

DELEGATED APPROVAL FORM CHIEF CORPORATE OFFICER DIRECTOR OF REAL ESTATE SERVICES

TRACKING NO.: 2016-271

<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:	Simona Rasanu	Division:	Real Estate Services				
Date Prepared:	December 2, 2016	Phone No.:	416-397-7682				
Purpose	To obtain authority for the City of Toronto (the "City") to enter into a Tieback Licence agreement (the "Licence Agreement") with Hullmark Sun Life (Atlantic) LP (the "Licensee") to permit installation of tie-backs beneath the City-owned property at 98 Atlantic Avenue to support and facilitate construction of the Licensee's adjacent development at 80 Atlantic Avenue.						
Property	Subsurface area of approximately 2,487 square feet beneath the City-owned property municipally known as 98 Atlantic Avenue, and shown hatched on Drawing No. SK-1 dated May 2, 2016 prepared by Isherwood Geotechnical Engineers, attached as Schedule "B" (the "Licensed Lands").						
Actions	<ol style="list-style-type: none"> 1. The City enter into the Licence Agreement with the Licensee for the Licensed Lands for a period of one (1) year, substantially on the terms and conditions set out below, on such other or amended terms and conditions satisfactory to 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 Licence 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 of \$17,564.44 (plus HST) in consideration for granting the Licence Agreement.</p> <p>The Deputy City Manager & Chief Financial Officer has reviewed this DAF and agrees with the financial impact information.</p>						
Comments	<p>The Licensee is the owner of 80 Atlantic Avenue and wishes to construct a 5-storey office development on its property. The development will feature a 2-level underground parking garage that is proposed to be supported during excavation with a tie-back shoring system. The Licensed Lands are required for the installation of the tiebacks for a period of one (1) year commencing on December 12, 2016, or on a date acceptable to the Chief Corporate Officer.</p> <p>The City-owned 98 Atlantic Avenue property has a heritage designation and is currently occupied by Economic Development & Culture (EDC) staff. As such, Heritage Preservation Services staff within City Planning and EDC staff have been consulted about the tieback proposal. No objections have been expressed.</p> <p>Real Estate Services staff consider the proposed Licence Agreement to be fair and reasonable to both parties.</p>						
Terms	Major Terms and Conditions are on page 4.						
Property Details	<table border="1"> <tr> <td>Ward:</td> <td>14 – Parkdale – High Park</td> </tr> <tr> <td>Approximate Area:</td> <td>Tie-Back Subsurface Area: 2,487 ft² (331 m²)</td> </tr> </table>			Ward:	14 – Parkdale – High Park	Approximate Area:	Tie-Back Subsurface Area: 2,487 ft ² (331 m ²)
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Approximate Area:	Tie-Back Subsurface Area: 2,487 ft ² (331 m ²)						

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

Consultation with Councillor(s) – November 25, 2016									
Councillor:	Councillor Perks					Councillor:			
Contact Name:	Karen Duffy					Contact Name:			
Contacted by:	Phone	X	E-Mail		Memo		Other		
Comments:						Comments:			
Consultation with ABCDs									
Division:	Economic, Development & Culture (EDC) City Planning (Heritage Preservation Services)					Division:	Financial Planning		
Contact Name:	Jo Ann Pynn (EDC) Georgia Kuich					Contact Name:	Filisha Mohammed		
Comments:	Consented					Comments:	Concurs with Financial Impact		
Legal Division Contact									
Contact Name:	Soo Kim Lee								
DAF Tracking No.: 2016-271					Date		Signature		
Recommended by: Manager, Wayne Duong									
<input type="checkbox"/> Recommended by: Director of Real Estate Services Joe Casali					X				
<input checked="" type="checkbox"/> Approved by:									
<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.

Major Terms and Conditions

Property: 98 Atlantic Avenue

Licensor: City of Toronto (the "City")

Licensee: Hullmark Sun Life (Atlantic) LP

Licensed Lands: approximate subsurface area of 2,487 ft² (331 m²) underneath the Property

Licence Fee: \$17,564.44 plus HST

Term: One (1) year commencing on December 12, 2016, or on a date acceptable to the Chief Corporate Officer

Insurance: Comprehensive general liability insurance in an amount not less than \$10,000,000 per occurrence. The City shall be added as an additional insured.

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

Monitor Points: The Licensee, at its own cost and expense, will set up at least 2 monitor points on the exterior of the building on the Property along the southern elevations, at locations to be approved in writing by the City, to monitor any movement of exterior elevations and/or the floor slab.

Engineering Fee Deposit: \$25,000 as security for the City to pay the costs of any engineers or consultants retained to review and approve specifications, and to inspect to ensure compliance with the shoring plan and specifications.

Indemnity: The Licensee shall indemnify and save the City harmless from and against any and all manner of actions, claims, charges, costs, damages, demands, expenses, losses and any other proceedings whatsoever made or brought against, suffered by or imposed on the City or its property in respect of any loss, damage or injury (including fatal injury) to any person or property directly or indirectly arising out of, resulting from or sustained as a result of the Licensee's occupancy or use of the Licensed Lands.

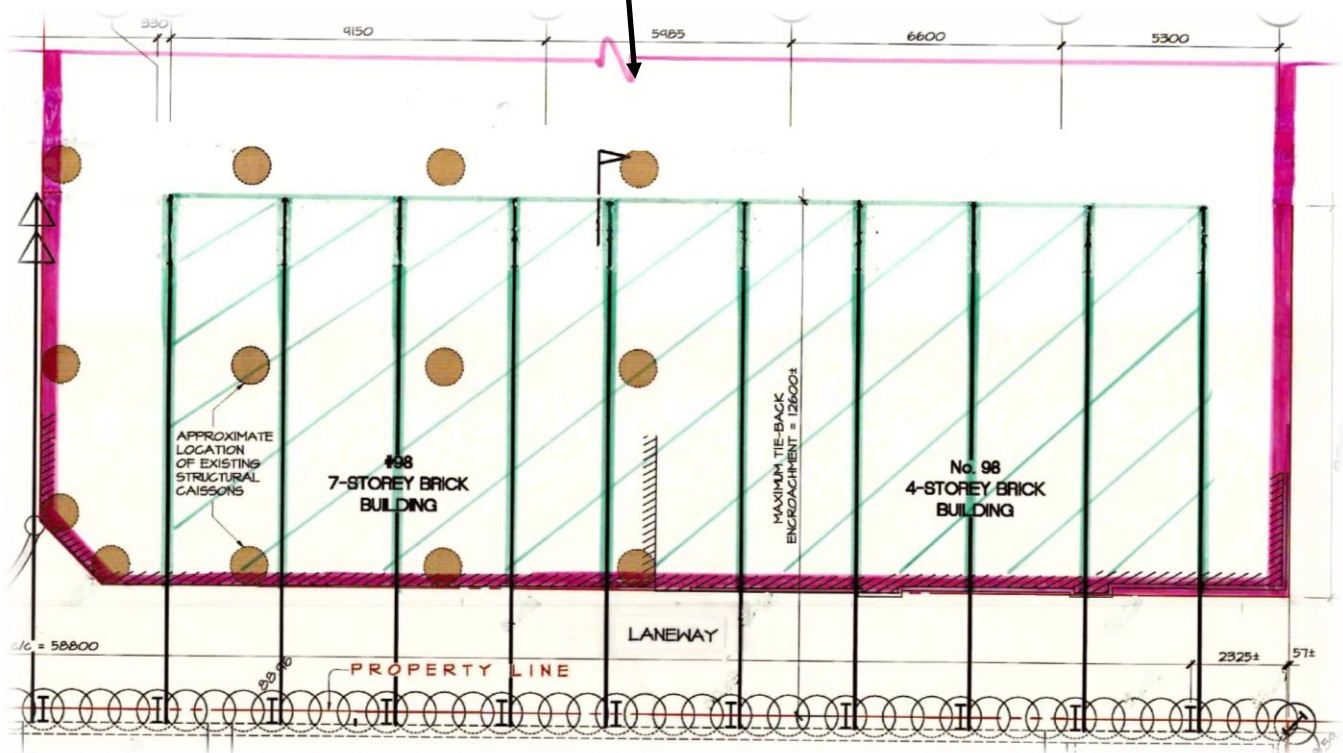
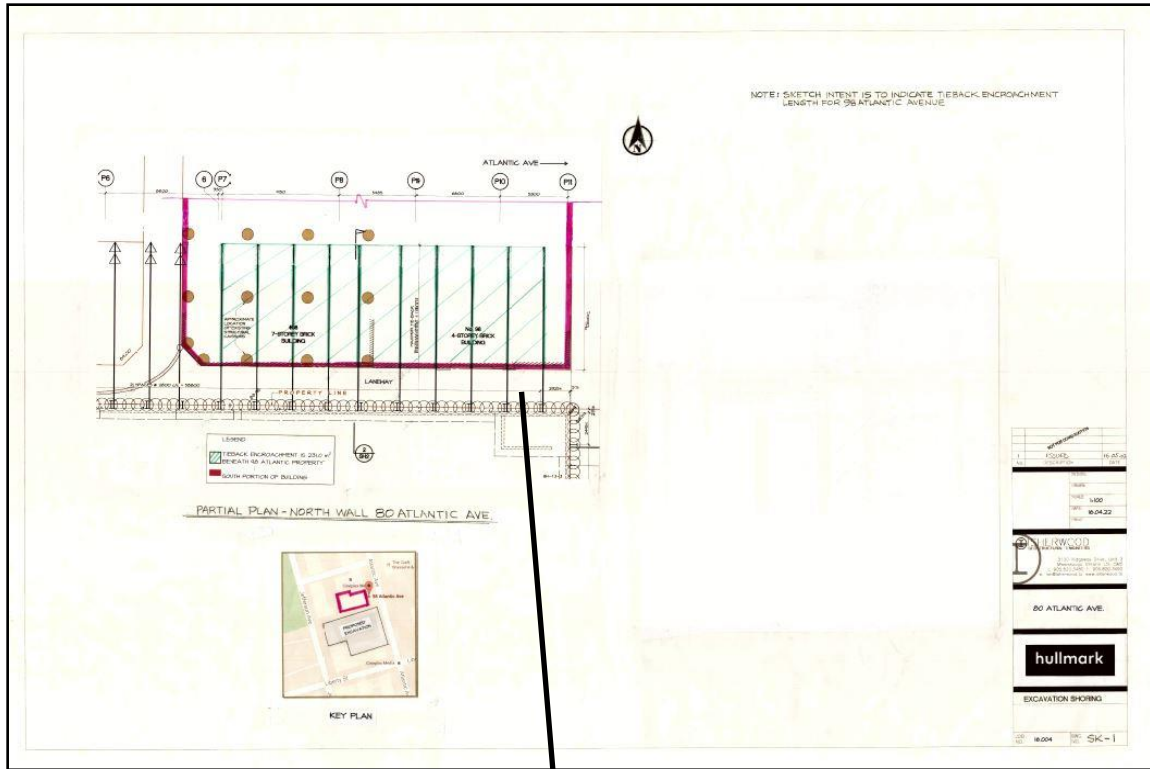
Other Terms:

1. On or before the expiry date, the Licensee, at its sole cost, will provide a report from its geotechnical consultant confirming that the tiebacks can be destressed and removed by the City without consequence. However, the City will not require the Licensee to destress the tiebacks.
2. No later than three (3) months following completion of the Licensee's Work, the Licensee will provide the City with as-built final drawings, surveys and records identifying the locations and dimensions of the tie-backs, certified by the engineer of record.

Schedule "A" – Location of Licensed Lands

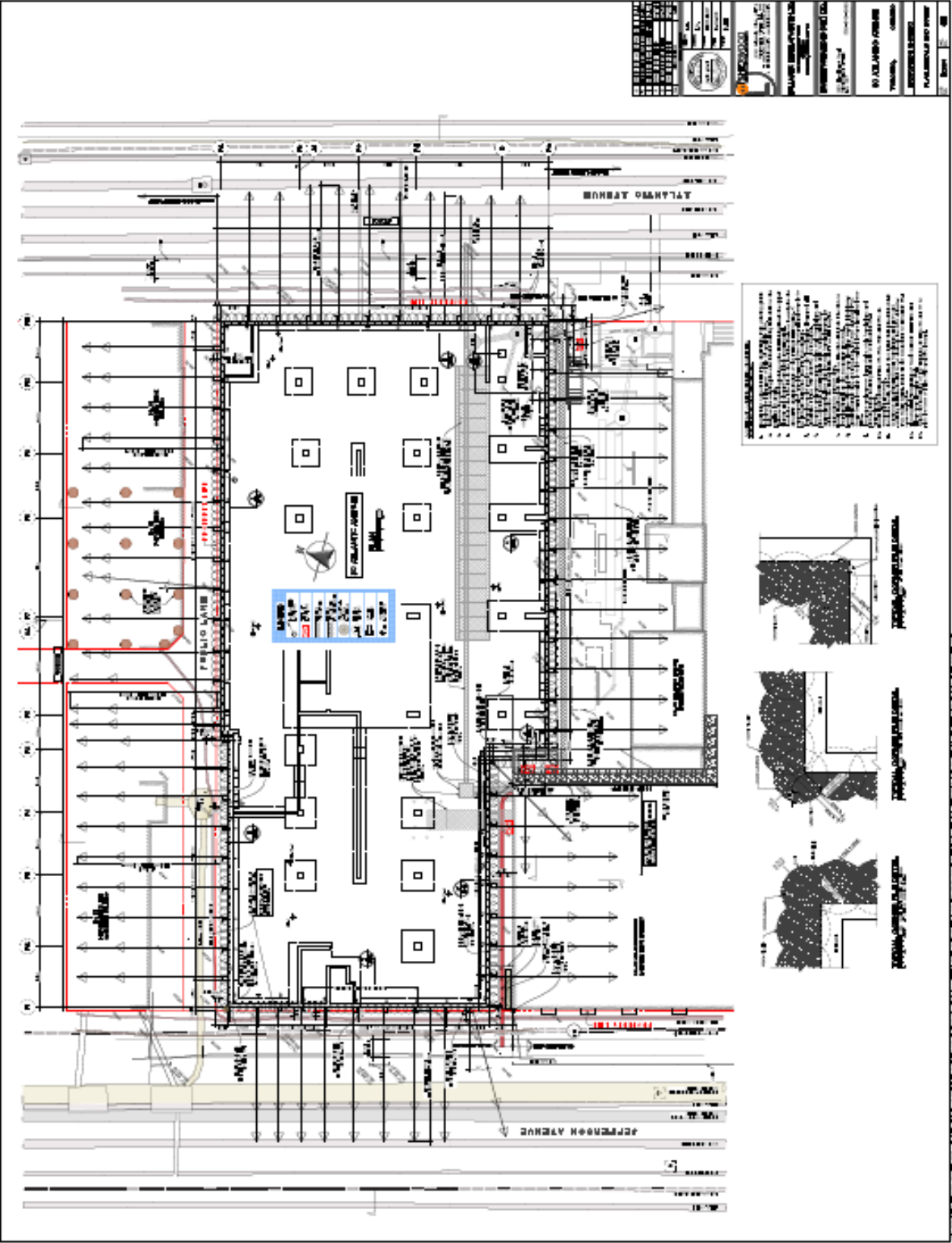


Schedule "B" – Location of tie-backs affecting Licensed Lands (shown cross-hatched in green)



Schedules "B-1, 2, 3" – Excavation Shoring Plans

Schedule "B-1"



Schedule "B-2"

