

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

TRACKING NO.: 2017-223

- 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 on 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), and further amended by GM16.16 entitled "Transit Shelter Property Acquisitions" adopted by City Council on December 13, 14 and 15, 2016 (Confirmatory By-Law No. 1290-2016, enacted on December 15, 2016).
- 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:	August 21, 2017	Phone No.:	416-397-7682

**Purpose**  
To obtain authority to grant (i) permanent and temporary easements; and (ii) a temporary access licence respecting the eastern portion of the City-owned lands municipally known as the rear of 65-75-85 East Liberty Street to Toronto Hydro-Electric System Limited ("Toronto Hydro") for the construction of a tunneled crossing of the Metrolinx corridor north of the Gardiner Expressway.

**Property**  
Easternmost portion of the vacant City-owned lands municipally known as the rear of 65-75-85 East Liberty Street, south of Pirandello Street, legally described as Part Block 11 Plan Ordnance Reserve, being Parts 11-18, 23, 25 and 26 Plan 66R-23084, being part of PIN 21299-0270, and illustrated on the sketch in Appendix "A" (the "Property").

- Actions**
1. The City enter into an Agreement to Purchase Easement (the "Easement Agreement") with Toronto Hydro to grant a permanent sub-surface easement and a temporary surface and sub-surface construction easement in, over and under an area of approximately 160 m<sup>2</sup>, of which the permanent easement area is approximately 48.4 m<sup>2</sup> and outlined in red on the attached sketch in Appendix "A", and the temporary easement area is approximately 111.6 m<sup>2</sup> and outlined in blue on the same sketch (collectively, the "Easement Lands").
  2. The City enter into a temporary access licence (the "Licence Agreement") with Toronto Hydro to allow Toronto Hydro to utilize an area of approximately 843 m<sup>2</sup> outlined in green on the sketch shown in Appendix "A" for construction staging for a minimum period of four (4) months with four (4) additional options to extend of one month each for a potential total period of eight (8) months commencing September 1, 2017 or an amended date acceptable to the Chief Corporate Officer (the "Licensed Area").
  3. The Easement Agreement and the Licence Agreement shall be provided substantially on the terms and conditions outlined on Appendix "B", and on such further and other terms as may be acceptable to the Chief Corporate Officer and in a form satisfactory to the City Solicitor.
  4. The CCO administer and manage the Licence Agreement, including the provision of any consent, approvals, waivers, notices and notices of termination provided that the CCO may, at any time, refer consideration of such matter to City Council for its determination and direction.
  5. The appropriate City Officials be authorized and directed to take the necessary action to give effect thereto.

**Financial Impact**  
Revenue to the City in the amount of \$238,742.46 (exclusive of HST) is anticipated in relation to the Easement Lands. The revenue associated with the Licensed Area is expected to be a minimum of \$97,310.86 (exclusive of HST) and a maximum of \$194,621.72 (exclusive of HST) if all four options to extend are exercised by Toronto Hydro.  
  
The Deputy City Manager & Chief Financial Officer has reviewed this DAF and agrees with the financial impact information.

**Comments**  
The Property is part of a larger parcel of land conveyed to the City in 2012 as a result of a subdivision agreement for a future road extension. Toronto Hydro needs to install two underground concrete duct structures in connection with a tunneled crossing of the Metrolinx corridor north of the Gardiner Expressway and south of Pirandello Street to replace an aging plant from the Toronto Hydro Strachan Station and maintain a reliable distribution system to the area north of the Metrolinx rail corridor.  
  
Continued on page 5.

**Terms**  
Please see page 5.

<b>Property Details</b>	<b>Ward:</b>	19 – Trinity Spadina
	<b>Approximate Area – Easement Lands</b>	160 m <sup>2</sup> ± (1,722.23 ft <sup>2</sup> ±)
	<b>Approximate Area – Licensed Area</b>	843 m <sup>2</sup> ± (9,073.98 ft <sup>2</sup> ±)

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:	<b>Delegated to a more senior position.</b>	<input type="checkbox"/> Issuance of RFPs/REOs.
4. Permanent Highway Closures:	<b>Delegated to a more senior position.</b>	<input type="checkbox"/> Initiate process & authorize GM, Transportation Services to give notice of proposed by-law.
5. Transfer of Operational Management to ABCDs:	<b>Delegated to a more senior position.</b>	<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: N/A	<b>Delegated to a more senior position.</b>	<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. <b>Delegated to a less senior position.</b>
12. Easements (City as Grantee):	<input checked="" 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.

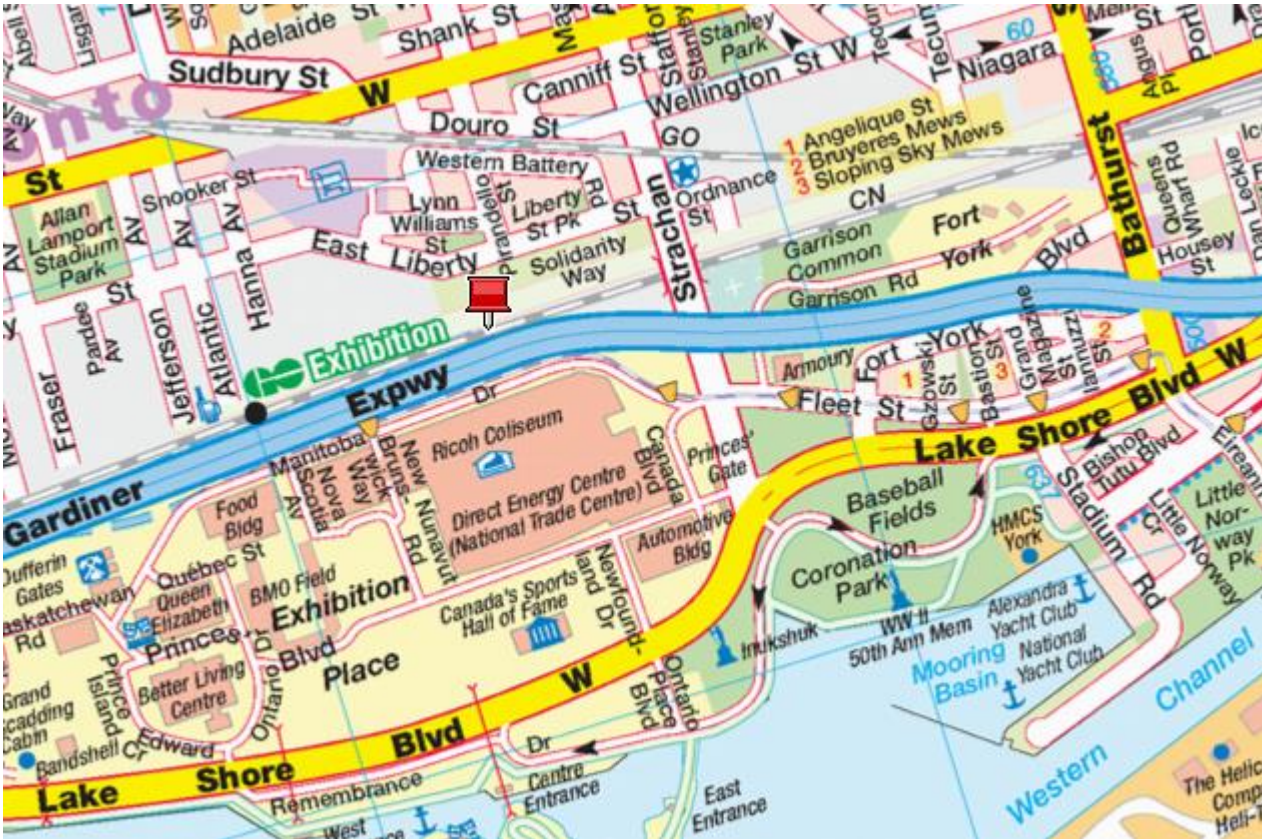
B. Chief Corporate Officer and Director of Real Estate Services each has signing authority on behalf of the City for:
<input type="checkbox"/> 1. Agreements of Purchase and Sale and all implementing documentation for purchases, sales and land exchanges not delegated to staff for approval.
<input type="checkbox"/> 2. Expropriation Applications and Notices following Council approval of expropriation.
<input checked="" type="checkbox"/> 3. Documents required to implement the delegated approval exercised by him or her.
Chief Corporate Officer also has approval authority for:
<input type="checkbox"/> Leases/licences/permits at Union Station during the Revitalization Period, if the rent/fee is at market value.

Consultation with Councillor(s) – August 17, 2017														
Councillor:	Councillor Layton					Councillor:								
Contact Name:	Heather Leger					Contact Name:								
Contacted by:	Phone	<input checked="" type="checkbox"/>	E-Mail		Memo		Contacted by:	Phone		E-mail		Memo		Other
Comments:	No objections					Comments:								
Consultation with ABCDs														
Division:	Robert May, Lorna Zappone/David Stonehouse					Division:	Financial Planning							
Contact Name:	Transportation Services / Waterfront Secretariat					Contact Name:	Filisha Jenkins							
Comments:	Comments have been incorporated					Comments:	Concurs with Financial Impact							
Legal Division Contact														
Contact Name:	Ray Mickevicius													
DAF Tracking No.: 2017- 223					Date			Signature						
Recommended by: Manager, Nick Simos					Aug/22/2017			Sgd.\ Nick Simos						
<input type="checkbox"/>	Recommended by: Director of Real Estate Services				Aug/23/2017			Sgd.\ Joe Casali						
<input checked="" type="checkbox"/>	Approved by: Joe Casali													
<input type="checkbox"/>	Approved by: Chief Corporate Officer													
	Josie Scioli													

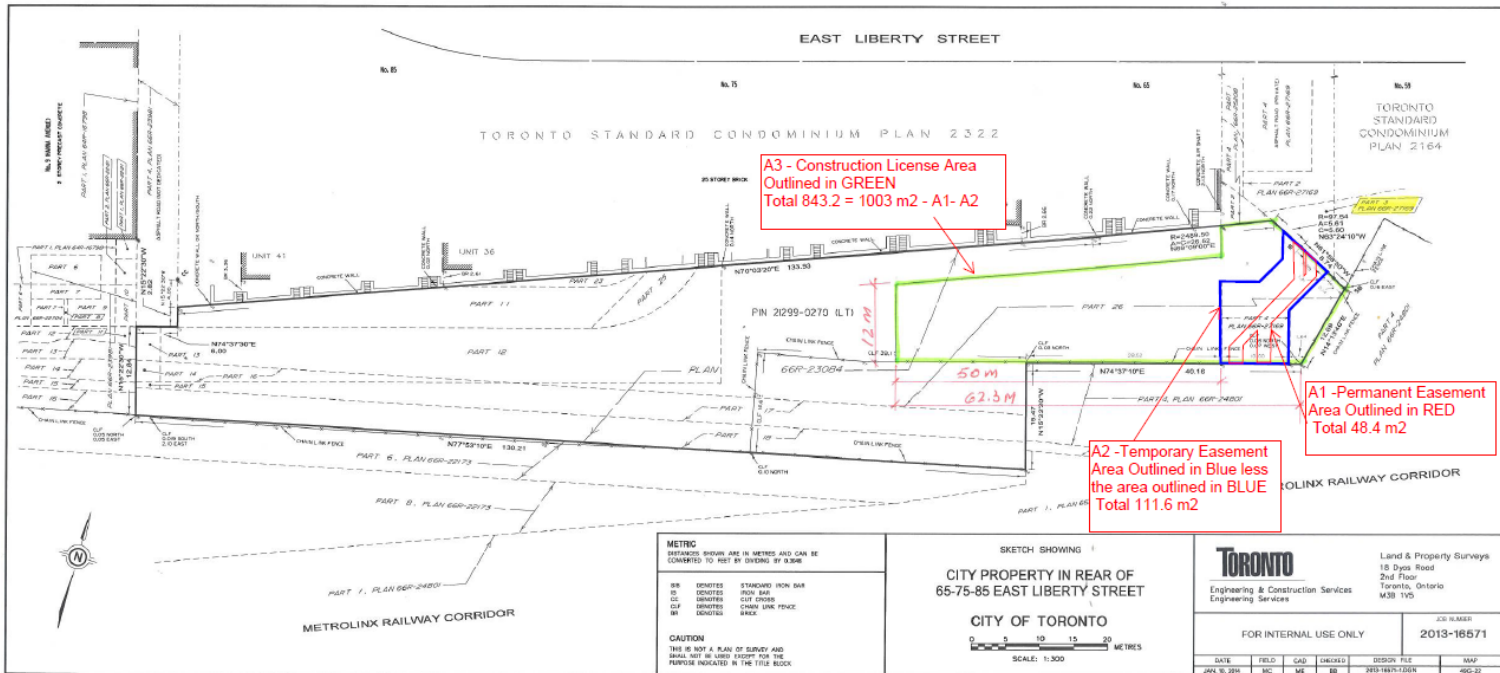
#### General Conditions ("GC")

- (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 being available from third party sources, except for "Strategic Property Acquisitions" as set out in EX44.22 adopted by Council August 25, 26, 27 and 28, 2014, which identifies alternative funding mechanisms subject to additional approval requirements.
- (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, except for property acquisitions of 50M<sup>2</sup> or less for transit shelter purposes.
- (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 Sketch



Sketch



### Appendix "B"

## Comments section continued:

As such, Toronto Hydro has requested the portion of the Property identified as the Easement Lands to excavate and install its underground infrastructure. In accordance with the City' Disposal By-law, the Easements Lands were declared surplus via DAF 2015-035, which was approved on February 28, 2015. The Licensed Area is being requested as a working area for construction equipment staging to facilitate the project – excavation activities are not permitted in the Licensed Area.

Real Estate Services considers the terms and conditions fair and reasonable.

## Grant of Easement – Major Terms & Conditions

**Transferor:** City of Toronto ("City")

**Purchaser and Transferee:** Toronto Hydro-Electric System Limited ("Toronto Hydro")

**Property:** portion of the City-owned lands municipally known as the rear of 65-75-85 East Liberty Street and south of Pirandello Street.

**Easement Lands:** Permanent sub-surface easement area of approximately 48.4 m<sup>2</sup> outlined in red on the sketch in Appendix "A" and temporary surface and sub-surface construction easement area of 111.6 m<sup>2</sup> outlined in blue on the same.

### Financial Consideration:

	Permanent Easement (48.4 m <sup>2</sup> )	Temporary Easement (111.6 m <sup>2</sup> )	Total revenue to City from Easement Lands
Revenue (exclusive of HST)	\$ 139,675.14	\$ 99,067.32	\$ 238,742.46

### Use Rights and Limitations:

- i) Excavation Period: Toronto Hydro will have the right to excavate the Easement Lands to install its underground infrastructure for a period of up to (8) months from the commencement date in accordance with the Licence Agreement.
- ii) No future surface access rights: Once infrastructure is installed, Toronto Hydro will not have the right to access the surface of the Easement Lands and conduct maintenance, except in the event of an emergency.
- iii) Installation area and depth: Toronto Hydro only has the right to install its underground infrastructure (the "Works") within the permanent easement area of approximately 48.4 m<sup>2</sup>. The Works shall be installed in substantial accordance with Appendix "A" of the Easement Agreement and shall be located below an elevation of 81.2 meters above Canadian Geodetic Datum. This shall serve as the upper elevation of the Works. Furthermore, Toronto Hydro acknowledges that the grant of the easement shall be subject and subordinate to the rights of the City to use that portion of the Easement Lands above the aforementioned upper elevation for any purpose it deems fit.
- iv) In the event the permanent easement area within the Easement Lands is dedicated by the City as a public road, Toronto Hydro agrees to release its permanent easement interest and rely on its typical rights in relation to roadways. Toronto Hydro shall also reimburse the City for incremental costs associated with the construction of such road arising from the existence of its facilities.
- (v) In the event the City requires the relocation of the hydro infrastructure to accommodate future uses by the City, and the City provides an alternative easement of comparable utility, then Toronto Hydro will relocate its facilities at its own cost.

**Insurance:** Toronto Hydro shall maintain or cause to be maintained the following types of insurance:

- i) Commercial General Liability with a limit of not less than \$5 million per occurrence
- ii) Pollution Liability with limits not less than \$5 million per occurrence (during construction)
- iii) Automobile Liability with a minimum limit of \$2 million (during construction)

**Indemnity:** Toronto Hydro shall at all times indemnify and save harmless the City from and against all claims, demands, damages, losses, costs (including the costs of their respective solicitors of defending any such claims), charges, proceeds

and actions (including those under or in connection with the *Workplace Safety and Insurance Act* or any successor legislation) which may be suffered, sustained or incurred arising from or as a result of the acts or omissions of Toronto Hydro arising from or as a result of the exercise of the rights granted in connection with the Easement Lands.

**Other terms:**

i) At its sole cost and expense and prior to the installation of the Works, Toronto Hydro agrees to complete a Soil Management and Health Safety Plan in accordance with O.Reg. 153/04 and the Risk Management plan dated November 18, 2016 prepared by Terrapex Environmental Ltd., which has been provided by the City to Toronto Hydro.

ii) Toronto Hydro agrees, within 30 days of the completion of the Works, to provide the City construction documentation and as-built drawings for the Works.

**Construction Licence – Major Terms & Conditions**

**Licensor:** City of Toronto ("City")

**Licensee:** Toronto Hydro-Electric System Limited ("Toronto Hydro")

**Property:** portion of the City-owned lands municipally known as the rear of 65-75-85 East Liberty Street and south of Pirandello Street.

**Licensed Area:** approximately 843 m<sup>2</sup> outlined in green on the sketch shown in Appendix "A"

**Period:** initial period of four (4) months with four (4) options to extend of one (1) month each so a total potential period of eight (8) months commencing September 1, 2017, or any date acceptable to the Chief Corporate Officer

**Licence Fee:** minimum fee of \$97,310.86 (exclusive of HST) and a maximum fee of \$194,621.72 (exclusive of HST) if all four options to extend are exercised by Toronto Hydro.

**Use:** surface access for storing construction equipment and other personal property in relation to the installation of underground infrastructure associated with the Easement Agreement. Excavation activities of any kind whatsoever are not permitted within the Licensed Area, however, Toronto Hydro is permitted to install temporary safety fencing or hoarding within the boundaries of the Licensed Area to secure and restrict access to the Licensed Area.

**Insurance:** Toronto Hydro shall maintain or cause to be maintained the following types of insurance:

- i) Commercial General Liability with a limit of not less than \$5 million per occurrence
- ii) Pollution Liability with limits not less than \$5 million per occurrence
- iii) Automobile Liability with a minimum limit of \$2 million