

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

TRACKING NO.: 2017-333

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:	Vin Madan	Division:	Toronto Parking Authority
Date Prepared:	November 28, 2017	Phone No.:	416-393-7285

**Purpose**  
The purpose of this report is to obtain approval for Toronto Parking Authority (“TPA”) to enter into a consent and assumption agreement (“Consent & Assumption Agreement”) with MK 37 Yorkville Inc. and KingSett Real Estate Growth LP No. 4 (collectively, “KingSett”) and Cresford Capital Corporation and 33 Yorkville Residences Inc. (collectively, “Cresford”) to assign obligations relating to the construction and completion of an 800-space municipal parking garage to TPA standards and specifications (“Municipal Garage Construction Obligations”) as contemplated in an Agreement of Purchase and Sale (the, “APS”) involving the sale by TPA of City-owned strata lands at Municipal Carpark 15, municipally known as 50 Cumberland Street / 37 Yorkville Avenue, save and except for a strata area sufficient to accommodate a minimum of 800 parking spaces (“Subject Property”),

**Property**  
50 Cumberland Street (also has a convenience address of 37 Yorkville Avenue), described as Lot 16-19 on Plan 355; Part of Private Lane, Plan 355 as closed by By-law EM57946 & By-law EM68522; Part Lot 1 on Plan 46; part of Lot 21, Concession 2, from The Bay; City of Toronto, save and except for a strata area retained by the City, sufficient to accommodate a minimum of 800 parking spaces.

- Actions**
1. Authority be granted for Toronto Parking Authority to enter into a consent and assumption agreement with KingSett and Cresford to assign APS, including the Municipal Garage Construction Obligations to Cresford
  2. The appropriate City Officials be authorized and directed to take the necessary action to give effect thereto.

**Financial Impact**  
KingSett has agreed to pay an assignment fee of \$250,000 on or before December 15, 2017 to be transferred to the Downtown Yonge BIA. Upon securing this fund, it will be brought forward to City Council for approval as an in-year amendment to the 2018 Capital Budget for Economic Development and Culture (\$250,000 gross and \$0 debt) under account # CED089-01, through Budget Committee. The transfer of funds to the Downtown Yonge BIA will be administered through the BIA Office of the Economic Development and Culture Division. KingSett will compensate TPA for all legal costs associated with this assignment.

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

**Comments**  
TPA entered into a conditional Agreement of Purchase and Sale with MUC Properties Inc. (“MUC”) dated February 16, 2011, for the Subject Property. The APS provided that MUC would construct and complete an 800-space municipal parking garage to TPA standards and specifications, within the strata lands retained by the City, and in accordance with the terms and conditions of the APS. TPA consented to an assignment of the APS from MUC of its undivided 40% interest as purchaser in the APS to Kingset, the owner of the remaining undivided 60% beneficial interest in the APS, with title to be taken in the name of MK Yorkville 37 Inc.

As part of the assignment, KingSett assumed the Municipal Garage Construction Obligations. The sale of the Subject Property was completed by TPA on December 18, 2015. KingSett owns adjacent lands at 27 - 29 Yorkville Avenue and 26 - 30 Cumberland Street (collectively the “Development Lands” - refer to Appendix 'A' - *Location Map*), to be combined with the Subject Property for a proposed mixed-use residential development.

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<b>Property Details</b>	<b>Ward:</b>	27 – Toronto Centre-Rosedale
	<b>Assessment Roll No.:</b>	1904-05-2-020-02800
	<b>Approximate Size:</b>	Frontage on Cumberland Street: 67.0 m ± (221.0 ft±) Frontage on Yorkville Avenue: 78.0 m ± (256.0 ft ±)
	<b>Approximate Area:</b>	4,640.0 m <sup>2</sup> ± (49,950 ft <sup>2</sup> ±) (1.15 ac)
	<b>Other Information:</b>	The City will own a strata sufficient in area to accommodate a minimum of 800 parking spaces

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/REOIs:	<b>Delegated to a more senior position.</b>	<input type="checkbox"/> Issuance of RFPs/REOIs.
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"/> (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 checked="" 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 – September 21, 2017 (in person)					Councillor:									
Contact Name:	Lorraine Hewitt					Contact Name:									
Contacted by:	Phone	X	E-Mail		Memo	X	Other	Contacted by:	Phone		E-mail		Memo		Other
Comments:	No objections					Comments:									
Consultation with ABCDs															
Division:						Division:	Financial Planning								
Contact Name:						Contact Name:	Patricia Libardo /Jack Choi – December 12, 2017								
Comments:						Comments:									
Legal Division Contact															
Contact Name:	Soo Kim Lee – December 7, 2017														
DAF Tracking No.: 2017- 333			Date			Signature									
Recommended by: Manager			Dec. 12, 2017			Signed by Nick Simos									
<input type="checkbox"/>	Recommended		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 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.

As authorized by GM11.13 – March 2012 and DAF 2015-032, the sale by TPA of the City-owned strata lands to Kingsett was completed on December 18, 2015.

On June 1, 2017, KingSett entered into an agreement with Cresford for the sale of the Development Lands and the Subject Property, and the assignment of the Municipal Garage Construction Obligations to Cresford. KingSett requires TPA's consent for such assignment. TPA Staff has completed its review of Cresford's development portfolio (refer to Appendix 'B' - *Cresford's Development Portfolio*) to ensure that they have the expertise and capability to successfully complete the project to TPA's standards and specifications. TPA staff is confident in Cresford's abilities to perform on the construction obligations with respect to the 800-space municipal parking garage.

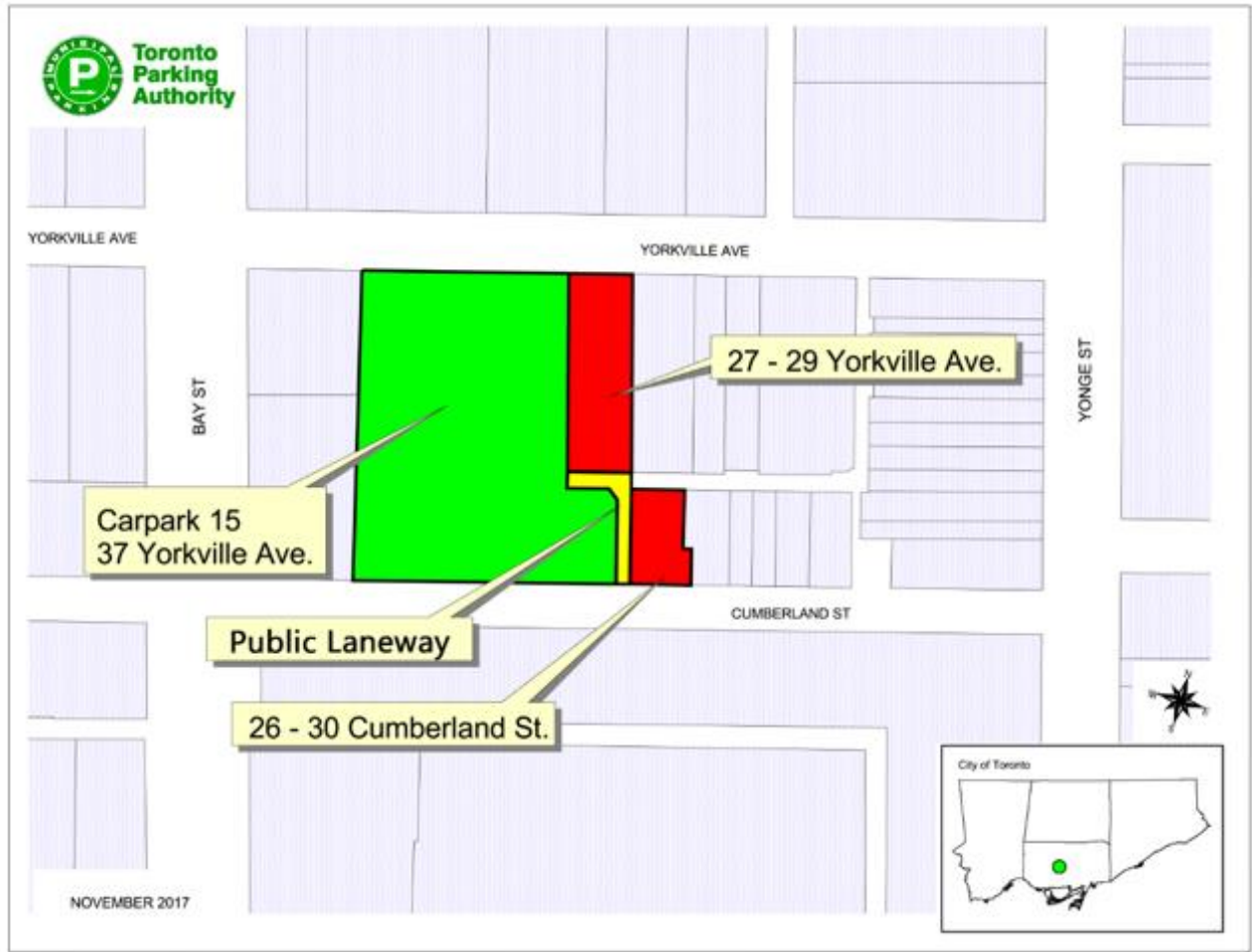
At its meeting on November 21, 2017, TPA Board authorized staff to enter into the Consent & Assumption Agreement KingSett and Cresford assigning the construction obligations for the 800-space municipal parking garage to Cresford, in accordance with the terms and conditions as detailed as detailed below.

### Terms

The major terms and conditions of the proposed Consent and Assumption Agreement between TPA, KingSett, and Cresford, which agreement remains to be executed between the parties, subject to City approval by way of Delegated Authority are summarized below:

- Cresford covenants and agrees with TPA to assume and be bound by and perform all of the covenants, terms, conditions, and obligations of the APS, as amended.
- Kingsett acknowledges and agrees that it is and shall remain liable for the performance of all the covenants, terms, conditions, and obligations of the APS, as amended, and following the completion of its sale to Cresford, KingSett and Cresford shall be jointly and severally liable for all covenants, terms, conditions and obligations of the APS, as amended.
- Cresford acknowledges and agrees to construct and deliver the 800-space municipal parking garage in strict compliance with TPA approved plans and guidelines.
- Cresford covenants and agrees that it shall not apply for any amendments to the current zoning of the proposed development nor seek any increase in Gross Floor Area of the proposed development without the prior written consent of the TPA which may be unreasonably or arbitrarily withheld in the sole and absolute discretion of the TPA.
- Kingsett agreed to provide an assignment fee of \$250,000 and cover TPA for all legal costs associated with this assignment.

# APPENDIX 'A' – LOCATION MAP



## APPENDIX 'B' – CRESFORD'S DEVELOPMENT PORTFOLIO

### Summary of Cresford Projects 1999 - 2017:

	Units	Status	Architect
YSL	957 units	In Development	Josh Chaiken (Kohn Pedersen Fox)
Halo	451 units	In Development	Peter Clewes (architectsAlliance)
The Clover	513 units	Under construction	Peter Clewes (architectsAlliance)
VOX	337 units	Under construction	Peter Clewes (architectsAlliance)
Fifty Nine Hayden		Under construction	Peter Clewes (architectsAlliance)
CASA III	618 units	Under construction	Peter Clewes (architectsAlliance)
CASA II	470 units	2016	Peter Clewes (architectsAlliance)
1Thousand Bay	458 units	2016	Peter Clewes (architectsAlliance)
Merton Yonge Condominium	198 units	2014	Peter Clewes (architectsAlliance)
Lofts 399	173 units	2013	Paul Northgrave (Northgrave Architects)
Windermere NXT II	383 units	2013	Peter Clewes (architectsAlliance)
Windermere NXT I	457 units	2010	Peter Clewes (architectsAlliance)
Casa Condominiums, Toronto	403 units	2010	Peter Clewes (architectsAlliance)
Bloor Street Neighbourhood Condominiums, Toronto	349 units	2009	Paul Northgrave (Northgrave Architects)
76 Shuter Street Condominiums, Toronto	124 units	2007	Paul Northgrave (Northgrave Architects)
Windermere by the Lake West Townhouses, Toronto	120 units	2007	Rob Nicolucci (RN Design)
Windermere by the Lake Tower, Toronto	306 units	2007	Pellow Architects
Quad Condominiums Phase II, Toronto	128 units	2006	Paul Northgrave (Northgrave Architects)
Windermere by the Lake Townhomes, Toronto	104 units	2005	Pellow Architects
Quad Condominiums Phase I, Toronto	72 units	2005	Paul Northgrave (Northgrave Architects)
Bridgewater Condos / Townhouses, Uxbridge	79 units	2005	AW Trusevych Associates
Thornwood Condominiums Phase II, Toronto	137 units	2005	Young + Wright
Boot Condominiums Phase I, Toronto	153 units	2003	Young + Wright
Thornwood Condominiums Phase I, Toronto	166 units	2001	Northgrave Architects
The Merchandise Building Condominiums, Toronto	525 units	1999	Northgrave Architects
	<b>7681 units</b>		
<b>Projects Prior to 1999:</b>			
Cathedral Square Apartments, Toronto	354 units	1996	Young + Wright
Empire Plaza Condominiums, Toronto	224 units	1992	Young + Wright
River Park Condominiums, Toronto	92 units	1989	Young + Wright
Courtney Club Condominiums, Mississauga	141 units	1988	Young + Wright
Somerset Place Apartments, Mississauga	398 units	1986	Young + Wright
The Summit Apartments, Toronto	734 units	1986	Young + Wright
Heritage Place III Apartments, Sault Ste. Marie	94 units	1986	Young + Wright
Heritage Place II Apartments, Sault Ste. Marie	94 units	1986	Young + Wright
Heritage Place I Apartments, Sault Ste. Marie	83 units	1986	Young + Wright
Albert Park III Apartments, Belleville	135 units	1986	Young + Wright
Albert Park II Apartments, Belleville	195 units	1985	Young + Wright

