

**DELEGATED APPROVAL FORM
CHIEF CORPORATE OFFICER
DIRECTOR OF REAL ESTATE SERVICES**

TRACKING NO.: 2016-233

<input checked="" type="checkbox"/> Approved pursuant to the Delegated Authority contained in Executive Committee Item EX43.7 entitled "Delegation of Authority in Certain Real Estate Matters" adopted by City Council on May 11 and 12, 2010 (Confirmatory By-law No. 532-2010, enacted on May 12, 2010), as amended by GM24.9 entitled "Minor Amendments to Delegation of Authority in Certain Real Estate Matters" adopted by City Council on October 8, 9, 10 and 11, 2013 (Confirmatory By-Law No. 1234-2013, enacted October 11, 2013), as amended by DAF 2013-307 and DAF 2014-087; and further amended by EX44.22 entitled "Strategic Property Acquisitions" adopted by City Council on August 25, 26, 27 and 28, 2014 (Confirmatory By-law No.1074-2014, enacted on August 28, 2014).			
<input type="checkbox"/> Approved pursuant to the Delegated Authority contained in Executive Committee Item EX33.44 entitled "Union Station Revitalization Implementation and Head Lessee Selection" adopted by City Council on August 5 and 6, 2009. City Council confirmatory By-law No. 749-2009, enacted on August 6, 2009.			
Prepared By:	Simona Rasanu	Division:	Real Estate Services
Date Prepared:	November 1, 2016	Phone No.:	416-397-7682
Purpose	To obtain authority for the City as landowner to enter into a Consent Agreement with Toronto Port Authority to allow Toronto Port Authority to construct and operate a new structure for aircraft maintenance and testing called a Ground Run-Up Enclosure Facility (the "GRE Facility") in connection with its operation of the Billy Bishop Toronto City Airport.		
Property	Portion of Billy Bishop Toronto City Airport ("BBCTA") owned by the City and designated as Parts 4, 6, 8 and 9 on Reference Plan 63R-2838 (the "Property"), as illustrated on Appendix "B".		
Actions	<ol style="list-style-type: none"> 1. Authority be granted for the City to enter into the Consent Agreement (the "Consent Agreement") with Toronto Port Authority substantially in accordance with the terms and conditions outlined in Appendix "A" and pursuant to the Tripartite Agreement dated June 30, 1983, as amended, between the City, Toronto Port Authority and Her Majesty the Queen in right of Canada represented by the Minister of Transport, to allow Toronto Port Authority to construct and operate the GRE Facility on the Property. 2. The appropriate City Officials be authorized and directed to take the necessary action to give effect thereto. 		
Financial Impact	There is no financial impact to the City resulting from the approval of this DAF. The construction and operation of the GRE Facility shall be at the sole cost of Toronto Port Authority. The Deputy City Manager & Chief Financial Officer has reviewed this DAF and agrees with the financial impact information.		
Comments	<p>The Corporation of the City of Toronto (now the City of Toronto) entered into a Tripartite Agreement dated June 30, 1983, as amended, with The Toronto Harbour Commissioners (now Toronto Port Authority) as lessee and Her Majesty The Queen in right of Canada as represented by the Minister of Transport commencing July 1, 1983 and expiring June 30, 2033 respecting the Property to formalize the relationship between the parties and to facilitate the maintenance and operation of the Toronto City Centre airport. The Tripartite Agreement states that no building or other structure may be placed on the Property without the prior consent of the City. The purpose of the Consent Agreement is to establish the framework for construction of the GRE Facility on the Property pursuant to the Tripartite Agreement. The Consent Agreement will only be between the City and Toronto Port Authority, and is not meant to amend the Tripartite Agreement, which continues in full force and effect.</p> <p>The City formally requested BBCTA in 2013 to develop a solution to mitigate the noise impacts of its operations. Toronto Port Authority (now operationally known as "PortsToronto", and from now on referred to as such) is proposing to construct the GRE Facility – a three-sided, open-air, acoustically engineered structure able to reduce noise from airport engine run-up procedures by absorbing and minimizing sound within adjacent residential areas.</p> <p>The GRE Facility will be able to accommodate an airplane while high power engine run-up inspections are conducted. The GRE Facility is proposed to be constructed on the southwest side of the BBCTA airfield in the area where current engine run-ups are being performed. BBCTA currently handles an average of one engine run-up test daily. The majority of these run-ups would be completed inside the GRE Facility once it is constructed. The GRE Facility is part of a larger PortsToronto project known as the Airfield Rehabilitation Program, a 3-year construction project that will replace the majority of the BBCTA's existing aging civil and electrical infrastructure (pavements and lighting).</p> <p>City staff provided pre-submission input to PortsToronto on the appearance of the GRE Facility, and this feedback was incorporated by PortsToronto within the design formally submitted on May 24, 2016. The detailed design documents will be attached to the Consent Agreement. Prior to the start of construction, PortsToronto will provide the City with a structural certification confirming compliance with all applicable national and provincial building codes.</p> <p>Real Estate Services staff consider the terms and conditions of the Consent Agreement to be fair and reasonable. The Director, Waterfront Secretariat, has been consulted and concurs with the terms of the Consent Agreement.</p>		
Property Details	Ward:	20 – Trinity-Spadina 28 – Toronto Centre – Rosedale	

A.	Director of Real Estate Services has approval authority for:	Chief Corporate Officer has approval authority for:
<p>1. Acquisitions:</p> <p>2. Expropriations:</p> <p>3. Issuance of RFPs/REOs:</p> <p>4. Permanent Highway Closures:</p> <p>5. Transfer of Operational Management to ABCDs:</p> <p>6. Limiting Distance Agreements:</p> <p>7. Disposals (including Leases of 21 years or more):</p> <p>8. Exchange of land in Green Space System & Parks & Open Space Areas of Official Plan:</p> <p>9. Leases/Licences (City as Landlord/Licensor):</p> <p>10. Leases/Licences (City as Tenant/Licensee):</p> <p>11. Easements (City as Grantor):</p> <p>12. Easements (City as Grantee):</p> <p>13. Revisions to Council Decisions in Real Estate Matters:</p> <p>14. Miscellaneous:</p>	<p><input type="checkbox"/> Where total compensation does not exceed \$1 Million.</p> <p><input type="checkbox"/> Statutory offers, agreements and settlements where total compensation does not cumulatively exceed \$1 Million.</p> <p>Delegated to a more senior position.</p> <p>Delegated to a more senior position.</p> <p>Delegated to a more senior position.</p> <p><input type="checkbox"/> Where total compensation does not exceed \$1 Million.</p> <p><input type="checkbox"/> Where total compensation does not exceed \$1 Million.</p> <p>Delegated to a more senior position.</p> <p><input type="checkbox"/> (a) Where total compensation (including options/renewals) does not exceed \$1 Million;</p> <p><input type="checkbox"/> (b) Where compensation is less than market value, for periods not exceeding three (3) months, including licences for environmental assessments and/or testing, etc.</p> <p><input type="checkbox"/> Where total compensation (including options/renewals) does not exceed \$1 Million.</p> <p><input type="checkbox"/> (a) Where total compensation does not exceed \$1 Million.</p> <p><input type="checkbox"/> (b) When closing road, easements to pre-existing utilities for nominal consideration.</p> <p><input type="checkbox"/> Where total compensation does not exceed \$1 Million.</p> <p><input type="checkbox"/> Amendment must not be materially inconsistent with original decision (and may include increase not to exceed the amount of the original decision by the lesser of 10 per cent and \$500,000).</p> <p><input checked="" type="checkbox"/> (a) Approvals, Consents, Notices and Assignments under all Leases/Licences;</p> <p><input type="checkbox"/> (b) Releases/Discharges;</p> <p><input type="checkbox"/> (c) Surrenders/Abandonments;</p> <p><input type="checkbox"/> (d) Enforcements/Terminations;</p> <p><input type="checkbox"/> (e) Consents/Non-Disturbance Agreements/Acknowledgements/Estoppels/Certificates;</p> <p><input type="checkbox"/> (f) Objections/Waivers/Cautions;</p> <p><input type="checkbox"/> (g) Notices of Lease and Sublease;</p> <p><input type="checkbox"/> (h) Consent to regulatory applications by City, as owner;</p> <p><input type="checkbox"/> (i) Consent to assignment of Agreement of Purchase/Sale; Direction re Title;</p> <p><input type="checkbox"/> (j) Documentation relating to Land Titles applications;</p> <p><input type="checkbox"/> (k) Correcting/Quit Claim Transfer/Deeds.</p>	<p><input type="checkbox"/> Where total compensation does not exceed \$3 Million.</p> <p><input type="checkbox"/> Statutory offers, agreements and settlements where total compensation does not cumulatively exceed \$3 Million.</p> <p><input type="checkbox"/> Issuance of RFPs/REOs.</p> <p><input type="checkbox"/> Initiate process & authorize GM, Transportation Services to give notice of proposed by-law.</p> <p><input type="checkbox"/> Transfer of Operational Management to ABCDs.</p> <p><input type="checkbox"/> Where total compensation does not exceed \$3 Million.</p> <p><input type="checkbox"/> Where total compensation does not exceed \$3 Million.</p> <p><input type="checkbox"/> Exchange of land in Green Space System and Parks and Open Space Areas of Official Plan.</p> <p><input type="checkbox"/> (a) Where total compensation (including options/renewals) does not exceed \$3 Million;</p> <p><input type="checkbox"/> (b) Where compensation is less than market value, for periods not exceeding six (6) months, including licences for environmental assessments and/or testing, etc.</p> <p><input type="checkbox"/> Where total compensation (including options/renewals) does not exceed \$3 Million.</p> <p><input type="checkbox"/> Where total compensation does not exceed \$3 Million.</p> <p>Delegated to a less senior position.</p> <p><input type="checkbox"/> Where total compensation does not exceed \$3 Million.</p> <p><input type="checkbox"/> Amendment must not be materially inconsistent with original decision (and may include increase not to exceed the amount of the original decision by the lesser of 10 per cent and \$1 Million).</p> <p><input type="checkbox"/> (a) Approvals, Consents, Notices and Assignments under all Leases/Licences;</p> <p><input type="checkbox"/> (b) Releases/Discharges;</p> <p><input type="checkbox"/> (c) Surrenders/Abandonments;</p> <p><input type="checkbox"/> (d) Enforcements/Terminations;</p> <p><input type="checkbox"/> (e) Consents/Non-Disturbance Agreements/Acknowledgements/Estoppels/Certificates;</p> <p><input type="checkbox"/> (f) Objections/Waivers/Cautions;</p> <p><input type="checkbox"/> (g) Notices of Lease and Sublease;</p> <p><input type="checkbox"/> (h) Consent to regulatory applications by City, as owner;</p> <p><input type="checkbox"/> (i) Consent to assignment of Agreement of Purchase/Sale; Direction re Title;</p> <p><input type="checkbox"/> (j) Documentation relating to Land Titles applications;</p> <p><input type="checkbox"/> (k) Correcting/Quit Claim Transfer/Deeds.</p>

B. Chief Corporate Officer and Director of Real Estate Services each has signing authority on behalf of the City for:

- 1. Agreements of Purchase and Sale and all implementing documentation for purchases, sales and land exchanges not delegated to staff for approval.
- 2. Expropriation Applications and Notices following Council approval of expropriation.
- 3. Documents required to implement the delegated approval exercised by him.

Chief Corporate Officer also has approval authority for:

- Leases/licences/permits at Union Station during the Revitalization Period, if the rent/fee is at market value.

Consultation with Councillor(s)											
Councillor:	Pam McConnell					Councillor:	Joe Cressy				
Contact Name:	Sean McIntyre					Contact Name:	Lia Brewer				
Contacted by:	Phone	X	E-Mail	Memo	Other	Contacted by:	Phone	X	E-mail	Memo	Other
Comments:	No objections					Comments:	No objections				
Consultation with ABCDs											
Division:	Deputy City Manager's Office – Waterfront Secretariat					Division:	Financial Planning				
Contact Name:	Bryan Bowen					Contact Name:	Filisha Mohammed				
Comments:	Comments have been incorporated					Comments:	Concurs with Financial Impact				
Legal Division Contact											
Contact Name:	Barbara Cappell/Kathleen Kennedy										
DAF Tracking No.: 2016-233			Date			Signature					
Recommended by:	Manager					Nov/3/2016	Sgd.\ Tina Skinner, Actg. Manager				
<input type="checkbox"/>	Recommended by: Director of Real Estate Services					Nov/16/2016	Sgd.\ Joe Casali				
<input checked="" type="checkbox"/>	Approved by: Joe Casali										
<input type="checkbox"/>	Approved by: Chief Corporate Officer										
	Josie Scioli										

General Conditions ("GC")

- (a) The local Councillor (or local Councillors if the subject property is located on a ward boundary or if the transaction involves an exchange of properties in more than one ward), will be consulted prior to the exercise of delegated Approving Authority by staff for all Acquisitions, Disposals, Land Exchanges and Leases.
- (b) Where approving power has been delegated to staff, the Chief Corporate Officer, in consultation with the applicable Deputy City Manager or the City Manager, may determine that such matter is of such special interest that same should be returned to the relevant Committee and Council for consideration and determination.
- (c) Exercise of delegated authority is subject to all applicable Council policies, statutes or other applicable law.
- (d) Authority to approve financial commitments/expenditures is subject to all amounts being available in an approved budget [or funding is available from alternative sources].
- (e) Property interests are to be based on appraised value, and no interest shall be granted at less than market value unless otherwise specifically authorized.
- (f) Authority to approve transactions at less than market value is subject to statutory anti-bonusing provisions.
- (g) Total compensation means the aggregate of all types of payments, including land value, estimated clean-up costs, potential arbitration awards, loss claims, etc, but exclusive of any applicable taxes and registration costs.
- (h) Authority to acquire property is conditional upon provision being made to bring the property into compliance with applicable MOE or other requirements such that it will be fit for its intended municipal purpose.
- (i) Authority to initiate the permanent road closure process in **A.4** is conditional upon confirmation by the GM of Transportation Services that it is feasible to permanently close the highway.
- (j) Disposal authorities in **A.7** are subject to the property having been declared surplus, and the disposal policy complied with.
- (k) Land exchanges, except for those in **A.8**, may be authorized based on the delegated Approving Authority for Disposals in **A.7**.
- (l) Approving Authority with respect to land located in the Designated Waterfront Area is conditional upon the approval of the Director, Waterfront Secretariat.
- (m) Authority to approve an exchange of land in **A.8** is conditional upon confirmation by the Chief Planner and Executive Director, and the GM of Parks, Forestry & Recreation, that the land being exchanged is (i) nearby land of equivalent or larger area, and (ii) of comparable or superior green space utility.
- (n) Approving Authority in **A.9** Leases (City as Landlord) but not Licences (City as Licensor) is limited to periods (including options/renewals) of less than twenty-one (21) years.
- (o) Total compensation in leasing matters where the City is landlord (**A.9**) includes the value of tenant improvements if factored into tenant's rental payments.
- (p) Total compensation in leasing matters where the City is the tenant (**A.10**) includes the value of any tenant improvements to be paid by the City.
- (q) Where options/renewals are included in leases, if the renewal rent is to be determined at a date later than the original approval date, total compensation is to be calculated as though all options are exercised, estimating the renewal rent based on the highest rent payable in the first term of the lease.
- (r) Total compensation in leasing matters where the City is landlord (**A.9**) or tenant (**A.10**) is to be calculated from the date of approval pursuant to this delegation (ie. first allowing for the expiry of any prior approvals, whether by Council or a delegated authority).
- (s) Approving Authority in leasing matters includes authority to approve renewals/extensions within the parameters of the delegated Approving Authority.
- (t) Approving Authority includes authority for amendments within the parameters of the delegated Approving Authority, the cumulative total of which may not exceed the delegated financial limit.
- (u) Where proposed additional amounts in **A.13** exceed 10 per cent of the original decision, even if otherwise in compliance with all other conditions, then approving authority is transferred upwards to the next more senior level of approving authority having the relevant overall financial limit.
- (v) Approving Authority includes authority for all documents necessary to implement the authority, on terms and conditions satisfactory to the Approving Authority, in consultation with the relevant operating Division(s).
- (w) Staff positions referred to in this delegation include successors from time to time.
- (x) Documents are to be in a form satisfactory to the City Solicitor (including indemnity and insurance provisions).
- (y) Delegated signing authorities in **B** are conditional upon the documents having received the City Solicitor's prior "Approval as to Form".
- (z) This delegation does not affect sales, acquisitions and leases over which the Affordable Housing Committee has responsibility.
- (aa) Authority to use land acquired by the City for parking purposes by the Toronto Parking Authority is conditional upon Council enacting a by-law designating such use.
- (bb) All residential leasing documents shall adhere to the *Residential Tenancies Act* and any successor legislation.
- (cc) Despite GC(n), Approving Authority in residential leasing matters is not limited to periods of less than twenty-one (21) years.

Appendix "A": Major Terms and Conditions

Lessor: City of Toronto

Lessee: Toronto Port Authority (operationally known as PortsToronto)

Property: City-owned lands designated as Parts 4, 6, 8 and 9 on Reference Plan 63R-2838

Term: commencing on the date the Consent Agreement is executed and expiring June 30, 2033.

Use: construction and operation by PortsToronto of the GRE Facility on the Property with the purpose of reducing the noise produced by aircraft engine run-up procedures.

Liability: The City shall not be liable for the design and construction of the GRE Facility. The construction and operation GRE Facility shall be at the sole cost of PortsToronto.

Insurance:

i) PortsToronto shall comply with section 17 of the Tripartite Agreement respecting public liability insurance throughout the construction and maintenance of the GRE Facility.

ii) Prior to the start of construction, PortsToronto will provide the City with a certificate of commercial general liability insurance coverage for the period of construction of the GRE Facility with the City added as an additional insured.

Construction Requirements:

i) PortsToronto will ensure that no hazardous substances will be brought onto the Property.

ii) PortsToronto agrees to provide a copy of the post-construction test report confirming results within the specified acoustic performance described in its May 24, 2016 submission. PortsToronto will also confirm there is no elevation or location at which the GRE Facility creates a net increase in current noise impact from run-up procedures.

iii) PortsToronto agrees to notify the Heritage Operations Unit of the Ministry of Tourism, Culture and Sport immediately should archeological remains be found during construction. PortsToronto also agrees to notify the Cemeteries Regulation Unit, Ministry of Government and Consumer Services, should human remains be encountered during construction.

iv) PortsToronto shall require the prior written consent of the City pursuant to the Tripartite Agreement should the expansion of the footprint of the GRE Facility be required.

Hours of Operation:

Operating hours shall be in accordance with the Aircraft Maintenance Run Procedures attached to the Consent Agreement. Furthermore, PortsToronto will strive to reduce run-up procedures during restricted operating hours. Upon request, PortsToronto will provide the City with any/all records authorizing run-up procedures during restricted operating hours.

Site Restoration:

Upon expiration or other termination of the Tripartite Agreement on June 30, 2033, PortsToronto shall remove the GRE Facility and return the Property to its pre-construction condition at no cost to the City.

Appendix "B": Location Map and Site Map



Source: PortsToronto/WSP