

DELEGATED APPROVAL FORM
DEPUTY CITY MANAGER, INTERNAL CORPORATE SERVICES
DIRECTOR OF REAL ESTATE SERVICES

TRACKING NO.: 2017-238

<input checked="" type="checkbox"/>	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).		
<input type="checkbox"/>	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:	Melanie Hale-Carter/Trixy Pugh	Division:	Real Estate Services
Date Prepared:	December 7, 2017	Phone No.:	(416) 392-1227 / (416) 392-8160
Purpose	To amend Delegated Approval Form 2016-041 pertaining to a land exchange with Centennial College of Applied Arts and Technology ("Centennial") and authorize a revised transaction ("2017 Exchange Transaction") that will result in the City acquiring a smaller parcel of land than contemplated in DAF 2016-041 for use as part of Progress Avenue. Her Majesty the Queen in right of Ontario as represented by the Minister of Transportation ("MTO") has advised that part of the land that Centennial proposed to convey to the City for use as part of Progress Avenue must instead be conveyed to MTO, as it is part of the Highway 401/Progress interchange, which is consistent with other similar 401 interchanges.		
Property	<p>All lands involved in the 2017 Exchange Transaction are on or adjoining Centennial's campus at 941 Progress Avenue. A Location Map is attached as Appendix "B".</p> <p>The City-owned lands to be conveyed to Centennial (the "City Exchange Lands") comprise Parts 1, 2 and 3 on Plan 64R-14828, as shown in Appendix "C". On conveying the City Exchange Lands, the City will reserve an easement for right-of-way, enabling City representatives to access Toronto Water interests in the Toronto Region Conservation Authority ("TRCA") lands adjoining to the east of the Centennial campus.</p> <p>The Centennial-owned lands to be conveyed to the City (the "Centennial Exchange Lands") comprise fee simple and easement interests. The City will acquire: (a) fee simple interest in the lands designated as Parts 2, 3, 4, 5 & 6 on Plan 66R-28894, as shown in Appendix "D"; and (b) an easement enabling City representatives to cross from the west limit of the Centennial campus at Progress Avenue to Toronto Water interests in TRCA lands to the east of the campus.</p> <p>The Centennial-owned lands to be conveyed to MTO (the "401 Interchange Lands") comprise the fee simple interest in the lands designated as Parts 1, 7 & 9 on Plan 66R-28894, Part 1 on Plan 64R-14727 and Part 2 on Plan 66R-28157, as shown in Appendix "D".</p>		
Actions	<ol style="list-style-type: none"> 1. Authority be granted to enter into and complete the 2017 Exchange Transaction with Centennial, substantially on the terms set out in Appendix "A.1" and on such other or amended terms as the Director of Real Estate Services may deem appropriate, and in a form satisfactory to the City Solicitor. 2. Authority be granted to facilitate the transfer of the 401 Interchange Lands to MTO, substantially on the terms set out in Appendix "A.1" and on such other or amended terms as the Director of Real Estate Services may deem appropriate, and in a form satisfactory to the City Solicitor. 3. The City Solicitor be authorized to complete the transactions on behalf of the City, including paying any necessary expenses, amending the closing, due diligence and other dates, and amending and waiving terms and conditions, on such terms as she considers reasonable. 4. The appropriate City Officials be authorized and directed to take the necessary action to give effect thereto. 		
Financial Impact	See page 4		
Comments	See Appendix "A" on page 5		
Terms	See Appendix "A.1" on page 6		
Property Details	Ward:	38 – Scarborough Centre	
	Approximate Size:	Various parcels	
	Approximate Area:	City Exchange Lands – 5,682 m ² ± (1.4 acres ±) Centennial Exchange Lands – 2,430 m ² ± (0.6 acres ±) 401 Interchange Lands- 5,785.7 m ² ± (1.4 acres ±)	

A.	Director of Real Estate Services has approval authority for:	Deputy City Manager, Internal Corporate Services has approval authority for:
1. Acquisitions:	<input checked="" 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/REOIs:	Delegated to a more senior position.	<input type="checkbox"/> Issuance of RFPs/REOIs.
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 checked="" 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"/> (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. 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 checked="" 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 checked="" 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. Deputy City Manager, Internal Corporate Services 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.

Deputy City Manager, Internal Corporate Services 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:		Glenn De Baeremaeker				Councillor:				
Contact Name:		Glenn De Baeremaeker (December 7, 2017)				Contact Name:				
Contacted by:		Phone	X	E-Mail		Memo		Other		
Comments:						Comments:				
Consultation with ABCDs										
Division:		Transportation Services				Division:		Financial Planning		
Contact Name:		Bob Taylor, Manager Traffic Planning/ROW				Contact Name:		Filisha Jenkins		
Comments:		Concurs February 1, 2017				Comments:		August 25, 2017		
Legal Division Contact										
Contact Name:		Jacqueline Vettorel (7-4056)								
DAF Tracking No.: 2017- 238					Date		Signature			
Recommended by:		Manager Nick Simos			Dec. 12, 2017		Signed by Nick Simos			
<input type="checkbox"/>	Recommended by: Director of Real Estate Services				Dec. 12, 2017		Signed by David Jollimore			
<input checked="" type="checkbox"/>	Approved by: David Jollimore									
<input type="checkbox"/>	Approved by: Deputy City Manager, Internal Corporate Services						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 Deputy City Manager, Internal Corporate Services, in consultation with any other 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 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.

Financial Impact

No funds will be exchanged on the closing of the land exchange transaction. Financial impacts to the City for completing the transactions described in the 2017 Exchange Agreement include approximately \$750.00 (plus HST) for registration costs and \$7,850.00 for Provincial Land Transfer Tax. The total amount of \$8,600 or \$8,613.20 (net of HST recoveries) will be funded from the 2017-2026 Council Approved Capital Budget for Transportation Services' under capital account CTP314-06-176 – Major Road Rehabilitation.

The Acting Chief Financial Officer has reviewed this DAF and agrees with the financial impact information.

Appendix "A"

By Clause 13(48), adopted by the former Corporation of the City of Scarborough on June 27, 1995 (the "1995 Report"), authority was granted for the City to enter into a land exchange agreement with Centennial (the "1995 Land Exchange Agreement") to vest Scarborough with ownership of a configuration of lands approximating the fee simple portion of both the Centennial Exchange Lands and the 401 Interchange Lands (as shown in Appendix "D"). The 1995 Report also declared the City Exchange Lands surplus and authorized Scarborough to use its best efforts to close and convey them to Centennial.

In accordance with City of Scarborough By-law 24594-95, the former City of Scarborough entered into an agreement with MTO, dated October 2, 1995 (the "1995 Interchange Agreement") whereby the City agreed to construct a traffic interchange enabling access from Progress Avenue to Highway 401 and then to convey to MTO a free and clear fee simple interest in certain lands containing the completed interchange. The Schedules to the 1995 Interchange Agreement that describe the exact lands to be conveyed to MTO are missing and neither the City nor MTO can locate them. Accordingly, staff is not able to identify exactly what lands the City previously agreed to convey to MTO. However, staff is of the view that the lands the City previously agreed to convey to MTO under the 1995 Interchange Agreement are likely the same or similar to the 401 Interchange Lands, as Transportation Services staff advises that MTO's ownership of the 401 Interchange Lands would be consistent with MTO's existing ownership of the interchange lands at Highway 401 and Brimley Road.

By the end of 1998, construction of the extension of Progress Avenue and the 401 interchange had been completed but for reasons unknown, none of the conveyances contemplated in the 1995 Land Exchange Agreement or the 1995 Interchange Agreement were completed. This has resulted in a current land ownership discrepancy whereby: (a) the City is operating an extension of Progress Avenue as a highway, on land owned by Centennial; (b) MTO is operating the traffic exchange from Progress Avenue onto Highway 401, on lands owned by Centennial; and (c) Centennial does not own the City Exchange Lands.

Centennial recently received development approvals to expand its campus facilities at 941 Progress Avenue to include a new culinary arts centre, a new student residence and new parking lots. In the course of planning these expansion facilities, Centennial discovered that it never acquired ownership of the City Exchange Lands – lands upon which Centennial's approved new parking facilities are to be developed. Centennial proposes to convey the Centennial Exchange Lands to the City and to convey the 401 Interchange Lands directly to MTO, with MTO releasing the City from its obligations under the 1995 Interchange Agreement.

Accordingly, on completion of the 2017 Exchange Agreement, the City will own the Centennial Exchange Lands, MTO will own the 401 Interchange Lands and Centennial will own the City Exchange Lands and each of the parties will be in the position that staff believes was intended by Council in the 1995 Report, the 1995 Land Exchange Agreement and the 1995 Interchange Agreement.

This delegated authority amends an earlier delegated authority under DAF No. 2016-041. An amended authority is necessary to authorize the City to accept a smaller parcel of land than contemplated in DAF No. 2016-041 and to facilitate the transfer of the 401 Interchange Lands to MTO (including a parcel that Centennial had proposed to convey to the City).

Appendix "A.1"

Terms (continued from page 1):

Terms of the 2017 Exchange Agreement

Properties:

- | | |
|---|--|
| 1. Lands to be conveyed by the City to Centennial (the "City Exchange Lands") | Lands legally described as part of closed Road Allowance between Lots 16 & 17, Concession 2 (formerly Scarborough), designated as Parts 1, 2 & 3 on Plan 64R-14828, as shown in Appendix "C" |
| 2. Lands to be conveyed by Centennial to the City (the "Centennial Exchange Lands") | Lands legally described as being part of Lot 18, Concession 2, and designated as Parts 2, 3, 4, 5 & 6 on Plan 66R-28894 as shown in Appendix "D" |
| 3. Lands to be conveyed by Centennial to MTO (the "401 Interchange Lands") | Lands legally described as being part of Lot 18, Concession 2, and designated as Parts 1, 7 & 9 on Plan 66R-28894, Part 1 on Plan 64R-14727 and Part 2 on Plan 66R-28157, as shown in Appendix "D" |

Parties:

- The Centennial College of Applied Arts and Technology
- Her Majesty the Queen in Right of Ontario, as represented by the Minister of Transportation
- City of Toronto

Consideration:

Each party will convey lands for nominal consideration.

Requisition Date:

Up to closing date.

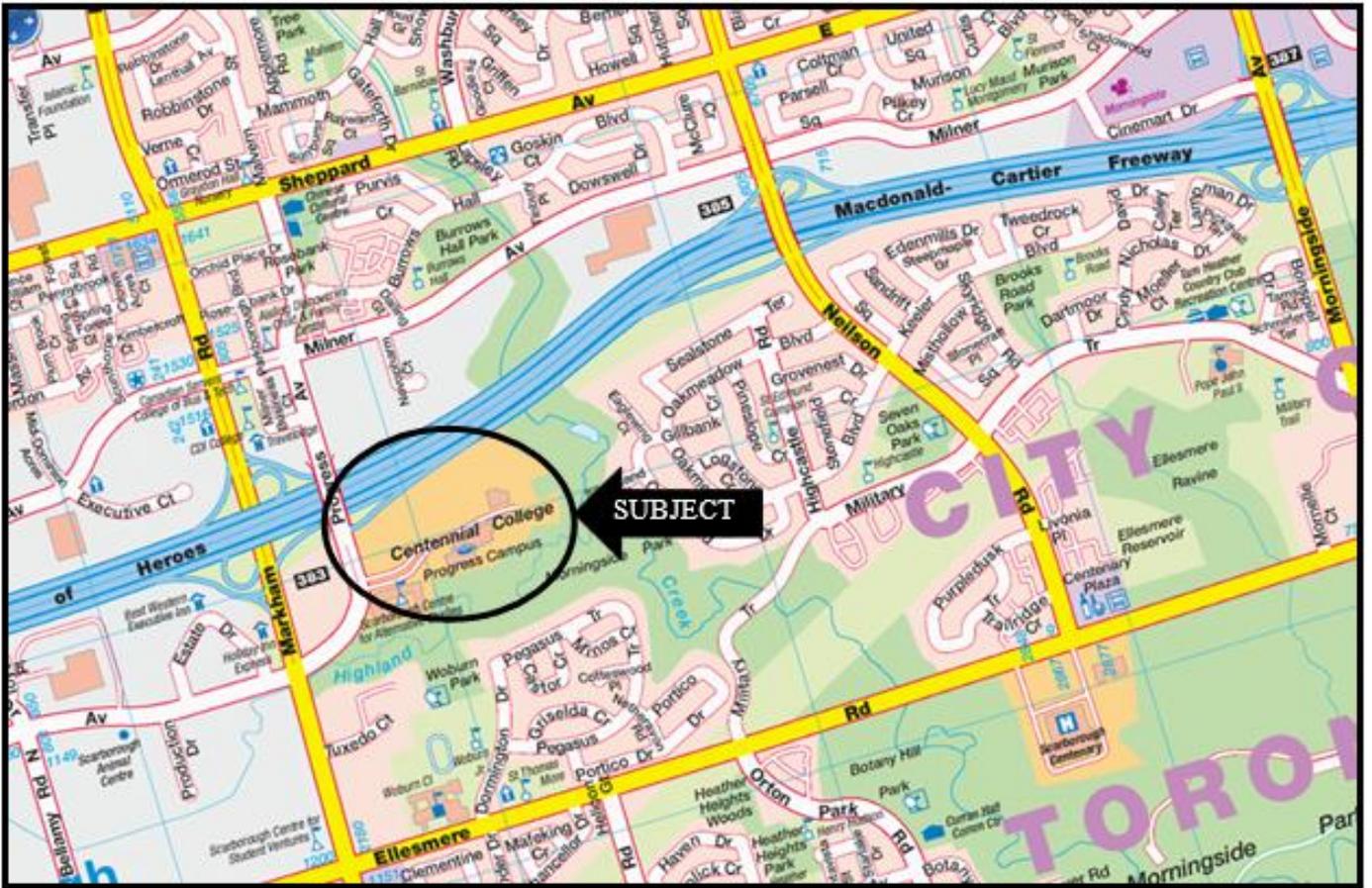
Closing Date:

To be mutually agreed by the parties.

Other Terms & Conditions:

- a) All lands being transferred on an "as is" basis.
- b) Centennial is responsible for its own costs; City must pay its own costs plus costs of clearing title to the 401 Interchange Lands.
- c) Centennial will acquire title to the City Exchange Lands subject to a reserved easement for right-of-way to enable City representatives to cross the City Exchange Lands and thereby access Toronto Water interests in TRCA lands lying to the east of the Centennial campus.
- d) The City will acquire title to the Centennial Exchange Lands together with an easement for right-of-way, to enable City representatives to cross from the west limit of the Centennial campus at Progress Avenue to Toronto Water interests in TRCA lands lying to the east of the campus.
- e) Pending dedication of the Centennial Exchange Lands as a public highway, Centennial will be given a right-of-way to enable Centennial to legally access Progress Avenue.
- f) On closing of the 2017 Exchange Agreement, MTO will give the City a release of its obligations under the 1995 Interchange Agreement, as MTO will have acquired the 401 Interchange Lands directly from Centennial. If requested by MTO, the City will also give MTO a release of its obligations under the 1995 Interchange Agreement, to clarify that the 1995 Interchange Agreement is at an end and that neither party has any further obligations under it.

Appendix "B"



Appendix "D"

Lands to be transferred by Centennial College to each of City and MTO:

