

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

TRACKING NO.: 2018-067

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:	Vinkie Lau	Division:	Real Estate Services
Date Prepared:	March 13, 2018	Phone No.:	416-392-3891

Purpose	To obtain authority to enter into a second license extending and amending agreement (the "Second LEAA") between the City of Toronto (the "City") as Licensor and Bell Canada ("Bell") as Licensee for the purpose of operating and maintaining a mini central office telecommunications unit for a further term of five (5) years from January 1, 2018 to December 31, 2022.
Property	Land located at the north-east corner of Ferrand Drive Park, comprising 1,690 square feet, being part of Block 84, Plan 66M-2346 as designated as Part 1, Plan 66R-18729 (the "Licensed Area"). See page 5 for location map.
Actions	<ol style="list-style-type: none"> 1. Authority be granted to extend and amend the existing license with Bell Canada for a term of five (5) years commencing January 1, 2018 and expiring December 31, 2022, substantially on the terms and conditions set out herein and on such other terms as may be satisfactory to the Deputy City Manager, Internal Corporate Services and in a form acceptable to the City Solicitor; 2. The Managers of Real Estate Services or their designate shall administer and manage the LEAA including she or he may provide any consents, approvals, waivers, notices and notices of termination provided that, at any time, refer consideration of such matter to City Council for its determination and direction; 3. The appropriate City Officials be authorized and directed to take the necessary action to give effect thereto.
Financial Impact	<p>Each of the Deputy City Manager, Internal Corporate Services and the Acting Chief Financial Officer has reviewed this DAF and agrees with the financial impact information.</p> <p>See Appendix I on page 4 for Comments, and Major Terms and Conditions.</p>
Comments	<p>As authorized by Report No 2(4) of Economic Development and Parks Committee adopted by Council on March 6,7,8 2001, the City and Bell entered into a license agreement dated January 1, 2003, permitting Bell the use of the Licensed Area for a ten (10) year term ending December 31, 2012 (the "License Agreement"). From the end of 2012 to January 1, 2013, Bell occupied the Licensed Area as an overholding license.</p> <p>Bell and the City entered into a license extending and amending agreement for five (5) years commencing January 1, 2013 and ending December 31, 2017. Bell and the City have concluded negotiations and Bell will exercise its option to extend the License Agreement for another five (5) years commencing January 1, 2018 and ending December 31, 2022.</p> <p>Under the License Agreement, Bell improved the Licensed Area with a walk-in cabinet incorporating a mini central office unit containing conduits and cabling. The unit services approximately 110 residential customers and 15 business customers in the area of Windom Road, Seton Park Road, Ferrand Drive and Rochefort Drive. Bell is responsible for on-going maintenance and repair of the unit as well as surrounding landscaping, screening and baffling. Bell has confirmed that it has constructed and installed around the perimeter of the Licensed Area a metal fence enclosure.</p> <p>Real Estate Services staff consider the terms and conditions of this proposed Second LEAA to be fair and reasonable, and at market rates.</p> <p>The Manager of Leasing and Site Management in Real Estate Services has secured the written concurrence of Nick Simos, Manager of Development & Portfolio Planning within the Real Estate Services Division.</p>
Terms	See Appendix I on page 4 for Comments, and Major Terms and Conditions.

Property Details	Ward:	26 – Don Valley West
	Assessment Roll No.:	
	Approximate Size:	
	Approximate Area:	1,690 ft ² ±
	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/REOIs:</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: N/A</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 checked="" 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/REOIs.</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 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 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:

- 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:

- 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:	Councillor Jon Burnside					Councillor:									
Contact Name:						Contact Name:									
Contacted by:	Phone	x	E-Mail		Memo		Other	Contacted by:	Phone		E-mail		Memo		Other
Comments:	No objection					Comments:									
Consultation with Divisions and/or Agencies															
Division:						Division:	Financial Planning								
Contact Name:						Contact Name:	Patricia Libardo								
Comments:						Comments:	No obligation								
Legal Division Contact															
Contact Name:	Jacqueline Kiggundu														

DAF Tracking No.: 2018-067	Date	Signature
Recommended by:		
<input checked="" type="checkbox"/> Recommended by: Manager, Real Estate Services, Nick Simos	Mar. 13, 2018	Signed by Nick Simos
<input checked="" type="checkbox"/> Approved by: Manager, Real Estate Services, Daran Somas	Mar. 13, 2018	Signed by Daran Somas
<input type="checkbox"/> Approved by: Director, Real Estate Services David Jollimore		X

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 I

Major Terms and Conditions

Licensee:

Bell Canada

Licensed Area:

Described as part of Block 84, Plan 66M-2346 as Part 1, Plan 66R-18729, comprising 1,690 square feet (see page 5 for location and site plan)

Commencement Date:

The Commencement Date shall be January 1, 2018

Insurance:

The Tenant is required to obtain and maintain Comprehensive Commercial General Liability insurance coverage in the amount of \$5,000,000.00 per occurrence.

Second Extension Period:

Five Years commencing January 1, 2023 and expiring December 31, 2027

Financial Implications:

The license fee shall be due and payable to the City annually, in advance and in full. The annual license fee payable for each year of such period shall be as follows:

Year	Annual License Fee Amount
Year 1 (January 1, 2018 to December 31, 2018)	\$2,500.00 plus HST
Year 2 (January 1, 2019 to December 31, 2019)	\$2,625.00 plus HST
Year 3 (January 1, 2020 to December 31, 2020)	\$2,756.25 plus HST
Year 4 (January 1, 2021 to December 31, 2021)	\$2,894.06 plus HST
Year 5 (January 1, 2022 to December 31, 2022)	\$3,038.77 plus HST

Fiscal Year	2018	2019	2020	2021	2022
Basic Rent (Before HST)	2,500	2,625	2,756	2,894	3,039
Additional Rent (Before HST)	-	-	-	-	-
Total Including HST (for Lease Out)	2,825	2,966	3,115	3,270	3,434
Total Before HST (for Lease In)	2,500	2,625	2,756	2,894	3,039
Total Net of HST Recovery (for Lease in)	2,544	2,671	2,805	2,945	3,092

Use:

Bell may use the Licensed Area for the purpose of operating and maintaining a mini central office telecommunications unit, and for no other purpose

Appendix II Location Map



Licensed Area containing
Bell Canada Telecommunications Unit

Revised Dec. 22, 2017