

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

TRACKING NO.: 2016-246

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 (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 (Confirmatory By-Law No. 1234-2013, enacted October 11, 2013), as amended by DAF 2013-307 and DAF 2014-087; and further amended by EX44.22 entitled "Strategic Property Acquisitions" adopted by City Council on August 25, 26, 27 and 28, 2014 (Confirmatory By-law No.1074-2014, enacted on August 28, 2014).

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:	Vicky Papas	Division:	Real Estate Services
Date Prepared:	December 1, 2016	Phone No.:	392-1830

Purpose
To obtain authority to enter into a licence agreement (the "Licence") with Prologis Canada LLC (the "Licensor"), for a portion of the property described below to conduct geotechnical, archaeological, and survey investigations (the "Fieldwork") for the proposed extension of Morningside Ave. between McNicoll Ave. and Steeles Ave. E. as shown on the attached Schedule "A".

Property
Part of the land comprised of Part Lot 16, Concession 4, (Scarborough) Parts 2, 3, 4, 5 and 6 Plan 66R-25627, S/E Part 1, Plan 66R-27536; City of Toronto, shown hatched on the attached Schedule "B", measuring approximately 5,569 sq. m. (59,945 sq.ft.) (the "Licensed Lands").

Actions
It is recommended that:

1. Authority be granted to enter into the Licence with the Licensor subject to the terms and conditions outlined below and on such other terms or amendments as may be satisfactory to the Chief Corporate Officer, and in a form acceptable to the City Solicitor;
2. The Chief Corporate Officer or designate shall administer and manage the Licence including the provision of any consents, renewals, approvals, amendments, waivers, notices and notices of termination provided that the Chief Corporate Officer may, at any time, refer consideration of such matter to City Council for its determination and direction;
3. The City Solicitor be authorized to complete the Licence and related transactions on behalf of the City, including payment of any necessary expenses, and amending and waiving terms and conditions, on such terms as he or she considers reasonable;
4. The appropriate City officials be authorized and directed to take the necessary action to give effect thereto.

Financial Impact
There is no financial impact associated with this proposed Licence. The Licensor has agreed to grant the Licence to the City for nominal consideration.

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

Comments
The City retained a consultant to conduct a preliminary design for the extension of Morningside Ave. from its current terminus at McNicoll Ave. to Steeles Ave. E. In order to proceed to the preliminary design phase, the City must conduct the Fieldwork which includes foundation and geotechnical investigations for bridge, pavement and retaining wall foundations as well as topographic and legal surveying. The archaeological investigations will involve hand-sieving the soil to look for artifacts and the geotechnical investigations will comprise drilling boreholes along the new alignments to determine subsurface conditions for the design of the new roadways.

The Licensor has agreed to grant the Licence to the City on the terms and conditions set out herein, to enter upon the Licensed Lands and carry to out the Fieldwork.

Terms
The Terms and Conditions are set out on page 4.

Property Details	Ward:	Ward 42 – Scarborough – Rouge River
	Assessment Roll No.:	1901126480003000000
	Approximate Size:	See Schedule 'A' - Attached
	Approximate Area:	5,569 sq. m. (59,945 sq.ft.) approximately
	Other Information:	

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 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 checked="" 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"/> (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:	Raymond Cho					Councillor:									
Contact Name:	Hratch Aynedjian, Executive Assistant					Contact Name:									
Contacted by:	Phone	<input checked="" type="checkbox"/>	E-Mail		Memo		Other	Contacted by:	Phone		E-mail		Memo		Other
Comments:	Councillor provided consent					Comments:									
Consultation with ABCDs															
Division:	Engineering and Construction Services					Division:	Financial Planning								
Contact Name:	Scott Mitchell, Project Manager					Contact Name:	Filisha Mohammed								
Comments:	Reviewed					Comments:	Reviewed / Approved								
Legal Division Contact															
Contact Name:															
DAF Tracking No.: 2016 - 246			Date			Signature									
Recommended by:	Manager - Tim Park		Dec 1 st 2016			Signed By: Tim Park									
<input checked="" type="checkbox"/>	Recommended by: Director of Real Estate Services		Dec 2 2016			Signed By: Brian Varner									
<input type="checkbox"/>	Approved by: Joe Casali														
<input checked="" type="checkbox"/>	Approved by: Chief Corporate Officer		Dec 5th 2016			Signed By: Josie Scioli									
<input type="checkbox"/>	Approved by: 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.

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TERMS AND CONDITIONS

PROPERTY:	Part Lot 16, Concession 4, (Scarborough) Parts 2, 3, 4, 5 and 6 Plan 66R-25627, S/E Part 1, Plan 66R-27536; City of Toronto
LICENSOR:	Prologis Canada LLC
LICENSEE:	City of Toronto
LICENSED LANDS:	Lands situated at the northeast corner of McNicoll and Tapscott Rd. measuring approximately 5,569 sq. m. (59,945 sq.ft.) and shown hatched on the attached Schedule "B".
TERM:	Four (4) months, commencing on November 1, 2016 and expiring on February 28, 2017 and subject to the Chief Corporate Officer's right to terminate the Licence at any time upon 24 hours written notice.
OPTION TO EXTEND:	The City shall have the right to extend the Term for an additional two (2) months, commencing March 1, 2017, and expiring on April 30, 2017, provided that the City shall give notice to the Licensor two (2) weeks prior to the expiration of the Term).
HOURS:	The work hours will be Monday to Friday 7:00 a.m. to 7:00 p.m.; Saturday and Sunday: 9:00 a.m. to 5:00 p.m.
LICENCE FEE:	Nominal Sum of One Dollar (\$1.00) for the Term
USE:	To enter the Licenced Lands for the Fieldwork for the future extension of Morningside Ave.
"AS IS" CONDITION:	The Licensed Lands are licensed in their "as is" condition.
RESTORATION:	Upon expiry or termination of the Licence for any reason whatsoever, the City shall remove all equipment and debris it brought upon the Licenced Lands for the Fieldwork and shall restore the Licensed Lands as close as is practicable to their original condition immediately prior to the Commencement Date all at its own cost.
INDEMNITY:	The City shall indemnify and save harmless the Licensor from and against costs, expenses, claims and demands brought against the Licensor in respect of loss, damage or injury to persons or property, arising directly out of the carrying out of the Fieldwork upon the Licensed Lands by the City and its representatives during the Term, except to the extent caused/and or contributed to be the negligence or willful misconduct of the Licensor.

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SCHEDULE 'A'
SUBJECT LOCATION MAP

PROLOGIS CANADA LLC



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SCHEDULE "B" - LICENSED LANDS

