

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

Confidential Attachment  
TRACKING NO.: 2018-336

Approved pursuant to the Delegated Authority contained in Item EX27.12, as adopted by City Council on October 2, 3 & 4, 2017, as amended by Item GM27.12, adopted by City Council on May 22, 23 & 24, 2018 or, where applicable, in Item EX28.8, as adopted by City Council on November 7, 8 & 9, 2017

Prepared By:	Loretta Ramadhin	Division:	Real Estate Services
Date Prepared:	October 5, 2018	Phone No.:	416-392-7169

**Purpose**  
To authorize the execution of a Memorandum of Understanding, ("MOU"), between the City, Toronto Transit Commission ("TTC") and Scarborough Rouge Hospital ("SRH"), for the eventual acquisition of fee simple interests and permanent and temporary easements from part of the SRH property located at 3030 and 3050 Lawrence Avenue East, Toronto. The acquisitions will be required for a subsurface subway tunnel with a support easement directly above, an emergency exit building and temporary construction easements, all required for the Scarborough Subway Extension Project (the "Project").

**Property**  
Part of the property municipally known as 3030 and 3050 Lawrence Ave. E., Toronto, legally described as PIN 06294-00232 (LT), PT LOT 23, CONCESSION 1 PTS 1 TO 11 64R13096 SAVE AND EXCEPT PT 2 64R13377; S/T SC175413; SC176649; CITY OF SCARBOROUGH, CITY OF TORONTO (the "Property") as shown on the Sketches in Appendix "B" and Location Map in Appendix "C".

- Actions**  
It is recommended that:
1. Authority be granted to execute the MOU with SRH, substantially on the terms and conditions outlined below.
  2. The Deputy City Manager or designate shall administer and manage the MOU including the provision of any amendments, consents, approvals, waivers, notices, and notices of termination provided that the Deputy City Manager may at any time refer consideration of such matters (including their content) to City Council for its determination and direction.
  3. The City Solicitor be authorized to complete the transaction on behalf of the City, including paying any necessary expenses and applicable HST, if any.
  4. The appropriate City officials be authorized and directed to take the necessary action to give effect thereto.

**Financial Impact**  
There is no financial impact associated with the MOU. Funding for the eventual acquisition of the required lands, as estimated and outlined in the Confidential Attachment, is available in the 2018 Council Approved Capital Budget and 2019 - 2027 Capital Plan for the Toronto Transit Commission (TTC) within the Scarborough Subway Extension Project.  
  
The Chief Financial Officer has reviewed this DAF and agrees with the financial impact information.

**Comments**  
TTC is planning to construct and operate an extension of the Bloor-Danforth Subway Line from the existing Kennedy Station to Scarborough Centre. SRH has been asked to convey to the City all such land and interests which may be reasonably necessary for the design, construction and operation of the Project at fair market value and in a timely manner.  
  
SRH expects the City and TTC to minimize the property and construction impacts of the Project on SRH health service operations at all times. TTC will ensure that there are arrangements in place to allow SRH to provide its services, including in emergency situations, and to keep SRH financially whole.  
  
The parties have therefore agreed on the general principles in Appendix "A", pending further design of the Project, at which time this MOU may be modified, amended or replaced.

**Terms**  
Refer to Appendix "A"

<b>Property Details</b>	<b>Ward:</b>	38 – Scarborough Centre
	<b>Assessment Roll No.:</b>	
	<b>Approximate Size:</b>	
	<b>Approximate Area:</b>	9,092 m <sup>2</sup> ± (97,865.47 ft <sup>2</sup> ±)
	<b>Other Information:</b>	

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/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 &amp; Parks &amp; 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 checked="" 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/REOIs.</p> <p><input type="checkbox"/> Initiate process &amp; 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"/> (a) Where total compensation does not exceed \$5 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 \$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 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><b>Delegated to a less senior position.</b></p> <p><b>Delegated to a less senior position.</b></p> <p><b>Delegated to a less senior position.</b></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><b>Delegated to a less senior position.</b></p> <p><input type="checkbox"/> Where total compensation (including options/renewals) does not exceed \$10 Million.</p> <p><b>Delegated to a less senior position.</b></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><b>Delegated to a less senior position.</b></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><b>Delegated to a less senior position.</b></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 De BaerMaeker					Councillor:									
Contact Name:	Gwen Mackay					Contact Name:									
Contacted by:	Phone	<input checked="" type="checkbox"/>	E-Mail		Memo		Other	Contacted by:	Phone		E-mail		Memo		Other
Comments:	August 16, 2018					Comments:									
Consultation with Divisions and/or Agencies															
Division:	Toronto Transit Commission					Division:	Financial Planning								
Contact Name:	Stephanie Rice/Natasha Jailal					Contact Name:	Patricia Libardo								
Comments:	conkurs					Comments:									
Legal Division Contact															
Contact Name:	Constance Lanteigne														

DAF Tracking No.: 2018-336	Date	Signature
Recommended by: Manager, Real Estate Services – T. Park	Oct. 17, 2018	Signed by Tim Park
Recommended by: Director, Real Estate Services – D. Jollimore	Oct. 17, 2018	Signed by David Jollimore
<input checked="" type="checkbox"/> Recommended by: Deputy City Manager, Internal Corporate Services	Oct. 19, 2018	Signed by Josie Scioli
<input checked="" type="checkbox"/> Approved by: Josie Scioli		
<input type="checkbox"/> Approved by: Interim City Manager Giuliana Carbone		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 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 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.
- (dd) Where the City is transacting with a public agency, and such agency requires that an unqualified environmental indemnity be granted by the City, the authority to acquire property includes authority to grant such an indemnity, provided that the Phase I and Phase II environmental site assessments undertaken on behalf of the City have identified no significant environmental impacts or human health threats, with no, or minor action required ("Low Risk").

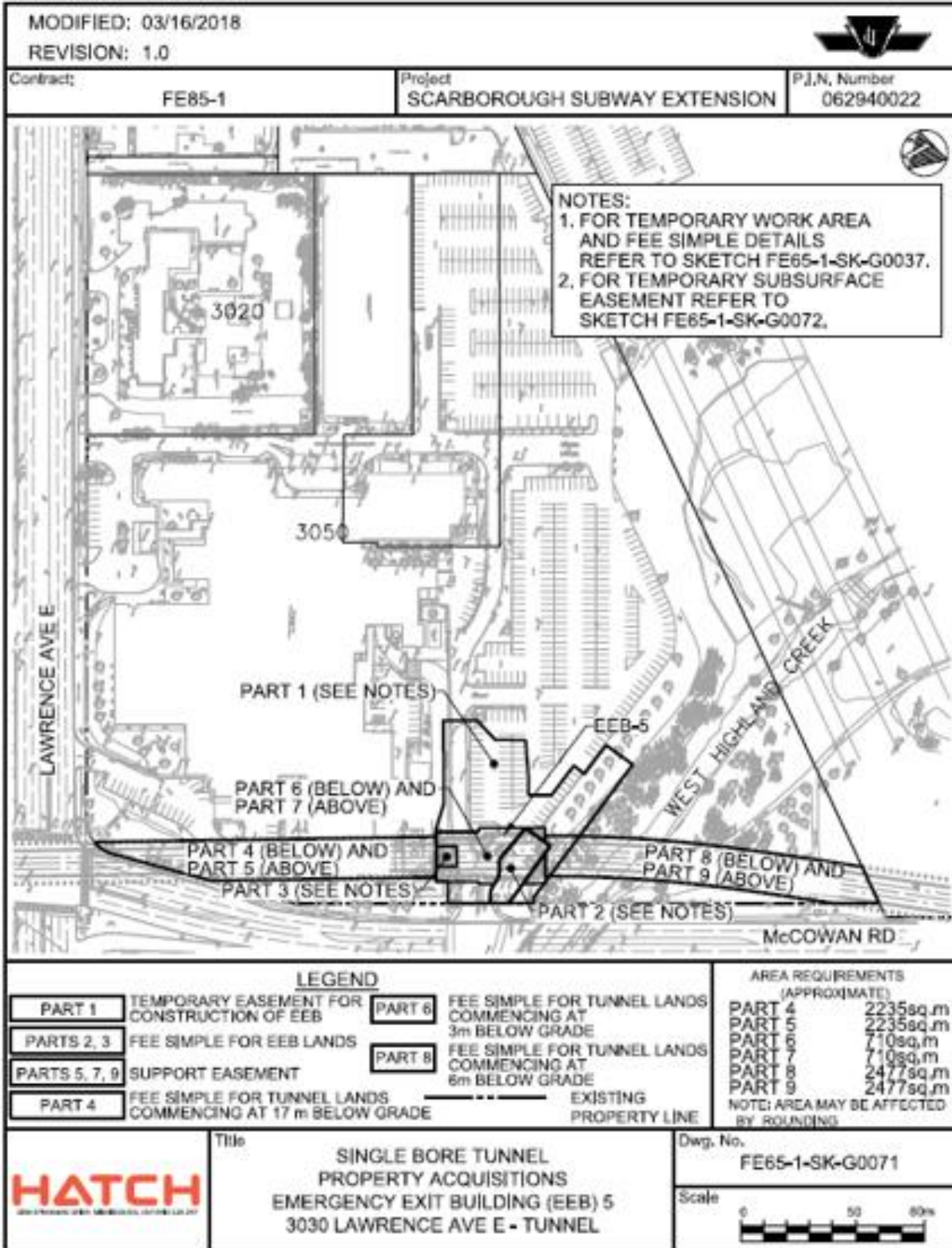
## Appendix "A"

### Terms and Conditions

- Roles and Responsibilities:** All parties of MOU agree to be mindful to each other's operations. All matters relating to the management and operation of the SRH lands will remain the responsibility of SRH, subject only to any negotiated agreements arising out of this MOU. All matters relating to the management and operation of the transit system will remain the responsibility of TTC, subject only to any negotiated agreements arising out of this MOU. TTC will ensure that arrangements are in place to allow SRH to provide its services and to keep SRH financially whole.
- Lands:** Subject to obtaining approval from the Minister of Health pursuant to section 4 of the *Public Hospitals Act*, SRH will convey to the City the lands and interests shown in Appendix "B", subject to further refinement as design progresses. The required lands include a below grade stratified fee simple interest for the subway tunnel, a permanent easement for support above the tunnel, a fee simple interest for an emergency exit building together with such permanent easements as may be required, a temporary construction easement, a temporary subsurface easement for tiebacks and any additional lands that may be identified as the Project design progresses. The approvals protocol to obtain Ministerial consent will require at least one independent appraisal of the Property and a draft copy of the agreement of purchase and sale.
- Compensation:** Refer to Confidential Attachment
- Due Diligence:** TTC and SRH entered into permission to enter agreements to allow TTC to access the Property to conduct geotechnical and environmental testing. TTC agrees to indemnify SRH in respect to any damages from the testing, but will not be responsible for any pre-existing conditions. TTC agrees to repair any damage to the lands and any buildings as a result of the testing. TTC will undertake pre and post condition surveys.
- Insurance and Indemnities:** The TTC and City will maintain adequate insurance coverage. TTC will be liable to SRH for any damage arising out of the construction of the Project. The TTC will indemnify SRH from all claims arising from the construction and operation of the Project.

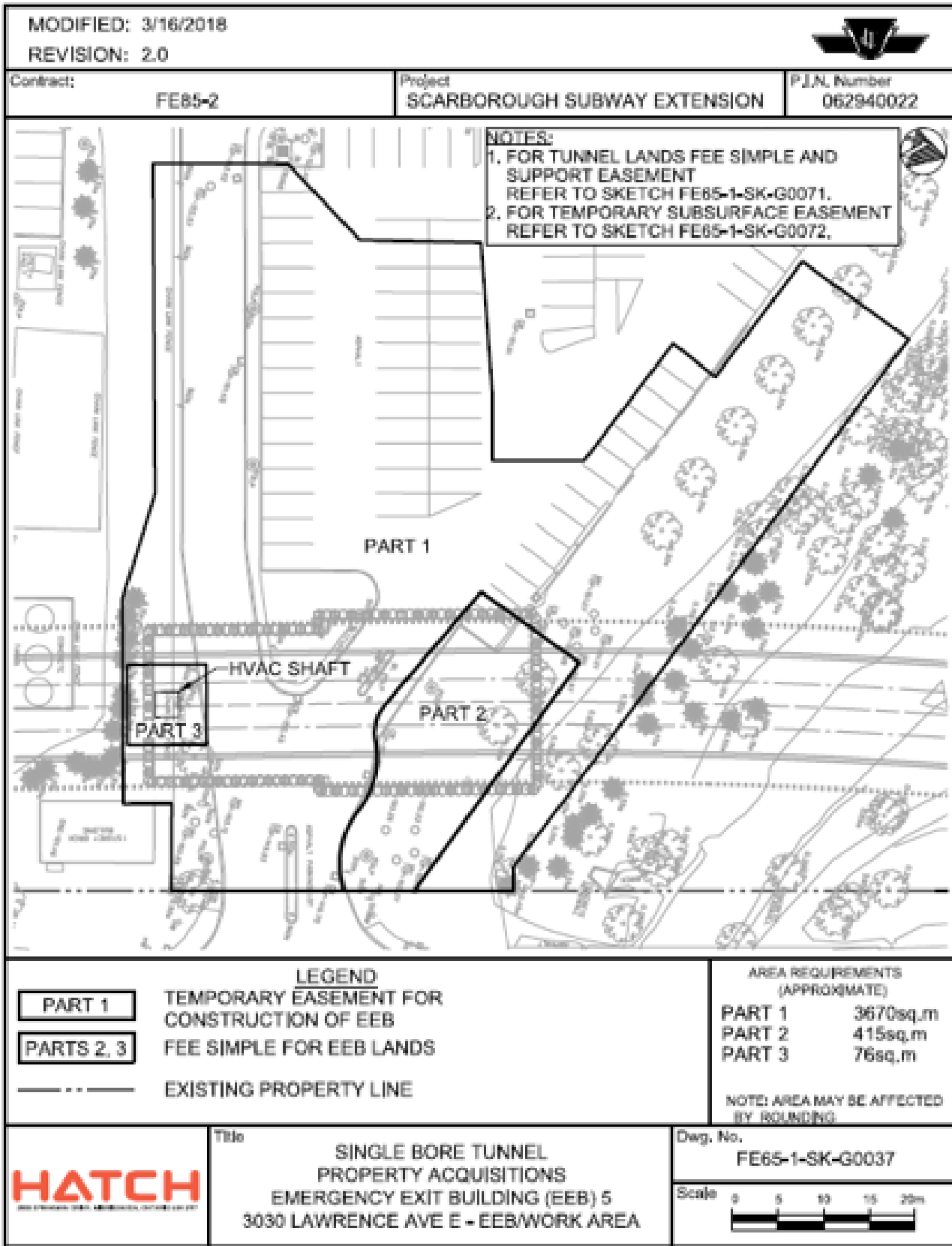
Appendix "B"

Sketch – EEB5



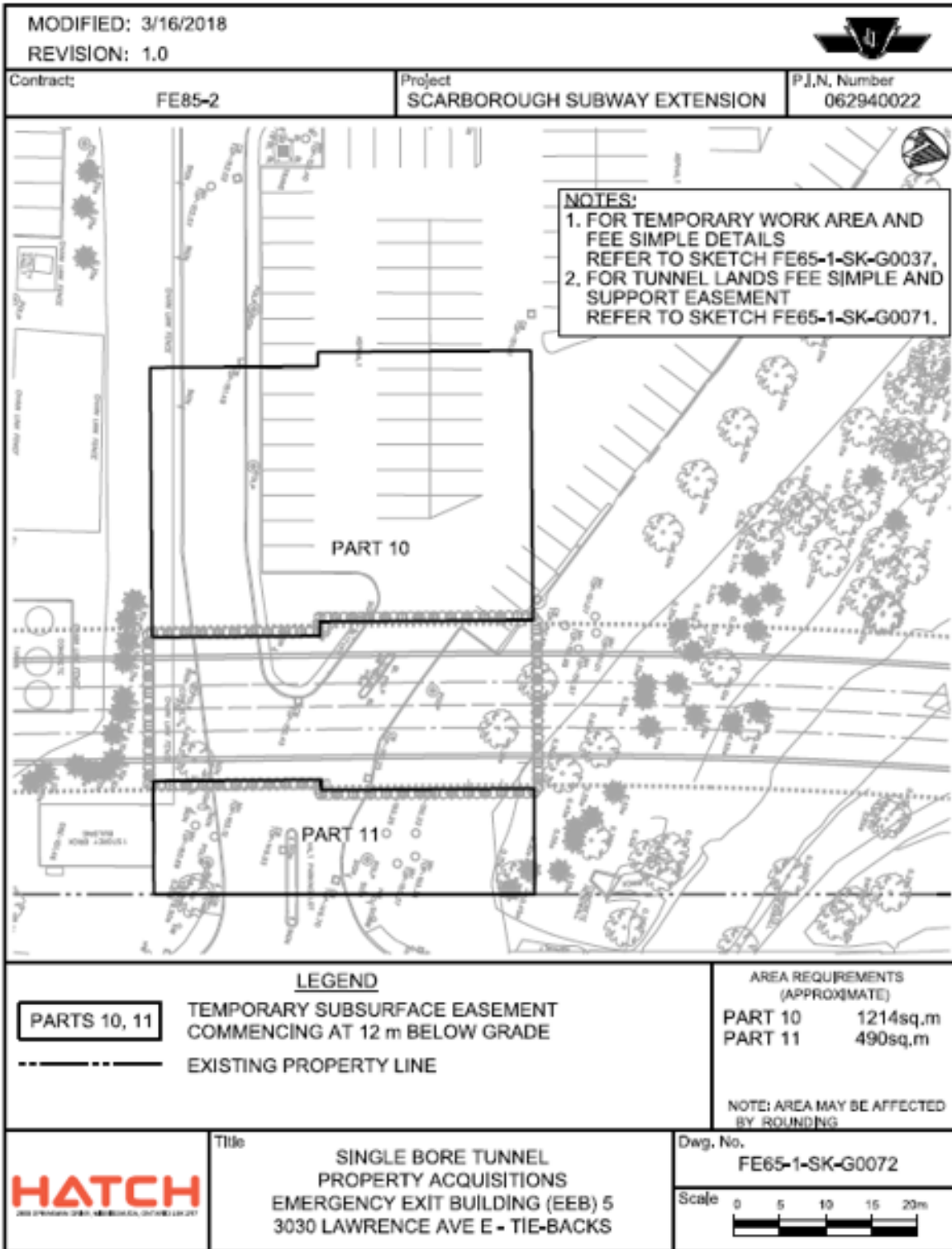
Appendix "B" cont'd

Sketch – EEB Work Area



Appendix "B" cont'd

Sketch – Tie Backs



### Appendix "C"

#### Location Map

