

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

**TRACKING NO.: 2019-020**

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:	Patricia Palmieri	Division:	Real Estate Services
Date Prepared:	January 16, 2019	Phone No.:	416-392-4829

<b>Purpose</b>	To obtain authority to enter into an Entrance Connection Agreement (known as the "Agreement") with Worsley Dundonald Limited. (the "Owner"). The Agreement grants and conveys to the City of Toronto and Toronto Transit Commission (TTC), its respective employees, servants, contractors and their tenants and invitees easements to access to and from the subway tunnel and adjacent street through the new subway entrance and an easement to operate and maintain fare line equipment and related equipment for the new subway entrance at Wellesley Station.
<b>Property</b>	PIN 21106-0278 (LT), Lots 41 & 42, Part Lot 43, registered Plan 250E, Parts 1 & 2, Plan 66R30221; subject to an easement over Part 2, Plan 66R30221 as in CT916315; together with an easement over Part 3, Plan 66R30221 as in CT916315; subject to an easement over Parts 1 & 2, Plan 66R30221 as in AT4623313; City of Toronto, collectively known as (the "Easements").
<b>Actions</b>	<ol style="list-style-type: none"> <li>1. Authority be granted for the City to enter into the "Agreement" with the Owner, substantially on the terms and conditions outlined in Appendix "A" and on such other terms and conditions as may be acceptable to the Director of Real Estate and in a form satisfactory to the City Solicitor.</li> <li>2. 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.</li> <li>3. The appropriate City Officials be authorized and directed to take the necessary action to give effect thereto.</li> </ol>
<b>Financial Impact</b>	<p>There is no financial impact from the rights granted under the Agreement. The consideration for such rights is for nominal consideration.</p> <p>The Chief Financial Officer &amp; Treasurer has reviewed this DAF and agrees with the financial impact information.</p>
<b>Comments</b>	On March 20, 2014 Toronto City Council adopted Item TE30.9 authorizing the Owner to provide the facilities, services and matters required therein under the Section 37 Planning Agreement, including without limitation the new subway entrance to the City in return for certain authorized increases in height and density. For the efficient operation of the new subway entrance the City and the Owner have agreed to the establishment of easements, rights and agreements between them concerning the easements, and the Owners property, with the intent to provide for the safe, efficient and harmonious operation of the Owners facilities and the TTC facilities, subject to and in accordance with the terms set out in Appendix "A".
<b>Terms</b>	See Appendix "A"

<b>Property Details</b>	<b>Ward:</b>	Ward 13 – Toronto Centre
	<b>Approximate Area:</b>	Irregular

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/REOIs:	<b>Delegated to a more senior position.</b>	<input type="checkbox"/> Issuance of RFPs/REOIs.
4. Permanent Highway Closures:	<b>Delegated to a more senior position.</b>	<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:	<b>Delegated to a more senior position.</b>	<b>Delegated to a more senior position.</b>
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 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: N/A	<b>Delegated to a more senior position.</b>	<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"/> (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"/> (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 six (6) months, including licences for environmental assessments and/or testing, etc.
10. Leases/Licences (City as Tenant/Licensee):	<b>Leases pursuant to the Community Space Tenancy Policy delegated to a more senior position.</b>	<b>Leases pursuant to the Community Space Tenancy Policy delegated to a more senior position.</b>
11. Easements (City as Grantor):	<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.
12. Easements (City as Grantee):	<input type="checkbox"/> Where total compensation does not exceed \$50,000. <b>Delegated to a more senior position.</b>	<input type="checkbox"/> (a) Where total compensation does not exceed \$1 Million. <input type="checkbox"/> (b) When closing roads, easements to pre-existing utilities for nominal consideration.
13. Revisions to Council Decisions in Real Estate Matters:	<input checked="" type="checkbox"/> Where total compensation does not exceed \$50,000. <b>Delegated to a more senior position.</b>	<input type="checkbox"/> Where total compensation does not exceed \$1 Million. <input type="checkbox"/> Amendment must not be materially inconsistent with original decision (and subject to General Condition (u)).
14. Miscellaneous:	<b>Delegated to a more senior position.</b>	<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, 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 Kristyn Wong-Tam					Councillor:			
Contact Name:	Tristan Downe-Dewdney					Contact Name:			
Contacted by:	Phone	<input checked="" type="checkbox"/>	E-Mail		Memo		Other		
Comments:	Concurs					Comments:			
Consultation with Divisions and/or Agencies									
Division:	TTC					Division:	Financial Planning		
Contact Name:	Pamela Kraft					Contact Name:	Patricia Libardo		
Comments:	Concurs					Comments:	Concurs		
Legal Division Contact									
Contact Name:	Luxmen Aloysius								

DAF Tracking No.: 2019-020	Date	Signature
Recommended by: Alex Schuler, Manager, Real Estate Services	Jan. 16, 2019	Signed by Alex Schuler
<input type="checkbox"/> Recommended by: Acting Manager, Real Estate Services Daran Somas	Jan. 16, 2019	Signed by Daran Somas
<input checked="" type="checkbox"/> Approved by:		
<input type="checkbox"/> Approved by: Acting Director, Real Estate Services Tim Park		

#### 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.

## Appendix "A"

### Terms & Conditions – Entrance Connection Agreement

Easements Granted by Owner to City	<p>The Owner hereby grants and conveys to the City for the benefit of the City:</p> <ul style="list-style-type: none"> <li>• Access to and from subway tunnel and adjacent street through the subway entrance. The City, its employees, servants, contractors and their tenants and invitees, together with others entitled thereto, shall have a non-exclusive easement for passage and re-passage of pedestrians over parts of the Owners lands described as Part 1 on Reference Plan 66R30221 on which portions of the Owners land serve, exclusively the City lands, for the purpose of access to the City lands and ingress and egress to and from the adjacent streets.</li> <li>• Operation and maintenance of fare line equipment and a subway entrance. The City shall have an easement over, in, on, under and through the subway entrance for the purposes of the installation, construction, operation and use, and maintenance of the fare line equipment and for the operation and use and maintenance of a subway entrance, including without limitation the maintenance obligations set out in the Agreement.</li> <li>• The City shall have an easement over, in, on, under and through the subway entrance necessary to operate, use and maintain all of the City's plumbing, electrical, ducting, heating, gas, utility, telecommunication, telephone, alarm, electrical, cable and mechanical systems, conduits and duct banks connecting and required for the subway entrance from the City lands.</li> <li>• The City shall have an easement over, in, on, under and through the subway entrance to install and maintain the portions of the shared life and fire safety and public address system passing through the Owners land and serving the City lands, the TTC facilities and the Owners land on a shared basis.</li> </ul>
Maintenance	<p>Each party will maintain its facilities in good order and condition, subject to and in accordance with the Agreement, including the Entrance Connection Facilities, which are to be maintained in accordance with the Agreement and to the standards and specifications required by the TTC.</p>
Material Adverse Change	<p>No party shall make a material adverse change to the Owner's Lands without the consent of the other party.</p>
Mutual Environmental Requirements & Indemnity	<p>Each party agrees to indemnify, protect and save and hold the other harmless against any environmental matter or violation of or non-compliance with any environmental law located on its lands resulting from the actions or inactions of any persons for whom the party is in law responsible and from remedial costs with respect to any remedial work undertaken or required to be performed by the party as it pertains to the Agreement.</p>
Mutual Indemnity	<p>Each party agrees to indemnify the other against all claims which may be brought against or made upon the other and against all losses, costs, damages, charges and expenses which may be incurred, sustained or paid by the other by reason of the breach of the Agreement by such party or the negligent act or omission of the party or its workers, contractors, employees or agents, including but not limited to the reasonable costs of the party, or their legal counsel of defending any such claims, save and except to the extent they are caused or contributed to by the negligent act or omission or willful misconduct of the other party.</p>

## Location Map



Reference Plan 66R-30221

