

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

TRACKING NO.: 2017-108

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 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).

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:	Ryan Glenn	Division:	Parks, Forestry & Recreation
Date Prepared:	April 19, 2017	Phone No.:	(416) 392-8578

Purpose	To obtain authority to enter into a Licence Agreement (the "Licence") with Toronto Island Bicycle Rental Ltd., (the Licensee") the preferred proponent as determined by Request for Proposal No. 2017-01 for the Bicycle Rental Concession at Toronto Island Park.
Property	Building #19 on Toronto Island Park, Toronto, ON PIN 213860314 is shown on the sketch attached as Schedule "A".
Actions	<p>It is recommended that:</p> <ol style="list-style-type: none"> That the City enter into the Licence on the terms and conditions on page 4 hereof and on any other or amended terms and conditions as may be determined appropriate by the General Manager, Parks, Forestry and Recreation (the "GM") and in form acceptable to the City Solicitor. The GM be authorized to administer and manage the Licence including the provision of any contents, approvals, notices and notices of termination provided that the GM may, at any time, refer-consideration of such matter to the City Council for its determination and direction. The appropriate City Officials be authorized and directed to take the necessary action to give effect thereto.
Financial Impact	The City will receive guaranteed base licence fees of \$400,000.00 and percentage fees of approximately \$42,000.00 based on 2% of projected gross revenue over the initial term (Years 1 – 5) for a total of \$442,000.00. If the City chooses to renew the agreement for a further five (5) year term, it will receive guaranteed base licence fees of \$415,000.00 and percentage fees of approximately \$45,000.00 based on 2% of projected gross revenue over the renewal term (Years 6 – 10) for a total of \$460,000.00 (see Licence Fee Schedule on pages 4-5 for details of the annual licence fee).
Comments	To ensure continuity of service of a bicycle rental concession on Toronto Island and in keeping with Council's direction, RFP2017-01 for Bicycle Rental Concession at Toronto Island Park was issued on February 21, 2017. PFR sought proposals from qualified firms and individuals to act as the City's sole bicycle rental concession at Toronto Island Park in accordance with the terms and conditions set out in the RFP. The RFP was advertised on PFR's, Business Services web page which resulted in a total of two (2) submissions being received on the closing date of March 6, 2017. The proposal submissions were evaluated according to a set of pre-established criteria specified in the document. Both proposals met the minimum overall requirements during the evaluation stage. The proposal submitted by Centre Island Bicycle Rental Ltd., achieved the highest overall score meeting all the criteria set out in the RFP but retracted its proposal after the awarding of the contract, therefore, the City terminated negotiations with the Proponent and accepted the proposal from Toronto Island Bicycle Rental Ltd., meeting the overall requirements as the Preferred Proponent for the operation of the Bicycle Rental Concession at Toronto Island Park. The Toronto Island Bicycle Rental Ltd., has the experience and track record in operating the bicycle rental concession on Toronto Island and was the successful proponent in the previous RFP issued by the City. They will continue to upgrade their equipment fleet and the facility in order to maintain the highest standard of service level for the public and ensure long term viability of the bicycle rental concession. The resulting Licence will be for a period of five (5) years on a seasonal basis from May 1, 2017 to September 30, 2021. The GM shall have the option, at her sole discretion, to renew this Licence for a further five year period from May 1, 2022 to September 30, 2026.
Terms	See Page 4 hereof.

Property Details	Ward:	Ward 28 – Toronto Centre-Rosedale
	Assessment Roll No.:	
	Approximate Size:	120sq. meters
	Approximate Area:	
	Other Information:	

A.	Director of Real Estate Services has approval authority for:	Chief Corporate Officer has approval authority for:
<p>1. Acquisitions:</p> <p>2. Expropriations:</p> <p>3. Issuance of RFPs/REOs:</p> <p>4. Permanent Highway Closures:</p> <p>5. Transfer of Operational Management to ABCDs:</p> <p>6. Limiting Distance Agreements:</p> <p>7. Disposals (including Leases of 21 years or more):</p> <p>8. Exchange of land in Green Space System & 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 \$1 Million.</p> <p><input type="checkbox"/> Statutory offers, agreements and settlements where total compensation does not cumulatively exceed \$1 Million.</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 \$1 Million.</p> <p><input type="checkbox"/> Where total compensation does not exceed \$1 Million.</p> <p>Delegated to a more senior position.</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 three (3) months, including licences for environmental assessments and/or testing, etc.</p> <p><input type="checkbox"/> Where total compensation (including options/renewals) does not exceed \$1 Million.</p> <p><input type="checkbox"/> (a) Where total compensation does not exceed \$1 Million.</p> <p><input type="checkbox"/> (b) When closing road, easements to pre-existing utilities for nominal consideration.</p> <p><input type="checkbox"/> Where total compensation does not exceed \$1 Million.</p> <p><input type="checkbox"/> Amendment must not be materially inconsistent with original decision (and may include increase not to exceed the amount of the original decision by the lesser of 10 per cent and \$500,000).</p> <p><input type="checkbox"/> (a) Approvals, Consents, Notices and Assignments under all Leases/Licences;</p> <p><input type="checkbox"/> (b) Releases/Discharges;</p> <p><input type="checkbox"/> (c) Surrenders/Abandonments;</p> <p><input type="checkbox"/> (d) Enforcements/Terminations;</p> <p><input type="checkbox"/> (e) Consents/Non-Disturbance Agreements/Acknowledgements/Estoppels/Certificates;</p> <p><input type="checkbox"/> (f) Objections/Waivers/Cautions;</p> <p><input type="checkbox"/> (g) Notices of Lease and Sublease;</p> <p><input type="checkbox"/> (h) Consent to regulatory applications by City, as owner;</p> <p><input type="checkbox"/> (i) Consent to assignment of Agreement of Purchase/Sale; Direction re Title;</p> <p><input type="checkbox"/> (j) Documentation relating to Land Titles applications;</p> <p><input type="checkbox"/> (k) Correcting/Quit Claim Transfer/Deeds.</p>	<p><input type="checkbox"/> Where total compensation does not exceed \$3 Million.</p> <p><input type="checkbox"/> Statutory offers, agreements and settlements where total compensation does not cumulatively exceed \$3 Million.</p> <p><input type="checkbox"/> Issuance of RFPs/REOs.</p> <p><input type="checkbox"/> Initiate process & authorize GM, Transportation Services to give notice of proposed by-law.</p> <p><input type="checkbox"/> Transfer of Operational Management to ABCDs.</p> <p><input type="checkbox"/> Where total compensation does not exceed \$3 Million.</p> <p><input type="checkbox"/> Where total compensation does not exceed \$3 Million.</p> <p><input type="checkbox"/> Exchange of land in Green Space System and Parks and Open Space Areas of Official Plan.</p> <p><input type="checkbox"/> (a) Where total compensation (including options/renewals) does not exceed \$3 Million;</p> <p><input type="checkbox"/> (b) Where compensation is less than market value, for periods not exceeding six (6) months, including licences for environmental assessments and/or testing, etc.</p> <p><input type="checkbox"/> Where total compensation (including options/renewals) does not exceed \$3 Million.</p> <p><input type="checkbox"/> Where total compensation does not exceed \$3 Million.</p> <p>Delegated to a less senior position.</p> <p><input type="checkbox"/> Where total compensation does not exceed \$3 Million.</p> <p><input type="checkbox"/> Amendment must not be materially inconsistent with original decision (and may include increase not to exceed the amount of the original decision by the lesser of 10 per cent and \$1 Million).</p> <p><input type="checkbox"/> (a) Approvals, Consents, Notices and Assignments under all Leases/Licences;</p> <p><input type="checkbox"/> (b) Releases/Discharges;</p> <p><input type="checkbox"/> (c) Surrenders/Abandonments;</p> <p><input type="checkbox"/> (d) Enforcements/Terminations;</p> <p><input type="checkbox"/> (e) Consents/Non-Disturbance Agreements/Acknowledgements/Estoppels/Certificates;</p> <p><input type="checkbox"/> (f) Objections/Waivers/Cautions;</p> <p><input type="checkbox"/> (g) Notices of Lease and Sublease;</p> <p><input type="checkbox"/> (h) Consent to regulatory applications by City, as owner;</p> <p><input type="checkbox"/> (i) Consent to assignment of Agreement of Purchase/Sale; Direction re Title;</p> <p><input type="checkbox"/> (j) Documentation relating to Land Titles applications;</p> <p><input type="checkbox"/> (k) Correcting/Quit Claim Transfer/Deeds.</p>

B. Chief Corporate Officer and Director of Real Estate Services each has signing authority on behalf of the City for:

- 1. Agreements of Purchase and Sale and all implementing documentation for purchases, sales and land exchanges not delegated to staff for approval.
- 2. Expropriation Applications and Notices following Council approval of expropriation.
- 3. Documents required to implement the delegated approval exercised by him.

Chief Corporate Officer also has approval authority for:

- Leases/licences/permits at Union Station during the Revitalization Period, if the rent/fee is at market value.

Consultation with Councillor(s)										
Councillor:	Pam McConnell					Councillor:				
Contact Name:	Sean McIntyre					Contact Name:				
Contacted by:	X	Phone		E-Mail		Memo		Other		
Comments:	No concerns					Comments:				
Consultation with ABCDs										
Division:						Division:				
Contact Name:						Contact Name:				
Comments:						Comments:				
Legal Division Contact										
Contact Name:	Lisa Strucken									
DAF Tracking No.: 2017-108			Date			Signature				
Recommended by: Ryan Glenn, Manager Business Services, PFR			April 19, 2017			Ryan Glenn				
<input type="checkbox"/>	Recommended by: Director of Real Estate Services		May 1, 2017			Joe Casali				
<input checked="" type="checkbox"/>	Approved by: Joe Casali									
<input type="checkbox"/>	Approved by: Chief Corporate Officer					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 Chief Corporate Officer, in consultation with the applicable Deputy City Manager or the City Manager, may determine that such matter is of such special interest that same should be returned to the relevant Committee and Council for consideration and determination.
- (c) Exercise of delegated authority is subject to all applicable Council policies, statutes or other applicable law.
- (d) Authority to approve financial commitments/expenditures is subject to all amounts being available in an approved budget, or funding being available from third party sources, except for "Strategic Property Acquisitions" as set out in EX44.22 adopted by Council August 25, 26, 27 and 28, 2014, which identifies alternative funding mechanisms subject to additional approval requirements.
- (e) Property interests are to be based on appraised value, and no interest shall be granted at less than market value unless otherwise specifically authorized.
- (f) Authority to approve transactions at less than market value is subject to statutory anti-bonus 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.
- (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.

Toronto Island Bicycle Rental Ltd.
Major Terms and Conditions

Licensor:

City of Toronto

Licensee:

Toronto Island Bicycle Rental Ltd.

Licensed Area:

Approximately 120 square-metres located at Toronto Island Park, on the sketch attached as Schedule A.

Term:

For a period of five (5) years on a seasonal basis commencing on May 1, 2017 and expiring on September 30, 2021.

Renewal:

The General Manager, Parks, Forestry & Recreation shall have the option, at her sole discretion, to renew the Licence for a period of five (5) years on a seasonal basis commencing on May 1, 2022 and expiring on September 30, 2026

Licence Fee:

The Licensee shall pay to the City as the Basic Fees and Percentage Fees on gross revenue during the initial Term the following amounts, plus Harmonized Sales Tax ("HST").

Licence Fee Schedule for Initial Years (Years1 – 5):

Year	Gauranteed Base Licence Fee	Projected Percentage Fee in Dollar Amount	Overall Fee
2017	\$80,000.00	\$8,000.00	\$88,000.00
2018	\$80,000.00	\$8,400.00	\$88,400.00
2019	\$80,000.00	\$8,500.00	\$88,500.00
2020	\$80,000.00	\$8,500.00	\$88,500.00
2021	\$80,000.00	\$8,600.00	\$88,600.00
Total	\$400,000.00	\$42,000.00	\$442,000.00

Licence Fee Schedule for Renewal Option (Years 6 – 10)

Year	Gauranteed Base Licence Fee	Projected Percentage Fee in Dollar Amount	Overall Fee
2022	\$83,000.00	\$8,800.00	\$91,800.00
2023	\$83,000.00	\$8,900.00	\$91,900.00
2024	\$83,000.00	\$9,000.00	\$92,000.00
2025	\$83,000.00	\$9,100.00	\$92,100.00
2026	\$83,000.00	\$9,200.00	\$92,200.00
Total	\$415,000.00	\$45,000.00	\$460,000.00

Insurance:

At all times during the Term, the Licensee shall take out and keep in full force and effect Commercial General Liability insurance - Five Million Dollars (\$5,000,000.00) per occurrence.

Use:

The Licensed Area shall be used solely to operate a bicycle rental concession

Alterations/Improvements:

The Licensee shall not alter, or in any way vary the building in any material respect without the prior written approval of the Licensor, provided that any alterations, additions or renovations shall be made at the sole expense of the Licensee.

