

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

TRACKING NO.: 2015-072

<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:	March 24, 2015	Phone No.:	416-397-7682

Purpose	To grant consent to OMERS Realty Corporation ("ORC") to transfer its ownership interest in the buildings, equipment and other assets (excluding its subleasehold interest in City-owned lands), and to assign all of its subleasehold interest in City-owned lands, being part of 2 Bloor Street West, to its affiliate, OPG Investment Holdings Limited Partnership ("OPG").
Property	City-owned lands located within a site municipally known as 2 Bloor Street West and Cumberland Terrace, being part of PIN 21197-0206(LT); all of PIN 21197-0253(LT), PIN 21197-0257(LT), PIN 21197-0249(LT), PIN 21197-0245(LT), PIN 21197-0251(LT), PIN 21197-0255(LT) and PIN 21197-0247(LT) (the "City lands"), shown on Appendix "A".
Actions	<ol style="list-style-type: none"> 1. Authority be granted for the City to consent to transfer, by way of unregistered transfer agreement, ORC's interest in the buildings, equipment and other assets ("Fixed Assets") situated at or relating solely to the City lands (excluding its subleasehold interest in the City lands) to OPG, with the consent being granted in a form satisfactory to the Chief Corporate Officer and City Solicitor. 2. Authority be granted for the City to consent to assign, by way of an unregistered assignment, all of ORC's subleasehold interest in the City lands to OPG, with the consent being granted in a form satisfactory to the Chief Corporate Officer and City Solicitor. 3. The appropriate City Officials be authorized and directed to take the necessary action to give effect thereto.
Financial Impact	There is no financial impact. The Deputy City Manager & Chief Financial Officer has reviewed this DAF and agrees.
Comments	<p>The City-owned portion of the site known as 2 Bloor Street West and Cumberland Terrace was acquired by the former Metro Toronto as three separate parcels between 1961 and 1963 for the construction of the Bloor-Danforth Subway. The former Metro Toronto commenced a ground lease with Canadian Imperial Bank of Commerce (CIBC) for a term of 33 years commencing September 1, 1971 and expiring on August 30, 2004 together with two rights to renew of 33 years each. By a series of assignments, including a consent granted by the City in 2004 via DAF 2004-084, the lessee under the ground lease became OMERS Realty Management Corporation (ORMC) and the sublessee became ORC.</p> <p>The initial lease term expired on August 31, 2004 and ORMC exercised its right to renew for another 33 years. Following arbitration proceedings, the City and ORMC eventually agreed to a series of realty transactions approved by City Council on December 1, 2008. Amongst other things, Council approved a ground lease amendment agreement that granted ORMC an additional renewal term of 37 years. The ground lease agreement dated April 3, 2009 commenced September 1, 2004 and is set to expire August 31, 2037, with an option to renew for a term of 33 years commencing September 1, 2037 and a subsequent option to renew for a term of 37 years commencing September 1, 2070.</p> <p>ORC presently holds an unregistered subleasehold interest in the City lands as well as the beneficial interest in the Fixed Assets situated on the City lands. ORC is proposing to implement an internal reorganization whereby ORC's subleasehold interest in the City lands and ownership interest in the Fixed Assets will be assigned and transferred to OPG. The City's consent is required for this transaction to occur. Pursuant to the consent agreement, the City's consent does not release the lessee, ORMC, from its covenants under the ground lease. Real Estate Services confirms that ORMC and ORC are not in default under the ground lease and the rent is paid to date.</p>

Property Details	Ward:	27 - Toronto Centre -Rosedale
-------------------------	-------	-------------------------------

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/REOIs:	Delegated to a more senior position.	<input type="checkbox"/> Issuance of RFPs/REOIs.
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/Licenser):	<input 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 checked="" 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:

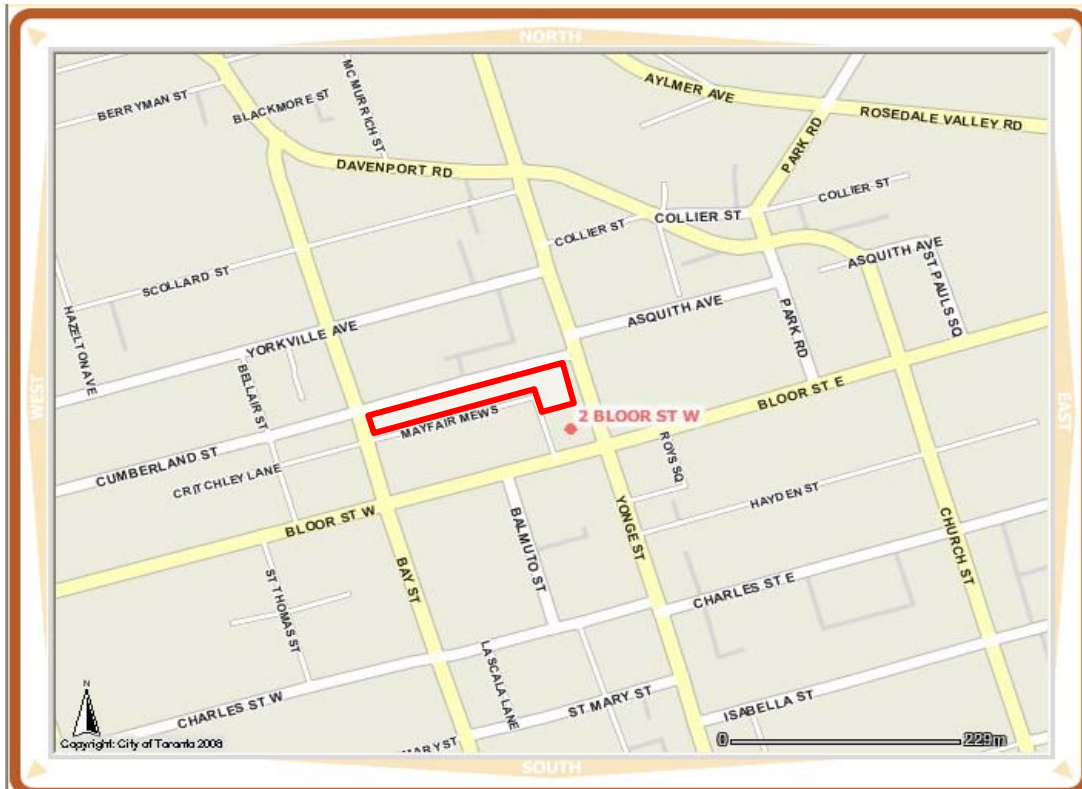
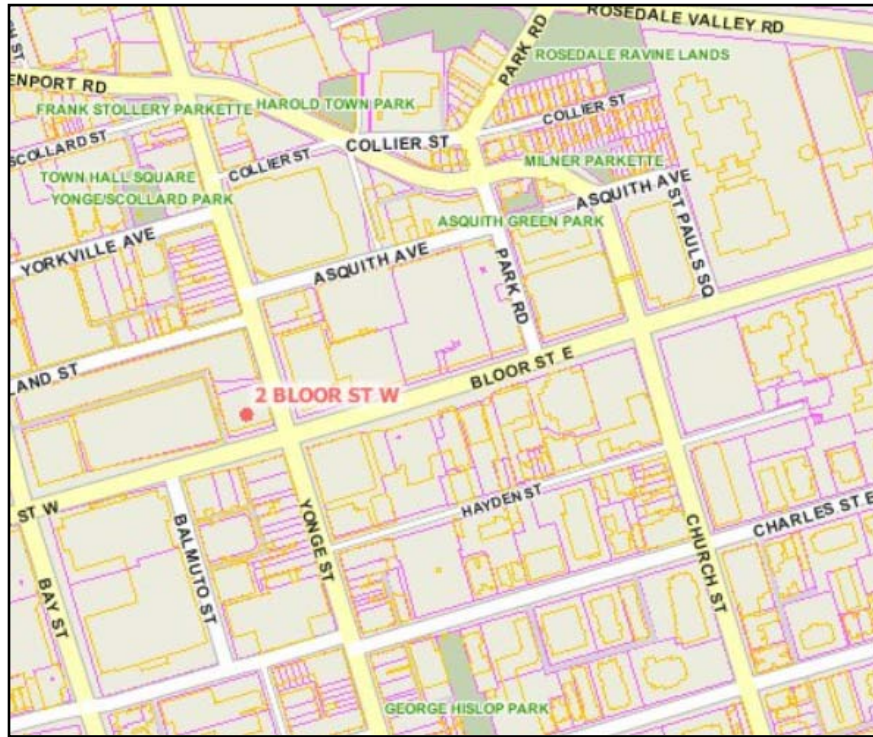
- Leases/licences/permits at Union Station during the Revitalization Period, if the rent/fee is at market value.

Consultation with Councillor(s) – March 19, 2015															
Councillor:	Krystyn Wong-Tam					Councillor:									
Contact Name:	Tina Sriskandarajah					Contact Name:									
Contacted by:	Phone	X	E-Mail		Memo		Other	Contacted by:	Phone		E-mail		Memo		Other
Comments:						Comments:									
Consultation with ABCDs															
Division:	Financial Planning					Division:									
Contact Name:	Anthony Ng					Contact Name:									
Comments:	Concurs with Financial Impact					Comments:									
Legal Division Contact															
Contact Name:	Barbara Cappell														
DAF Tracking No.: 2015-072					Date		Signature								
Recommended by: Manager					Mar/24/2015		Sgd.\ Wayne Duong								
<input type="checkbox"/> Recommended by: Director of Real Estate Services Joe Casali					Mar/30/2015		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.

Appendix "A" – Location Map and Site Map



Not to Scale