

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

TRACKING NO.: 2016-031

<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 (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.			
<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:	Adam Pressick	Division:	Real Estate Services
Date Prepared:	April 27, 2016	Phone No.:	416-392-1166
Purpose	To obtain authority for the City of Toronto (the "City") to enter into a licence agreement with Lanterra 501 Yonge Developments Limited (the "Licensee") to allow shoring and tie-backs (the "Tie-Backs Agreement") under 12 Alexander Street (the "Licensed Lands" as shown on Schedule "A") to facilitate construction of the Licensee's nearby condominium.		
Property	The property is known municipally as 12 Alexander Street. The Tie-Backs Agreement will have a subsurface area of approximately 3,907 square feet as shown on Schedule "B".		
Actions	<ol style="list-style-type: none"> 1. Authority be granted to enter into the Tie-Backs Agreement with the Licensee for the Licensed Lands, substantially on the terms and conditions set out below and on any other or amended terms and conditions as may be determined by the Chief Corporate Officer (the "CCO"), and in a form acceptable to the City Solicitor; 2. The CCO or his or her designate shall administer and manage the Agreement, including the provision of any consents, approvals, waivers, notices and notice of termination provided that the CCO may, at any time, refer consideration of such matters (including their content) to City Council for its determination and direction; and, 3. The appropriate City Officials be authorized and directed to take the necessary action to give effect thereto. 		
Financial Impact	<p>The City will receive compensation from the Licensee, pursuant to the Tie-Backs Agreement, of \$228,559.50 plus HST.</p> <p>The Deputy City Manager & Chief Financial Officer has reviewed this DAF and agrees with the financial impact information.</p>		
Comments	<p>The Licensed Lands are within Economic Development and Culture ("EDC") jurisdiction as they house the Alexander Street Theatre Project of Toronto and the Buddies in Bad Times Theatre (collectively the "Operator"). The Operator and EDC have been contacted and both parties have no issue with the Tie-Backs Agreement.</p> <p>The term of the Tie-Backs Agreement is eighteen (18) months commencing June 1, 2016, terminating on November 30, 2017. The Tie-Backs Agreement will terminate upon completion of the foundation to ground level (when the tie-backs will be de-stressed).</p> <p>Real Estate Services staff consider the proposed Licence to be fair and reasonable to both parties.</p>		
Terms	Major Terms and Conditions are contained on page 4.		
Property Details	Ward:	27 – Toronto Centre-Rosedale	
	Assessment Roll No.:	1904-06-8-190-03000	
	Approximate Size:		
	Approximate Area:	Tie-Backs: 3,907 square feet (363 square metres) of subsurface area	
	Other Information:	Theatre	

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:	Delegated to a more senior position.	<input type="checkbox"/> Issuance of RFPs/REOs.
4. Permanent Highway Closures:	Delegated to a more senior position.	<input type="checkbox"/> Initiate process & authorize GM, Transportation Services to give notice of proposed by-law.
5. Transfer of Operational Management to ABCDs:	Delegated to a more senior position.	<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:	Delegated to a more senior position.	<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/Licensor):	<input checked="" type="checkbox"/> (a) Where total compensation (including options/renewals) does not exceed \$1 Million;	<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 three (3) months, including licences for environmental assessments and/or testing, etc.	<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"/> Where total compensation does not exceed \$3 Million.
	<input type="checkbox"/> (b) When closing road, easements to pre-existing utilities for nominal consideration.	Delegated to a less senior position.
12. Easements (City as Grantee):	<input 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"/> (a) Approvals, Consents, Notices and Assignments under all Leases/Licences;
	<input type="checkbox"/> (b) Releases/Discharges;	<input type="checkbox"/> (b) Releases/Discharges;
	<input type="checkbox"/> (c) Surrenders/Abandonments;	<input type="checkbox"/> (c) Surrenders/Abandonments;
	<input type="checkbox"/> (d) Enforcements/Terminations;	<input type="checkbox"/> (d) Enforcements/Terminations;
	<input type="checkbox"/> (e) Consents/Non-Disturbance Agreements/Acknowledgements/Estoppels/Certificates;	<input type="checkbox"/> (e) Consents/Non-Disturbance Agreements/Acknowledgements/Estoppels/Certificates;
	<input type="checkbox"/> (f) Objections/Waivers/Cautions;	<input type="checkbox"/> (f) Objections/Waivers/Cautions;
	<input type="checkbox"/> (g) Notices of Lease and Sublease;	<input type="checkbox"/> (g) Notices of Lease and Sublease;
	<input type="checkbox"/> (h) Consent to regulatory applications by City, as owner;	<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"/> (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"/> (j) Documentation relating to Land Titles applications;
	<input type="checkbox"/> (k) Correcting/Quit Claim Transfer/Deeds.	<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:	Councillor Kristyn Wong-Tam					Councillor:				
Contact Name:	Tristan Downe-Dewdney					Contact Name:				
Contacted by:	Phone	x	E-Mail	Memo	Other	Contacted by:	Phone	E-mail	Memo	Other
Comments:	Consented					Comments:				
Consultation with ABCDs										
Division:	EDC					Division:	Financial Planning			
Contact Name:	Jo Ann Pynn					Contact Name:	Filisha Mohammed			
Comments:	Consented					Comments:	Consented			
Legal Division Contact										
Contact Name:	Joanne Franco									
DAF Tracking No.: 2016-031			Date			Signature				
Recommended by: Manager, Wayne Duong			May/4/2016			Sgd.\ Wayne Duong				
<input checked="" type="checkbox"/>	Recommended by: Director of Real Estate Services Joe Casali			May/6/2016			Sgd.\ Joe Casali			
<input type="checkbox"/>	Approved by:									
<input checked="" type="checkbox"/>	Approved by: Chief Corporate Officer Josie Scioli						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.

Major Terms and Conditions

Licensor:

City of Toronto.

Licensee:

Lanterra 501 Yonge Developments Limited

Indemnity:

The Licensee shall fully release and indemnify the City of Toronto against all actions, causes of actions, claims, demands under and in connection with the Workplace Safety and Insurance Act and the Environmental Protection Act. The Licensee shall waive and forever discharge the City of any claims in respect of death, injury, loss or damage to the person or any property of the Licensee or others howsoever caused arising or to arise by authorizing this Agreement.

Tie-Backs Agreement:

Licensed Lands:

Tie-Backs Agreement: 3,907 square feet (363 square metres) of subsurface area

Licence Fee:

\$228,559.50 plus HST.

Term:

Eighteen (18) months commencing June 1, 2016, expiring November 30, 2017.

Engineering Drawings:

The Licensee will provide the City with as-built final drawings, surveys, records and a post-construction report identifying the locations and dimensions of the Tie-Backs, certified by the engineer of record with respect thereto.

Restoration:

Before partial surrender or termination of this Agreement, a third party consultant (hired at the expense of the Licensee, but chosen by the City) will conduct an inspection of the City Lands to determine any damage caused by the Tie-Backs Agreement and issue a report to the Licensee to ensure adequate restoration of the City Lands. The City Lands will be restored to a condition that is in compliance with this Agreement before the Letter of Credit will be returned to the Licensee.

Letter of Credit:

\$200,000 as security in the event that the Licensee defaults in its obligations.

Engineering Deposit:

\$25,000 as security in the event the City must hire the services of an independent engineering consultant to assist in the administration of the Tie-Backs Agreement.

Insurance:

Maintain comprehensive general liability insurance in an amount not less than \$10,000,000.00 per occurrence.

Shoring and Tie-Back Plans:

Isherwood Geotechnical Engineer Drawing; Excavation Shoring; Plan and Details, SH-1, and Sections, SH-2, Notes and Details, SH-3, East Excavation Elevations & Section, SH-4, and West Excavation Elevations, SH-5; November 16, 2015 (Schedule "B").

Schedule "A" – Location of Licensed Lands



Schedule "B" – Location of tie-backs affecting Licensed Lands (shown dashed)



