

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

TRACKING NO.: 2016-192

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:	Wayne Duong	Division:	Real Estate Services
Date Prepared:	August 26, 2016	Phone No.:	(416) 392-7174

Purpose To authorize the execution of a license or lease agreement (the "Parking and Staging Agreement") between the City of Toronto and Build Toronto or a related corporation for the use of existing surface parking lot located on the northeast corner of Maud Street and Adelaide Street West for a one (1) year term with two (2) 1-year options to extend.

Property Part of Maud Street and Part of 450 Adelaide Street West, Toronto, Ontario, shown as Parts 1 and 3 on Sketch No. PS-2014-069 on the attached Appendix "A" (the "Property"). Provided that, should Build Toronto Inc. secure permission from the Province to also make use of Part 2, in a form satisfactory to the City, then the Property boundary shall be amended to include Part 2 on the same Sketch.

- Actions**
1. Authorize the execution of the Parking and Staging Agreement between the City and Build Toronto Inc. and/or a related corporation (the "Licensee") to permit use of parking and construction staging on the Property for a term of one (1) year with two (2) 1-year options to extend commencing on or about September 7, 2016 on the terms outlined below, together with such or amended terms as the Chief Corporate Officer may deem appropriate and in a form satisfactory to the City Solicitor.
 2. The Chief Corporate Officer or designate shall administer and manage the Parking and Staging 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, including amending any dates 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 The revenues the City will receive for the license fee/rent for the one (1) year term will be \$50,000 plus applicable taxes with two (2) 1-year options to extend at the same rate.

Year	Fee	HST	Total
1	\$50,000	6,500	\$56,500
2 (if extend)	\$50,000	6,500	\$56,500
3 (if extend)	\$50,000	6,500	\$56,500
Total	\$150,000	19,500	\$169,500

In addition, the Licensee will pay the City 10% of annual gross income (the "Additional Fee") generated from operating the Property directly or indirectly for business activities of parking and/or construction staging.

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

Background: Build Toronto has entered into a Purchase Agreement with MOD Downtown Development Properties Inc. and Woodcliffe Landmark Properties Inc. for 505 Richmond St W. The developers have requested the use of the parking lot for parking for its construction workers and potential buyers, as well as construction staging.

Comments Build Toronto has requested the City for use of its property for the purpose of parking for construction workers and potential purchasers, as well as construction staging related to the development of the site 505 Richmond Street W. Real Estate Services deem the request to be fair and reasonable.

Terms	See Terms below
Property Details	Ward: 20 – Trinity Spadina
	Assessment Roll No.: Part of 1904-06-2-430-00200
	Approximate Area: 770.2 m ² (8,290 ft ²)

Revised: April 11, 2014

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"/> (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. 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"/> (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"/> (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;

- (j) Documentation relating to Land Titles applications;
- (k) Correcting/Quit Claim Transfer/Deeds.

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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:	Joe Cressy					Councillor:				
Contact Name:	Councillor & Brent Gilliard					Contact Name:				
Contacted by:	Phone	x	E-Mail	Memo	Other	Contacted by:	Phone	E-mail	Memo	Other
Comments:	No objection (Aug 26/16)					Comments:				
Consultation with ABCDs										
Division:	PFR					Division:	Financial Planning			
Contact Name:	Ryan Glenn					Contact Name:	Anthony Ng, Sr. Financial Planning Analyst			
Comments:	Concur					Comments:				
Legal Division Contact										
Contact Name:	Ray Mickevicius (August 26, 2016)									
DAF Tracking No.: 2016-192			Date			Signature				
Recommended by: Manager			Aug/26/2016			Sgd.\ Wayne Duong				
<input type="checkbox"/> Recommended by: Director of Real Estate Services Joe Casali			Sep/2/2016			Sgd.\ Joe Casali				
<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.

Term	One (1) year commencing on or about September 7, 2016 with two (2) options to extend for one (1) year each so long as tenant is not in violation of the terms of the license or lease.
Early Termination	Subject to right of early termination in favor of the City of Toronto at its discretion on one hundred and eighty (180) days prior written notice
License Fee/Rent	Year 1: \$50,000 plus any applicable HST or other taxes Year 2 (1 st extension): \$50,000 plus any applicable HST or other taxes Year 3 (2 nd extension): \$50,000 plus any applicable HST or other taxes Licensee is also responsible for any applicable realty taxes.
Additional Fee	The Licensee will pay the City 10% of annual gross income (the "Additional Fee") generated from operating the Property directly or indirectly for business activities of parking and/or construction staging
Permitted Use	Parking for construction workers and buyers in relation to the development of 505 Richmond Street W, general parking, and construction staging.
Surrender of the Property	The Licensee should surrender the Property in as good condition and repair as the commencement of the Parking and Staging Agreement and remove all fixtures and improvements at City of Toronto's option at its sole cost and expense
Income Statement and Maintenance of Records	For the Additional Fee calculation, the Licensee should submit a reviewed or audited income statement indicating the amount of its gross income generated from the Property for the previous 12 months. The Licensee shall maintain adequate record for a period of 5 years after each Additional Fee payment.

APPENDIX "A"
Location Map and Sketch

