

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 (City Council 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 (City Council confirmatory By-Law No. 1234-2013 enacted October 11, 2013), as amended by DAF 2013-307 and DAF 2014-087.

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:	Leila Valenzuela	Division:	Real Estate Services
Date Prepared:	February 5, 2015	Phone No.:	(416) 392-7174

**Purpose**  
 To authorize the execution of a permanent easement agreement (the "Agreement") between the City of Toronto, the Toronto Transit Commission ("TTC") and CP REIT Ontario Properties Limited (the "Owner") over a portion of 23 Leslie Street for access, maintenance and repair of support poles and their foundations.

**Property**  
 Part of 23 Leslie Street, Toronto, Ontario, designated as Parts 1 to 8 inclusive on Plan No. 66R-27678 and shown on the attached Appendix "B" (the "Easement Lands").

**Actions**

1. Authorize the execution of the Agreement between the City, the TTC, the Owner for the Easement Lands substantially on the terms set out in Appendix "A", with such revisions as satisfactory to the Chief Corporate Officer and in a form satisfactory to the City Solicitor.
2. The Chief Corporate Officer or designate shall administer and manage the Agreement including the provision of any consents, approvals, waivers, notices and notices of termination provided that the Chief Corporate Officer may, at any time, refer consideration of such matter (including their content) to City Council for its determination and direction.
3. Authorize the City Solicitor to complete the transactions on behalf of the City, for the benefit of the TTC, including making payment of any necessary expenses and on such other terms and conditions as she considers reasonable.
4. The appropriate City officials be authorized and directed to take the necessary action to give effect thereto.

**Financial Impact**  
 Compensation in the amount of \$37,800.00, exclusive of any applicable HST, plus the Owner's legal fees, will be payable to the Owner for the subject property interest. Land Transfer Tax and registration fees of approximately \$300 will also be payable by the City. Funding is available in the 2014-2023 Council approved Capital Budget and Plan for the TTC.

The Deputy City Manager and Chief Financial Officer has reviewed this DAF and agrees with the financial impact information.

**Comments**  
 In connection with the construction of streetcar connection track along Leslie Street connecting the Queen Street streetcar rail route to the Leslie Barns Maintenance and Storage Facility located on Leslie Street and Lake Shore Boulevard East, TTC installed support poles along Leslie Street in order to provide electrical power to streetcars along the track.

The support poles are located within road allowance; however, foundations are located in and under the Easement Lands. The TTC requires permanent easement rights over the Easements Lands for the maintenance and repair of the support poles.

The Owner consents and agrees to the grant of the easement. The terms and conditions of the Agreement, substantially outlined in Appendix "A", are deemed to be fair and reasonable and are being recommended for approval.

<b>Property Details</b>	<b>Ward:</b>	32 – Beaches-East York				
	<b>Approximate Size/Area:</b>	<b>Parts</b>	<b>Width (m)</b>	<b>Length (m)</b>	<b>Area (m<sup>2</sup>)</b>	<b>(Area (ft<sup>2</sup>))</b>
		1	1.00	6.00	6.0	64.59
		2	2.00	6.00	12.0	129.17
		3	2.50	6.00	15.0	161.46
		4	2.50	6.00	15.0	161.46
		5	2.50	6.00	15.0	161.46
		6	2.50	6.00	15.0	161.46
		7	2.50	6.00	15.0	161.46
		8	2.50	6.00	15.0	161.46
<b>Total</b>			108 m <sup>2</sup>	1162.54 ft <sup>2</sup>		

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

**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:	Mary-Margaret McMahon			Councillor:	
Contact Name:	Councillor and Edward BimBaum, EA			Contact Name:	
Contacted by:	Phone	x	E-Mail	Memo	Other
Comments:	No objections (January 20, 2015)			Comments:	
Consultation with ABCDs					
Division:	TTC			Division:	<b>Financial Planning</b>
Contact Name:	Sabrina Hamidullah			Contact Name:	Sydney Smith
Comments:	concur			Comments:	Comments to the financial impact have been incorporated
Legal Division Contact					
Contact Name:	Charlene Farrugia (comments have been incorporated Feb 4/15)				
DAF Tracking No.: 2015- 011		Date	Signature		
Recommended by:	Manager, Tim Park	Feb. 5, 2015	Signed by Tim Park		
<input checked="" type="checkbox"/>	<b>Recommended by: Director of Real Estate Services Joe Casali</b>	<b>Feb. 11, 2015</b>	Signed by Joe Casali		
<input type="checkbox"/>	<b>Approved by: Chief Corporate Officer Josie Scioli</b>		X		

**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.

DAF Tracking No: 2015-011

## Appendix "A"

## Key Terms of the Agreement between the Owner, the City and the TTC

<b>Owner:</b>	CP REIT Properties Limited (the "Owner")
<b>Address:</b>	23 Leslie Street, Toronto
<b>Easement Lands:</b>	Part of 23 Leslie Street designated as Parts 1 to 8 inclusive on Plan No. 66R-27678
<b>Purpose:</b>	To operate, maintain, alter, remove, replace, reconstruct and repair support poles and their foundations, which foundations are in and under the Easement Lands, together with the right of ingress and egress over the Easement Lands.
<b>Consideration:</b>	\$37,800.00 exclusive of any applicable HST
<b>Key Terms</b>	<p>The Owner agrees:</p> <ul style="list-style-type: none"> <li>• to sell, grant and convey a free and uninterrupted easement in perpetuity in, on, over, under, upon and through the Easement Lands</li> <li>• that the Easement Lands shall remain free of physical encumbrances</li> <li>• to provide vacant and exclusive possession of the Easement Lands as required by the TTC/City for the purposes of the easement</li> </ul> <p>The TTC agrees:</p> <ul style="list-style-type: none"> <li>• to release and indemnify the Owner from all claims, damages and costs arising from the exercise of the easement rights granted or any City/TTC default under the Easement Agreement</li> <li>• to provide commercial general liability insurance (no less than \$10,000,000)</li> <li>• upon completion of any work on the Easement Lands, to restore the Easement Lands to their original condition.</li> </ul> <p>The City agrees:</p> <ul style="list-style-type: none"> <li>• to pay the consideration to the Owner on the Closing Date</li> <li>• to release the Owner from claims arising from the exercise of the easement rights granted</li> </ul> <p>Other:</p> <ul style="list-style-type: none"> <li>• The obligations of the TTC and the City shall be joint and several, and each of the City and the TTC may be held liable by the Owner for any default of the other</li> </ul>
<b>Closing Date:</b>	Thirty days (30) after the last of the parties has executed the Agreement, or on such other dates as may be agreed upon by the parties.

**APPENDIX "B"**  
**Location Map and Sketch**



