

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

TRACKING NO.: 2019-070

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:	Robin Chen	Division:	Real Estate Services
Date Prepared:	March 5, 2019	Phone No.:	(416) 392-1852

<b>Purpose</b>	To amend EX35.24 "Dufferin Renewable Natural Gas Facility Grant Funding and Related Lease Agreement with Enbridge at 35 Vanley Crescent" adopted by Council on June 26, 27, 28 and 29, 2018 (the "Original Authority"), which authorized a lease and associated easements (the "Property Rights") to Enbridge Gas Distribution Inc. (Now Enbridge Gas Inc., "Enbridge"), to modify certain terms and conditions of the Property Rights provisions.
<b>Property</b>	35 Vanley Crescent, Toronto
<b>Actions</b>	<ol style="list-style-type: none"> <li>1. Authority is granted to amend the Original Authority to modify certain terms and conditions of the Property Rights as set out on Page 4; and</li> <li>2. The appropriate City Officials are authorized and directed to take the necessary action to give effect thereto.</li> </ol>
<b>Financial Impact</b>	<p>There is no financial impact.</p> <p>The Chief Financial Officer &amp; Treasurer has reviewed this DAF and agrees with the financial impact information.</p>
<b>Comments</b>	<p>In December 2017, the City of Toronto, Solid Waste Management Services Division and Enbridge Gas Distribution Inc. (now Enbridge Gas Inc., "Enbridge") entered into an agreement to install and operate Ontario's first waste-to-renewable natural gas ("RNG") project at the Dufferin Solid Waste Management Facility at 35 Vanley Crescent. The project provides for the Property Rights to Enbridge as part of the parties' Biogas Services Agreement ("BSA").</p> <p>The Property Rights are required in order to construct, operate, and maintain an injection station and pipeline infrastructure to transport RNG generated at the new facility through the natural gas distribution network. They are components of the joint City-Enbridge project which provides an associated benefit to the City.</p> <p>Through the Original Authority, City Council authorized the Property Rights substantially as set out in the report and on any other or amended terms and conditions as may be determined appropriate by the Deputy City Manager-Corporate Services ("DCM-CS") and in a form acceptable to the City Solicitor. Such terms were previously amended by the DCM-CS by way of a briefing note dated November 12, 2018.</p> <p>Through further project development and legal negotiation, Enbridge has revised its request for Property Rights as set out herein. Solid Waste Management Services Division and Real Estate Services Staff have no objection to the modifications of the Property Rights.</p>
<b>Terms</b>	See page 4.

<b>Property Details</b>	<b>Ward:</b>	Ward 6
	<b>Assessment Roll No.:</b>	
	<b>Approximate Size:</b>	3530 Sq. M. (Easement) and 2930 Sq. M (Lease)
	<b>Approximate Area:</b>	
	<b>Other Information:</b>	

A.	Deputy City Manager, 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 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 checked="" 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, 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, 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:	James Pasternack					Councillor:									
Contact Name:						Contact Name:									
Contacted by:	Phone	X	E-Mail		Memo		Other	Contacted by:	Phone		E-mail		Memo		Other
Comments:	No Objection (March 8, 2019)					Comments:									
Consultation with Divisions and/or Agencies															
Division:	Solid Waste Management Services					Division:	Financial Planning								
Contact Name:	Carlyle Khan					Contact Name:	Lauren Birch								
Comments:	proceed					Comments:	Proceed (March 5, 2019)								
Legal Division Contact															
Contact Name:	Rebecca Hartley														

DAF Tracking No.: 2019- 070	Date	Signature
Recommended by: Acting Manager, Real Estate Services	Mar. 5, 2019	Signed by Daran Somas
Recommended by: Acting Director, Real Estate Services	Mar. 5, 2019	Signed by Nick Simos
<input type="checkbox"/> Recommended by: Deputy City Manager, Corporate Services	Mar. 7, 2019	Signed by Josie Scioli
<input checked="" type="checkbox"/> Approved by: Josie Scioli		
<input type="checkbox"/> Approved by: City Manager Chris Murray		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-bonus 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").

## Major Terms

Except as set out herein, all other terms and conditions contained in the Original Authority shall remain.

### Provision of New Access Easement:

Transferee:	Enbridge Gas Inc.
Term:	Easement for 21 years less-a-day, to be registered on execution of the Lease or as otherwise mutually agreed by the parties
Easement Area:	Parts 2, 3, 4, 9 and 15 on the Draft Reference Plan at Schedule "A" or as may be agreed between the parties
Size of Easement Area:	Surface area of approximately 925m <sup>2</sup> over existing internal roadway
Permitted Use:	The non-exclusive easement over the surface of the Easement Area for ingress and egress on foot and/or with vehicles, supplies, machinery and equipment at any time and from time to time.

The Easement Fee, Indemnity and Insurance provisions are all as set out in Schedule "C" of the Original Authority.

### Amendment to Easement:

Transferee:	Enbridge Gas Inc.
Term:	Easement for 21 years less-a-day, to be registered on execution of the Lease or as otherwise mutually agreed by the parties
Easement Area:	<ul style="list-style-type: none"> <li>● an exclusive easement over Parts 16, 17, 18, 20, 21 and 22 on the Draft Reference Plan at Schedule "A" or as may be agreed between the parties</li> <li>● a non-exclusive easement over Parts 1, 3, 5, 10, 11, 12 on the Draft Reference Plan at Schedule "A" or as may be agreed between the parties</li> </ul>
Size of Easement Area:	<ul style="list-style-type: none"> <li>● an exclusive easement over a subsurface portion of the lands with a maximum depth of 3.5 meters having an approximate area of 525m<sup>2</sup></li> <li>● a non-exclusive easement over the surface portion of the lands having an approximate area of 525 m<sup>2</sup></li> </ul>

### Amendment to Additional Easement:

Transferee:	Enbridge Gas Inc.
Term:	Easement for 21 years less a day to be registered on execution of the Lease or as otherwise mutually agreed by the parties
Easement Area:	<ul style="list-style-type: none"> <li>● an exclusive easement over Part 19 on the Draft Reference Plan at Schedule "A" or as may be agreed between the parties</li> <li>● a non-exclusive easement over Parts 6, 7, 8 and 14 on the Draft Reference Plan at Schedule "A" or as may be agreed between the parties</li> </ul>
Size of Easement Area:	<ul style="list-style-type: none"> <li>● an exclusive easement over a subsurface portion of the lands with a maximum depth of 3.5 meters having an approximate area of 1,100m<sup>2</sup></li> <li>● a non-exclusive easement over the surface portion having an approximate area of 1,555m<sup>2</sup></li> </ul>

### Amendments to Lease:

Tenant:	Enbridge Gas Inc.
Commencement Date:	The date when the RNG project is commissioned into service, in accordance with the BSA.
Leased Lands Area:	Parts 6, 7, 8, 13 and 14 on the Draft Reference Plan at Schedule "A" or as may be agreed between the parties
Access Route:	During the term of the Lease, the Tenant shall be entitled to use the lands subject to the New Access Easement to access the Leased Lands.

