

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

TRACKING NO.: 2016-041

- 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:	Susan Lin	Division:	Real Estate Services
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Date Prepared:	February 16, 2016	Phone No.:	392-4135
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Purpose
To obtain authority to enter into and complete a land exchange agreement (the "2016 Exchange Agreement") with The Centennial College of Applied Arts and Technology ("Centennial") and Ontario Ministry of Transportation ("MTO") with respect to the Centennial Exchange Lands, the 401 Interchange Lands and the City Exchange Lands, described below.

Property
All lands involved in the 2016 Exchange Agreement are on or adjoining Centennial's campus at 941 Progress Avenue.

The City-owned lands to be acquired by Centennial (the "City Exchange Lands") comprise of Parts 1, 2 and 3 on Plan 64R-14828, shown in Appendix "B". On conveying the City Exchange Lands, the City will reserve an easement for right-of-way, enabling City representatives to access Toronto Water interests in the Toronto Region Conservation Authority ("TRCA") lands adjoining to the east of the Centennial campus.

The Centennial-owned lands to be acquired by the City (the "Centennial Exchange Lands") comprise of fee simple and easement interests. In particular, the City will be acquiring: (a) a fee simple interest in the lands designated as Part 1 on Plan 66R-28157 in Appendix "C"; and (b) an easement enabling City representatives to cross from the west limit of the Centennial campus at Progress Avenue to Toronto Water interests in TRCA lands lying to the east of the campus.

The Centennial-owned lands to be acquired by MTO (the "401 Interchange Lands") comprise of the fee simple interest in the lands designated as Part 2 on Plan 66R-28157, as shown in Appendix "C".

- Actions**
1. Authority be granted to enter into and complete the 2016 Exchange Agreement, substantially on the terms set out in Appendix "A.1" and on such other terms as the Chief Corporate Officer may deem necessary and in a form satisfactory to the City Solicitor.
 2. Authority be granted to facilitate, the transfer of the 401 Interchange Lands to MTO, substantially on the terms in Appendix "A.1" and on such other terms as the Chief Corporate Office may deem necessary and in a form satisfactory to the City Solicitor.
 3. The City Solicitor be authorized to complete the transactions on behalf of the City, including paying any necessary expenses, amending the closing, due diligence and other dates, and amending and waiving terms and conditions, on such terms as she considers reasonable.
 4. The appropriate City Officials be authorized and directed to take the necessary action to give effect thereto.

Financial Impact
No funds will be exchanged on closing of the 2016 Exchange Agreement as the properties to be exchanged between the City and Centennial are of approximate equal value. Centennial will transfer the 401 Exchange Lands to MTO for nominal consideration.

Financial impacts to the City for completing the transactions described in the 2016 Exchange Agreement include approximately \$750.00 for registration costs and \$7,850.00 for Provincial Land Transfer Tax. These amounts will be funded from 2016 Capital Budget for Transportation Services Capital Account CTP314-06-176 – Major Road Rehabilitation.

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

Comments
See Appendix "A"

Terms
See Appendix "A.1"

Property Details	Ward:	38 – Scarborough Centre
	Assessment Roll No.:	Part of 1901-08-2-470-01800
	Approximate Size:	20.66 m x 285.02 m ± (67.78 ft x 935.10 ft ±)
	Approximate Area:	5,682 m ² ± (1.4 acres ±)

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 checked="" 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 checked="" 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 checked="" 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 type="checkbox"/> (a) Approvals, Consents, Notices and Assignments under all Leases/Licences;</p> <p><input checked="" 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:	Glenn De Baeremaeker					Councillor:			
Contact Name:	Glenn De Baeremaeker					Contact Name:			
Contacted by:	Phone	<input checked="" type="checkbox"/>	E-Mail		Memo		Other		
Comments:	No response (July 31, 2015)					Comments:			
Consultation with ABCDs									
Division:						Division:	Financial Planning		
Contact Name:						Contact Name:	Filisha Mohammed		
Comments:						Comments:	February 16, 2016		
Legal Division Contact									
Contact Name:	Frank Walsh (7-5611) February 12, 2016								
DAF Tracking No.: 2016-041			Date			Signature			
Recommended by:	Manager		Feb. 18, 2016			Tasse Karakolis			
<input type="checkbox"/>	Recommended by: Director of Real Estate Services		Feb. 26, 2016			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"**DAF No. 2016-041****Comments** (continued from page 1):

By clause 13(48), adopted by the former Corporation of the City of Scarborough on June 27, 1995 (the "1995 Report"), authority was given for the City to enter into a land exchange agreement with Centennial (the "1995 Land Exchange Agreement") to vest Scarborough with ownership of a configuration of lands approximating the fee simple portion of the Centennial Exchange Lands and the 401 Interchange Lands (as shown in Appendix "C").

The 1995 Report also declared the City Exchange Lands surplus and authorized Scarborough to use its best efforts to close and convey them to Centennial.

By City of Scarborough by-law 24594, dated September 26, 1995, authority was given to the City to enter into an agreement (the "1995 Interchange Agreement") with MTO whereby the City was to construct a traffic interchange enabling access from Progress Avenue to Highway 401 and then to convey a free and clear fee simple interest in the 401 Interchange Lands (containing the completed interchange to MTO).

By the end of 1998, construction of the extension of Progress Avenue and the 401 interchange had been completed but for reasons unknown, none of the conveyances contemplated in the 1995 Land Exchange Agreement or the 1995 Interchange Agreement were completed. This has resulted in a current land ownership discrepancy whereby: (a) the City is operating an extension of Progress Avenue as a highway, on land owned by Centennial; (b) MTO is operating the traffic exchange from Progress Avenue onto Highway 401, on lands owned by Centennial; and (c) Centennial does not own the City Exchange Lands.

Centennial recently received development approvals to expand its campus facilities at 941 Progress Avenue to include a new culinary arts centre, a new student residence and new parking lots. In the course of planning these expansion facilities, Centennial discovered that it never acquired ownership of the City Exchange Lands – lands upon which Centennial's approved new parking facilities are to be developed.

On completion of the 2016 Exchange Agreement, the City will own the Centennial Exchange Lands, MTO will own the 401 Interchange Lands and Centennial will own the City Exchange Lands and each of the parties will be in the positions contemplated by Council in the 1995 Report and Scarborough By-law 24594.

This delegated authority amends an earlier delegated authority granted under DAF No. 2015-208. An amended authority is necessary to authorize the City to facilitate the transfer of the 401 Interchange Lands to MTO – a transaction which was not contemplated at the time authority under DAF No. 2015-208 was given.

Appendix "A.1"**DAF No. 2016-041****Terms** (continued from page 1):**Additional Terms of the Land 2016 Exchange Agreement**

Properties:

- | | |
|---|--|
| 1. Lands to be conveyed by the City to Centennial (the "City Exchange Lands") | Lands legally described as part of closed Road Allowance between Lots 16 & 17, Concession 2 (formerly Scarborough), designated as Parts 1, 2 & 3 on Plan 64R-14828, as shown in Appendix "B" |
| 2. Lands to be conveyed by Centennial to the City (the "Centennial Exchange Lands") | Lands legally described as being part of Lot 18, Concession 2, and designated as Part 1 on Plan 66R-28157 shown in Appendix "C". |
| 3. Lands to be conveyed by Centennial to MTO (the "401 Interchange Lands") | Lands legally described as being part of Lot 18, Concession 2, and designated as Part 2 on Plan 66R-28157 shown in Appendix "C". |

Parties:

The Centennial College of Applied Arts and Technology, Ontario Ministry of Transportation and City of Toronto

Consideration:

Each party will convey lands for nominal consideration.

Requisition Date:

Up to closing date.

Closing Date:

By July 1, 2016, subject to agreement between the parties to advance or postpone the closing date.

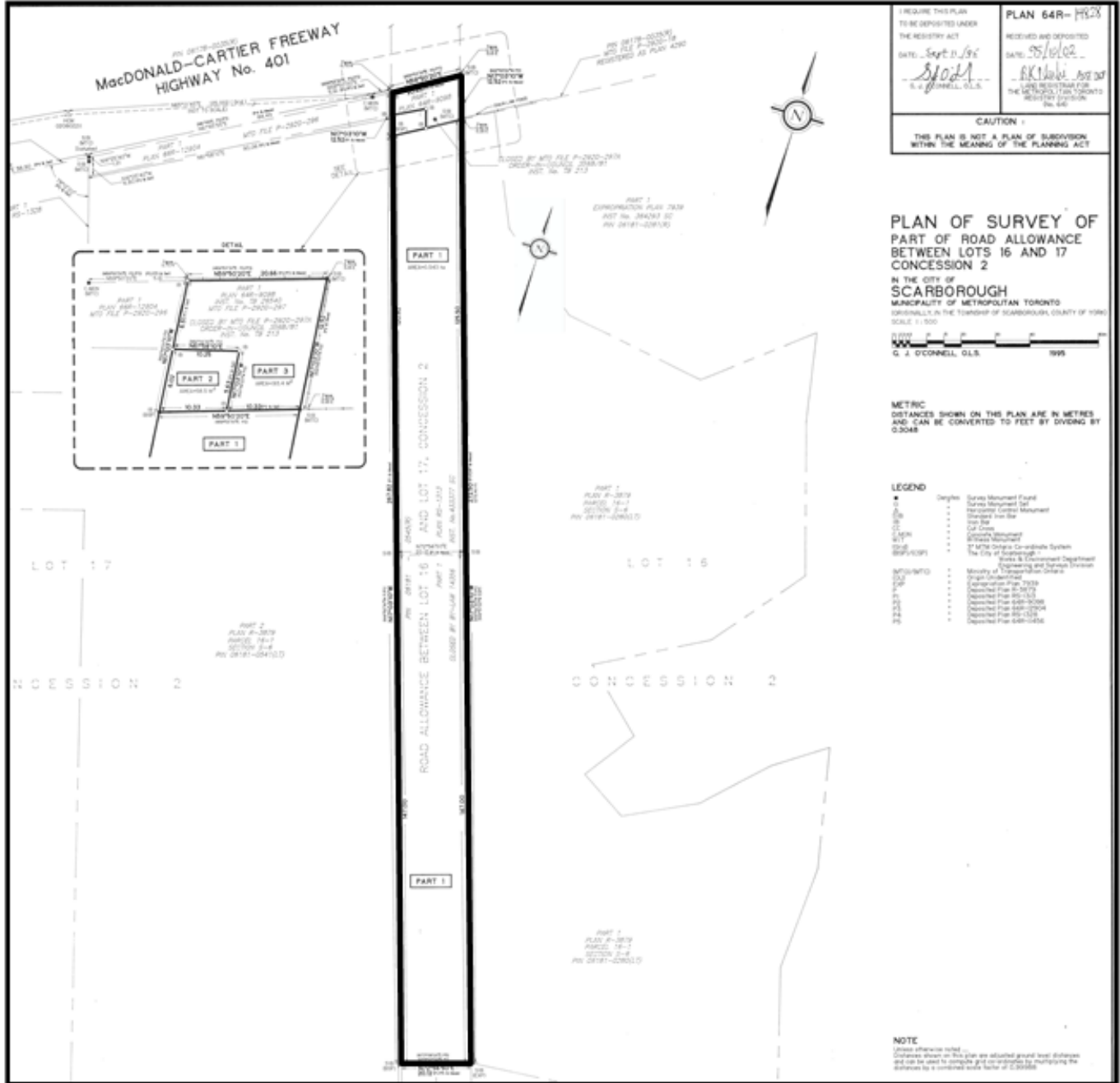
Other Terms & Conditions:

- a) All lands being transferred on an "as is" basis.
- b) Centennial is responsible for its own costs; City must pay its own costs plus costs of clearing title to the 401 Exchange Lands.
- c) Centennial will acquire title to the City Exchange Lands subject to a reserved easement for right-of-way to enable City representatives to cross the City Exchange Lands and thereby access Toronto Water interests in TRCA lands lying to the east of the Centennial campus.
- d) The City will acquire title to the Centennial Exchange Lands together with an easement for right-of-way, to enable City representatives to cross from the west limit of the Centennial campus at Progress Avenue to Toronto Water interests in TRCA lands lying to the east of the campus.
- e) Pending dedication of the Centennial Exchange Lands as a public highway, Centennial will be given a right-of-way to enable Centennial to legally access Progress Avenue.
- f) On closing of the 2016 Exchange Agreement, MTO will give the City a release of all City obligations under the 1995 Interchange Agreement.
- g) On closing of the 2016 Exchange Agreement, the City will honour its obligation under the 1995 Interchange Agreement, to ensure that MTO receives a clear and unencumbered title to the 401 Interchange Lands, including without limitation, obtaining and registering, at the City's expense, partial releases of site plan agreements and other encumbrances affecting such lands.

Appendix "B"

DAF No. 2016-041

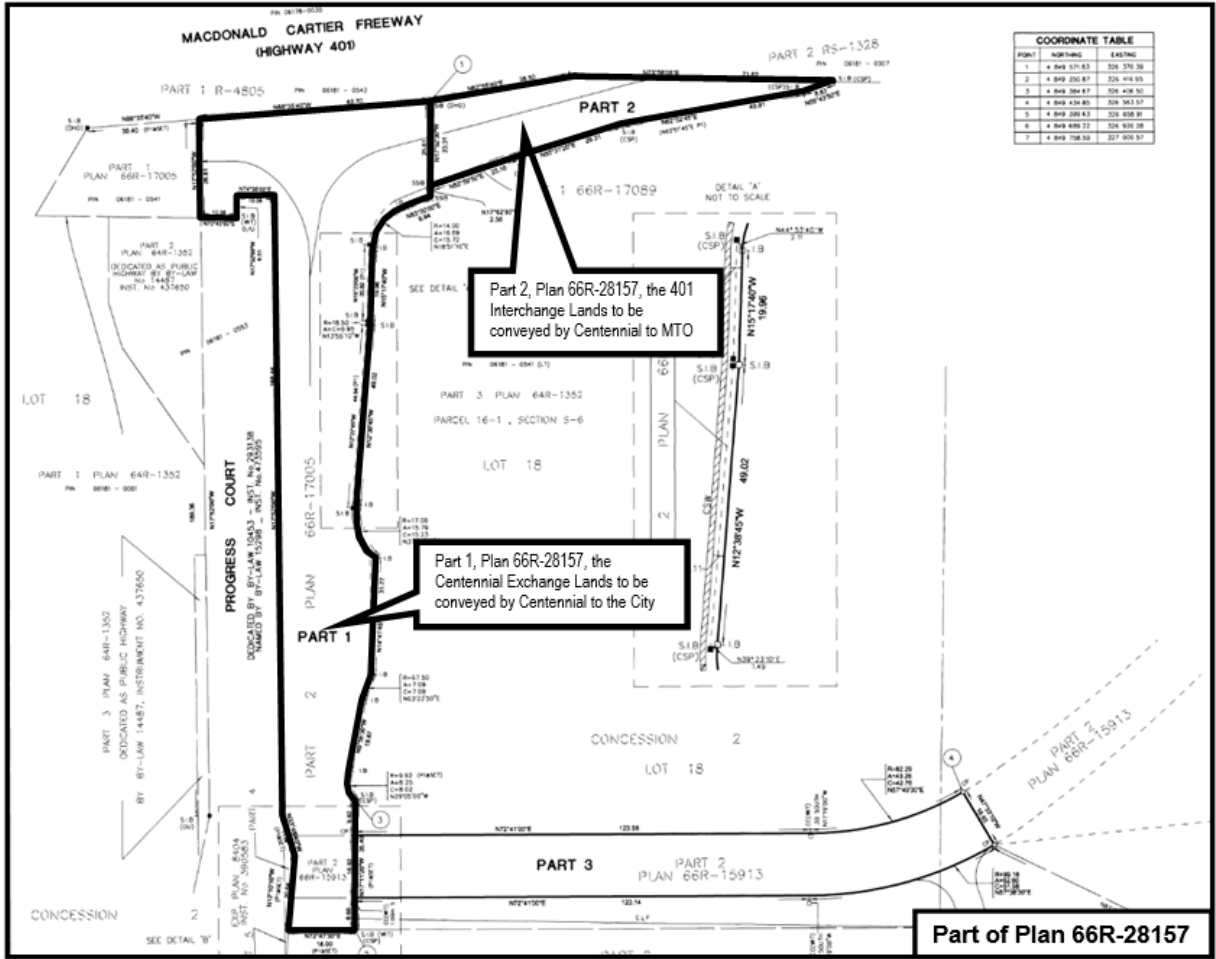
Lands to be transferred to Centennial College:



Appendix "C"

DAF No. 2016-041

Lands to be Conveyed to the City and to MTO under the 2016 Exchange Agreement



Appendix "D" – Map & Aerial

DAF No. 2016-041

