

DELEGATED APPROVAL FORM
DIRECTOR, REAL ESTATE SERVICES
MANAGER, REAL ESTATE SERVICES

TRACKING NO.: 2018-081

Approved pursuant to the Delegated Authority contained in Executive Committee Item EX27.12, as adopted by City Council on October 2, 3 and 4, 2017 or, where applicable, in Executive Committee Item EX28.8, as adopted by City Council on November 7, 8 and 9, 2017.

Prepared By:	Van Hua	Division:	Real Estate Services
Date Prepared:	March 14, 2018	Phone No.:	416 338 9572

Purpose	To obtain authority for a six month extension of the terms of: (i) the City of Toronto's lease to 2315155 Ontario Inc. and Toronto Port Authority ("TPA") for portions of the Canada Malting site at 5 Eireann Quay, and (ii) the related lease from TPA to the City as tenant for the Urban Forestry operations relocated from the Canada Malting site to Warehouse 52, 8 Unwin Avenue.
Property	Portion of 5 Eireann Quay (known as the Canada Malting Site), and 8 Unwin Avenue. See Appendix "A".
Actions	<ol style="list-style-type: none"> Authority be granted to enter into lease extension agreements between the City of Toronto (the "City") and <ol style="list-style-type: none"> 2315155 Ontario Inc. and TPA for the above noted premises at 5 Eireann Quay to extend the term for six (6) months, ending June 30, 2018, TPA for the City's tenancy at the above noted Warehouse 52 premises to extend the term for six (6) months, ending June 30, 2018 <p>subject to terms and conditions outlined herein and on such other terms and conditions as may be satisfactory to the Deputy City Manager, Internal Corporate Services and in a form acceptable to City Solicitor;</p> The Deputy City Manager, Internal Corporate Services or his/her successor or designate, shall administer and manage the Lease including provision of any consents, certificates, approvals, waivers, notices and notices or termination, provided that the Deputy City Manager, Internal Corporate Services may at any time refer consideration of such matters to City Council for its determination and direction. The appropriate City Officials are authorized and directed to take the necessary action to give effect thereto.
Financial Impact	<p>The City will receive revenue of \$54,765.28 net of HST resulting from the six month lease extension of the Canada Malting site. With respect to the 8 Unwin lease, the base rent is at nominal value. The current rates remain unchanged since July 1, 2015 for both locations.</p> <p>The Acting Chief Financial Officer has reviewed this DAF and agrees with the financial impact information.</p>
Comments	Please see page 4.
Terms	The six (6) month lease extension will be on the existing terms and conditions and will include the concurrent lease for Urban Forestry's facilities in TPA's facilities in the Port Lands.

Property Details	Ward:	20 – Trinity – Spadina, 30 – Toronto - Danforth
	Assessment Roll No.:	
	Approximate Size:	5,721 m ² (61,579 ft ²) and 6,836 m ² (73,582 ft ²)
	Approximate Area:	
	Other Information:	

A.	Manager, Real Estate Services has approval authority for:	Director, Real Estate Services 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 Divisions and Agencies:</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 & Parks & 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 type="checkbox"/> Where total compensation does not exceed \$50,000.</p> <p><input type="checkbox"/> Statutory offers, agreements and settlements where total compensation does not cumulatively exceed \$50,000.</p> <p>Delegated to a more senior position.</p> <p>Delegated to a more senior position.</p> <p>Delegated to a more senior position.</p> <p><input type="checkbox"/> Where total compensation does not exceed \$50,000.</p> <p><input type="checkbox"/> Where total compensation does not exceed \$50,000.</p> <p>Delegated to a more senior position.</p> <p><input type="checkbox"/> (a) Where total compensation (including options/ renewals) does not exceed \$50,000.</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>Leases pursuant to the Community Space Tenancy Policy delegated to a more senior position.</p> <p><input type="checkbox"/> Where total compensation (including options/ renewals) does not exceed \$50,000.</p> <p><input type="checkbox"/> Where total compensation does not exceed \$50,000.</p> <p>Delegated to a more senior position.</p> <p><input type="checkbox"/> Where total compensation does not exceed \$50,000.</p> <p>Delegated to a more senior position.</p> <p>Delegated to a more senior position.</p>	<p><input 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><input type="checkbox"/> Issuance of RFPs/REOs.</p> <p><input type="checkbox"/> Initiate process & authorize GM, Transportation Services to give notice of proposed by-law.</p> <p>Delegated to a more senior position.</p> <p><input type="checkbox"/> Where total compensation does not exceed \$1 Million.</p> <p><input type="checkbox"/> Where total compensation does not exceed \$1 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 checked="" 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 six (6) months, including licences for environmental assessments and/or testing, etc.</p> <p>Leases pursuant to the Community Space Tenancy Policy delegated to a more senior position.</p> <p><input checked="" 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 roads, 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 subject to General Condition (u)).</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/Caution</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. Director, Real Estate Services and Manager, Real Estate Services each has signing authority on behalf of the City for:
<ul style="list-style-type: none"> • Documents required to implement matters for which he or she also has delegated approval authority. • Expropriation Applications and Notices following Council approval of expropriation (Manager, Acquisitions & Expropriations is only Manager with such signing authority).
Director, Real Estate Services also has signing authority on behalf of the City for:
<ul style="list-style-type: none"> • Agreements of Purchase and Sale and all implementing documentation for purchases, sales and land exchanges not delegated to staff for approval. • Community Space Tenancy Leases approved by delegated authority by Deputy City Manager, Internal Corporal Services and any related documents.

Consultation with Councillor(s)									
Councillor:	Joe Cressy				Councillor:	Paula Fletcher			
Contact Name:	Brent Gillard				Contact Name:	Councillor Fletcher			
Contacted by:	Phone	X	E-Mail		Contacted by:	Phone	X	E-mail	
Comments:	Consent				Comments:	Consent			
Consultation with Divisions and/or Agencies									
Division:	Forestry				Division:	Financial Planning			
Contact Name:	Dean Hart				Contact Name:	Patricia Libardo			
Comments:	Consent				Comments:	Consent			
Legal Division Contact									
Contact Name:	Kathleen Kennedy								

DAF Tracking No.: 2018-081	Date	Signature
Recommended by:		
<input checked="" type="checkbox"/> Recommended by: Acting Manager, Real Estate Services Daran Somas	Mar/14/2018	Sgd.\ Daran Somas
<input type="checkbox"/> Approved by:		
<input checked="" type="checkbox"/> Approved by: Director, Real Estate Services David Jollimore	Mar/16/2018	Sgd.\ David Jollimore

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. In the event of a vacancy in the Ward in which the subject property is located, the Mayor's office shall be consulted in the alternative.
- (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 as defined in the *Toronto Waterfront Revitalization Corporation Act, 2002* 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 of City Planning, 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, as leases of 21 years or more may be authorized based on the delegated Approving Authority for disposals in **A.7**.
- (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, including ancillary agreements, 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) 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.
- (aa) All residential leasing documents shall adhere to the *Residential Tenancies Act, 2006* and any successor legislation.
- (bb) Despite GC(n), Approving Authority in residential leasing matters is not limited to periods of less than twenty-one (21) years and total compensation in residential leasing matters where the City is landlord is to be calculated based on an assumed term of ten years unless the lease term expressly identified therein is longer.
- (cc) Where Approving Authority has been delegated to the Manager level, such authority shall be conditional upon the Manager first having secured the written concurrence of a second Manager within the Real Estate Services Division.

Comments

On July 12, 13 and 14, 2011, City Council adopted Item CC10.5 authorizing a master agreement with TPA for a series of transactions related to the construction of a pedestrian tunnel to the Billy Bishop Toronto Centre Airport. One element was a lease on a portion of the Canada Malting site to 2315155 Ontario Inc., a wholly-owned subsidiary of TPA for the duration of the construction period. It was necessary to relocate Urban Forestry operations from the Canada Malting site. To do so, space was secured at Warehouse 52, 8 Unwin Avenue, owned by TPA. The leases were executed as part of the Master Agreement on March 5, 2012, expiring June 30, 2015. The leases were extended a few times with the last expiring on December 31, 2017. The Canada Malting site lease allows TPA to operate taxi staging, parking and shuttle bus operations in the area. The Urban Forestry Division was provided with office and yard space at 8 Unwin Ave.

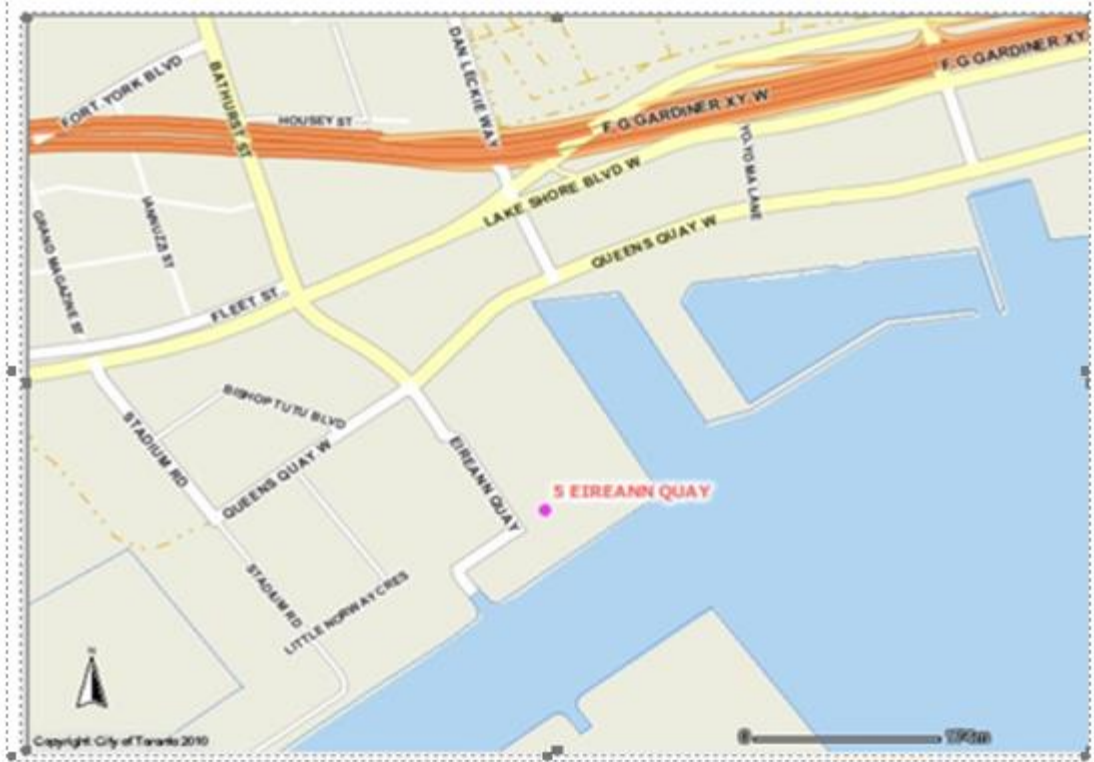
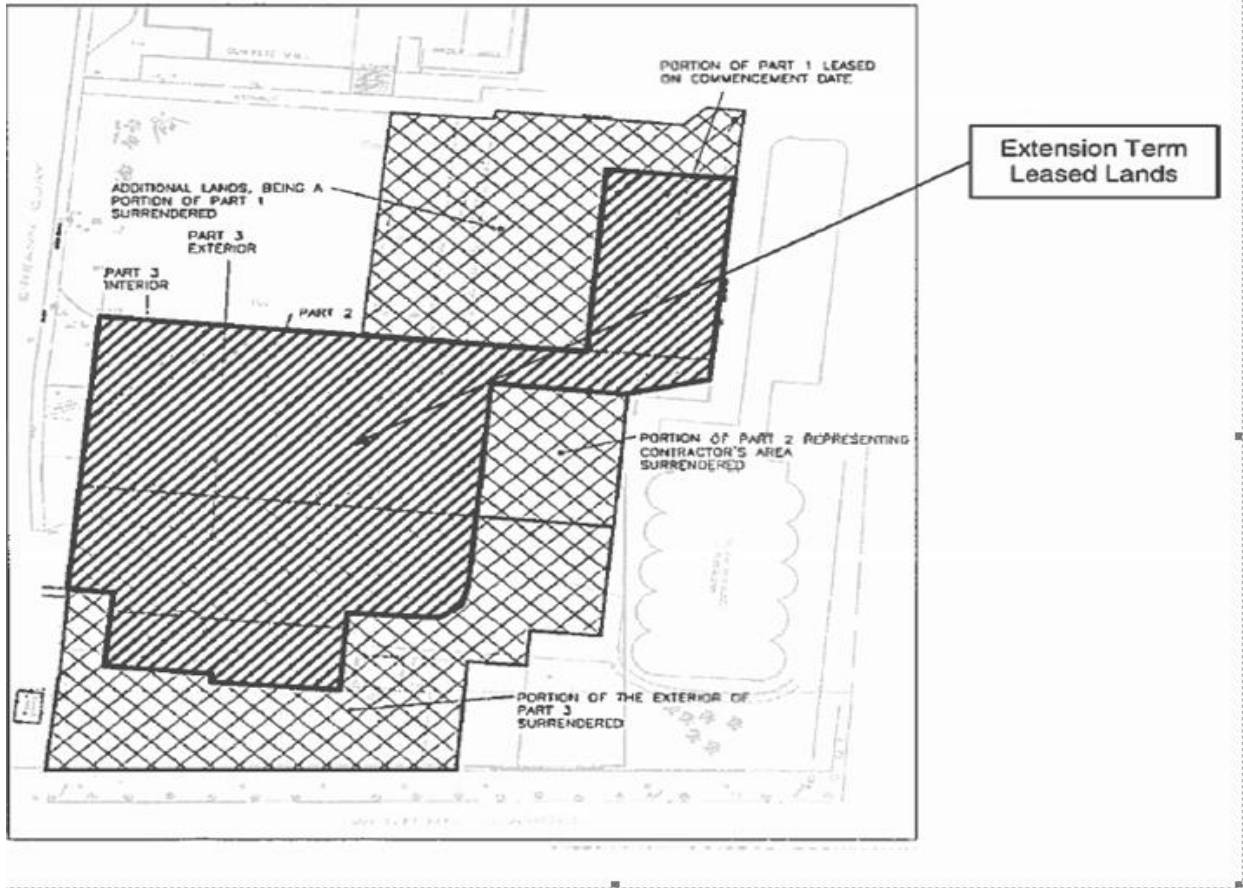
City Planning and Waterfront Secretariat staff are continuing the work on the Bathurst Quay Precinct Plan. This study will recommend a long-term transportation plan for Bathurst Quay and the airport that balances the needs of the airport with the interests of the community.

In November, 2017 TPA requested an extension to the lease of the Canada Malting site in order to continue the taxi staging, parking and shuttle bus operations. Staff recommends that TPA's lease on the Canada Malting site be extended by six months to June 30, 2018 in order to allow for the completion of the Bathurst Quay Precinct and Transportation Plan work. The extension of the lease for the Canada Malting site means that the Urban Forestry division must continue to be accommodated elsewhere, and TPA is agreeable to extending the term of that lease on the same terms and conditions.

The City's Chief Planner and Executive Director, City Planning, approved an extension of the Site Plan Approval for the Canada Malting Site until June 30, 2018. Director, Waterfront Secretariat has been consulted and has no concerns with the six month extension.

Real Estate Services consider the terms and conditions of the proposed lease extensions to be fair and reasonable.

Appendix "A"
5 Eireann Quay



Appendix "A" continued
8 Unwin Avenue, Warehouse 52

