

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

TRACKING NO.: 2017-268

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:	Irina Fofanova	Division:	Real Estate Services
Date Prepared:	October 17, 2017	Phone No.:	416-397-0806

<b>Purpose</b>	To: (i) initiate the process to permanently close and to authorize the General Manager, Transportation Services to give notice to the public of a proposed by-law to permanently close the surplus part of the existing public lane adjacent to 27, 37 Yorkville Avenue and 50 Cumberland Street (the "Development"); and (ii) authorize the sale part of the public lane to the owner of the Development lands, conditional upon City Council approving the permanent closure of the public lane.
<b>Property</b>	Part of public lane located adjacent to 27, 37 Yorkville Avenue and 50 Cumberland Street, being part of PIN 21197-0172 (LT), legally described as part of Lane PL 355 Yorkville, PT LT 5, 10-11, 7 PI 355 Yorkville PT 1 63R4230, PT 1 63R1989, PT 1 63R3495, PT 1 64R15426; PT LT 21 Con 2 FTB TWP of York as in EM57810; Part Lot 21 Con 2, FTB TWP of York Parts 1 and 2 on Plan 63R3265 City of Toronto and shown as Parts 1, 2 and 3 on Sketch PS-2016-044 attached as Appendix "B" (the "Public Lane").
<b>Actions</b>	<ol style="list-style-type: none"> <li>The General Manager, Transportation Services be authorized to give notice to the public of a proposed by-law to permanently close the Public Lane in accordance with the requirements of the City of Toronto Municipal Code, Chapter 162, with the Toronto and East York Community Council to hear any member of the public who wishes to speak to the matter during consideration of the proposed by-law.</li> <li>The General Manager, Transportation Services be authorized to advise the public of the proposed closure of the Public Lane prior to implementation, in accordance with the requirements of the Municipal Class Environmental Assessment for Schedule "A+" activities, by posting notice of the proposed closure on the notices page of the City's Website for at least five working days prior to the Toronto and East York Community Council meeting at which the proposed by-law to close the Public Lane will be considered.</li> <li>The City accept the Offer to Purchase from MK 37 Yorkville Inc. and KS Yorkville/Cumberland Inc. (collectively the "Purchaser") to purchase the Public Lane for the sum of \$975,000.00, substantially on the terms and conditions outlined herein, and on such revised and other terms as may be acceptable to the Deputy City Manager, Internal Corporate Services, and in a form satisfactory to the City Solicitor.</li> <li>A portion of the proceeds of closing be directed to fund the outstanding expenses related to completion of the sale transaction.</li> <li>The City Solicitor be authorized to complete the transaction 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 the City Solicitor considers reasonable.</li> <li>The appropriate City Officials be authorized and directed to take the necessary action to give effect thereto</li> </ol>
<b>Financial Impact</b>	Revenue to the City in the amount of \$975,000.00 (plus HST if applicable), less closing costs and usual adjustments, will be contributed to the Land Acquisition Reserve Fund (XR1012). The Acting Chief Financial Officer has reviewed this DAF and agrees with the financial impact information.
<b>Comments</b>	See Page 4
<b>Terms</b>	See Page 4

<b>Property Details</b>	<b>Ward:</b>	27 – Toronto Centre - Rosedale
	<b>Assessment Roll No.:</b>	N/A
	<b>Approximate Size:</b>	16.4 m x 4.3 m ± (53.8 ft x 14.4 ft ±) & 21.3 m x 3.7 m ± (69.9 ft x 12.1 ft ±)
	<b>Approximate Area:</b>	150.8 m <sup>2</sup> ± (1,623.6 ft <sup>2</sup> ±)
	<b>Other Information:</b>	

A.	Director of Real Estate Services has approval authority for:	Deputy City Manager, Internal Corporate Services 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 checked="" 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 checked="" 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"/> (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 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.
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"/> Where total compensation does not exceed \$3 Million.
	<input type="checkbox"/> (b) When closing road, easements to pre-existing utilities for nominal consideration.	<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"/> (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 type="checkbox"/> (k) Correcting/Quit Claim Transfer/Deeds.	<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:	Kristyn Wong-Tam					Councillor:				
Contact Name:	Lorraine Hewitt					Contact Name:				
Contacted by:	x	Phone	x	E-Mail		Memo		Other		
Comments:	No objections – October 10, 2017					Comments:				
Consultation with ABCDs										
Division:	Transportation Services / TPA					Division:	Financial Planning			
Contact Name:	Laurie Robertson / Greg Blyskosz – Oct 10, 2017					Contact Name:	Filisha Jenkins – October 3, 2017			
Comments:	No objections					Comments:				
Legal Division Contact										
Contact Name:	Soo Kim Lee – September 29, 2017									
DAF Tracking No.: 2017- 268		Date			Signature					
Recommended by: Manager		Oct. 23, 2017			Nick Simos					
<input checked="" type="checkbox"/>	Recommended by:	Director of Real Estate Services David Jollimore			Oct. 30, 2017			David Jollimore		
<input type="checkbox"/>	Approved by:									
<input checked="" type="checkbox"/>	Approved by:	Deputy City Manager, Internal Corporate Services Josie Scioli			Oct. 30, 2017			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 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.

<p><b>Comments</b></p>	<p>The Purchaser is redeveloping its Development lands as a mixed used project. In accordance with a Section 37 Agreement between the City and the Purchaser dated June 16, 2017 (the "Section 37 Agreement"), the parties have agreed that a portion of the Public Lane should be incorporated into the proposed Development, and that other portions of the Public Lane be used to enhance the Development and adjacent areas. In accordance with the Section 37 Agreement, the Purchaser will reconvey stratified portions of the Public Lane to the City, for nominal consideration, with Parts 2 and 4 on <b>Sketch PS-2015-055</b> as shown on Appendix "C" attached hereto, to be incorporated into the Toronto Parking Authority Parking Garage and Part 3 on <b>Sketch PS-2015-055</b> to form part of the Public Park.</p> <p>In accordance with the City's Real Estate Disposal By-law, No. 814-2007, the Public Lane was declared surplus on November 1, 2016 (DAF No. 2016-232) with the intended manner of disposal to be by inviting an offer to purchase the Public Lane from the owner of the lands adjoining the Public Lane.</p> <p>Transportation Services has reviewed the feasibility of permanently closing the Public Lane and has advised that it has no objection to the proposed closing, provided the Purchaser at its cost, constructs and conveys a new lane to the City, and City Council approves the permanent closure of the Public Lane.</p> <p>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.</p> <p>The Offer to Purchase (the "Offer") submitted by the Purchaser in the amount of \$975,000.00 is considered fair, reasonable and reflective of market value. It is recommended for acceptance, substantially on the terms and conditions outlined below.</p>
<p><b>Terms</b></p>	<p><b>Purchase Price:</b></p> <p>\$975,000.00 (to be increased by the TREB Index, if closing takes place more than 2 years after acceptance of the Offer by the City). As an example:</p> <p>\$975,000.00 x  \$___ (Numerator = Average Price of Single Family Dwelling for GTA for last full month before Closing Date.  \$___ (Denominator = Average Price of Single Family Dwelling for GTA for last full month before Acceptance Date.</p> <p><b>Deposit:</b> \$97,500.00 (Certified Cheque)</p> <p><b>Balance:</b> Balance (subject to usual adjustments) by certified cheque or bank draft on closing</p> <p><b>Irrevocable Date:</b> December 10, 2017</p> <p><b>Minor Variance:</b></p> <p>If an application is submitted to the Committee of Adjustment for a minor variance in respect of all or part of the Development lands, Closing shall not take place until decision of Committee of Adjustment or Ontario Municipal Board is final and binding, in full force and effect, with no further rights of appeal. If application results in increased height or density, the DCM has unilateral right to extend Closing Date for up to 9 months, for Council instructions whether to proceed with sale, or sell at higher price. If Council approves selling at higher price, Purchaser has 30 days to proceed with or terminate transaction.</p> <p><b>Sale Conditions:</b></p> <p><u>New Lane:</u> The Public Lane shall not be closed, until Purchaser has at its cost, constructed a New Lane to the satisfaction of the Executive Director of Engineering &amp; Construction Services, and convey the New Lane to the City for (\$2.00) nominal consideration. The new lane outlet is shown as Part 4 on Sketch No. PS-2016-044 (and Part 5 on PS-2015-055).</p> <p><u>Development Conditions: NOAC and Full Building Permit Application:</u> The sale is conditional for 18 months (CCO may extend for 6 months), that: (i) Notice of Conditions of Site Plan Approval for the Development has been issued by the City, and all conditions of site plan approval satisfied, including execution (but not registration on title) of the Site Plan Agreement; (ii) a full and complete building permit application, including all related permit and associated fees, development charges, and required security have been submitted to Toronto Building Division and the Chief Building Official has confirmed in writing that: (A) the Development conforms to Approved OPA/Zoning By-law Amendment and Site Plan; and (B) a full building permit for the Development and the Approved Site Plan can be issued immediately.</p>

**"As is" condition:** The Purchaser shall accept the Public Lane in "as is" condition and on closing shall execute and deliver a release in favour of the City, in a form satisfactory to the City Solicitor, in respect of all loss, costs, damages, liability or actions relating to the environmental condition of the Public Lane.

**Indemnity re Public Lane Closing:** The Purchaser shall also indemnify the City in respect of all claims, including any claims for injurious affection, demands, loss, costs, damages and/or expenses the City may sustain resulting or arising from the City's efforts to permanently close the Public Lane and from the completion of such closure.

**No Assignment of Offer:** The Purchaser shall not assign the Offer, or direct that title to the Public Lane be taken in the name of any person or entity other than the Purchaser, without the prior written consent of the City, which consent may be unreasonably and arbitrarily withheld and delayed or granted on conditions to be determined by the City, in its sole discretion.

**Timing/Construction Commencement Deadline:**

The Purchaser acquired part of City-owned 37 Yorkville and 50 Cumberland by an agreement with Toronto Parking Authority dated February 16, 2011, as amended (the "TPA Agreement"). The TPA Agreement requires the Purchaser to construct 800 replacement parking spaces as part of the Development. The construction commencement deadline is the later of: (i) 48 months from the TPA Agreement Closing Date of December 18, 2015; and (ii) 15 Business Days following the Construction Financing Date [subject to Contingencies [such as Force Majeure and/or any soil, hydro ecological and/or environmental issues] and the Purchaser obtaining re-zoning and/or official plan amendment, as required, in final and binding form, to permit the project, but in no event later than **120 months (ie. December 18, 2025)** from TPA Agreement Closing Date.

**Closing Date:**

60 days following: (i) enactment of the By-law by Council to permanently close the Public Lane; and (ii) satisfaction or waiver by the City of all of the Development Conditions. Closing Date to be no later than 24 months after acceptance of the Offer by the City (may be extended by CCO for another 12 months).

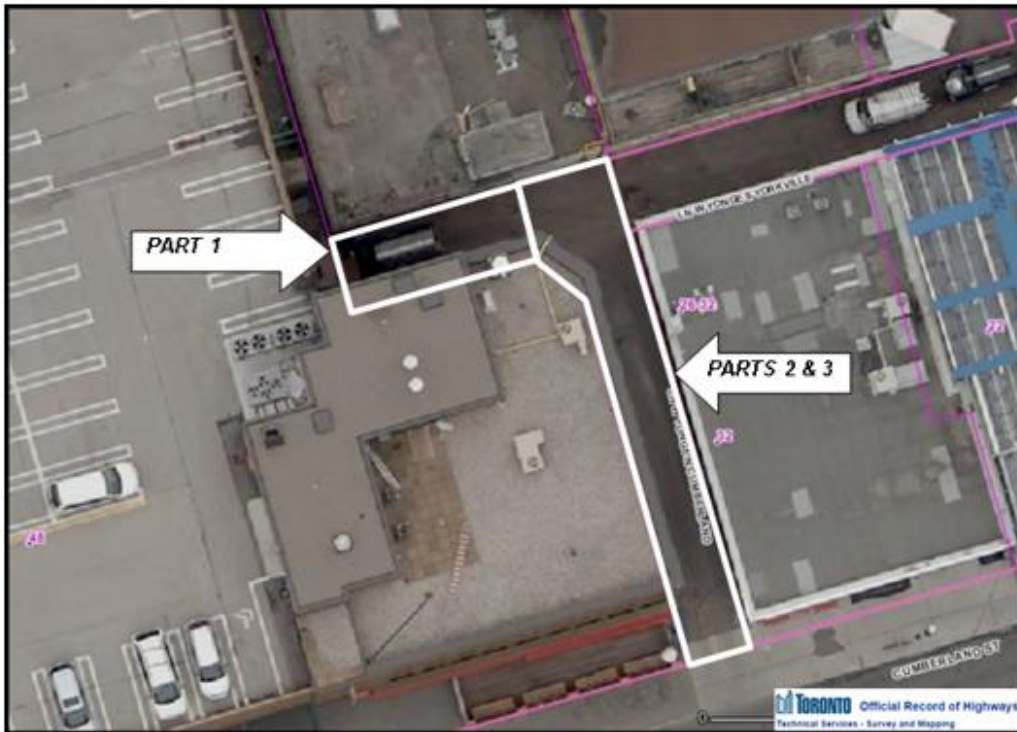
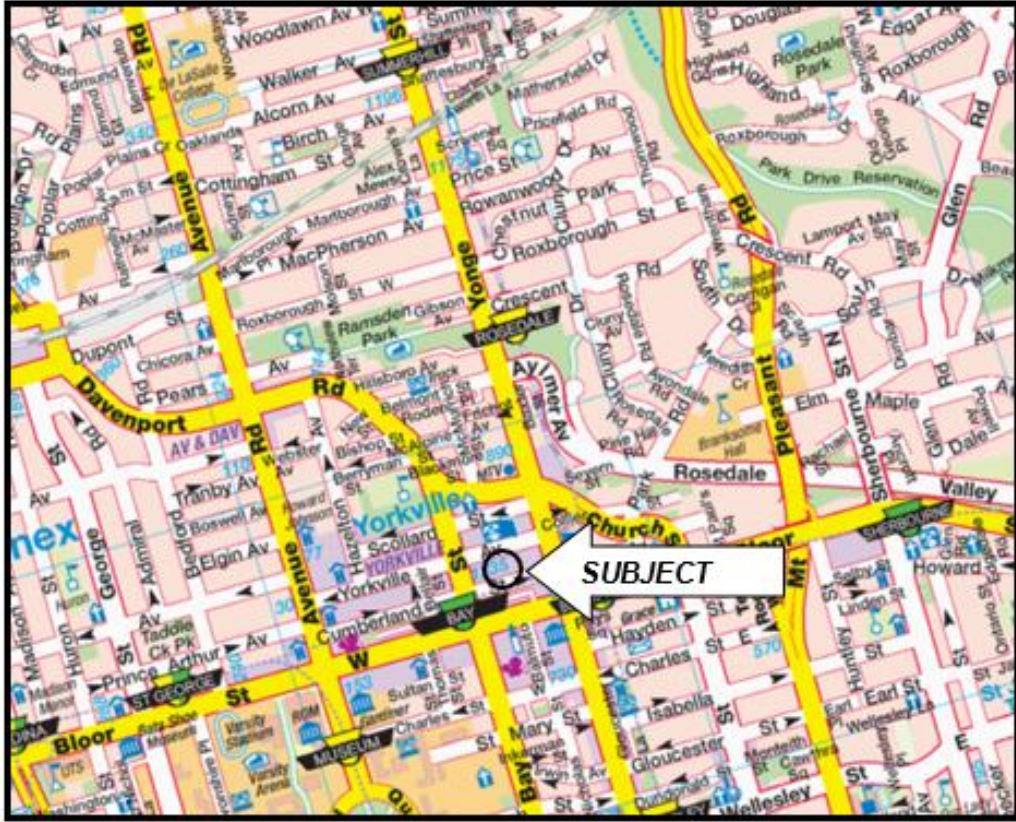
**Non-Merger:** Where applicable, the obligations as set out in the Offer, do not merge on closing.

**Post Closing Reconveyances:**

**Park Lands:** The Purchaser shall convey **Part 3** on Sketch **PS-2015-055** to the City for nominal consideration of \$2.00, together with the other lands forming the Public Park, at the same time and in the same manner as required in the Section 37 Agreement.

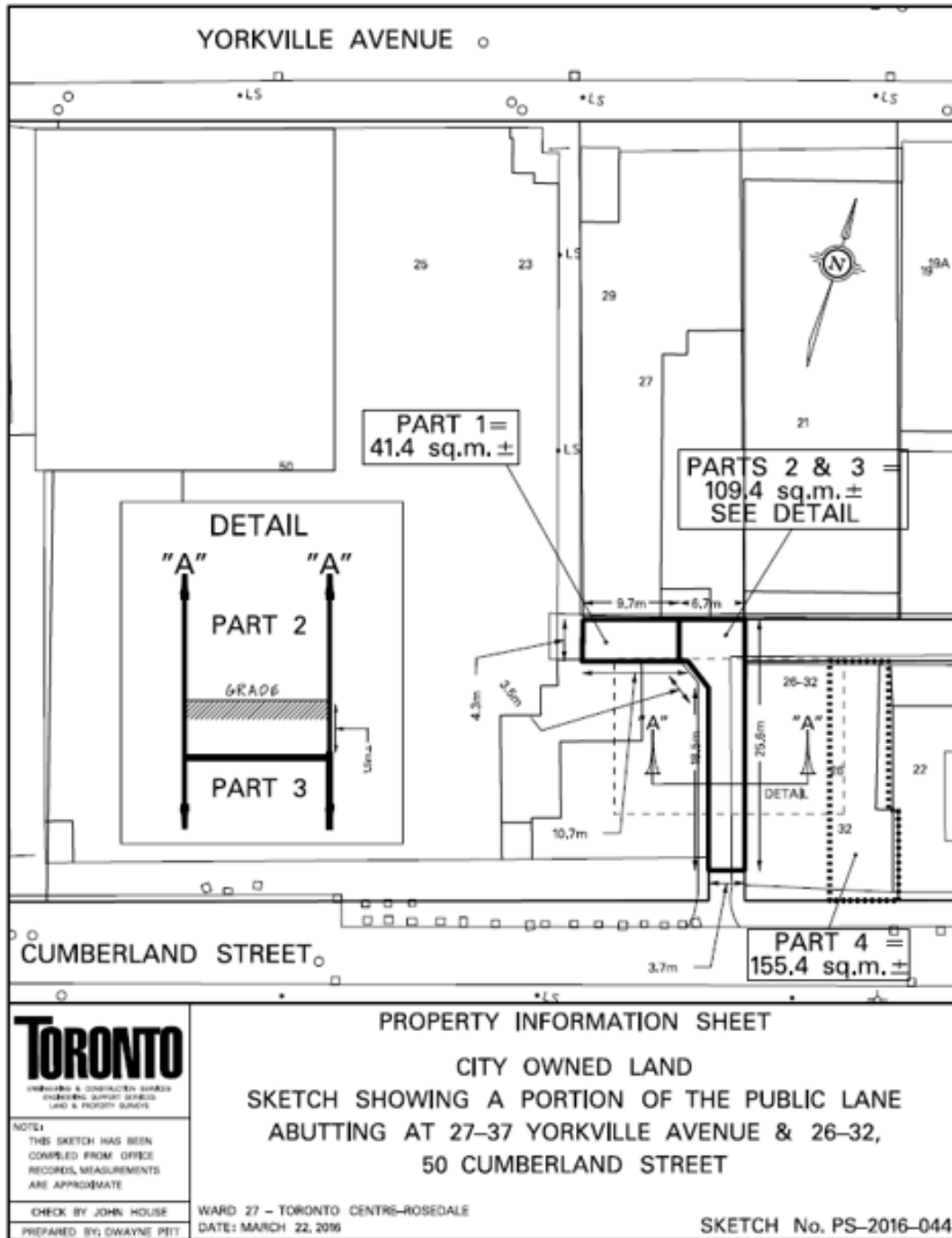
**Public Parking Garage Lands:** The Purchaser covenants and agrees that it shall convey Parts **2** and **4** on Sketch **PS-2015-055** to the City for nominal consideration of \$2.00, together with the other conveyances contemplated in the TPA Agreement, at the same time and in the same manner as required at the time of the Public Parking Garage Turnover as described in the TPA Agreement.

Appendix "A"  
LOCATION MAP & AERIAL PICTURE



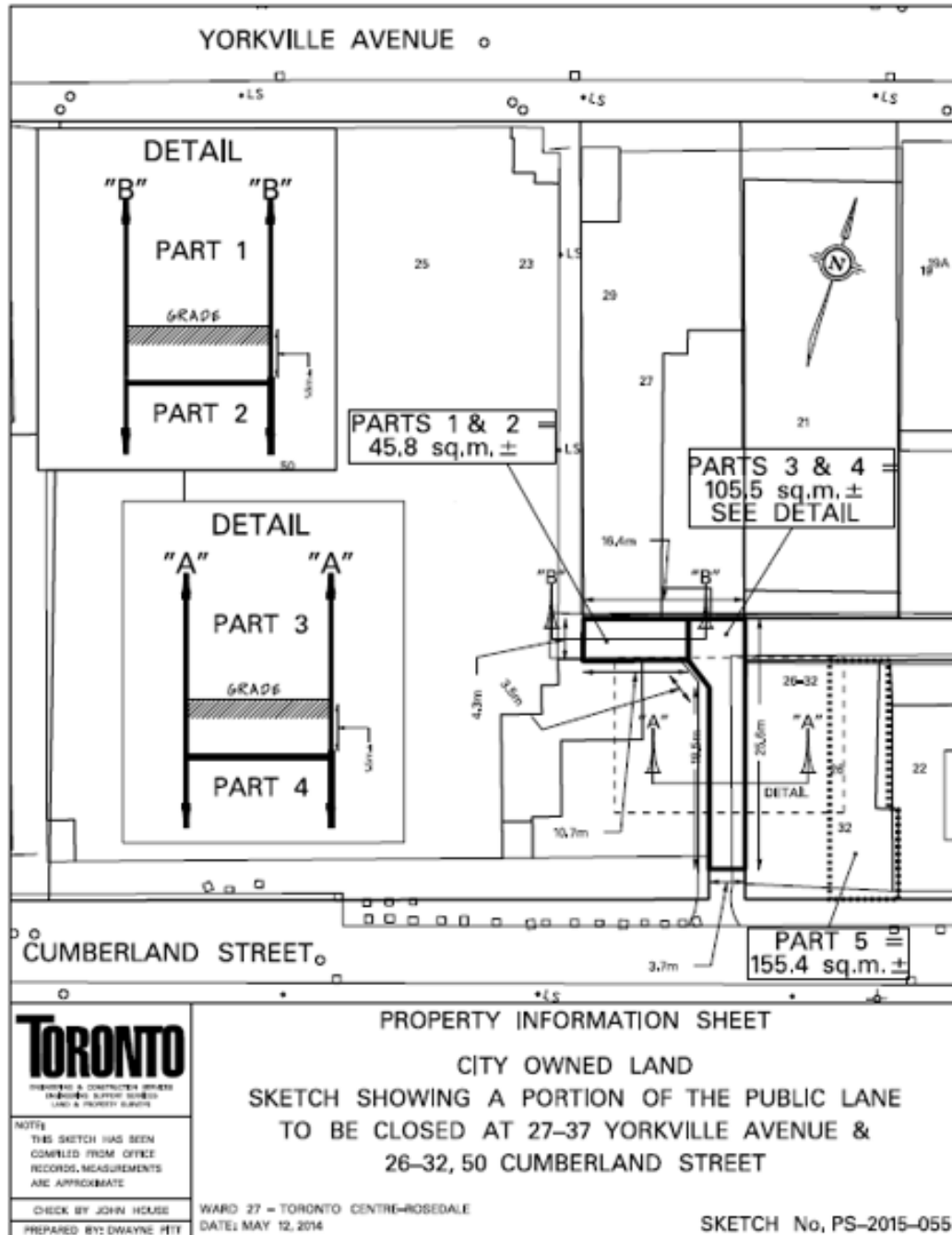
Appendix "B"

SKETCH PS-2016-044



APPENDIX "C"

Sketch PS-2015-055



PROPERTY INFORMATION SHEET

CITY OWNED LAND

SKETCH SHOWING A PORTION OF THE PUBLIC LANE  
TO BE CLOSED AT 27-37 YORKVILLE AVENUE &  
26-32, 50 CUMBERLAND STREET



NOTE  
THIS SKETCH HAS BEEN  
COMPILED FROM OFFICE  
RECORDS. MEASUREMENTS  
ARE APPROXIMATE

CHECK BY JOHN HOUSE  
PREPARED BY DWAYNE FITT

WARD 27 - TORONTO CENTRE-ROSEDALE  
DATE: MAY 12, 2014

SKETCH No. PS-2015-055