

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

TRACKING NO.: 2019-001

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:	Mike Saffran	Division:	Real Estate Services
Date Prepared:	January 7, 2019	Phone No.:	(416) 392-7205

Purpose	To obtain approval for the sale of a City-owned property, Unit 10 located at 222 Spadina Avenue, Toronto.								
Property	The City-owned property known as Unit 10, 222 Spadina Avenue, legally described as Unit 10, Level A, Metropolitan Toronto Condominium Plan No. 1089, and its appurtenant interest, being all of PIN 12089-0010(LT) (the "Property") shown on the location map in Appendix "A".								
Actions	<ol style="list-style-type: none"> The City accept the Offer to Purchase from Li's Financial Service Inc. to purchase the Property, in the amount of \$30,000.00, substantially on the terms outlined below. A portion of the proceeds of closing be directed to fund the outstanding expenses related to the Property and the completion of the sale transaction. 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 she considers reasonable. The appropriate City Officials be authorized and directed to take the necessary action to give effect thereto. 								
Financial Impact	Revenue in the amount of \$30,000.00 (net of HST), less closing costs, the usual adjustments and a real estate commission of 4% is anticipated and will be deposited into the Land Acquisition Reserve Fund (XR1012). The City is currently paying common expenses for this Unit, which will result in cost savings of \$4,693.68 per annum for common expenses which will be realized in future Operating Budget submissions for Facilities, Real Estate, Environment and Energy. The Chief Financial Officer has reviewed this DAF and concurs with the financial impact information.								
Comments	<p>RES acquired two commercial condominium units, Unit 8 and Unit 10 (MTCC No. 1089) through the municipal tax sale process in May 2002. By Clause 28 of Administration Committee Report No. 12, as adopted by City Council at its meeting of October 1, 2 and 3, 2002, Unit 8 and Unit 10 were declared surplus, with the intended manner of disposal to be by listing both Unit 8 and Unit 10 for sale on the open market.</p> <p>By Clause 75 of Toronto and East York Community Council Report No. 3, as adopted by City Council at its meeting of April 25, 26 and 27, 2006, an Offer to Purchase Unit 10 in the amount of \$10,000.00 (plus GST) from 558154 BC Ltd. was recommended for acceptance, however, the purchaser did not complete the transaction.</p> <p>On March 1, 2018, both Units 8 and 10 were listed for sale on the open market at a listing price of \$39,900.00 for each unit with Tradeworld Realty Inc., Brokerage. No recommendable offers were received by the Offer submission deadline of April 27, 2018. On July 1, 2018, the listing price was reduced to \$34,990.00 for each unit and the listing was extended to July 31, 2018. A recommendable Offer was received for Unit 8 and accepted by the City. The sale transaction for Unit 8 closed on October 23, 2018.</p> <p>Unit 10 was relisted for sale on the open market on November 2, 2018 with Tradeworld Realty Inc., Brokerage. An Offer outlined in the table below was received on the offer due date of November 29, 2018 which is being recommended for acceptance.</p> <p>All steps necessary to comply with the City's real estate disposal process as set out in Chapter 213 of the City of Toronto Municipal Code have been complied with.</p> <table border="1" data-bbox="305 1444 1484 1522"> <thead> <tr> <th>Offeror</th> <th>Offer Amount</th> <th>Deposit</th> <th>Additional Terms</th> </tr> </thead> <tbody> <tr> <td>Li's Financial Services Inc.</td> <td>\$30,000.00</td> <td>\$3,100.00 Bank draft</td> <td>No Conditions</td> </tr> </tbody> </table> <p>The Offer to Purchase submitted by Li's Financial Service in the amount of \$30,000.00 is considered fair, reasonable and reflective of market value. It is recommended for acceptance substantially on the terms and conditions outlined below.</p>	Offeror	Offer Amount	Deposit	Additional Terms	Li's Financial Services Inc.	\$30,000.00	\$3,100.00 Bank draft	No Conditions
Offeror	Offer Amount	Deposit	Additional Terms						
Li's Financial Services Inc.	\$30,000.00	\$3,100.00 Bank draft	No Conditions						
Terms	<p>Due Diligence Period: 20 days following acceptance of Offer by City</p> <p>Closing Date: 15 days following expiration of Due Diligence Period</p> <p>Irrevocable Date: February 7, 2019</p> <p>Terms: "As Is", Balance of proceeds on closing, plus HST (if applicable), subject to the usual adjustments</p>								

Property Details	Ward:	10 – Spadina Fort York
	Assessment Roll No.:	1904 065 270 024 07
	Approximate Area:	Unit 10 27.74 m ² (298.67 ft ²)
	Other Information:	Vacant – commercial condominium unit

A.	Manager, Real Estate Services has approval authority for:	Director, Real Estate Services has approval authority for:
1. Acquisitions:	<input type="checkbox"/> Where total compensation does not exceed \$50,000.	<input type="checkbox"/> Where total compensation does not exceed \$1 Million.
2. Expropriations:	<input type="checkbox"/> Statutory offers, agreements and settlements where total compensation does not cumulatively exceed \$50,000.	<input type="checkbox"/> Statutory offers, agreements and settlements where total compensation does not cumulatively exceed \$1 Million.
3. Issuance of RFPs/REOs:	Delegated to a more senior position.	<input type="checkbox"/> Issuance of RFPs/REOs.
4. Permanent Highway Closures:	Delegated to a more senior position.	<input type="checkbox"/> Initiate process & authorize GM, Transportation Services to give notice of proposed by-law.
5. Transfer of Operational Management to Divisions and Agencies:	Delegated to a more senior position.	Delegated to a more senior position.
6. Limiting Distance Agreements:	<input type="checkbox"/> Where total compensation does not exceed \$50,000.	<input type="checkbox"/> Where total compensation does not exceed \$1 Million.
7. Disposals (including Leases of 21 years or more):	<input checked="" type="checkbox"/> Where total compensation does not exceed \$50,000.	<input type="checkbox"/> Where total compensation does not exceed \$1 Million.
8. Exchange of land in Green Space System & Parks & Open Space Areas of Official Plan:	Delegated to a more senior position.	<input type="checkbox"/> Exchange of land in Green Space System and Parks and Open Space Areas of Official Plan.
9. Leases/Licences (City as Landlord/Licensor):	<input type="checkbox"/> (a) Where total compensation (including options/renewals) does not exceed \$50,000.	<input type="checkbox"/> (a) Where total compensation (including options/renewals) does not exceed \$1 Million.
	<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.	<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.
	Leases pursuant to the Community Space Tenancy Policy delegated to a more senior position.	Leases pursuant to the Community Space Tenancy Policy delegated to a more senior position.
10. Leases/Licences (City as Tenant/Licensee):	<input type="checkbox"/> Where total compensation (including options/renewals) does not exceed \$50,000.	<input type="checkbox"/> Where total compensation (including options/renewals) does not exceed \$1 Million.
11. Easements (City as Grantor):	<input type="checkbox"/> Where total compensation does not exceed \$50,000.	<input type="checkbox"/> (a) Where total compensation does not exceed \$1 Million.
	Delegated to a more senior position.	<input type="checkbox"/> (b) When closing roads, easements to pre-existing utilities for nominal consideration.
12. Easements (City as Grantee):	<input type="checkbox"/> Where total compensation does not exceed \$50,000.	<input type="checkbox"/> Where total compensation does not exceed \$1 Million.
13. Revisions to Council Decisions in Real Estate Matters:	Delegated to a more senior position.	<input type="checkbox"/> Amendment must not be materially inconsistent with original decision (and subject to General Condition (u)).
14. Miscellaneous:	Delegated to a more senior position.	<input type="checkbox"/> (a) Approvals, Consents, Notices and Assignments under all Leases/Licences
		<input type="checkbox"/> (b) Releases/Discharges
		<input type="checkbox"/> (c) Surrenders/Abandonments
		<input type="checkbox"/> (d) Enforcements/Terminations
		<input type="checkbox"/> (e) Consents/Non-Disturbance Agreements/Acknowledgements/Estoppels/Certificates
		<input type="checkbox"/> (f) Objections/Waivers/Caution
		<input type="checkbox"/> (g) Notices of Lease and Sublease
		<input type="checkbox"/> (h) Consent to regulatory applications by City, as owner
		<input type="checkbox"/> (i) Consent to assignment of Agreement of Purchase/Sale; Direction re Title
		<input type="checkbox"/> (j) Documentation relating to Land Titles applications
		<input type="checkbox"/> (k) Correcting/Quit Claim Transfer/Deeds

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, Transaction Services is only Manager with such signing authority).

Director, Real Estate Services also has signing authority on behalf of the City for:

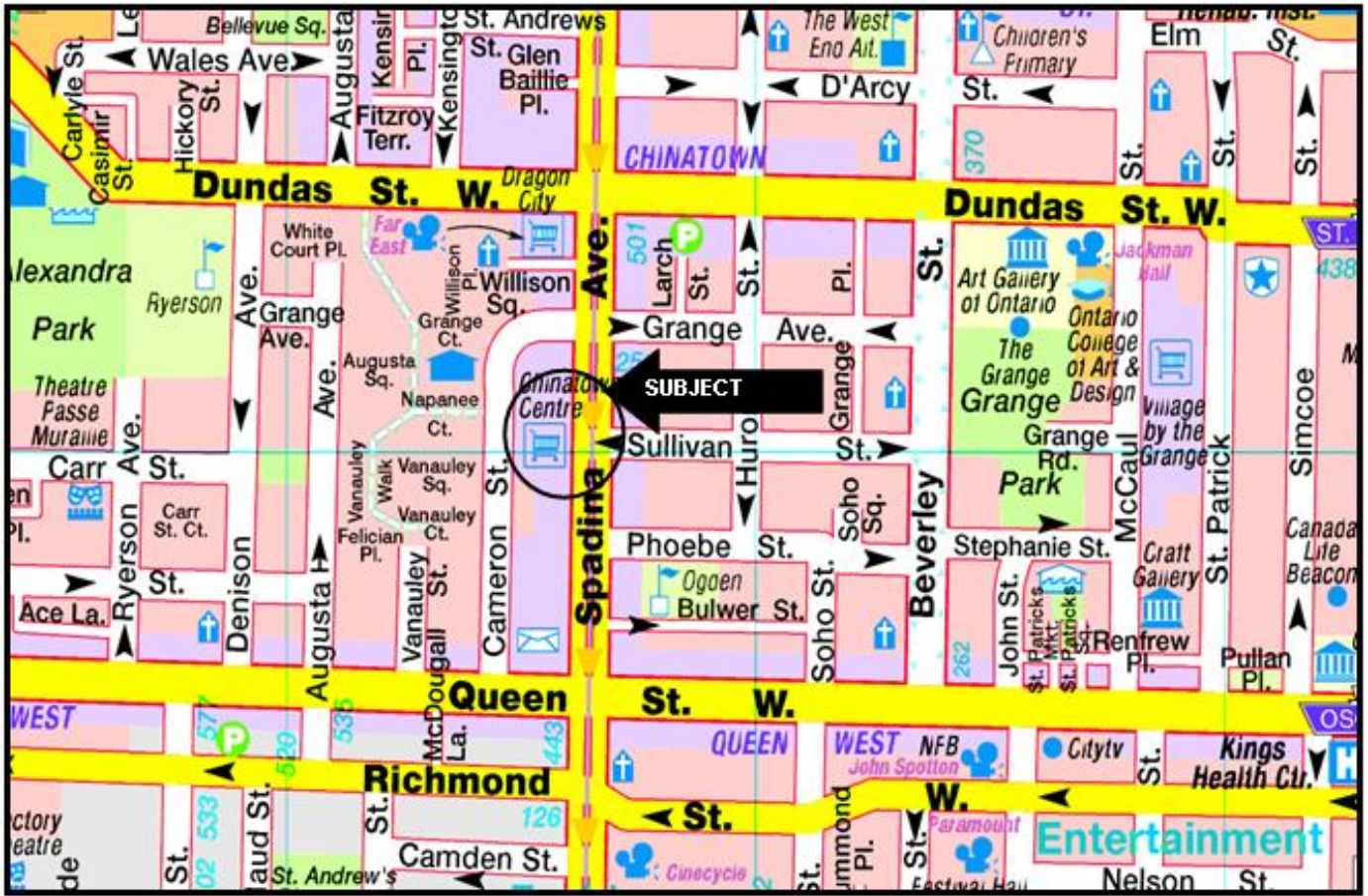
- Agreements of Purchase and Sale and all implementing documentation for purchases, sales and land exchanges not delegated to staff for approval.
- Community Space Tenancy Leases approved by delegated authority by Deputy City Manager, Corporate Services and any related documents.

Consultation with Councillor(s)													
Councillor:					Councillor: Joe Cressy								
Contact Name:					Contact Name: Lia Brewer								
Contacted by:		Phone	E-Mail	Memo	Other	Contacted by:		X	Phone	X	E-mail	Memo	Other
Comments:					Comments: No objection – January 7, 2019								
Consultation with Divisions and/or Agencies													
Division:					Division: Financial Planning								
Contact Name:					Contact Name: Patricia Libardo								
Comments:					Comments: Concurs with FIS – January 2, 2019								
Legal Division Contact													
Contact Name:					Jack Payne – December 28, 2018								

DAF Tracking No.: 2019-001	Date	Signature
Concurred with by: Manager, Real Estate Services, Alex Schuler	Jan. 9, 2019	Signed by Alex Schuler
<input type="checkbox"/> Recommended by: Manager, Real Estate Services Daran Somas	Jan. 11, 2019	Signed by Daran Somas
<input checked="" type="checkbox"/> Approved by:		
<input type="checkbox"/> Approved by: Acting Director, Real Estate Services Tim Park		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, 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.
- (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").



Exterior view of Unit 10 at 222 Spadina Avenue

