

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

TRACKING NO.: 2017-174

- 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.

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| Prepared By: | Daran Somas | Division: | Real Estate Services |
| Date Prepared: | June 15, 2017 | Phone No.: | (416) 397-7671 |

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| Purpose | To obtain authority to amend Delegated Approval Form No. 2016-044, executed on February 26, 2016, by updating the maximum amount of the Landlord's qualifying legal expenses from \$2,500.00 plus HST to \$20,000.00 plus HST. |
| Property | 1296 Weston Road, Toronto, Ontario |
| Actions | <ol style="list-style-type: none"> Authority is granted to amend the terms of the previously authorized lease agreement (the "Lease") as outlined in the "Terms" section below. The appropriate City officials are authorized and directed to take the necessary action to give effect thereto. |
| Financial Impact | <p>Pursuant to this amendment, the City will agree to pay an additional amount of up to \$17,500.00 (plus HST) for the Landlord's qualifying legal expenses (or \$17,808.00 including the non-recoverable HST). Funding is available in the 2017 Council Approved Capital Budget for Children's Services under account CCS035-01, which is funded through the Child Care Capital Reserve (XR1103). Metrolinx has agreed to cover all of the Landlord's qualifying legal expenses. As such, funding for these costs will be reimbursed to the City by Metrolinx accordingly.</p> <p>The Deputy City Manager & Chief Financial Officer has reviewed this DAF and agrees with the financial impact information.</p> |
| Comments | <p>The Lease originally contained a maximum amount of \$2,500.00 plus HST for the Landlord's qualifying legal expenses. However the Landlord's legal expenses have risen to an estimated total of approximately \$11,500.00 plus HST due to protracted negotiations of the Lease terms and various anticipated costs which the Landlord had not previously taken into account, such as the costs of obtaining non-disturbance agreements and the Landlord's corporate governance resolution.</p> <p>As Metrolinx has agreed to pay all of the Landlord's qualifying legal expenses, staff are requesting an increased limit of \$20,000.00 plus HST to ensure that any unforeseen legal expenses are covered. All other terms and conditions as approved by DAF No. 2016-044 remain the same.</p> |
| Terms | <p>Qualifying Legal Expenses: The City shall pay the Landlord's qualifying legal expenses, which means an amount not exceeding \$20,000.00 plus HST, which have been proven to have been charged to the Landlord by the Landlord's solicitor for fees and/or disbursements in respect of the Lease.</p> |

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| Ward: | 11 – York South-Weston |
| Assessment Roll No.: | N/A |
| Approximate Size: | N/A |
| Approximate Area: | |
| Other Information: | |

| A. | Director of Real Estate Services has approval authority for: | Chief Corporate Officer has approval authority for: |
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| 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): | N/A | <input type="checkbox"/> (a) Where total compensation (including options/renewals) does not exceed \$3 Million; |
| 10. Leases/Licences (City as Tenant/Licensee): | <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. |
| 11. Easements (City as Grantor): | <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. |
| 12. Easements (City as Grantee): | <input type="checkbox"/> (a) 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"/> (b) When closing road, easements to pre-existing utilities for nominal consideration. | Delegated to a less senior position. |
| 14. Miscellaneous: | <input type="checkbox"/> Where total compensation does not exceed \$1 Million. | <input type="checkbox"/> Where total compensation does not exceed \$3 Million. |
| | <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). |
| | <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 checked="" 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 or her.

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) | | | | | | | | | | | | | | | | | |
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| Councillor: | Frances Nunziata | | | | | Councillor: | | | | | | | | | | | |
| Contact Name: | Jennifer Cicchelli | | | | | Contact Name: | | | | | | | | | | | |
| Contacted by: | <input checked="" type="checkbox"/> | Phone | <input type="checkbox"/> | E-Mail | <input type="checkbox"/> | Memo | <input type="checkbox"/> | Other | Contacted by: | <input type="checkbox"/> | Phone | <input type="checkbox"/> | E-mail | <input type="checkbox"/> | Memo | <input type="checkbox"/> | Other |
| Comments: | Consent | | | | | Comments: | | | | | | | | | | | |
| Consultation with ABCDs | | | | | | | | | | | | | | | | | |
| Division: | Children Services | | | | | Division: | Financial Planning | | | | | | | | | | |
| Contact Name: | Anne Longair | | | | | Contact Name: | Filisha Jenkins | | | | | | | | | | |
| Comments: | Consent | | | | | Comments: | Consent | | | | | | | | | | |
| Legal Division Contact | | | | | | | | | | | | | | | | | |
| Contact Name: | Nicole See-Too / Soo Kim Lee | | | | | | | | | | | | | | | | |
| DAF Tracking No.: 2017 - 174 | | | | | | Date | | | Signature | | | | | | | | |
| Recommended by: Manager: Wayne Duong | | | | | | June/19/2017 | | | Sgd.Wayne Duong | | | | | | | | |
| <input type="checkbox"/> | Recommended | | | | | Director of Real Estate Services | | | June/21/2017 | | | | | | | | |
| <input checked="" type="checkbox"/> | Approved by: | | | | | Joe Casali | | | | | | Sgd\ Joe Casali | | | | | |
| <input type="checkbox"/> | Approved by: | | | | | Chief Corporate Officer | | | X | | | | | | | | |
| | | | | | | 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-bonus 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 50M² 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.