

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

TRACKING NO.: 2016-213

<input checked="" type="checkbox"/> Approved pursuant to the Delegated Authority contained in Executive Committee Item EX43.7 entitled " <b>Delegation of Authority in Certain Real Estate Matters</b> " adopted by City Council on May 11 and 12, 2010 (City Council confirmatory By-law No. 532-2010, enacted on May 12, 2010), as amended by GM24.9 entitled " <b>Minor Amendments to Delegation of Authority in Certain Real Estate Matters</b> " adopted by City Council on October 8, 9, 10 and 11, 2013 (City Council 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 " <b>Union Station Revitalization Implementation and Head Lessee Selection</b> " 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:	Van Hua	Division:	Real Estate Services
Date Prepared:	November 9, 2016	Phone No.:	416-338-9572
<b>Purpose</b>	To obtain authority for the City of Toronto (the "City") to enter into (i) an Assignment of Hotel Parcel Insurance Trust Agreement (the "Assignment Agreement") and (ii) a Lender-Landlord Agreement (the "Lender Agreement") (collectively, the Assignment Agreement and the Lender Agreement are referred to herein as the "Agreements").		
<b>Property</b>	The lands known municipally as 3 Park Home Avenue, Toronto, as described in Appendix "B" (the "Property").		
<b>Actions</b>	<ol style="list-style-type: none"> <li>1. Authority be granted for the City to enter into the Agreements on the terms and conditions set out in Appendix "A" and on any other or amended terms and conditions satisfactory to the Chief Corporate Officer, in a form satisfactory to the City Solicitor.</li> <li>2. The appropriate City Officials are authorized and directed to take the necessary action to give effect thereto.</li> </ol>		
<b>Financial Impact</b>	There is no financial impact resulting from this approval. The Deputy City Manager & Chief Financial Officer has reviewed this DAF and agrees with the financial impact information.		
<b>Comments</b>	<p><b>Assignment Agreement:</b> The City, as landlord, and the Great-West Life Assurance Company and London Life Insurance Company (collectively, the "Tenant") are parties to a lease of the Property dated October 9, 1985 (authorized by By-Law No. 29753 of the Corporation of the City of North York, enacted October 9, 1985), as previously amended and assigned (the "Lease"). The Tenant, as sublandlord, and Accor Canada Inc. ("Accor"), as subtenant, were parties to a sublease dated July 8, 1985, as previously amended and assigned (the "Sublease"). The City, the Tenant, Accor and others were parties to an Insurance Trust Agreement relating to the Lease and Sublease dated December 30, 1997 (authorized by By-Law No. 31755 of the Corporation of the City of North York, enacted April 29, 1992). Effective August 24, 2015, Accor assigned its interest in the Sublease to North York Park Home Hotel LP ("the Assignee") and accordingly, by the Assignment Agreement, also assigned its interest in the Insurance Trust Agreement to the Assignee.</p> <p><b>Lender Agreement:</b> The Assignee has obtained financing from Home Trust Company (the "Lender"). As security for the financing, the Assignee has granted a charge of its interest in the Sublease. The Sublease requires the Lender to enter into the Lender Agreement with the other parties thereto as a condition of such charge.</p> <p>Real Estate Services have undertaken due diligence and is satisfied with the financial ability of the Assignee to undertake its obligations under the Sublease and the Agreements. Real Estate Services Staff have reviewed the Agreements and consider the contents to be fair and reasonable.</p>		
<b>Terms</b>	See Appendix "A"		
<b>Property Details</b>	<b>Ward:</b>	23 Willowdale	
	<b>Assessment Roll No.:</b>	1908-07-2-215-00700	
	<b>Approximate Size:</b>	17,859 sq. ft.	
	<b>Approximate Area:</b>	N/A	
	<b>Other Information:</b>		

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 &amp; Parks &amp; 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><b>Delegated to a more senior position.</b></p> <p><b>Delegated to a more senior position.</b></p> <p><b>Delegated to a more senior position.</b></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><b>Delegated to a more senior position.</b></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 &amp; 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><b>Delegated to a less senior position.</b></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:	Councillor John Filion			Councillor:	
Contact Name:				Contact Name:	
Contacted by:	Phone	X	E-Mail	Memo	Other
Comments:				Comments:	
Councillor:				Councillor:	
Contact Name:				Contact Name:	
Contacted by:	Phone		E-Mail	Memo	Other
Comments:				Comments:	
Consultation with ABCDs					
Division:	Finance			Division:	
Contact Name:	Filisha Mohammed			Contact Name:	
Comments:	No issues			Comments:	
Legal Division Contact					
Contact Name:	Rebecca Hartley and Jack Payne				
DAF Tracking No.: 2016-213		Date	Signature		
Recommended by: Manager, Wayne Duong		Nov/28/2016	Sgd.\ Wayne Duong		
<input type="checkbox"/>	Recommended by: Director of Real Estate Services	Dec/14/2016	Sgd.\ Joe Casali		
<input checked="" type="checkbox"/>	Approved by: Joe Casali				
<input type="checkbox"/>	Approved by: Chief Corporate Officer		X		
	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"**

### **Terms and Conditions**

#### **Assignment Agreement:**

1. Accor represents and warrants that the Hotel Parcel Insurance Trust Agreement (the "ITA") is valid and in full force, that Accor is not in default under the ITA and that, to the best of its knowledge and belief, no other parties are in default under the ITA.
2. The Insurance Trustee represents and warrants that it is not in default under the ITA and, to the best of its knowledge and belief, no other parties are in default under the ITA.
3. Accor assigns its interest under the ITA and is released from any further obligations thereunder.
4. The Assignee assumes Accor's interest under the ITA and indemnifies all other parties for any breach of the ITA by the Assignee.

#### **Lender Agreement:**

1. The Assignee certifies that the leasehold charge complies with the requirements of the Sublease.
2. The Tenant agrees to endeavor to deliver to the Lender copies of all notices of default under the Lease.
3. The Lender agrees to endeavor to deliver to the Tenant copies of all notices of default under the leasehold charge.
4. The Assignee agrees to deliver to the Lender copies of all notices of default under the Lease or Sublease.
5. The Lender agrees that if it takes possession of the Property under its leasehold charge, it will be bound by the Sublease and the Hotel Development Agreement and cure any existing defaults. The Lender will be released when it transfers its interest under the Sublease to a third party who enters into a similar agreement.
6. The Tenant, as sublandlord, subordinates any rights it has over the Assignee's personal property to the Lender's security in such personal property.
7. The Tenant, as sublandlord, agrees not to exercise remedies against the Assignee without giving the Lender certain periods to cure defaults. If the Sublease is terminated, the Lender has the right to request a new sublease on the same terms and conditions until the end of the Sublease term.
8. The parties agree to give each other status certificates regarding the Lease, Sublease and leasehold charge. The City agrees to provide the Lender, on at least 20 days' notice, with an estoppel certificate in accordance with the terms of the Lease.
9. The Tenant and Assignee each confirm that the Sublease is in good standing.

## Appendix "B"

3 Park Home Avenue, Toronto

PIN 10144-0101(LT)

**Legal Description:** PT LTS 1 and 43 ON PLN 3967 and PT LTS 17 and 18, CON 1, W.Y.S. Designated as PTS 24-25, 125, 171, 183, 198, 208, 219, 230, 263, 273, 276, 293-295, 297-298, 312, 339-343, 349-352, 362, 364-370 ON PLN 66R-17224

