

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

TRACKING NO.: 2015-227

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:	Joe Corigliano	Division:	Real Estate Services
Date Prepared:	August 27 th 2015	Phone No.:	392-1167

Purpose
To seek authority to enter into a Licence Agreement (the "Agreement") with Spike Capital Corp. (the "Owner") in order for the City to enter upon the Property (as hereinafter defined), to complete interior and exterior due diligence investigations related to the City's acquisition. The Property is municipally known as 309 George Street, in Toronto, consisting of approximately 263 m² (2831 ft²) of land.

Property
The property is situated in Ward 27 Toronto Centre - Rosedale south, East of Jarvis Street and north of Dundas Street East. The property in question is currently vacant with a two and a half storey residential type building on it. The subject property to be acquired by the City is legally described on Page 4 and is referred to as the "Property" herein. (Shown on Appendix "A" attached hereto).

Actions
It is recommended that:

1. authority be granted for the City to enter into the Agreement with the Owner;
2. the City Solicitor be authorized to negotiate, settle and amend the Agreement on behalf of the City, as required, including amending any dates under the Agreement and amending and waiving terms and conditions, such terms as she considers reasonable;
3. in accordance with the delegated authority cited herein, the Director of Real Estate Services be authorized and directed to take necessary action to give effect thereto, including the payment of all monies and execution of any and all agreements and documents ancillary to the Agreement; and
4. the appropriate City Officials be authorized and directed to take the necessary action to give effect thereto.

Financial Impact
The total cost to the City of Toronto is ONE DOLLAR (\$1.00) as consideration payable to the "Owner" with no further financial impact for the City to enter into the Agreement. This amount will be charged to Capital Project account CHS031-06.
The Deputy City Manager and Chief Financial Officer has reviewed this DAF and agrees with the financial impact information.

Comments
George Street is located in the Garden District neighborhood, which is bounded by Yonge Street, Sherbourne Street, Carlton Street and Queen Street East. On April 8, 2014, the City acquired the properties located at 295, 297, 299, 301A and 305 George Street for incorporation into the Seaton House redevelopment. To date, the City has been unsuccessful in negotiating the purchase of the Lands, which are the remaining properties at 303, 309 and 311 George Street. The acquisition of the Lands would complete the City's ownership of the entire block and would potentially optimize redevelopment. A City Council decision on March 31, April 1 and 2, 2015 authorized staff to start the initiation of the expropriation process for those three remaining properties. The owner in good faith is allowing the City four days to conduct due diligence investigations of the structure located on 309 George Street

Terms
[For additional space, use page 4]

Property Details	Ward:	27 – Toronto Centre Rosedale
	Assessment Roll No.:	1904066360019000000
	Approximate Size:	263 m ² ± (2831 ft ² ±)
	Approximate Area:	
	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"/> (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:	K. Wong Tam					Councillor:									
Contact Name:	K. Wong Tam					Contact Name:									
Contacted by:	Phone	<input checked="" type="checkbox"/>	E-Mail		Memo		Other	Contacted by:	Phone		E-mail		Memo		Other
Comments:	Concurs					Comments:									
Consultation with ABCDs															
Division:	Shelter Support and Housing					Division:	Financial Planning								
Contact Name:	Rudy Mumm					Contact Name:	Filisha Mohammed								
Comments:	Concurs					Comments:	Concurs								
Legal Division Contact															
Contact Name:	Jennifer Davidson														
DAF Tracking No.: 2015- 227					Date		Signature								
Recommended by: Manager Tim Park					Aug. 27, 2015		Signed by Tim Park								
<input checked="" type="checkbox"/>	Recommended by: Director of Real Estate Services				Sept. 2, 2015		Signed by Joe Casali								
<input type="checkbox"/>	Approved by: Joe Casali														
<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.

TERMS

Licensor: Spike Capital Corp. ("The Owner")

Property: PLAN 150 PT LOT 11

Structures: The area is approximately 263 m² or (2831 ft²) The property has a two and a half storey residential dwelling on it, grass gravel areas and a few outlying trees.

Term: The term of the Agreement (the "*Term*") shall not exceed four (4) individual calendar days to be scheduled at the mutual convenience of the Owner and the City between the date of execution of the *Agreement* and 5 p.m. on September 30, 2015. During the *Term*, the City shall have the right to perform the *Work* between the hours of 8 a.m. and 5 p.m. Mondays to Fridays, both inclusive, and between the hours of 9 a.m. and 4 p.m. on Saturdays and Sundays, unless otherwise mutually arranged between the Owner and the City, upon at least 48 hours notice. During the *Term* of this Agreement, the City's Chief Corporate Officer or his successor or designate (hereinafter called the "*CCO*") shall have the right to terminate the Agreement, in her sole discretion, upon giving seven (7) calendar days written notice thereof to the Owner. In the event of such notice, this Agreement shall terminate, and the City shall restore the Property in accordance with paragraph 4 of the Agreement.

Conditions:

The City agrees that during the term:

- (a) it will use the Property only for the purpose of the Work;
- (b) it will carry out the Work at the City's sole expense;
- (c) it will maintain the Property, at its sole cost and expense, in a clean and tidy condition to the extent of the condition existing immediately prior to the commencement of the Agreement, except as required to carry out the Work;
- (d) it will use reasonable efforts not to interfere with the Owner's access to and use of the Property, and it will use reasonable efforts to minimize disturbance to the normal usage of any adjoining property; and
- (e) it will comply, at its sole expense, with all Federal, Provincial and Municipal laws, by-laws, rules, codes and regulations affecting the Property and/or its operation and use by the City and those authorized by or under the City, and shall obtain any necessary permits and licenses that may be required for the City's intended use of the Property

Restoration

Upon expiry or termination of this License for any reason whatsoever, the City shall remove all equipment and debris it brought upon the Property in connection with this Agreement, and shall restore the Property as close as is practicable, to its original condition immediately prior to commencement, at the City's sole cost and expense.

Release and Indemnity

- a) The City shall indemnify and save the Owner harmless from and against costs, expenses, claims, and demands brought against the Owner in respect of loss, damage or injury to persons or property, arising directly out of the carrying out of the Work upon the Property by the City during the Term, except to the extent caused and/or contributed to by the negligence or wilful misconduct of the Owner.
- b) Upon removal and restoration as set out above restoration the City shall be fully released from any liability relating to the licence granted under the Agreement and the intended work.

APPENDIX "B"

LOCATION MAP – 309 GEORGE STREET

