

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

TRACKING NO.: 2017-044

- 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:	Trixy Pugh	Division:	Real Estate Services
Date Prepared:	March 29, 2017	Phone No.:	(416) 392-8160

<b>Purpose</b>	To obtain authority to enter into and complete a land exchange agreement (the "Agreement") with Steven Heller, Stehel Corp. and Hillworth Corp.		
<b>Properties</b>	<ol style="list-style-type: none"> <li>Vacant land located at 372 Briar Hill Avenue, being the West Part of Lot 108 on Plan M25 (the "City Lands") as shown on the map attached as Appendix "A"; and</li> <li>A residential property located at 402 Roselawn Avenue, being Part of Lot 34 on Plan 734 Range 2 on Plan 734 ("402 Roselawn") as shown on the map attached as Appendix "B".</li> </ol>		
<b>Actions</b>	<ol style="list-style-type: none"> <li>Authority is granted to enter into and complete the Agreement so that the City acquires 402 Roselawn from Steven Heller, and in exchange Stehel Corp. and Hillworth Corp. acquire the City Lands on the terms and conditions set out below, and on such other or amended terms and conditions as may be satisfactory to the Chief Corporate Officer, and in a form acceptable to the City Solicitor.</li> <li>The City Solicitor is authorized to complete the transactions on behalf of the City, including by paying any necessary expenses, amending the closing, due diligence and other dates, and amending and waiving terms and conditions, on such terms as the City Solicitor considers reasonable.</li> <li>The appropriate City Officials are authorized and directed to take the necessary action to give effect thereto.</li> </ol>		
<b>Financial Impact</b>	<p>The City Lands and 402 Roselawn will be exchanged for nominal consideration. 402 Roselawn was acquired on December 13, 2016 by Steven Heller for \$1,180,000.00. As this purchase price falls within the range at which the City Lands were appraised, City staff have determined that the properties are of equivalent value and therefore will be exchanged for nominal consideration. The only expenses the City will incur are any Land Transfer Tax payable on the transfer of 402 Roselawn to the City, the registration costs for the transfer of 402 Roselawn to the City, and the usual adjustments. Funding for these expenses is available in the 2017 Council Approved Capital Budget for Parks, Forestry &amp; Recreation under account CPR115-46-01.</p> <p>The following costs will be incurred by the City in connection with the Agreement:</p> <ol style="list-style-type: none"> <li>Land Transfer Tax (Provincial) – \$18,225.00</li> <li>Registration Costs – \$75.27</li> </ol> <p>The Deputy City Manager &amp; Chief Financial Officer has reviewed this DAF and agrees with the financial impact information.</p>		
<b>Comments</b>	See page 4		
<b>Terms</b>	See pages 5 and 6		

<b>Property Details</b>	<b>Address:</b>	372 Briar Hill Avenue	402 Roselawn Avenue
	<b>Ward:</b>	16 – Eglinton-Lawrence	16 – Eglinton-Lawrence
	<b>Assessment Roll No.:</b>	1904-11-5-030-08900	1904-11-4-750-07000
	<b>Approximate Size:</b>	6.7 m x 40.6 m ± (22.91 ft x 133.33 ft ±)	7.62 m x 40.5 m ± (25 ft x 132.77 ft ±)
	<b>Approximate Area:</b>	283.8 m <sup>2</sup> ± (3,055 ft <sup>2</sup> ±)	308.4 ± (3,319.25 ft <sup>2</sup> ±)

A.	Director of Real Estate Services has approval authority for:	Chief Corporate Officer has approval authority for:
<p>1. Acquisitions:</p> <p>2. Expropriations:</p> <p>3. Issuance of RFPs/REOs:</p> <p>4. Permanent Highway Closures:</p> <p>5. Transfer of Operational Management to ABCDs:</p> <p>6. Limiting Distance Agreements:</p> <p>7. Disposals (including Leases of 21 years or more):</p> <p>8. Exchange of land in Green Space System &amp; Parks &amp; Open Space Areas of Official Plan:</p> <p>9. Leases/Licences (City as Landlord/Licensor):</p> <p>10. Leases/Licences (City as Tenant/Licensee):</p> <p>11. Easements (City as Grantor):</p> <p>12. Easements (City as Grantee):</p> <p>13. Revisions to Council Decisions in Real Estate Matters:</p> <p>14. Miscellaneous:</p>	<p><input checked="" type="checkbox"/> Where total compensation does not exceed \$1 Million.</p> <p><input type="checkbox"/> Statutory offers, agreements and settlements where total compensation does not cumulatively exceed \$1 Million.</p> <p><b>Delegated to a more senior position.</b></p> <p><b>Delegated to a more senior position.</b></p> <p><b>Delegated to a more senior position.</b></p> <p><input type="checkbox"/> Where total compensation does not exceed \$1 Million.</p> <p><input checked="" type="checkbox"/> Where total compensation does not exceed \$1 Million.</p> <p><b>Delegated to a more senior position.</b></p> <p><input type="checkbox"/> (a) Where total compensation (including options/renewals) does not exceed \$1 Million;</p> <p><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.</p> <p><input type="checkbox"/> Where total compensation (including options/renewals) does not exceed \$1 Million.</p> <p><input type="checkbox"/> (a) Where total compensation does not exceed \$1 Million.</p> <p><input type="checkbox"/> (b) When closing road, easements to pre-existing utilities for nominal consideration.</p> <p><input type="checkbox"/> Where total compensation does not exceed \$1 Million.</p> <p><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).</p> <p><input type="checkbox"/> (a) Approvals, Consents, Notices and Assignments under all Leases/Licences;</p> <p><input type="checkbox"/> (b) Releases/Discharges;</p> <p><input type="checkbox"/> (c) Surrenders/Abandonments;</p> <p><input type="checkbox"/> (d) Enforcements/Terminations;</p> <p><input type="checkbox"/> (e) Consents/Non-Disturbance Agreements/Acknowledgements/Estoppels/Certificates;</p> <p><input type="checkbox"/> (f) Objections/Waivers/Cautions;</p> <p><input type="checkbox"/> (g) Notices of Lease and Sublease;</p> <p><input type="checkbox"/> (h) Consent to regulatory applications by City, as owner;</p> <p><input type="checkbox"/> (i) Consent to assignment of Agreement of Purchase/Sale; Direction re Title;</p> <p><input type="checkbox"/> (j) Documentation relating to Land Titles applications;</p> <p><input type="checkbox"/> (k) Correcting/Quit Claim Transfer/Deeds.</p>	<p><input type="checkbox"/> Where total compensation does not exceed \$3 Million.</p> <p><input type="checkbox"/> Statutory offers, agreements and settlements where total compensation does not cumulatively exceed \$3 Million.</p> <p><input type="checkbox"/> Issuance of RFPs/REOs.</p> <p><input type="checkbox"/> Initiate process &amp; authorize GM, Transportation Services to give notice of proposed by-law.</p> <p><input type="checkbox"/> Transfer of Operational Management to ABCDs.</p> <p><input type="checkbox"/> Where total compensation does not exceed \$3 Million.</p> <p><input type="checkbox"/> Where total compensation does not exceed \$3 Million.</p> <p><input type="checkbox"/> Exchange of land in Green Space System and Parks and Open Space Areas of Official Plan.</p> <p><input type="checkbox"/> (a) Where total compensation (including options/renewals) does not exceed \$3 Million;</p> <p><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.</p> <p><input type="checkbox"/> Where total compensation (including options/renewals) does not exceed \$3 Million.</p> <p><input type="checkbox"/> Where total compensation does not exceed \$3 Million.</p> <p><b>Delegated to a less senior position.</b></p> <p><input type="checkbox"/> Where total compensation does not exceed \$3 Million.</p> <p><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).</p> <p><input type="checkbox"/> (a) Approvals, Consents, Notices and Assignments under all Leases/Licences;</p> <p><input type="checkbox"/> (b) Releases/Discharges;</p> <p><input type="checkbox"/> (c) Surrenders/Abandonments;</p> <p><input type="checkbox"/> (d) Enforcements/Terminations;</p> <p><input type="checkbox"/> (e) Consents/Non-Disturbance Agreements/Acknowledgements/Estoppels/Certificates;</p> <p><input type="checkbox"/> (f) Objections/Waivers/Cautions;</p> <p><input type="checkbox"/> (g) Notices of Lease and Sublease;</p> <p><input type="checkbox"/> (h) Consent to regulatory applications by City, as owner;</p> <p><input type="checkbox"/> (i) Consent to assignment of Agreement of Purchase/Sale; Direction re Title;</p> <p><input type="checkbox"/> (j) Documentation relating to Land Titles applications;</p> <p><input type="checkbox"/> (k) Correcting/Quit Claim Transfer/Deeds.</p>

**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)										
Councillor:	Christin Carmichael-Greb					Councillor:				
Contact Name:	Christin Carmichael-Greb					Contact Name:				
Contacted by:	Phone	X	E-Mail	Memo	Other	Contacted by:	Phone	E-mail	Memo	Other
Comments:	Email sent Feb 21, 2017					Comments:				
Consultation with ABCDs										
Division:	PF&R					Division:	Financial Planning			
Contact Name:	Mark Filice					Contact Name:	Filisha Jenkins			
Comments:	Concurs (February 21, 2017)					Comments:	Incorporated into DAF (March 29, 2017)			
Legal Division Contact										
Contact Name:	Nicole See-Too & Catherine Thomas (March 23, 2017)									
DAF Tracking No.: 2017-044			Date			Signature				
Recommended by: Manager			Mar. 30, 2017			Nick Simos				
<input type="checkbox"/> Recommended by: Director of Real Estate Services Joe Casali			Mar. 31, 2017			Joe Casali				
<input checked="" type="checkbox"/> Approved by:						X				
<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.

## Comments:

In accordance with the City's Real Estate Disposal By-law, No. 814-2007, the City Lands were declared surplus on November 23, 2016 (DAF 2016-225, as amended by DAF 2017-030) with the intended manner of disposal to be by way of an invitation of an offer to purchase from Stehel Corp. and Hillworth Corp. All steps necessary to comply with the City's real estate disposal process as set out in Chapter 213 of the City of Toronto Municipal Code have been complied with.

The City Lands currently serve as a local parkette. PF&R was approached by Plazacorp who proposed a mutually beneficial land exchange. The City intends to enter into a Land Exchange Agreement with Steven Heller, Stehel Corp. and Hillworth Corp. in order to:

- (a) acquire 402 Roselawn from Steven Heller, who is an officer and director of both Stehel Corp. and Hillworth Corp., as well as an officer of Plazacorp; and in return,
- (b) sell the City Lands to Stehel Corp. and Hillworth Corp., which are subsidiaries wholly owned by Plazacorp, and which will each take title to the City Lands with a fifty (50) percent ownership interest.

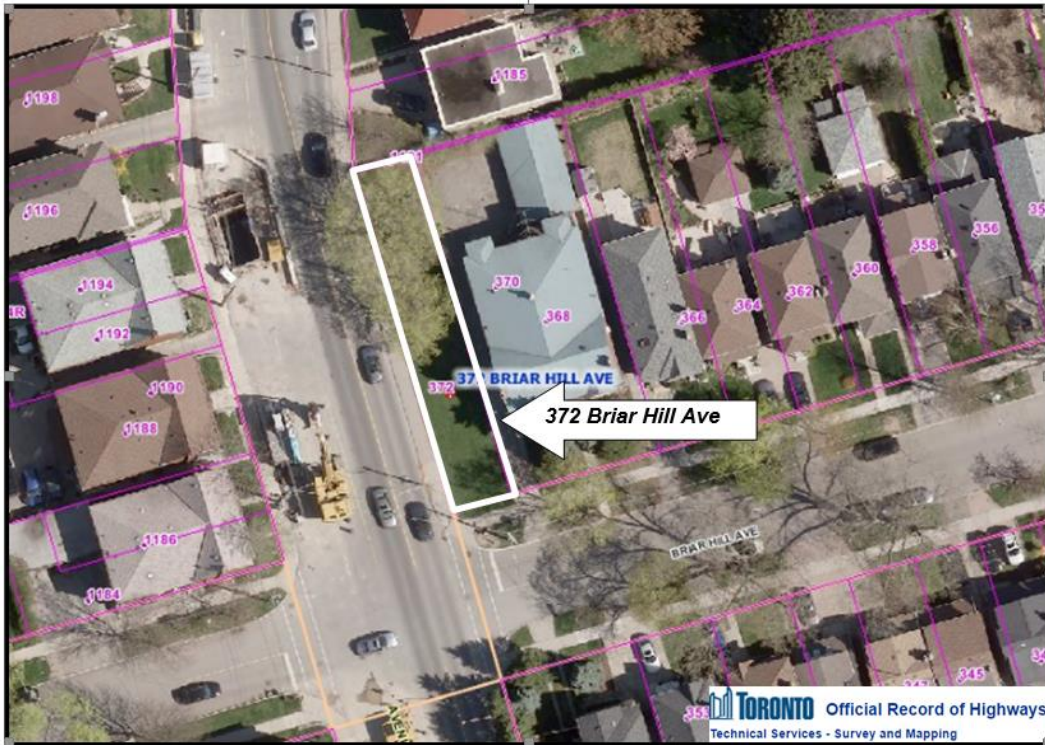
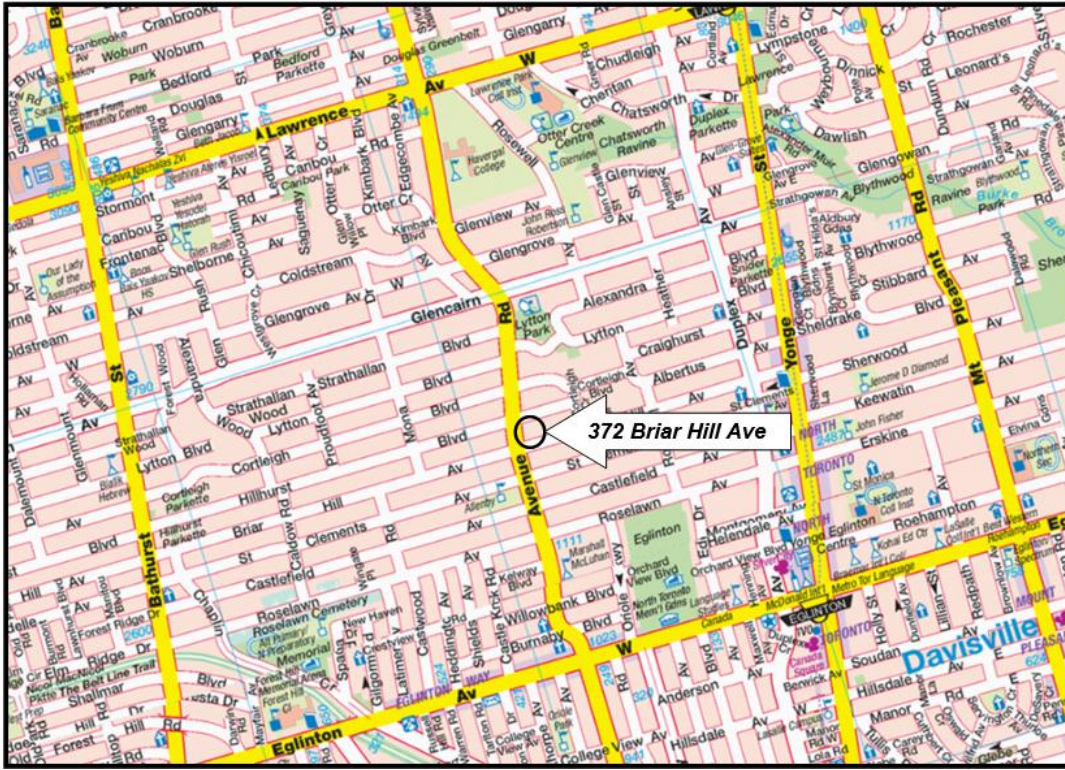
Staff consider the proposed transactions to be in the City's interests and recommend that they be approved.

**Major Terms and Conditions of Acquisition of 402 Roselawn Avenue**

Owner:	Steven Heller
Purchase Price:	Nominal consideration
Lands:	402 Roselawn Avenue, being Part of Lot 34 Range 2 Plan 734 North Toronto As In CA33019, T/W & S/T CA33019; City of Toronto; being all of PIN 21162-0346
Property Rights:	Fee Simple Ownership
"As Is" Condition:	402 Roselawn is being acquired by the City "as is", including its environmental condition. The City acknowledges having inspected 402 Roselawn prior to entering into the Agreement.
Due Diligence Period:	The Due Diligence Period shall be the period of time expiring at 4:00 pm on the 90 <sup>th</sup> day following the Acceptance Date.
Closing Date:	The Closing Date shall be the later of May 5, 2017, or 30 days after the City waives its Due Diligence Condition.
Closing Costs:	The City shall pay any Land Transfer Tax payable on the transfer of 402 Roselawn to the City, and the registration costs for said transfer.

**Major Terms and Conditions of Disposal of 372 Briar Hill Avenue**

Owner:	City of Toronto
Purchase Price:	Nominal consideration
Lands:	372 Briar Hill Avenue, being all of PIN 21158-0104 ("372 Briar Hill")
Property Rights:	Fee Simple Ownership
"As Is" Condition:	372 Briar Hill is being sold "as is", including its environmental condition. Stehel Corp. and Hillworth Corp. acknowledge having inspected 372 Briar Hill prior to entering into the Agreement.
Due Diligence Period:	The Due Diligence Period shall be the period of time expiring at 4:00 pm on the 90 <sup>th</sup> day following the Acceptance Date.
Closing Date:	The Closing Date shall be the later of May 5, 2017, or thirty (30) days after the City waives its Due Diligence Condition.
Closing Costs:	Stehel Corp. and Hillworth Corp. shall pay any Land Transfer Tax payable on the transfer of 372 Briar Hill, and the registration costs for said transfer.
Assignment:	Stehel Corp. and Hillworth Corp. shall not assign the Agreement, and shall each take 50 percent ownership interest in 372 Briar Hill as tenants in common.
Environmental Release:	Stehel Corp. and Hillworth Corp. shall release the City from all claims in regard to any Hazardous Substance relating to 372 Briar Hill, shall not attempt to compel the City to remove or remediate any Hazardous Substance on 372 Briar Hill, and shall not seek damages in connection with any Hazardous Substance.



Appendix "B"

