

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

WITH CONFIDENTIAL ATTACHMENT  
TRACKING NO.: 2017-191

- 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:	Loretta Ramadhin	Division:	Real Estate Services
Date Prepared:	July 7, 2017	Phone No.:	416-392-7169

<b>Purpose</b>	To authorize a third interim compensation agreement (the "Agreement") with CFG Centennial Plaza Inc. for disturbance damages and business loss that it has been incurred as a result of the expropriation of the temporary easement over a portion of 3926-3932 Keele Street (the "Property") required for the construction of the Toronto York Spadina Subway Extension Project (the "Project").
<b>Property</b>	A portion of the property municipally known as 3926-3932 Keele Street, Toronto, being Part of PIN 10247-0426(LT) Part of Parcel B-1 Section M1131, Block B, Plan 66M-1131, Township of York/North York, City of Toronto, designated as Part 1 on Expropriation Plan No. AT2630930, as shown in Appendix "B" and on Location Map in Appendix "C".
<b>Actions</b>	<ol style="list-style-type: none"> <li>1. Authority be granted to enter into the Agreement with CFG Centennial Plaza Inc., (the "Owner"), for disturbance damages and business loss that has been incurred, substantially on the terms and conditions outlined below and in the Confidential Attachment, including the payment of legal, appraisal and other costs, in accordance with the <i>Expropriations Act</i>;</li> <li>2. The Confidential Attachment to remain confidential until there has been a final determination of all property transactions and claims for compensation relative to the Project and only released publicly thereafter in consultation with the City Solicitor; and</li> <li>3. The Chief Corporate Officer or designate shall administer and manage the Agreement including the provision of any amendments, consents, approvals, waivers, notices, and notices of termination provided that the Chief Corporate Officer may, at any time, refer consideration of such matters (including their content) to City Council for its determination and direction.</li> <li>4. The City Solicitor be authorized to complete the transaction on behalf of the City, including paying any necessary expenses and applicable HST, if any.</li> <li>5. The appropriate City officials be authorized and directed to take the necessary action to give effect thereto.</li> </ol>
<b>Financial Impact</b>	<p>Funding for the Agreement, as set out in the Confidential Attachment, is available in the 2017 Council Approved Capital Budget and 2018-2026 Capital Plan for the Toronto Transit Commission (TTC), within the Toronto-York Spadina Subway Extension Capital Project.</p> <p>The Deputy City Manager &amp; Chief Financial Officer has reviewed this DAF and agrees with the financial impact information.</p>
<b>Comments</b>	Refer to Appendix "A"
<b>Terms</b>	As set out in Confidential Attachment

<b>Property Details</b>	<b>Ward:</b>	8 – York West
	<b>Assessment Roll No.:</b>	1908033320075000000
	<b>Approximate Size:</b>	
	<b>Approximate Area:</b>	179.0 m <sup>2</sup> +/- (1,926.73 ft <sup>2</sup> +/-)
	<b>Other Information:</b>	

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 checked="" 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 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 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>B. Chief Corporate Officer and Director of Real Estate Services each has signing authority on behalf of the City for:</b>	
<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.	<b>Chief Corporate Officer also has approval authority for:</b>  <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)										
Councillor:	Councillor Anthony Perruzza					Councillor:				
Contact Name:	Tom Rakocevic					Contact Name:				
Contacted by:	Phone	<input checked="" type="checkbox"/>	E-Mail		Memo		Other			
Comments:	June 30, 2017					Comments:				
Consultation with ABCDs										
Division:	TTC					Division:	Financial Planning			
Contact Name:	Joanna Kervin					Contact Name:	Karyn Spiegelman/Warren Daniel			
Comments:						Comments:				
Legal Division Contact										
Contact Name:	Constance Lanteigne									
DAF Tracking No.: 2017-191					Date		Signature			
Recommended by: Manager – Tim Park					July 7 <sup>th</sup> , 2017		Signed By: Tim Park			
<input checked="" type="checkbox"/>	Recommended by:		Director of Real Estate Services Joe Casali		July 14 <sup>th</sup> 2017		Signed By: Joe Casali			
<input checked="" type="checkbox"/>	Approved by:									
<input type="checkbox"/>	Approved by:		Chief Corporate Officer Josie Scioli				X			

**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"

### Comments

On February 28, 2011, Plan of Expropriation No. AT2630930 was registered on the Property for a four year temporary easement. As the City required early possession onto the expropriated land, on March 15, 2011, DAF Tracking No. 2011-095 authorized the execution of six early possession agreements wherein the Owner and five tenants granted the early possession and the City agreed to consider interim payments towards disturbance damages and business losses incurred as a result of the construction of the Project, in accordance with the *Expropriations Act*. DAF Tracking No. 2011-114 dated April 1, 2011 authorized the preparation, service and payment of the Offers of Compensation, pursuant to the *Expropriations Act*.

On September 5, 2014, DAF Tracking No. 2014-198 authorized the execution of the six temporary easement agreements wherein the Owner and the tenants granted the City and TTC continued use of the easement lands for one year with the right to renew for two further periods of six months.

DAF Tracking No. 2015-219 dated September 2, 2015, authorized the payment of the first interim compensation agreement with the Owner for its disturbance damages and business loss that was incurred for the period of January 1, 2014 to December 31, 2014.

DAF Tracking No. 2016-099 dated June 20, 2016, authorized the payment of the second interim compensation agreement with the Owner for its disturbance damages and business loss that was incurred for the period of January 1, 2015 to December 31, 2015.

DAF Tracking No. 2017-083 dated March 15, 2017, authorized the execution of the temporary easement agreements wherein the Owner and the tenants granted the City and TTC continued use of the easement lands for an additional six and a half months.

The Owner has submitted its financial information and records to the City Solicitor and the City's business loss consultant, Hallinan Tautrims Inc., who reviewed this third claim on behalf of the City and has recommended a reasonable amount for the third interim compensation owing to the Owner for the period of January 1, 2016 to December 31, 2016.

The City's consultant and the City Solicitor's recommendations are the basis for the third interim compensation agreement for disturbance damages and business loss incurred by the Owner as a result of the construction of the Project. The terms and conditions of the agreement, as set out in the Confidential Attachment, are considered to be fair and reasonable and are being recommended for approval.



### Appendix "C"

#### Location Map

