

Attachment 3
MAJOR TERMS: DEVELOPMENT AGREEMENT ("DA")
GEORGE BROWN COLLEGE
November 23, 2016

PARTIES	<ul style="list-style-type: none"> - George Brown College of Applied Arts and Technology ("Development Partner") - Toronto Waterfront Revitalization Corporation ("Waterfront Toronto")
PROPERTY	PIN 21384-0136, being Block 3, Plan 66M-2476, together with an access easement over Block 12, Plan 66M-2476, City of Toronto ("Property")
TIMING	To be executed upon completion of negotiations with the Development Partner on or before entering into the Agreement of Purchase and Sale between the City of Toronto ("City") and the Development Partner.
PURPOSE	To establish and govern the overall relationship between the Development Partner and Waterfront Toronto for the development of the Property. It includes rights and obligations of the parties that are specific to the development, and covers the full life of the development.
SELECTED PRIMARY ACADEMIC SCHOOL	The Development Partner will designate a primary academic school for the Proposed Development which will require the prior approval of Waterfront Toronto which primary academic school may originate from Development Partner's Health Sciences, Arts, Design & Information Technology or Construction & Engineering Technologies divisions. The Development Partner agrees to commit to use the majority of the usable above-grade area of the Proposed Development (calculated by excluding the usable area of the ground floor and child care centre) for programs and courses that, in the reasonable opinion of Waterfront Toronto and Development Partner, will contribute to the development of a broader innovation district along the waterfront and which may originate from any one or more of Development Partner's academic schools.
OPTION TO REPURCHASE PROPERTY	Development Partner shall grant Waterfront Toronto an option to repurchase the Property, in a form satisfactory to the Development Partner and Waterfront Toronto, both acting reasonably, which will be registered on title on closing and which shall entitle Waterfront Toronto (or whomever it may direct) the right to reacquire the Property at an amount set out in the Confidential Attachment to this Term Sheet if either (i) Development Partner has not submitted its complete Site Plan Application within 2 years of the date of the closing of its acquisition of the Property (the "Closing Date") or (ii) Development Partner has not commenced construction of its proposed development within 4 years of the Closing Date. If Waterfront Toronto has not completed the filing of an RSC on the environmental site registry by December 31, 2018 as required by the Development Agreement then the time periods in the immediately preceding sentence will be automatically extended by the additional time it takes Waterfront Toronto to complete this filing.

DEVELOPMENT OBLIGATIONS OF WATERFRONT TORONTO	
Environmental	<p>Waterfront Toronto shall diligently pursue and seek to obtain on or before December 31, 2018 (or such later date as Waterfront Toronto may advise):</p> <ul style="list-style-type: none"> (a) complete all investigations and other work necessary to finalize a Risk Assessment/Risk Management (“RA/RM”) Plan for the Property, shall submit the RA/RM Plan to the Ministry of the Environment and Climate Change (“MOECC”) and obtain MOE’s acceptance of the RA/RM Plan; (b) if necessary, complete a Certificate of Property Use (“CPU”) and register, or cause to be registered a Certificate of Requirement under Section 197 of the Environmental Protection Act on title to the Property; and (c) file a Record of Site Condition (“RSC”), or cause the RSC to be filed, in the environmental site registry. <p>Waterfront Toronto will deliver reliance letters in a form satisfactory to the City addressed to the Development Partner and the City for environmental reporting undertaken on Waterfront Toronto’s behalf.</p> <p>Waterfront Toronto will continue to have oversight of the environmental matters for the Proposed Development following closing and, in connection therewith, Development Partner will provide Waterfront Toronto (and, where applicable, the City) with the authorizations and materials as set out elsewhere herein to permit such oversight.</p>
Parkland dedication	INTENTIONALLY DELETED
“H” Holding Symbol	The Development Partner acknowledges that the “H” holding symbol on the Property has been lifted by City of Toronto By-Law 1059-2009.
Section 37 Requirements	The Development Partner acknowledges that Waterfront Toronto has entered into a Section 37 Agreement as required by the City as a mechanism to facilitate lifting of the “H” holding symbol. The Development Partner shall not object to the registration of a Section 37 Agreement or other agreement on title, as necessary to lift the “H” holding symbol. The Development Partner shall comply with any obligations resulting from such Agreement.
DEVELOPMENT OBLIGATIONS OF THE DEVELOPMENT PARTNER	
Vision and Schedule	The Development Partner commits to completing the project as contemplated in this term sheet (“Proposed Development”).
Municipal Development Approvals	The Development Partner is responsible for securing all municipal development approvals required to facilitate the Proposed Development, including, but not limited to, site plan approval, all building permits, any required encroachment or limiting distance agreements, crane swing easements, Park Occupation Agreements, and agreements or approvals for shoring and excavation, with the exception of the obtaining approval for the

	<p>lifting of the “H” holding symbol, which shall be the responsibility of Waterfront Toronto. The Development Partner shall undertake all studies and reports as required by the City in order to form a complete application for any municipal approvals.</p>
<p>Environmental</p>	<p>Notwithstanding Waterfront Toronto’s continuing obligation to file an RSC, from and after the Closing Date, the Development Partner assumes all environmental obligations and liability relating to the Property, from and after the Closing Date, and will indemnify Waterfront Toronto and the City against any and all claims arising from environmental matters, from and after the Closing Date. Waterfront Toronto will, on the Closing Date, provide the Development Partner and the City with letter from the QP confirming that the Phase II Environmental Site Assessment of the Property (together with a reliance letter in a form satisfactory to the Development Partner and the City in respect of the same) which shall confirm that the environmental condition of the Property is unchanged from that set out in Appendix B: Phase I and II ESA Summaries and Phase Two CSM of the PSF for Risk Assessment for 185 Queens Quay East, Toronto, Ontario report dated September 30, 2016 and submitted to the MOECC on October 19, 2016, on the Closing Date.</p> <p>Development Partner will acknowledge that it has received, reviewed and is satisfied with the materials prepared and submitted by Waterfront Toronto for the RSC (including any risk management measures specified in the RA/RM, RSC and CPU) and will provide written authority to Waterfront Toronto, as required, to enable it to complete the RSC and CPU and any related filings on title or otherwise following closing.</p> <p>The Development Partner shall design and construct the Proposed Development without contribution from or liability of Waterfront Toronto in respect of the environmental condition of the Property (including, without limitation, any requirements of the RA/RM, RSC or CPU or related risk management measures). The Development Partner shall obtain any environmental risk insurance that the Development Partner or its lenders considers necessary or advisable at the Development Partner’s own expense.</p> <p>The Development Partner will covenant with Waterfront Toronto that (i) it will not permit the storage or deposition of any materials or substances on the Property that could adversely affect the environmental condition of the property as measured from the baseline studies provided by Waterfront Toronto and (ii) it will not disturb or permit any disturbance of the soil or subsoil of the Property from closing until after the filing of the RSC and CPU (and then only if in compliance with the RSC and CPU). Notwithstanding (ii) in the preceding sentence, Waterfront Toronto acknowledges Development Partner intends to conduct geotechnical investigations for its Proposed Development and both Waterfront Toronto and Development Partner will coordinate those investigations such that they will not interfere with or adversely impact Waterfront Toronto’s efforts to obtain the RSC for the Property.</p>

	<p>The Development Partner will demonstrate, to the satisfaction of Waterfront Toronto, at the Development Partner’s sole cost and expense, that excavation activities, soil management and disposal are carried out in accordance with the most current version of the MOECC document “<i>Management of Excess Soil- A Guide for Best Management Practices</i>” or any subsequent MOECC regulation dealing with excess soil, and that all other environmental activities of the Development Partner including implementation of required Risk Management Measures as undertaken are in accordance with the RA/RM, RSC and CPU.</p> <p>The Development Partner shall retain the services of a Qualified Person as defined by Ontario Legislation 153/04, acceptable to Waterfront Toronto and the City, acting reasonably, who shall ensure that work on the Property is undertaken in accordance with all applicable requirements of the RA/RM, the CPU, the risk management measures, RSC requirements and soil management and disposal plans, all at the sole cost and expense of the Development Partner. Development Partner will, at its sole cost and expense and in a timely manner, provide copies of all statements and reports of its Qualified Person to Waterfront Toronto and to the City including, without limitation, copies of all documents, plans, information, reports and completed construction drawings as required by the MOECC and copies of all on-going reporting until the MOECC no longer requires the same, together with reliance letters from the Qualified Person in favor of and in a form satisfactory to Waterfront Toronto and the City, acting reasonably.</p> <p>In the event the Development Partner is not meeting its obligations in the immediate two paragraphs, Waterfront Toronto may request a meeting between their respective chief executive officers to address the situation and if it is not able to be addressed by them to their mutual satisfaction, either party may escalate the matter to the MOECC for discussion and resolution.</p> <p>Construction on the Property may not commence until an RSC has been obtained.</p>
<p>Ultra-Broadband Infrastructure</p>	<p>The Development Partner acknowledges that WT Beanfield is Waterfront Toronto’s designated service provider for ultra-broadband infrastructure. The Development Partner will not enter into any exclusive contracts (including marketing contracts) with telecom service providers for the Proposed Development.</p> <p>Upon reaching grade with construction, the Development Partner shall make a one-time, \$60,000 capital contribution payment to WT Beanfield for the construction of a single, non-redundant, non-exclusive building access.</p> <p>The Development Partner shall grant WT Beanfield access to the building for on-building and rooftop rights, without charge for such access or rights.</p> <p>A secondary and redundant building access will be optionally available to the Development Partner for an additional one-time fee of \$60,000. This</p>

	<p>secondary access fee will be negotiated directly between the Development Partner and WT Beanfield.</p> <p>The Development Partner acknowledges that Waterfront Toronto has entered into an agreement with Beanfield Metroconnect that obligates Beanfield to deliver a minimum of twelve (12) optical fibers to each applicable commercial building and to deliver initial services that range between 10Mbps and 10Gbps in throughput capacity, subject to the Development Partner entering into a service agreement with Beanfield Metroconnect, on its standard form of service agreement.</p>
Subdivision Agreement Requirements	The Development Partner shall comply with all applicable requirements of the Dockside Subdivision Agreement registered on February 12, 2010 as instrument number AT2303421 together with the amendment thereto registered on September 2, 2011 as instrument number AT2804682
Servicing	The Development Partner is responsible for making applications to all applicable utility companies and for connecting to required services, at the Development Partner's sole cost and expense. Waterfront Toronto has no obligations regarding servicing of the Proposed Development.
Infrastructure Accommodation	As per standard City requirements, the Development Partner will provide water supply and irrigation equipment consistent with the proposed public realm street trees as illustrated on the attached drawings L-07 from West8+DTAH design for Dockside Public Realm. Modifications to the public realm can be made if approved by the WT and the City.
Redpath Requirements	<p>The Development Partner shall comply with all applicable requirements of the Redpath Agreements, including the insertion of a warning clause in all sub-leases with tenants.</p> <p>There will be a permitted encumbrances schedule and the Redpath Agreements shall be included in that schedule.</p> <p>Waterfront Toronto confirms that the Redpath Minutes of Settlement will permit the Child Care Centre in the Proposed Development so long as it demonstrates compliance with the Ministry of Environment Guidelines (LU-131) related to industrial source noise based upon the Evaluation Method and Matrix of Design Features, referred to as the "Matrix" in the Minutes of Settlement and attached as Schedule "D" in the Minutes of Settlement, dated November 15, 2007, between Redpath Sugar Ltd., Toronto Waterfront Revitalization Corporation, City of Toronto, and City of Toronto Economic Development Corporation</p>
District Energy	If by the time the Development Partner has reached schematic design for its development Waterfront Toronto is able to confirm that District Energy will be available for hook up upon commissioning of the building, the Development Partner will design and construct the building with rough-in to permit conversion to District Energy when it becomes economically available.

<p>Site Planning and Public Realm Improvements</p>	<p>The Development Partner acknowledges the intent for a consistent public realm in the East Bayfront, and for the appropriate integration of the public realm with publicly accessible or visible landscaped areas of private sites. The Development Partner acknowledges that Waterfront Toronto has developed designs for the public realm around the Property, including Dockside Drive, Knapp Lane, and Queens Quay East, at Waterfront Toronto’s cost. The Development Partner shall develop a site design that is not contingent on modifications to the public realm design.</p> <p>The Development Partner acknowledges and agrees with the intent for a zero setback along Queens Quay in order to achieve a consistent street wall. Any setback zone within the property line that is created by doorways and other architectural features shall be designed and delivered by the Development Partner to extend the Queens Quay design and material palette. The Development Partner will have regard for the public realm design adjacent to all other building facades and any areas of setback within the property line. The Development Partner will develop designs for all landscaped or open spaces on the Property, including the establishment of a material palette, in a manner that is coordinated with the adjacent public realm, to the satisfaction of Waterfront Toronto, acting reasonably.</p>
<p>Zoning</p>	<p>The Development Partner shall comply with the requirements of the zoning by-law and applicable City and Waterfront Toronto planning documents, and not seek any variances to the zoning without the written consent of Waterfront Toronto. Consent for minor variances will not be unreasonably withheld, provided Waterfront Toronto, in its sole discretion, is satisfied that the variances are consistent with the Precinct Plan intent and do not compromise the Innovation Centre vision. Consent for material changes to the zoning may be unreasonably withheld at the sole discretion of Waterfront Toronto.</p>
<p>Development Charges, Permits and Fees</p>	<p>Unless exempt from specific charges, permits and fees, the Development Partner will pay for all applicable development charges, building permit fees, and any other permit and application fees for the Proposed Development.</p>
<p>Architect</p>	<p>Development Partner will obtain Waterfront Toronto’s written approval of its architect for the project prior to engaging the architect</p>
<p>Milestone Dates</p>	<p>The Development Partner undertakes to achieve the following Milestone Events by the applicable Milestone Target Date:</p> <ol style="list-style-type: none"> 1. provide confirmation of primary academic school to Waterfront Toronto by July 1, 2017; 2. submit a Complete Application for Site Plan Approval (as required pursuant to the <i>Planning Act</i> (Ontario)) to the City by March 31, 2019;

	<ol style="list-style-type: none"> 3. Construction Start Date by March, 31 2021 (the Construction Start Target Date); 4. achieve Project Substantial Completion by March 31, 2024 (the Completion Target Date); <p>If Waterfront Toronto has not completed the filing of an RSC on the environmental site registry by December 31, 2018 then the time periods in 2 and 3 above shall be automatically extended by the additional time it takes Waterfront Toronto to complete this filing.</p>
Child Care	<p>The Development Partner will ensure that the Proposed Development will be designed and constructed to include a child care centre that meets the following:</p> <ol style="list-style-type: none"> 1. The child care centre will meet all provincial standards and City standards and will support at least 72 children. 2. The child care centre will have the following minimum spaces : <ol style="list-style-type: none"> a. Interior space: a minimum of 9,500 square feet GFA, including all associated/ancillary areas dedicated for the centre and its operation; b. Exterior playground space: a minimum of 3,200 square feet. 3. Waterfront Toronto will provide \$3.62 million (plus interest earned by Waterfront Toronto on \$1.42 million thereof, if any) in the form of a capital contribution toward the hard costs of constructing the child care centre. Such funds will be advanced upon receipt and review of invoices certified by Development Partner’s architect. The actual amount of funds advanced by Waterfront Toronto are referred to as the “Project Costs” in Schedule “A”. 4. Development Partner will agree to pay Waterfront Toronto (or as Waterfront Toronto may otherwise direct) the amount set out in the Schedule “A” as liquidated damages if Development Partner does not operate, directly or indirectly, substantially all of the space reserved for the child care centre as a child care centre during the 49 years following Substantial Completion. 5. The child care centre will be owned and operated on a non-profit basis by the Development Partner.
Minimum Green Building Requirements	<p>The Development Partner will satisfy all applicable obligations of the Waterfront Toronto Minimum Green Building Requirements version 2.1, or as amended from time to time (“MGBR”). A copy of version 2.1 is available at:</p> <p><i>http://www.waterfronttoronto.ca/uploads/documents/mgbr___version_2_1_november_2014_final_1.pdf</i></p> <p>The Development Partner shall ensure that each building in the Proposed Development achieves a minimum of LEED® Gold certification by 36</p>

	<p>months after substantial completion. The certification requirements for LEED® under LEED V 4.0 shall apply.</p> <p>The Development Partner agrees to work collaboratively with Waterfront Toronto in finding ways to exceed the standards outlined above to the extent such additional measures are commercially feasible.</p> <p>As part of Minimum Green Building Requirement (MGBR) #13 “Progress Tracking System”, the Development Partner will comply with Waterfront Toronto’s Design Review Panel Process for MGBR compliance tracking. This process requires developers to present MGBR-related items for the Design Review Panel, as well submit supporting documents to Waterfront Toronto. Full details on which requirements must be presented and submitted at each Design Review Panel presentation stage are available at: http://www.waterfronttoronto.ca/uploads/documents/drp_reporting_requirements_final_1.pdf</p>
Toronto Green Standard	<p>The Development Partner shall achieve the applicable requirements of the City’s Toronto Green Standard.</p>
Environmental Management	<p>WT has developed an Environmental Management Plan with which the Development Partner must comply, including the required quarterly update reports.</p>
Dockside Drive, Queens Quay, and Knapp Lane: Construction Coordination and Completion	<p>The Development Partner shall coordinate with Waterfront Toronto and its consultants and contractors, as well as future adjacent property owners (namely Block 2), regarding construction adjacent to Dockside Drive, Queens Quay East and Knapp Lane, and shall undertake to complete any portion of the public realm in accordance with drawings and specifications provided by Waterfront Toronto, at Waterfront Toronto’s cost. The Development Partner shall provide minimum three quotes by prequalified contractors approved by Waterfront Toronto for completion of such work to Waterfront Toronto and shall undertake such work without itself levying a project management fee (although such quotes may include a project management fee that Development Partner is required to pay to its contractor or construction manager).</p> <p>The Development Partner shall make reasonable commercial efforts to protect any completed public realm elements adjacent to the Property throughout construction. At its option Waterfront Toronto may require the Development Partner to reinstate any elements of the public realm that are damaged through the construction process or Waterfront Toronto may choose to reinstate any elements of the public realm that are damaged through the construction process itself.</p> <p>If the Development Partner is required to reinstate any elements of the public realm, it shall do so at its sole cost. Should Waterfront Toronto choose to reinstate any elements of the public realm, it shall be done at the sole cost of the Development Partner, which shall not include a markup.</p>

Compliance with Waterfront Toronto Policies and Procedures	Comply with all Waterfront Toronto policies and procedures.
Construction Hoarding	Provide up to 50% of construction hoarding space (the precise amount is to be determined at the discretion of Waterfront Toronto) to allow Waterfront Toronto to promote the waterfront project. Waterfront Toronto will not promote competing projects on the site hoarding.
Fair Wage Policy	The Development Partner shall adopt a fair wage policy and provide evidence of this to Waterfront Toronto prior to Closing.
Servicing and Loading	The Development Partner acknowledges and agrees that vehicular servicing and loading entrances are not permitted off Queens Quay, and are to be minimized elsewhere. Vehicular servicing and loading shall occur off Dockside Drive and Knapp Lane.
Waterfront Toronto Employment Initiative (“WTEI”)	The Development Partner is to commit in participating in the WTEI in coordination with, and to the satisfaction of, Waterfront Toronto and the City’s Employment and Social Services Division, and shall report regularly on implementation and progress. The Development Partner shall obtain written approval of its WTEI plan from Waterfront Toronto prior to its first municipal development approvals submission. The Development Partner shall commit to implementing its WTEI plan for at least the term of any City economic development incentive program in which the Development Partner participates.
Public Art Contribution	The Developer Partner shall pay to Waterfront Toronto, prior to issuance of the first building permit for Proposed Development, an amount equal to one percent (1%) of the gross construction costs of the Proposed Development. The gross construction costs shall be disclosed by the Developer Partner at the time of application for an above-grade building permit, and shall be subject to the City’s agreement.
REVIEW AND APPROVAL PROCESS	
Consent Required	<p>The Development Partner shall obtain Waterfront Toronto's written approval for any of the following and Waterfront Toronto shall provide its review and comments within ten (10) business days after receipt of the last of such materials:</p> <ul style="list-style-type: none"> a) Any Site Plan Approval submissions, minor variance applications, proposed changes to the applicable zoning by-law provisions, applications for variances to the City’s sign by-law, applications for building permits (construction drawings) or for a material amendment to a building permit, prior to making any material submissions to the City (including resubmission of materials or modified submissions throughout design development or in response to City and other comments). Waterfront Toronto reserves the right

	<p>to deny consent for material changes to the zoning in its sole discretion;</p> <p>b) Any marketing materials, prior to commencing with any project marketing;</p> <p>c) Development Partner’s proposed primary academic school for the building, prior to committing to any academic school;</p> <p>d) Any exterior signage and any application for variances to the City’s sign by-law, prior to finalizing such signage or submitting any such application.</p> <p>e) Any material change to the approved plans and building permits, prior to finalization of any such change.</p>
<p>Consent or Approval Processes, Design Review Panel</p>	<p>At each of the following stages of the project, the consent of Waterfront Toronto is required to proceed with design development and/or construction, as applicable:</p> <ul style="list-style-type: none"> - Concept design - Schematic design - Design development - Contract documents, including specifications - Permit drawings <p>The Development Partner shall submit complete studies and drawing packages, as applicable, to Waterfront Toronto for review. Within ten (10) business days of receipt of such materials, Waterfront Toronto shall review the materials submitted and any additional relevant materials submitted at Waterfront Toronto’s request, acting reasonably, and provide the Development Partner with its decision on the requested consent or approval within ten (10) business days after receipt of the last of such materials for each of the stages. The Development Partner will meet with and/or present to Waterfront Toronto as part of its review process, at each stage, and obtain Waterfront Toronto’s written consent prior to engaging in pre-application consultations with the City and prior to presenting to the Design Review Panel at each stage. The Development Partner acknowledges and agreed that Waterfront Toronto may require revisions to plans and drawings prior to providing consent for the Development Partner to present to the Design Review Panel, to engage in pre-application discussions with the City, or to make submissions to the City or to other approval authorities.</p> <p>The Developer Partner must comply with the Waterfront Design Review Panel’s Bylaws, Policies and Procedures, as reasonably revised from time to time.</p>

Consultation, Reports and Assistance	The Development Partner is required to meet with Waterfront Toronto throughout the development process. The frequency and structure of such meetings will be determined by the parties as required, acting reasonably. The Development Partner shall provide quarterly written updates to Waterfront Toronto on the status of the Proposed Development, including design, approvals and permits. Waterfront Toronto may request additional reasonable information from time to time to ensure the Development Partner is fulfilling its obligations under the agreements.
Public Consultation and Stakeholder Engagement	<p>The Development Partner is required to participate in public consultations at key milestones in the development process, as requested by Waterfront Toronto, acting reasonably. The Development Partner acknowledges and agrees that consultation requests will exceed statutory public consultation requirements.</p> <p>The Development Partner will participate in a Community Construction Liaison Committee, if requested by Waterfront Toronto.</p>
OTHER	
Parking on Block 3	Following execution of the Agreement of Purchase and Sale and up to the Closing Date, Waterfront Toronto shall continue to operate and receive revenues from parking facilities on Block 3 and the Development Partner shall not fetter Waterfront Toronto's right to continue activities on Block 3.
Assignment	Waterfront Toronto reserves the right to transfer its rights and obligations under the Development Agreement to any successor pursuant to an agreement in which the assignee agrees to assume all outstanding obligations in the Development Agreement.

Schedule "A"

Schedule of Liquidated Damages

Date of Termination of Use	Amount of Payment
1 st to 5 th years following Substantial Completion	100% of the Project Costs
6 th to 10 th years following Substantial Completion	90% of the Project Costs
11 th to 15 th years following Substantial Completion	80% of the Project Costs
16 th to 20 th years following Substantial Completion	70% of the Project Costs
21 st to 25 th years following Substantial Completion	60% of the Project Costs
26 th to 30 th years following Substantial Completion	50% of the Project Costs
31 st to 35 th years following Substantial Completion	40% of the Project Costs
36 th to 40 th years following Substantial Completion	30% of the Project Costs
41 st to 45 th years following Substantial Completion	20% of the Project Costs
46 th to 49 th years following Substantial Completion	10% of the Project Costs