

DELEGATED APPROVAL FORM
CITY MANAGER
DEPUTY CITY MANAGER, INTERNAL CORPORATE SERVICES

TRACKING NO.: 2018-039

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:	Loretta Ramadhin	Division:	Real Estate Services
Date Prepared:	January 29, 2018	Phone No.:	416-392-7169

Purpose	To obtain authority for the City to accept the Offer to Sell from Canada Tan International Inc. (the "Owner") and acquire the property municipally known as 348 Davenport Road, for the purpose of creating a new emergency shelter location as part of the George Street Revitalization program.
Property	The property municipally known as 348 Davenport Road, Toronto, Ontario, legally described as Parcel 22-1, Section M52; Part Lot 22, Plan M52, Toronto, being Part 1 on Reference Plan 66R-15261, together with a right of way over Part 2 on Reference Plan 66R-15261 (the "Property"), attached as Appendix "B" and shown on the location map attached as Appendix "C".
Actions	<ol style="list-style-type: none"> The City accept the Offer to Sell and acquire the Property from the Owner, substantially on the terms and conditions outlined herein, and on any such other or amended terms and conditions as deemed appropriate by the City Manager and in a form acceptable to the City Solicitor. 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 he or she considers reasonable. The appropriate City officials be authorized and directed to take the necessary action to give effect thereto.
Financial Impact	<p>The following costs will be incurred by the City in connection with the Agreement:</p> <ol style="list-style-type: none"> Purchase Price - \$6,900,000.00 Land Transfer Tax (Provincial) - \$134,475.00 HST non-refundable (1.76%) – \$121,440.00 Environmental Site Assessments - \$35,000.00 (approximately) Designated Substance Survey - \$5,000 (approximately) Building Condition Assessment - \$28,000 (approximately) Registrations Costs - \$500.00 (approximately) <p>Funding for these costs totaling approximately \$7,224,415.00 is available in the 2018 – 2027 Preliminary Capital Budget and Plan for Shelter, Support and Housing Administration (SSHA) under capital account CHS040.</p> <p>The Acting Chief Financial Officer has reviewed this DAF and agrees with the financial impact information.</p>
Comments	<p>SSHA wishes to acquire the Property as a new shelter for men as part of the George Street Revitalization Project. The Property is currently vacant and based on preliminary designs, should be able to accommodate approximately 80 beds. SSHA have circulated the required internal justification memo for the opening of a new site, which has been approved by Deputy City Manager, Cluster A, in accordance with the process set out in in CD24.7 2018 Shelter Infrastructure Plan and Progress Report adopted by Council at its meeting of December 6, 7 and 8, 2017.</p> <p>Pursuant to DAF 2017-318, the City, as licensee, entered into a License Agreement with the Owner, as licensor, in order to advance the due diligence of the Property (the "City Licence").</p> <p>Pursuant to DAF 2018-014, the City, as tenant, entered into an Agreement to Lease the Property from the Owner, as landlord, for a term from January 9, 2018 to the earlier of December 31, 2018 or the closing of the acquisition set out herein, if approved, in order to utilize the site as part of the Winter Respite (the "City Lease").</p>
Terms	Refer to Appendix "A"

Property Details	Ward:	20- Trinity-Spadina
	Assessment Roll No.:	19 04 052 440 010 00
	Approximate Size:	336.4 m ² ± (3,621 ft ² ±)
	Approximate Area:	
	Other Information:	

A.	Deputy City Manager, Internal Corporate Services has approval authority for:	City Manager 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 \$5 Million.</p> <p><input type="checkbox"/> Statutory offers, agreements and settlements where total compensation does not cumulatively exceed \$5 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 Divisions and Agencies.</p> <p><input type="checkbox"/> Where total compensation does not exceed \$5 Million.</p> <p><input type="checkbox"/> Where total compensation does not exceed \$5 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 \$5 Million.</p> <p><input type="checkbox"/> (b) Where compensation is less than market value, for periods not exceeding twelve (12) months, including licences for environmental assessments and/or testing, etc.</p> <p><input type="checkbox"/> (c) Where compensation is less than market value, provided tenant and lease satisfy Community Space Tenancy Policy criteria set out in Item EX28.8, as adopted by Council on November 7, 8 and 9, 2017.</p> <p><input type="checkbox"/> Where total compensation (including options/renewals) does not exceed \$5 Million.</p> <p><input type="checkbox"/> Where total compensation does not exceed \$5 Million.</p> <p><input type="checkbox"/> Where total compensation does not exceed \$5 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/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 checked="" type="checkbox"/> Where total compensation does not exceed \$10 Million.</p> <p><input type="checkbox"/> Statutory offers, agreements and settlements where total compensation does not cumulatively exceed \$10 Million.</p> <p>Delegated to a less senior position.</p> <p>Delegated to a less senior position.</p> <p>Delegated to a less senior position.</p> <p><input type="checkbox"/> Where total compensation does not exceed \$10 Million.</p> <p><input type="checkbox"/> Where total compensation does not exceed \$10 Million.</p> <p>Delegated to a less senior position.</p> <p><input type="checkbox"/> Where total compensation (including options/renewals) does not exceed \$10 Million.</p> <p>Delegated to a less senior position.</p> <p><input type="checkbox"/> Where total compensation (including options/renewals) does not exceed \$10 Million.</p> <p><input type="checkbox"/> Where total compensation does not exceed \$10 Million.</p> <p><input type="checkbox"/> Where total compensation does not exceed \$10 Million.</p> <p><input type="checkbox"/> Amendment must not be materially inconsistent with original decision (and subject to General Condition (u)).</p> <p>Delegated to a less senior position.</p>

B. City Manager and Deputy Manager, Internal Corporate Services each has signing authority on behalf of the City for:

- Documents required to implement matters for which he or she also has delegated approval authority.

Deputy City Manager, Internal Corporate Services also has signing authority on behalf of the City for:

- Agreements of Purchase and Sale and all implementing documentation for purchases, sales and land exchanges not delegated to staff for approval.
- Expropriation Applications and Notices following Council approval of expropriation.

Consultation with Councillor(s)															
Councillor:	Councillor Joe Cressy				Councillor:										
Contact Name:	Lia Brewer				Contact Name:										
Contacted by:	Phone	<input checked="" type="checkbox"/>	E-Mail		Memo		Other	Contacted by:	Phone		E-mail		Memo		Other
Comments:	November 11, 2017 (no comments)				Comments:										
Consultation with Divisions and/or Agencies															
Division:	Shelter, Support and Housing Administration				Division:	Financial Planning									
Contact Name:	Irene Gryniewski				Contact Name:	Patricia Libardo									
Comments:	concurs				Comments:	concurs									
Legal Division Contact															
Contact Name:	Jack Payne														

DAF Tracking No.: 2018-039	Date	Signature
Recommended by: Manager, Real Estate Services	Jan. 29, 2018	Tim Park
Recommended by: Director, Real Estate Services	Jan. 31, 2018	David Jollimore
<input checked="" type="checkbox"/> Recommended by: Deputy City Manager, Internal Corporate Services	Jan. 31, 2018	Josie Scioli
<input type="checkbox"/> Approved by: Josie Scioli		
<input checked="" type="checkbox"/> Approved by: City Manager, Peter Wallace	Jan. 31, 2018	Peter Wallace

General Conditions ("GC")

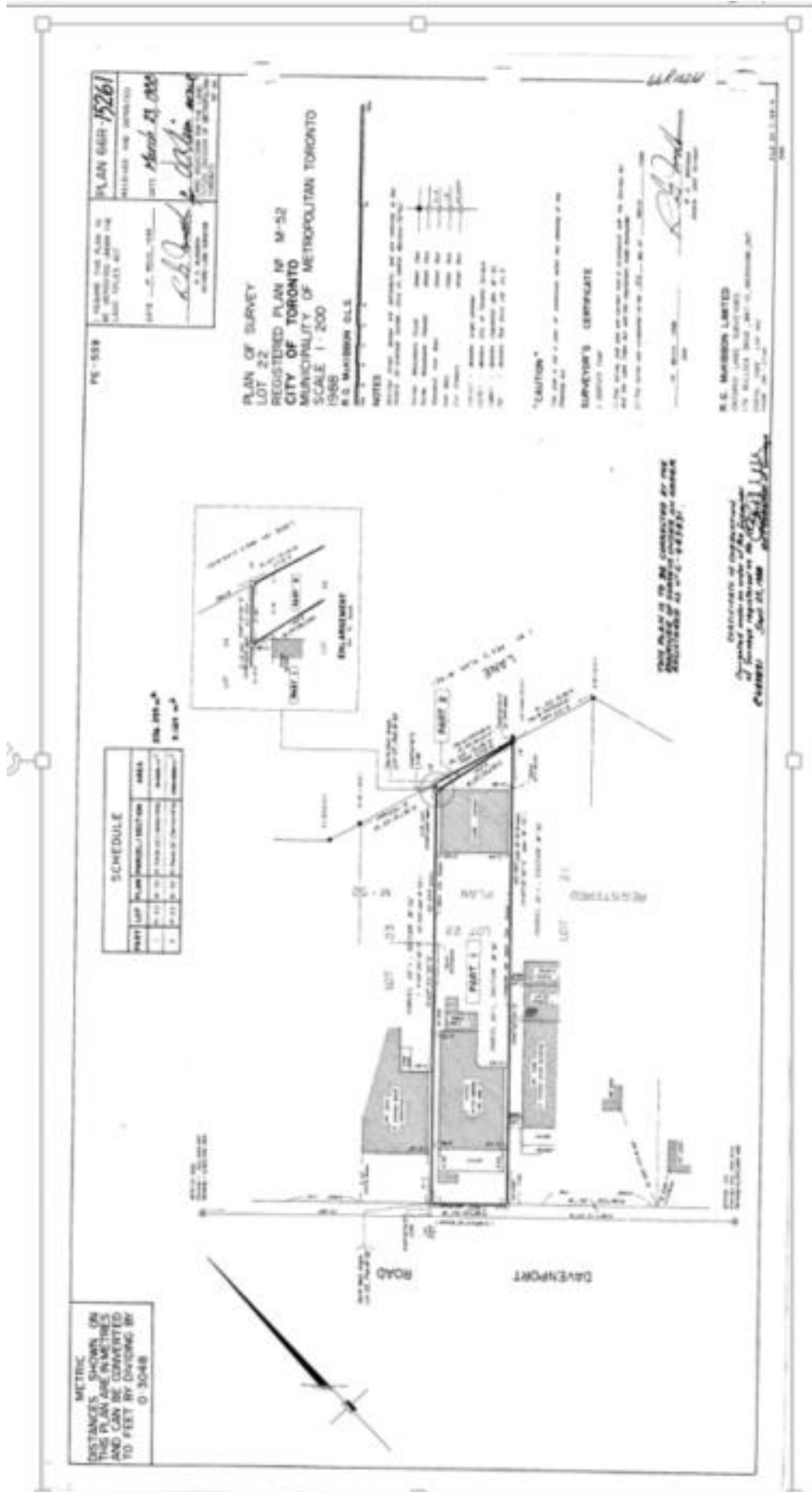
- (a) The local Councillor (or local Councillors if the subject property is located on a ward boundary or if the transaction involves an exchange of properties in more than one ward), will be consulted prior to the exercise of delegated Approving Authority by staff for all Acquisitions, Disposals, Land 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.

Appendix "A"**Terms and Conditions**

Owner:	Canada Tan International Inc.
Purchase Price:	\$6,900,000.00
Property:	Parcel 22-1, Section M52; Part Lot 22, Plan M52, Toronto, being Part 1, Plan 66R-15261, together with a right of way over Part 2, Plan 66R-15261 as in Instrument No. C493475, Toronto
Irrevocable Period:	The Irrevocable Period shall be the period of time ending at 11:59 p.m. on February 15, 2018
Due Diligence Condition:	The transaction is conditional until the end of the Due Diligence Period on the City being satisfied, in its sole discretion, that the Property is suitable for its purposes. The Due Diligence Period shall be the period of time ending at 11:59 p.m. on the Business Day next following 60 days after the Acceptance Date (the date upon which the Offer is executed by the City).
Closing Date:	The Closing Date shall be the following forty-five (45) days after delivery of a Notice of Waiver or Notice of Satisfaction in connection with the Due Diligence Condition.
Vacant Possession:	The Owner shall deliver, on Closing, vacant possession of the Property.
Chattels and Fixtures:	The City and the Owner agree that there are no chattels included in the Purchase Price and there are no fixtures forming part of the Property which are excluded from the Purchase Price.
Debris Removal Obligation:	The Owner shall remove all chattels, waste materials, refuse and debris by fifteen (15) Business Days before Closing. If the Owner does not perform this obligation, the City may: (i) hold back from the Purchase Price the greater of \$100,000 or the removal costs; or (ii) terminate the Agreement.
Entry by City:	Following the Owner's execution of the Agreement, the City has the right to enter on the Property for due diligence purposes, without prejudice to the City's rights under the City Lease and the City Licence.
Adjustment for Rent:	The Purchase Price shall be adjusted on Closing so that the City is credited with all amounts of minimum rent payable by the City under the City Lease throughout the term thereof.

Appendix "B"

Reference Plan 66R15261



Appendix "C"

Location Map

