribunal proceeding for that matter… It really becomes an evidentiary matter that could be subject to objection and submissions in another proceeding, and it would be the Tribunal presiding over that proceeding or a Court that is going to make a determination and a ruling as to whether the transcripts …[of this Hearing] … or any portion of them are admissible… So I see it as an issue of admissibility of potential evidence, and that will be dealt with, if there is a future proceeding and if the transcripts are sought to be used…
>
> [Regarding the scope and length of this Hearing] … two full days for a Section 7(5) hearing is not unheard of, but it is unusual…I make that observation that it's unusual to have a hearing last more than one day. We have two days now … I'm not going to tell you right now that we are not going to conduct a hearing past today and tomorrow, but I'm also not going to tell you that the Tribunal is prepared to allot further days. What I would say to you is we've got work to do. Let's see where we get on this. I do recognize there's a number of witnesses for the owners. Keep in mind the mandate

> here and what the Tribunal is directed to, which may come up during the course of the Hearing… The Tribunal will hear that evidence. Whether it needs to be delivered in the painstaking detail that's referenced in the written evidence, I might recommend to you, Mr. Minnes, that we don't need to go through it in that level of granular detail, but certainly the summary of professional opinions, subject to any objections that are made and, you know, a reasonable portion of factual evidence, the Tribunal will hear that. So let's see where we get to by the afternoon of tomorrow, and I think we'll know whether we have sufficient time scheduled…
>
> Again, the primary objective, as I see it, is to finish the permissible oral testimony and evidence on these two hearing days. If need be, final argument could occur later at the Tribunal's discretion, subject to your, of course, comments. Argument might be made solely through written submissions, but we can discuss that later…

[8] As it turned out, all oral evidence was finished before the end of the second day of the Hearing. The Parties then agreed to submit their final arguments in writing only. Therefore, it became unnecessary for the Tribunal to consider scheduling additional days for the Hearing.

SUMMARY OF EVIDENCE AND ISSUES

[9] The City in its Notice of Grounds for the expropriation of the Hotel Lands dated December 8, 2025, relied on the following grounds:

> Community Improvement and Heritage Rehabilitation and Preservation; s. 28 Planning Act, R.S.O. 1990, c.P.13; S.36 Ontario Heritage Act, R.S.O., c.O.18

[10] The City’s counsel argued that:

> The City of Kenora applied to expropriate the subject property at 155 Main Street South, the Kenricia Hotel, by By-law 116-2025 on July 24, 2025. The By-law is clear that it is an application to expropriate the property upon both Community Improvement and Heritage Rehabilitation and Preservation grounds. It is not necessary to state the underlying Planning Act and Ontario Heritage Act statutory authority sections for those grounds but only that the statutory authorities exist

[11] Counsel for Kenricia responded in final argument as follows:

> As of the date of the Hearing of Necessity, the Subject Property is located under the Harbourtown Community Improvement Plan (“Harbourtown CIP”),

> which has been in place since 2017 with the City taking no action to acquire the Subject Property. The City did not make reference to the Harbourtown CIP in their expropriation By-law 116 – 2025 ("Expropriation By-Law"), the Grounds or supporting documentation (the "Grounds Material") delivered to the Claimants and the Tribunal, despite claiming all City departments being asked to submit documentation for the Grounds Material

[12] Kenricia's counsel went on to further argue:

> The Subject Property is now identified under the City's Draft Community Improvement Plan dated December 2025 ("Draft December CIP") which was the only CIP produced in the Grounds Material but was not before City Council when they decided to proceed to expropriate in July of 2025… As of the date of the written closing submissions, the City has now repealed the 2017 Harbourtown CIP in its entirety and has sought to replace it by adopting a new Community Improvement Plan dated February 2026 ("Adopted February CIP"), which has not come into force and effect and is subject to appeal to the Ontario Land Tribunal by March 10, 2026. This makes it clear that the City never intended to rely on the Harbourtown CIP. In any case by having repealed the Harbourtown CIP, the City has eliminated their alleged foundation for the Expropriation By-Law

[13] The City responds to the above positions taken by Kenricia concerning the grounds for the Expropriation as follows:

> Section 28 of the Planning Act along with the Expropriations Act permits a municipality to expropriate land for Community Improvement Purposes when a Community Improvement Area exists, and to do so for purposes of a particular Community Improvement Plan when it exists. There are a 2017 Community Improvement Area and Community Improvement Plan in force. The authority for the taking is not limited by any available grants in an area or under a plan. The adopted 2025 Community Improvement Plan for the continuing Harbourtown Centre Community Improvement Area is pending Ministerial approval. It adds grant programs available to support the Plan, including for Heritage works…
>
> The Respondent failed to call evidence on the section 28 Planning Act ground during the Hearing, instead knowingly falsely claiming that a Community Improvement Area and Plan was not in force to authorize the taking upon those grounds.

[14] The Tribunal is satisfied that the grounds for the Expropriation are as set out in the City's Notice of Grounds as supplemented by the City's evidence at the Hearing in relation to the 2017 Community Improvement Plan ("2017 CIP") and the more recent 2025 Community Improvement Plan ("2025 CIP"). The submissions made by Kenricia in final written argument concerning a more recent February 2026 CIP and its possible

appeal are not rooted in any evidence that was tendered during the Hearing. That matter is not before this Tribunal for adjudication in any event since this hearing is not for the purpose of determining the viability of any planning instruments nor of any disputes under s. 28 or any other provision of the *Planning Act*.

[15] Counsel for Kenricia spent a good deal of time in both his opening statement at the Hearing and in written final argument criticizing the 'secret' process followed by the City in enacting its by-law for the Expropriation and the apparent lack of reports from City staff or experts to justify the grounds for the Expropriation. Such allegations are more properly dealt with by a Court of competent jurisdiction in an entirely separate proceeding. The Tribunal has no power to grant a remedy based on such allegations.

[16] The Tribunal determines that this position put forward by counsel for Kenricia is best understood as a collateral attack on the City's decision as enacted through its Council. As such, there is no requirement in a section 7 Hearing to adjudicate that matter such as there might be in a judicial review proceeding brought before the Superior Court. Grouping these allegations and arguments under the category of 'fairness' does not create such a mandate simply because of the text of section 7(5) of the Act. That provision refers to the "taking of the land" and the Tribunal disagrees that this extends to a 'fairness assessment' - let alone a legal review of - the entire municipal process underlying the Expropriation by-law.

[17] Even if this Tribunal was mandated to review and consider the process followed by the City's Council in enacting the Expropriation by-law, the evidentiary record in this Hearing is incomplete and could not properly enable such a review. Kenricia's position and allegations are based mainly on legal argument and in apparent reliance on various jurisprudence. Very few facts relating to these allegations were available at the Hearing.

[18] In terms of the City's onus, the Tribunal agrees that the City must demonstrate that its proposed Expropriation is fair, sound and reasonably necessary in the

achievement of its objectives. Here the City relied on the documentary record, its stated grounds and the oral testimony of Stace Gander, the City's Chief Administrative Officer.

[19] The Tribunal notes that transcripts for this two-day Hearing have been provided and have been reviewed and considered by the Tribunal. In these circumstances, the Tribunal will not repeat an exhaustive account of the testimony but has succinctly summarized the salient details below.

[20] Mr. Gander gave evidence for the City concerning the long history of the Kenricia Hotel, the purchase of it by the principals of Kenricia in 2006, and its general operation since then. He was generally aware of some aspects of the process which led to the Expropriation by-law but was not involved in the Council meetings. The Hotel was designated as a heritage property and, at one point, Kenricia sought to challenge that designation although it remains. He was unaware of any major renovation, preservation or restoration work carried out by Kenricia, just a single building permit for approximately $20,000 of work. Many discussions have occurred with Kenricia regarding its desire to seek funding to improve the Hotel or to convert it to condos.

[21] Counsel for Kenricia made a number of comments criticizing the evidence of Mr. Gander and the use of leading questions by the City's counsel in direct examination. It is true that the direct examination occasionally featured inappropriate leading questions. However, the Tribunal does not agree with the suggestion that Mr. Gander's testimony featured "lengthy clearly pre-prepared answers". This was not evident to the Tribunal. It is to be expected that counsel will prepare their witnesses to deliver *viva voce* evidence and the Tribunal saw no indication that Mr. Gander's testimony was 'manufactured' any more than was the evidence provided by Mr. Chidiac who seemed equally prepared in the way he delivered his oral testimony.

[22] Mr. Gander also testified that:

(a) Despite many years of ownership by Kenricia, the Hotel has not been restored adequately or consistently kept in good repair and that this has remained a concern of the City. On several past occasions it was necessary for the City to issue work orders;

(b) The Kenricia principals have apparently done some necessary renovations over many years but seemed at least as interested in selling the hotel as they have been in restoring it;

(c) It was not evident to him what work was done by the owners on the Hotel that would have required “millions of dollars” as claimed by the owners;

(d) The Kenricia principals frequently sought third party funding for improvement of the Hotel property and therefore, seemed financially unable to carry out any restoration or improvement plans without such funding;

(e) The City is seeking to completely redevelop the hotel property as part of a plan to dramatically upgrade and improve the City’s downtown area and to transform the Hotel into a leading marquee attraction for tourists and City residents to enjoy;

(f) It is not feasible for the City to enter into some type of partnership with the Kenricia principals in the current circumstances, and the City does not expect that any private real estate developer would be interested in this sort of arrangement, even if the City was inclined to consider it;

(g) The Expropriation was considered and approved by Council only after almost 20 years of trying to explore other alternatives with both past and the current owners of the hotel, to no avail; and

(h) The Expropriation: "…is considered to be an interim measure where the City takes ownership and seeks a suitable partner who has the ability and the experience to make the investments necessary to accelerate the speed of construction to bring this back to its former glory in as short a period as possible…"

[23] The witnesses for Kenricia including Adel Chidiac, Marcus Letourneau, a heritage planner; Mitchell May, an architect; and Jazz Virdi, (separately represented by counsel but led in chief by counsel for Kenricia).

[24] Mr. Chidiac testified that:

(a) He has been a principal of Kenricia since December 2009 and he and his brother each have a 50% ownership share in the Hotel;

(b) He is a licensed professional engineer in Quebec;

(c) In 2009, there were a number of problems with the Hotel due to outstanding work orders etc. issued by the City and it had been closed;

(d) The Hotel currently has 20 hotel rooms for hotel guests, 24 rooms for 'extended stay' use with a further 24 rooms under renovation;

(e) There are commercial spaces available but some of those areas are also under renovation;

(f) He and his brother at one point had a plan for 'condominiumization' of the Hotel but this has not come to pass – they perceived of presenting this as an investment opportunity for potential buyers;

(g) They were hopeful that the City would agree to participate in the project described in (f) but the City was not prepared to do so;

(h) The end goal of that project would be to finish all renovations and then list the condo units for sale and rent;

(i) While considerable renovation work has been done since 2009, all efforts were put on hold in 2020 with only maintenance activity for the next 3 years until 2023;

(j) Most efforts to date have been conducted on interior work and renovation with exterior restoration is apparently to follow in the future;

(k) In the past there were more significant plans aimed at restoration but he has felt that this required substantial collaboration with the City which has not occurred to date;

(l) He has applied for third party and government funding in the past but has not been able to secure it and the City determined that it would not participate in this funding despite an earlier draft MOU that had been exchanged and discussed;

(m) He felt that the interior repairs and renovations first needed to be completed, then once the Hotel was safe and generating income the exterior improvements and restorations could be carried out;

(n) He has reached out to many hotel chains and branding franchisees to explore interest in the Hotel and believed that the work to date performed comprises at least $20M although no detailed invoicing or factual evidence was led to satisfactorily establish this; and

(o) He was quite surprised when he heard from the City that it had no interest in working with him in respect of the Hotel and instead had initiated the Expropriation.

[25] Mr. Letourneau conducted an inspection of the hotel and also authored a report. His opinions were:

(a) The Hotel has clear heritage features on its exterior façade;

(b) Under the City's existing heritage bylaw there are several formally identified heritage attributes of the Hotel;

(c) He saw some heritage features of other nearby City buildings, which also seemed to need some repair or restoration;

(d) He knows of examples whereby a municipality enshrined in a by-law certain policies around the protection of heritage attributes;

(e) His experience is that expropriation for this purpose is a rarely-used tool although there have been expropriations elsewhere in Ontario carried out for that purpose;

(f) He was not retained to opine on structural soundness of the Hotel nor concerning the costs of its restoration; and

(g) Examples he is aware of where substantial monies were invested by a municipality to support restoration involved much larger cities than the City of Kenora.

[26] Mr. May testified at the Hearing as a registered Ontario architect and had also prepared a written report dated February 2, 2026. His opinions were:

(a) The Hotel is in reasonable overall condition but does need some repairs and maintenance as would be typical for a property of its age;

(b) Some exterior elements of the Hotel require more immediate repair;

(c) There is substantial evidence of past work done to maintain and repair the electrical and plumbing systems of the Hotel;

(d) Heritage restoration is different than heritage rehabilitation and preservation;

(e) There are incorrect designations of heritage matters in the City's governing heritage by-law which is not unusual for smaller municipalities who do not have in house heritage experts or large financial capacity;

(f) He did not know that at one point the Hotel owners sought to have the heritage designation removed from the Hotel; and

(g) He was unable to opine on the costs of restoring or repairing the Hotel.

[27] Mr. Virdi has operated an Indian food restaurant (Kurry) on the main floor of the Hotel since on or about 2022. He is not an owner of the property but will clearly be impacted by the Expropriation if it requires him to relocate his business. He also may well have future claims for compensation under the Act which are not, of course, dealt with in this Hearing. He testified that:

(a) His restaurant has a regular clientele throughout the year, but does get busier during the summer holiday season;

(b) He has carried out extensive renovations aimed at improving the restaurant facilities and dining experience for customers, spending upwards of $75,000 so far;

(c) Business has been good although somewhat seasonal in nature;

(d) Some of his customers do stay in the Hotel from time to time;

(e) He found out about the Expropriation in July, 2026 from a City Councillor and he was a little shocked about it;

(f) He has understandably been worried that he might need to relocate his restaurant as he and his family rely on it completely for their livelihood;

(g) Currently, he is quite concerned due to his uncertainty about how the Expropriation will impact his business - he needs to be in a prime downtown location in order to successfully carry on; and

(h) He remains hopeful that the City will assist him if and as it proceeds with the Expropriation.

[28] In a Hearing under section 7(5) of the Act, the Tribunal does not engage in a full analysis of the heritage values or attributes of a property proposed for expropriation. Similarly, it is not the mandate of the Tribunal to make determinations as to what repairs, renovations or restoration ought to be made to a property that is the subject of a taking pursuant to the grounds here relied on by the City. Therefore, much of the evidence of Messrs. Letourneau and May have little relevance to this Hearing. On the other hand, the Tribunal recognizes that their evidence was tendered by Kenricia to support its arguments that the Expropriation is unreasonable and unnecessary. Of course, in any future proceeding under s. 26 of the Act for adjudication of claims for compensation, all of this evidence may become important.

[29] The Tribunal listened carefully to Mr. Chidiac's evidence as to the history of the involvement of him and his brother and as to his various aims and objectives for the hotel as they evolved over the years. Essentially, his evidence boiled down to the essential point that Kenricia's principals are prepared to work with the City and any other third-party developer or even a hotel chain on a reasonable basis in an effort to improve and restore the hotel property in accordance with the City's overall objectives for improvement of the City's downtown. However, he presented no particular plan for this, and it seems evident that unless Kenricia's financial situation improves rapidly and dramatically, Kenricia would be unable to fund such a project on its own. Like most long term property owners, he does not want his property to be expropriated but has been consistently willing to sell it at a reasonable price.

[30] Mr. Virdi's concerns for his thriving restaurant operation are similarly understandable. He recognizes that he has little control as a lessee over what happens to his tenancy in light of the Expropriation.

[31] As noted, the quantum of expenditures invested over the last 20 years by Kenricia's principals was not substantiated by documentary or opinion evidence. Even if it had been, it is not within the mandate of this Tribunal in a section 7(5) Hearing to make determinations about this. This is not a compensation adjudication, and it has been the Tribunal's experience that in all but the most unusual circumstances, most property owners in Ontario who face an expropriation will always be able to point to the past investments and improvements made to their property. The level of such prior investment is not directly relevant to the section 7(5) tests.

[32] The fact remains that despite whatever work has been done by Kenricia over a 20-year period, from the evidence made available to the Tribunal, the Tribunal disagrees with the apparent contention that the hotel has been fully improved, restored and rehabilitated. There was no significant dispute in the evidence about this, as even

Mr. May essentially described it as being only in ‘reasonable condition considering its age’.

[33] The photographic evidence provided at the Hearing as reviewed by the Tribunal also clearly establishes that much more could be done to improve and restore both the inside and the outside of the hotel. The photos show some rooms demonstrate that they are adequate at best – from the evidence it appears that most rooms are not occupied by typical hotel tourist traffic but instead are being utilized under longer term funded arrangements to meet the needs of homeless and otherwise financially disadvantaged City residents. The Hotel is far removed from being the top attraction and marquee location apparently envisioned by the City’s Council as part of a future revitalized downtown area.

FINDINGS AND OPINION

[34] The Tribunal observes that the manner in which the City has undertaken its decision to initiate its planned Expropriation is somewhat haphazard and disorganized. This may be due to the inexperience in expropriation matters on the part of City staff, its Council and its legal counsel. Greater clarity in the process leading up to the Expropriation and additional public involvement might have ameliorated the situation here and might perhaps have even avoided the request for this Hearing.

[35] It may well be that the City has already carried out additional planning for the Expropriation including but not limited to budgetary analysis. However, there was no detailed evidence about this tendered by the City at the Hearing. The City through its legal counsel maintained a defensive posture in this respect and seemed to regard the Hearing as an unnecessary imposition on, and inconvenience for, her client.

[36] On the other hand, the jurisprudence is clear that an expropriating authority need not present a fully budgeted and costed plan at this stage. The City is also not required to deliver an intricately-detailed set of plans and milestones for an expropriation of this nature. The situation might possibly be a little different if the purpose of an expropriation was for road or watermain improvements, or for a significant transit project. In those circumstances, it would be more common for an authority to be in a position to deliver much more information about the project underlying a proposed expropriation.

[37] Counsel for Kenricia, in final argument, has put forward a very technical legal argument to oppose the Expropriation. They attack the heritage-related aspects of the City's objectives – however, this is not a hearing under the *Ontario Heritage Act* to determine whether the hotel property was properly designated. In this Hearing, the Tribunal is not empowered to determine that issue. As already noted, this Hearing is also not conducted under the *Planning Act* and does not require a ruling as to the efficacy or status of the City's Community Improvement Plans or amendments thereto – or of any other planning instrument.

[38] Kenricia's counsel suggests that the Tribunal ought to accept the opinions of Messrs. Letourneau and May that "full expropriation or any expropriation is unnecessary at this stage". However, neither of these experts were – or could be – qualified to provide such an opinion. Only the Tribunal can make such a finding under the express terms of s. 7(5) of the Act – it cannot delegate this ultimate question to any expert.

[39] After careful review and reflection on the evidence presented at the Hearing, and the jurisprudence tendered by the Parties' counsel, the Tribunal makes the following findings:

(a) Although the grounds expressed by the City in its Form 4, supporting materials and in the testimony of Mr. Gander could have been substantially augmented and improved, the Tribunal finds that the objective as set out in

the City's grounds are clear – whether or not the Kenricia principals agree with them;

(b) The City as an expropriating authority under the Act is entitled to pursue those objectives by way of expropriation, if and as authorized by its elected Council pursuant to the Act;

(c) There is no clearly articulated, reasonable option demonstrated by Kenricia or otherwise evident beyond some vague sort of 'collaboration' which must be understood in the context of many apparent past attempts made by Kenricia to seek funding, sometimes with the City's assistance;

(d) In the absence of any definite alternative, beyond speculative notions about the possibility of future collaboration from one or more financial partners (where none has succeeded previously for more than 20 years), the Tribunal accepts that the Expropriation is fair, sound and reasonably necessary for the stated purposes of community improvement and heritage rehabilitation and restoration of the hotel. This is a legitimate municipal purpose which the City is entitled to pursue;

(e) This Tribunal is not persuaded by Kenricia that it ought to instead direct the City to pursue a collaborative project with the Kenricia owners; and

(f) The City and the public at large could benefit from further detailed public disclosure about its specific criteria, milestones and budget required to achieve its objectives – the City also needs to further reflect upon the financial aspects of proceeding with the Expropriation beyond what could be the substantial costs of the restoration and rehabilitation project, since it should be anticipated that the owners (as defined in section 1(1) of the Act) are likely to pursue claims for compensation under the Act arising from this Expropriation. Paraphrasing one commentator in the materials filed by

Kenricia's counsel: Ontario law does not provide freedom from expropriation but if expropriation takes place, full compensation is required.

"William R. Middleton"

WILLIAM R. MIDDLETON
VICE-CHAIR