

SETTLEMENT AGREEMENT

THIS AGREEMENT made this 4th day of December, 2009

BETWEEN:

TORONTO PORT AUTHORITY

(hereinafter referred to as the "TPA")

OF THE FIRST PART

- and -

CITY OF TORONTO

(hereinafter referred to as the "City")

OF THE SECOND PART.

WHEREAS:

- A. The TPA is a corporation constituted pursuant to the provisions of the *Canada Marine Act* for certain purposes and with certain powers related to the operation of the port in the City of Toronto, and is the successor in interest as owner of certain lands and premises formerly owned by The Toronto Harbour Commissioners.
- B. The City is an Ontario municipality constituted pursuant to the *City of Toronto Act, 2006*.
- C. On June 26, 2003, the City, the TPA and City of Toronto Economic Development Corporation ("TEDCO") entered into Minutes of Settlement and a Structured Settlement Agreement, along with related documentation (collectively, the "2003 Settlement Agreement"), with respect to the resolution of certain legal proceedings initiated by the TPA against the City, TEDCO and other parties.
- D. Certain disputes have arisen between the TPA and the City concerning: (i) certain operating and capital payments to be made by the City to the TPA pursuant to the 2003 Settlement Agreement (the "City Payments"), (ii) payments in lieu of taxes ("PILTs") to be made by the TPA to the City pursuant to the 2003 Settlement Agreement and the *Payments in Lieu of Taxes Act* and (ii) harbour user fees ("HUFs") that are charged by the TPA pursuant to the *Canada Marine Act*.
- E. The TPA commenced an action in the Superior Court of Justice against the City bearing court file no. 7800/08 relating to the City Payments and HUFs (the "2008 Court Action").
- F. The TPA owns approximately 200 acres of land and land covered by water bordering on Ashbridges Bay as shown in orange on the plan attached as **Schedule 1** hereto and as legally described in Part 1 of **Schedule 3** attached hereto (the "TPA Lands").

- G. Pursuant to an agreement originally made between The Corporation of the City of Toronto and The Toronto Harbour Commissioners dated December 26, 1911, as amended by agreements dated August 1, 1946 and August 4, 1967 (collectively the "Sewage Treatment Plant Agreement"), the TPA permits the City to use a portion of the TPA Lands east of Leslie Street for the purposes of a sewage disposal plant and/or for park and recreational purposes.
- H. The City has requested that the TPA sell and transfer to the City or as the City may direct in writing for a nominal sum 18.01 acres of the TPA Lands approximately as outlined in red on the plan attached as Schedule 1 hereto (the "18.01 Acre Parcel") for Toronto Transit Commission ("TTC") purposes (the "TTC Transaction").
- I. The City and the TPA are entering into this Agreement to resolve their outstanding disputes concerning the City Payments, the 2008 Court Action and HUFs, to provide for the TTC Transaction and to resolve and provide for certain other matters that have been agreed between the parties.
- J. In addition, as set out in this Agreement, the City and the TPA agree to meet and work together to review and resolve outstanding issues regarding municipal property taxes and PILTs (without prejudice to the City's application for judicial review concerning the decision of the Payment in Lieu of Taxes Dispute Advisory Panel dated December, 2008 (DAP File No. 21368-14306-1) and the decisions of the TPA Board of Directors relating thereto made on February 10, 2009 and April 21, 2009) and it is acknowledged that the TPA will be making a PILTs payment as set out in this agreement without prejudice to the City's application for judicial review of the same.
- K. The City and the TPA acknowledge that officials from the City and officials and Directors of the TPA have worked co-operatively to resolve the issues and other matters addressed in this Agreement.

NOW THEREFORE THIS AGREEMENT WITNESSES THAT in consideration of the mutual covenants and premises contained herein and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the City and the TPA covenant and agree with each other as follows:

ARTICLE 1 PAYMENTS

1.1 City Payments

- (a) Upon Closing (as defined in Section 5.1 below), the City shall pay to the TPA the sum of \$11,700,000 in satisfaction of the following City Payments:
 - (i) outstanding and unpaid capital payments as contemplated in Section 1.2 of the 2003 Settlement Agreement (the "Capital Payments") in the aggregate

amount of \$10,700,000 for the period from and including January 1, 2006 to the date of this Agreement; and

- (ii) an outstanding and unpaid operating and capital payment (as contemplated in Section 1.3 of the 2003 Settlement Agreement) (the "Operating and Capital Payments") in the amount of \$1,000,000 originally due July 15, 2006.
- (b) Upon Closing, the City shall also pay to the TPA interest on the amount of the Net Balance (as hereinafter defined) owing by the City to the TPA from and including the date such Net Balance amounts were originally due and owing to the TPA until the Closing Date (as defined in Section 5.1 below) at a rate per annum equal to the Prime Rate plus 2% calculated in accordance with Schedule 2. As at December 1, 2009, the aggregate amount of interest owing by the City to the TPA is \$782,535.00 calculated as set out on Schedule 2 attached hereto. For the purposes of this Agreement,
- (i) "Prime Rate" means the floating annual rate of interest published from time to time by Bank of Canada (the "Bank") as the prime business rate or 'prime rate' for Canadian dollar loans made in Canada and available on the Bank's website at: <http://www.bankofcanada.ca/en/rates/interest-look.html>; and
 - (ii) "Net Balance" means, at any time, the amount equal to (A) the total amount of PILTs determined by the TPA to be payable in respect of taxation years ending prior to such time for the 1999 to 2008 taxation years of \$5,487,854.00 together with the amount of \$931,232.00 in respect of PILTs for the 2009 taxation year (subject to the limitations in respect of such amount set forth in Section 1.2 below) which were unpaid at such time, LESS (B) the total amount of City Payments owing by the City to the TPA under the 2003 Settlement Agreement that are outstanding and unpaid at such time, AND LESS (C) the outstanding HUFs for the period January 1, 2000 to the date of such calculation as adjusted in accordance with Section 1.3 below, such net amount to be calculated in the manner shown on Schedule 2 attached hereto. For greater certainty, interest shall only be payable by the City to the TPA under this Section from and after the date on which the Net Balance is less than zero and the TPA shall have no obligation to pay interest to the City in respect of any Net Balance which is greater than zero. For the purposes of calculating the interest payable by the City to the TPA under this Section 1.1(b) the Net Balance shall be expressed as a positive number.
- (c) The City covenants and agrees to make the remaining Capital Payments (in the aggregate amount of \$5,100,000) and the remaining Operating Payments (to be determined in accordance with the Ground Lease between the TPA and TEDCO) to the TPA as and when due in accordance with Section 11.3 of the 2003

Settlement Agreement (and in any event within 30 days after a written request from the TPA to do so following the dates such payments become due) without any deduction, set-off, or abatement whatsoever. The City acknowledges and agrees that, concurrently with the execution of this Agreement, it shall deliver to the TPA a series of six (6) post dated cheques in the amount of \$850,000.00 each representing the remaining Capital Payments due on January 1st and July 1st in 2010, 2011 and 2012. The City further acknowledges and agrees that the TPA may rely upon the City's covenants in this Section 1.1(c) to obtain judgment against the City if the City fails to make any of the payments contemplated in this Section 1.1(c).

1.2 TPA Payments

Upon Closing, the TPA shall pay to the City the sum of \$6,419,086 representing PILTs in the amount of \$5,487,854.00 determined by the TPA for the taxation years 1999 to 2008 inclusive and \$931,232.00 in respect of PILTs for the 2009 taxation year (the "2009 Payment"). Such payment shall be without prejudice to the application made by the City for judicial review of the decision of the Payment in Lieu of Taxes Dispute Advisory Panel dated December, 2008 (DAP File No. 21368-14306-1) and the decisions of the TPA Board of Directors relating thereto made on February 10, 2009 and April 21, 2009. The City and the TPA acknowledge and agree that the 2009 Payment is being made by the TPA on account of and not in addition to or duplication of any PILTs which are ultimately determined to be payable in respect of the 2009 taxation year and the 2009 Payment shall be credited against any PILTs amounts which are ultimately determined to be payable by the TPA. Further, the City and the TPA acknowledge and agree that: (i) the 2009 Payment will not constitute a base or precedent in connection with the determination of any PILTs that may be applied for by the City or determined by the TPA to be payable to the City in any future taxation years; (ii) neither the City nor the TPA will refer to the 2009 Payment in the course of any on-going or future litigation other than litigation to enforce this Agreement; and (iii) the inclusion of PILTs amounts, including the 2009 Payment, in Schedule 2 is solely for the purposes of calculating the Net Balance owing by the City and will not constitute a basis or precedent for interest being charged or claimed in respect of PILTs for any taxation year.

1.3 HUFs

- (a) The TPA shall retroactively adjust the HUFs charged to the City in respect of the operation of City ferries in Toronto Harbour for the period from January 1, 2000 to the date of this Agreement such that the HUFs charged to the City for such period are consistent with the rates charged to commercial tour boat operators during that same period. The TPA and the City acknowledge and agree that the HUFs to be charged to the City for each year during such period shall be equal to an annual rate of \$10 multiplied by the total passenger capacity of each of the five ferries operated by the City (the Ongiara, the Thomas Rennie, the Sam McBride, the William Inglis and the Trillium).

- (b) Upon Closing, the City shall pay to the TPA the sum of \$380,559.00 representing the aggregate of (i) the outstanding adjusted HUFs for the period from January 1, 2000 to the date of this Agreement and (ii) applicable Goods and Services Taxes.
- (c) **Schedule 2** attached hereto sets out the adjusted HUFs and applicable Goods and Services Taxes (in the seventh column) and the calculation of interest thereon.
- (d) From and after the date of this Agreement and unless otherwise ordered or required by a court or other administrative/legislative body having jurisdiction, the TPA covenants and agrees that the HUFs charged to the City in respect of the operation of its ferries in Toronto Harbour shall be determined in the same manner and on the same basis as the HUFs charged by the TPA to commercial tour boat operators. Nothing in this Agreement shall be construed as limiting or restricting in any manner whatsoever the power or authority of the TPA to fix or to adjust HUFs to be charged under section 49 of the *Canada Marine Act* from time to time.
- (e) The TPA covenants and agrees that if it proposes to increase or adjust the HUFs charged to the City in respect of the operation of its ferries in Toronto Harbour, the TPA shall consult with the City concerning any such increase or adjustment.

ARTICLE 2

REAL ESTATE MATTERS

2.1 Sale of 18.01 Acre Parcel

- (a) Upon Closing, in consideration of the sum of \$1.00 to be paid by the City to the TPA, the TPA shall sell, transfer and convey to the City or to such other entity (the "Transferee") as the City may direct in writing prior to Closing, all of TPA's right, title and interest in the 18.01 Acre Parcel and shall execute and deliver to the City or the Transferee a general conveyance and/or transfer/deed (in registrable form if applicable) of the 18.01 Acre Parcel in favour of the City or such Transferee (a "Transfer"). If at the Closing Date title to the 18.01 Acre Parcel has been registered in the name of the TPA, the City or such Transferee shall be responsible for registering the Transfer and paying any registration fees or land transfer taxes in connection therewith.
- (b) The City and the Transferee shall take the 18.01 Acre Parcel on an "as is, where is" basis with no representations or warranties whatsoever. Without limiting the generality of the foregoing, the City acknowledges and agrees that the TPA is not making any representation or warranty of any kind whatsoever with respect to the physical or environmental condition, physical characteristics, title, suitability for development, fitness for the City's or the Transferee's intended use or any other particular use or purpose or any other aspect or characteristic of the 18.01 Acre Parcel.

- (c) From and after Closing:
- (i) the TPA shall have no obligations, liabilities or responsibilities with respect to any matter relating to the 18.01 Acre Parcel, including without limitation the physical or environmental condition thereof or any liabilities relating thereto;
 - (ii) the City and the Transferee shall assume all obligations, responsibilities and liabilities relating to the 18.01 Acre Parcel and shall indemnify and hold harmless the TPA for any claims, losses, damages or expenses incurred by the TPA relating thereto regardless of whether any of such claims, losses, damages or expenses relate to or arise from the acts or omissions of the TPA while it was the owner of the 18.01 Acre Parcel;
 - (iii) the City and the Transferee shall waive all claims which the City or the Transferee then has or may in the future have against the TPA related to any contamination or hazardous substances that are present at, on, in or under the 18.01 Acre Parcel; and
 - (iv) the City and the Transferee shall indemnify and hold harmless the TPA for any claims, losses, damages or expenses incurred by the TPA in respect of any contamination of the TPA Lands as a result of any activities or operations on or at the 18.01 Acre Parcel or any release or migration of hazardous substances from the 18.01 Acre Parcel onto the TPA Lands.

2.2 Permanent Easements for City Co-Generation Facility

Upon Closing, the TPA shall grant to the City a permanent easement or easements for pipelines and electrical duct banks serving the City's co-generation plant associated with the Ashbridges Bay sewage treatment plant. Such easement(s) to be in such locations and of such dimensions and on such terms as the TPA and the City shall agree, each acting reasonably.

2.3 Acknowledgement re TPA Lands

The City acknowledges and agrees that TPA is the absolute owner of the TPA Lands subject to the rights of the City pursuant to the Sewage Treatment Plant Agreement, and that the City has no ownership interest in the TPA Lands.

2.4 Correction of Title to TPA Lands

The City and the TPA acknowledge that title to some or all of the TPA Lands has been incorrectly recorded in the Land Titles Office for the Land Titles Division of Toronto (the "LTO"). The City shall co-operate with the TPA and shall execute and deliver all such documents and instruments as the TPA or the Land Registrar in the LTO may reasonably require in order to correct the title records for the TPA Lands to show the TPA as the registered owner thereof. The correction of such title records shall be completed by June 30, 2010 and the City shall pay 50% of any costs that may be incurred by the TPA in connection with steps necessary to effect such corrections up to a maximum of \$10,000.00 (including a survey, registration fees

and reasonable legal fees and disbursements) within 30 days after receipt by the City of an invoice therefor from the TPA together with copies of any supporting invoices.

2.5 Maintenance of Railway Lines

The City and the TPA acknowledge that pursuant to Section 4.5 of the 2003 Settlement Agreement, TEDCO has certain obligations with respect to the maintenance of existing rail lines, spurs and switching yards that serve the TPA Lands and that such obligations are continuing.

ARTICLE 3

ADDITIONAL PROVISIONS

3.1 Bremner Boulevard

The City acknowledges and agrees that TPA has no ownership interest in the lands comprising Bremner Boulevard (as legally described in Part 2 of Schedule 3 attached hereto) and has never had any such ownership interest. The City further acknowledges and agrees that the TPA is not liable for any outstanding property taxes assessed against the Toronto Harbour Commissioners in respect of the lands comprising Bremner Boulevard. The City will cause all outstanding property tax bills for Bremner Boulevard identifying the TPA or the Toronto Harbour Commissioners as the assessed owner, including without limitation those attached as Schedule 4 hereto, to be cancelled or written off and to be removed from the City's list of properties with tax arrears.

3.2 Dock Wall Issues

The City agrees that it will work with the TPA in an on-going co-operative endeavor to review and attempt to resolve dock wall issues.

ARTICLE 4

CONDITIONS

4.1 General Conditions

The obligations of the City and the TPA under this Agreement are subject to and conditional on the City obtaining approval of this full and complete Agreement and all of the terms and provisions hereof without amendment from City Council by 5:00 p.m. on December 4, 2009. If this condition has not been satisfied on or before 5:00 p.m. on December 4, 2009, this Agreement shall automatically terminate and be of no further force or effect.

4.2 Conditions to Real Estate Transactions

The obligations of the TPA to complete the sale of the 18.01 Acre Parcel and the granting of permanent easements to the City for its co-generation facility as contemplated in Sections 2.1 and 2.2 above are subject to and conditional on:

- (a) the preparation and registration in the LTO of a reference plan or plans identifying the 18.01 Acre Parcel and the lands over which such permanent easements are to be granted;
- (b) the TPA obtaining all approvals or authorizations (including if applicable supplementary letters patent) necessary for it to convey the 18.01 Acre Parcel and the easements;
- (c) compliance with the *Planning Act*, if applicable; and
- (d) the execution and delivery by the Transferee to the TPA upon Closing of a written agreement in favour of the TPA (which shall be satisfactory to the TPA and its counsel, each acting reasonably) containing acknowledgements, covenants, waivers and indemnities given by the Transferee to the TPA which correspond to the provisions of Sections 2.1(b) and 2.1(c) or an acknowledgement, covenant and agreement from the Transferee that it shall be subject to, bound by and assume and perform the provisions of Sections 2.1(b) and 2.1(c) as if the Transferee were an original party to this Agreement (the "Transferee's Agreement").

If all of the foregoing conditions have not been satisfied on or before 5:00 p.m. on June 30, 2010, then, unless extended by written agreement between the parties hereto, this Agreement shall automatically terminate and be of no further force or effect.

Without limiting the foregoing, (i) the TPA's obligations to complete the transactions to be completed upon Closing shall also be subject to and conditional on the City having performed all of its covenants and agreements under this Agreement to and including and upon the Closing Date and (ii) the City's obligations to complete the transactions to be completed upon Closing shall also be conditional on the TPA having performed all of its covenants and agreements under this Agreement to and including and upon the Closing Date.

4.3 Satisfaction of Conditions

Each of the TPA and the City shall take all reasonable steps to satisfy the conditions set forth in Section 4.2 which are within its control. TPA shall be responsible for arranging for the preparation and registration of the reference plan(s) contemplated in Section 4.2(a) and the City shall pay 50% of the cost thereof to the TPA within 30 days after receipt by the City of an invoice therefor from the TPA together with copies of the supporting invoices of the surveyor retained by TPA to prepare such reference plan(s). TPA will submit such reference plans to the City for review to ensure such plans meet City standards prior to registration thereof on title to the 18.01 Acre Parcel and/or the TPA Lands.

ARTICLE 5

CLOSING

5.1 Closing

The closing of the TTC Transaction (the "Closing") shall occur at such location as the parties shall determine on the date that is 10 business days (as defined in Section 6.4 below) following the date on which all of the conditions in Article 4 (other than the condition in Section

4.2(d) which is to be satisfied upon Closing) have been satisfied (the day of closing being the "Closing Date"). Upon Closing, the payments contemplated to be made pursuant to Sections 1.1, 1.2 and 1.3 shall also be made between the parties.

5.2 Closing Deliveries

- (a) Upon Closing, the City shall deliver to the TPA:
- (i) a negotiable bank draft drawn on a Schedule I Canadian chartered bank in an amount equal to (A) the amount to be paid by the City to the TPA upon Closing pursuant to Sections 1.1 and 1.3 of this Agreement, less (B) the amount to be paid by the TPA to the City upon Closing pursuant to Section 1.2 of this Agreement.

For greater certainty, as of December 1, 2009, the net amount payable by the City to the TPA under this Agreement is \$6,444,007.00 As of the Closing Date (and assuming that the payments to be made by the City pursuant to Section 1.1(c) are paid in full as and when due), the net amount payable by the City to the TPA shall be equal to \$6,444,007.00 plus interest on the outstanding Net Balance calculated at the rate and in the manner set out in Section 1.1(b) and Schedule 2 of this Agreement from December 1, 2009 to the Closing Date. Not later than the three (3) business day before Closing, the City shall prepare and deliver to the TPA a draft statement setting out the total amount payable by the City to the TPA upon Closing together with details of the calculation of the additional interest amount from December 1, 2009 to the Closing (calculated in the manner contemplated in Section 1.1(b) and Schedule 2 of this Agreement) and the City and the TPA shall consult and work co-operatively to resolve any comments which the TPA may have on such statement and to agree on a final statement of the amount payable by the City to the TPA on Closing by no later than the business day immediately preceding the Closing Date;

- (ii) the Transferee's Agreement contemplated in Section 4.2(d); and
 - (iii) such other documents and instruments as the TPA or its solicitors may reasonably require to give effect to the transactions contemplated herein.
- (b) Upon Closing, the TPA shall deliver to the City or the Transferee:
- (i) a duly executed copy of the Transfer and easement agreement contemplated in Sections 2.1 and 2.2 above; and
 - (ii) such other documents and instruments as the City or the Transferee or their respective solicitors may reasonably require to give effect to the transactions contemplated herein.

ARTICLE 6
GENERAL

6.1 No Merger

The covenants of the City and TPA under this Agreement shall not merge upon Closing but shall continue in full force and effect.

6.2 Currency

All payments to be made hereunder shall be made in lawful currency of Canada.

6.3 Time

Time is of the essence of this Agreement.

6.4 Notices

Any notice or document given under this Agreement shall be in writing and shall be given either by personal delivery or by fax or registered mail, postage or courier charges prepaid, addressed to the intended recipient as follows:

(a) If to the City:

City of Toronto
City Hall
100 Queen Street West
Toronto, Ontario M5H 2N2

Attention: City Clerk
Fax No: (416) 392-6990

(b) If to the TPA:

Toronto Port Authority
60 Harbour Street
Toronto, Ontario M5J 1B7

Attention: President
Fax No.: (416) 863-4830

Any notice or document given in accordance with this section shall be deemed to have been given and received on the day of delivery or if sent by fax to have been given and received on the day of transmission, in each case if delivered or transmitted by fax before 5:00 p.m. Toronto time on a business day, failing which such notice or document shall be deemed to have been given and received on the next following business day, or if sent by registered mail shall be deemed to have been given and received on the third business day after posting in Canada. Either party may at any time give notice to the other under this section of a change of

address and thereafter such changed address shall be substituted for the address set out above. For the purposes of this Agreement, “**business day**” means any day other than a Saturday or Sunday or any statutory holiday in the Province of Ontario.

6.5 Assignability

Neither party shall assign or in any way transfer this Agreement or any of its rights, privileges, duties or obligations hereunder.

6.6 Enurement

This Agreement shall enure to the benefit of and be binding upon the parties hereto and their respective successors.

6.7 Governing Law

This Agreement shall be construed and enforced in accordance with the laws of the Province of Ontario and the federal laws of Canada applicable therein from time to time.

6.8 Amendments/Waiver

No supplement, modification, amendment, waiver or termination of any provision of this Agreement shall be binding unless executed in writing by the parties hereto.

6.9 Federal Crown

The TPA is entering into this Agreement on its own behalf and not on behalf of Her Majesty the Queen in right of Canada. Nothing in this Agreement fetters the discretion of any servant of Her Majesty the Queen in right of Canada in the exercise of any statutory duties.

6.10 Counterparts

This Agreement may be executed in two or more counterparts, each of which shall constitute an original hereof and all of which taken together shall constitute one and the same agreement.

IN WITNESS WHEREOF the parties hereto have executed this Memorandum of Agreement as of the date first written above.

Authorized by

DK
Item No. CC42-9
as adopted by City of Toronto
Council ~~on~~ *at its meeting on*
November 30, December 1, 2, 4 and 7, 2009
Marilyn M. Toff *for* City Clerk

TORONTO PORT AUTHORITY

By: *[Signature]*
Mark McQueen
Chairman
By: *[Signature]*
Alan Paul
Acting President &
Chief Executive Officer

CITY OF TORONTO

By: *[Signature]* Marilyn M. Toff
for Ulli S. Watkiss
Name: Ulli S. Watkiss
Title: City Clerk
By: *[Signature]*
Name: Giuliana Carbone
Title: ~~Chief~~ Treasurer

SCHEDULE 1

TPA Lands

See attached aerial photo showing TPA Lands outlined in orange and the 18.01 Acre Parcel outlined in red.

**Schedule 1
Plan showing TPA Lands and 18.01 Acre Parcel**



SCHEDULE 2

Net Balance and Interest on Net Balance

See attached spread sheet showing calculation of Net Balance and interest thereon

CALCULATION OF NET BALANCE OWING TO TORONTO PORT AUTHORITY AS OF DEC. 1, 2009

	Starting Balance	# of Days	Interest	PILTS	Capital Payments	HUF	Ending Balance	Prime Rate + 2%
July 30, 1999	-	-	-	213,789	-	-	213,789	
July 30, 2000	213,789	366	-	374,036	-	(38,253)	549,573	8.50%
July 30, 2001	549,573	365	-	444,797	-	(38,253)	956,117	9.50%
July 30, 2002	956,117	365	-	550,437	-	(38,253)	1,468,302	5.75%
July 30, 2003	1,468,302	365	-	564,466	-	(38,253)	1,994,515	6.50%
July 30, 2004	1,994,515	366	-	561,352	-	(38,253)	2,517,615	6.50%
July 30, 2005	2,517,615	365	-	544,498	-	(38,253)	3,023,860	6.25%
January 1, 2006	3,023,860	155	-	-	(1,500,000)	-	1,523,860	6.50%
July 1, 2006	1,523,860	181	-	-	(1,500,000)	(38,074)	(14,214)	7.50%
July 15, 2006	(14,214)	14	-	-	(1,000,000)	-	(1,014,214)	8.00%
July 30, 2006	(1,014,214)	15	(3,275)	568,939	-	-	(448,549)	8.00%
January 1, 2007	(448,549)	155	(15,193)	-	(1,500,000)	-	(1,963,743)	8.00%
July 1, 2007	(1,963,743)	181	(77,891)	-	(1,500,000)	(37,895)	(3,579,529)	8.00%
July 30, 2007	(3,579,529)	29	(22,378)	734,308	-	-	(2,867,600)	8.00%
January 1, 2008	(2,867,600)	155	(100,157)	-	(1,500,000)	-	(4,467,756)	8.25%
July 1, 2008	(4,467,756)	182	(150,367)	-	(1,500,000)	(37,538)	(6,155,661)	6.75%
July 30, 2008	(6,155,661)	29	(32,554)	931,232	-	-	(5,256,982)	6.75%
December 31, 2008	(5,256,982)	154	(132,773)	-	-	-	(5,389,755)	6.00%
January 1, 2009	(5,389,755)	1	(729)	-	(850,000)	-	(6,240,484)	5.00%
July 1, 2009	(6,240,484)	181	(131,509)	-	(850,000)	(37,538)	(7,259,531)	4.25%
July 30, 2009	(7,259,531)	29	(24,297)	931,232	-	-	(6,352,596)	4.25%
September 30, 2009	(6,352,596)	62	(45,543)	-	-	-	(6,398,138)	4.25%
December 1, 2009	(6,398,138)	62	(45,869)	-	-	-	(6,444,007)	4.25%
Totals:		3,715	(782,535)	6,419,086	(11,700,000)	(380,559)		

Notes/Assumptions:

1. A negative balance is an amount owed to the TPA
2. PILTS are assumed to have been payable on July 30th each year
3. Interest (at Prime + 2% compounded semi-annually) has been applied only to overall negative balances (amounts owed to the TPA)
4. The 2009 PILT payment is an estimate based on the 2008 figure
5. The City has an obligation to make \$1.7 million annual capital payments to the TPA in 2010, 2011, & 2012
6. The City also has an obligation to provide \$3 million/year operating payments to the TPA in 2010, 2011 & 2012
 - however, the TPA's rental revenues for certain properties rented from TEDCO will be netted from the operating payments
 - in 2010, it is estimated that the net operating payment to the TPA will be approx. \$2.1 million

SCHEDULE 3

LEGAL DESCRIPTIONS

Part 1 - TPA Lands

The lands and lands covered by water comprising PIN 21385-0135(LT) except for those parts of Blocks I, N, O and RO on Plan 520E Toronto designated as Parts 1 and 2 on Plan RD-86 and except for that part of the Park Development Reservation on Plan 520E Toronto designated as Part 3 on Plan 63R-3858

Part 2 - Bremner Boulevard

Bremner Boulevard N/S
Being Part of block C and Part of The Esplanade (Closed) on Plan 536E now designated as Parts 1 and 2 on Plan 64R14473
City of Toronto

SCHEDULE 4

Bremner Boulevard Tax Bills

See attached copies of tax bills showing TPA or THC as assessed owner



PLEASE RETAIN THIS PORTION FOR YOUR RECORDS

FINAL NOTICE

Assessment

Roll No. 1904 06 2 060 01112 0000

Payments are posted to this date April 3, 2009

Mailing Address

014219 50/24 * 17(H)
HARBOUR TORONTO
THE COMMISSIONERS
60 HARBOUR ST
TORONTO ON M5J 1B7

Overdue Amounts

Year	Total
2004	91.00
2003	183,672.14
2002	176,742.35
2001	179,191.96
2000	696,168.55
Total:	1,235,866.00

Remaining Instalments

Date	Amount

Effective January 1, 2008 tax accounts that are issued to a bailiff will be charged a \$56.00 Administration Fee.

Property Address

BREMNER BLVD N/S

PLEASE RETURN THIS PORTION WITH YOUR PAYMENT

FINAL NOTICE

Assessment

Roll No. 1904 06 2 060 01112 0000

Payments are posted to this date April 3, 2009

Property Address

BREMNER BLVD N/S

Prior Years

\$ 1,235,845.00

Current Year

\$ 21.00

Total Amount Due

\$ 1,235,866.00

Amount Paid

\$

FINAL NOTICE — Prior to Bailiff Action

Full payment must be made within 21 days of the mailing of this FINAL NOTICE to avoid bailiff action and applicable costs. Please call 416-395-0174 to make payment arrangements.

19040620600111200000 3 01235866009 01235866009 200904035

⑆01563⑉900⑆ ⑆00054932462⑆ 96



PLEASE RETAIN THIS PORTION FOR YOUR RECORDS

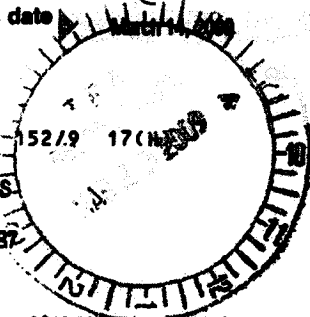
Statement of Tax Account

Assessment Roll No 1904 06 2 080 01112 0000

Payments are posted to this date

Mailing Address

046565 HARBOUR TORONTO THE COMMISSIONERS 60 HARBOUR ST TORONTO ON M5J 1B7



Overdue Amounts

Year	Total
2004	86.00
2003	182,638.03
2002	175,757.48
2001	178,253.99
2000	692,349.02
Total:	1,229,084.52

Remaining Installments

Date	Amount

A Council mandated Administration Fee of \$16.00 has been added to your statement and is reflected in the Total Amount Due.

Property Address BREMNER BLVD N/S

PLEASE RETURN THIS PORTION WITH YOUR PAYMENT

Statement of Tax Account

Assessment Roll No 1904 06 2 080 01112 0000

Payments are posted to this date March 14, 2009

Property Address BREMNER BLVD N/S PLAN 536E PT BLK C PT THE ESPLANADE CLSD NOW RP 64R14473 PART 12

Prior Years \$ - 1,229,084.52

Current Year \$ 16.00

Total Amount Due \$ 1,229,084.52

Amount Paid \$

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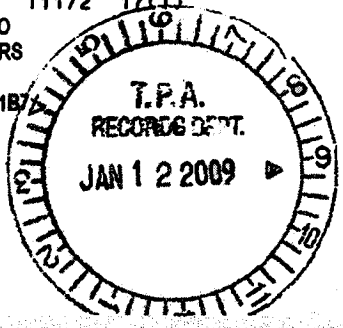
01563-900: 100054932462# 96



PLEASE RETAIN THIS PORTION FOR YOUR RECORDS
Statement of Tax Account

Assessment Roll No **1904 06 2 060 01112 0000**
 Payments are posted to this date **January 5, 2009**
 Mailing Address

034602 111/2 17(1)
 HARBOUR TORONTO
 THE COMMISSIONERS
 60 HARBOUR ST
 TORONTO ON M5J 1B7



Year	Total
2004	70.00
2003	180,589.81
2002	173,787.74
2001	176,378.05
2000	684,741.96
Total:	1,215,547.56

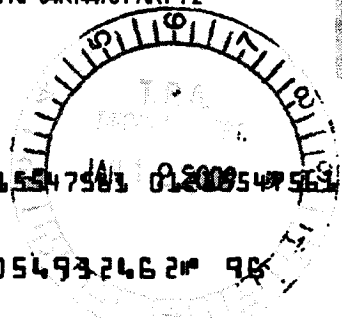
Date	Amount

Property Address
 BREMNER BLVD N/S

PLEASE RETURN THIS PORTION WITH YOUR PAYMENT
Statement of Tax Account

Assessment Roll No **1904 06 2 060 01112 0000**
 Payments are posted to this date **January 5, 2009**

Property Address
 BREMNER BLVD N/S
 PLAN 536E PT BLK C PT THE ESPLANADE CLSD NOW RP 64R14473 PART 12



Prior Years	\$ 1,215,547.56
Current Year	\$ 0.00
Total Amount Due	\$ 1,215,547.56
Amount Paid	\$

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