

DELEGATED APPROVAL FORM
CITY MANAGER
DEPUTY CITY MANAGER, CORPORATE SERVICES

TRACKING NO.: 2019-053

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:	March 14, 2019	Phone No.:	(416) 392-7205

Purpose	To initiate the process to permanently close and to authorize the General Manager, Transportation Services to give notice to the public of a proposed by-law to permanently close a surplus portion of Perth Avenue and to authorize the sale of this portion of City-owned public highway, to the abutting property owner at 158 Sterling Road, conditional upon City Council authorizing the permanent closure.
Property	A portion of the public highway known as Perth Avenue, Part of PIN 21331-0126 (LT), Part of Perth Avenue, City of Toronto, designated Part 1 on Plan 66R-30540 (the "Highway"), shown on Appendix "A".
Actions	<ol style="list-style-type: none"> The General Manager, Transportation Services be authorized to give notice to the public of a proposed by-law to permanently close the Highway in accordance with the requirements of the City of Toronto Municipal Code, Chapter 162, with the Toronto and East York Community Council to hear any member of the public who wishes to speak to the matter during consideration of the proposed by-law. The General Manager, Transportation Services be authorized to advise the public of the proposed closure of the Highway prior to implementation, in accordance with the requirements of the Municipal Class Environmental Assessment for Schedule "A+" activities, by posting notice of the proposed closure on the notices page of the City's Website for at least five working days prior to the Toronto and East York Community Council meeting at which the proposed by-law to close the Highway will be considered. The City accept the Offer to Purchase from the abutting property owner at 158 Sterling Road to purchase the Highway for the sum of \$2,300,000.00, subject to the reservation of any required easements, and substantially on the terms and conditions outlined herein and on such further and other terms as may be acceptable to the Deputy City Manager, Corporate Services and in a form satisfactory to the City Solicitor. A portion of the proceeds of closing be directed to fund the outstanding expenses related to 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 the City Solicitor 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 \$2,300,000.00 (exclusive of HST and applicable taxes and fees), less closing costs and the usual adjustments is expected to be paid to the City of Toronto for the Highway. The proceeds will be contributed to the Land Acquisition Reserve Fund (XR1012) upon closing of the transaction. The Chief Financial Officer & Treasurer has reviewed this DAF and agrees with the financial impact information.
Comments	See Page 4
Terms	See Page 4

Property Details	Ward:	Ward 9 – Davenport
	Assessment Roll No.:	N/A
	Approximate Size:	Irregular shaped
	Approximate Area:	820.0 m ² ± (8,826.7 ft ² ±)
	Other Information:	Public Highway

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/REOs:</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:</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/REOs.</p> <p><input checked="" type="checkbox"/> Initiate process & 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 checked="" 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>Delegated to a less senior position.</p> <p>Delegated to a less senior position.</p> <p>Delegated to a less senior position.</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>Delegated to a less senior position.</p> <p><input type="checkbox"/> Where total compensation (including options/renewals) does not exceed \$10 Million.</p> <p>Delegated to a less senior position.</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>Delegated to a less senior position.</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>Delegated to a less senior position.</p>

<p>B. City Manager and Deputy Manager, Corporate Services each has signing authority on behalf of the City for:</p> <ul style="list-style-type: none"> • Documents required to implement matters for which he or she also has delegated approval authority.
<p>Deputy City Manager, Corporate Services also has signing authority on behalf of the City for:</p> <ul style="list-style-type: none"> • 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:	Ana Bailao				Councillor:				
Contact Name:	Marlene Araujo / Michael Vieira				Contact Name:				
Contacted by:	X	Phone	X	E-Mail		Memo		Other	
Comments:	No objection – March 13, 2019				Comments:				
Consultation with Divisions and/or Agencies									
Division:	Transportation Services/ Planning/ Planning Law				Division:	Financial Planning			
Contact Name:	L Pawlowski/ Aviva Pelt / Leslie Forder				Contact Name:	Lauren Birch			
Comments:	Concurs with report - March 12, & March 14, 2019				Comments:	Concurs with FIS - March 13, 2019			
Legal Division Contact									
Contact Name:	Soo Kim Lee – March 11, 2019								

DAF Tracking No.: 2019-053	Date	Signature
Recommended by: Manager, Transaction Services, Daran Somas	March 14, 2019	Signed by Daran Somas
Recommended by: Acting Director, Real Estate Services, Nick Simos	March 14, 2019	Signed by Tim Park
<input type="checkbox"/> Recommended by: Deputy City Manager, Corporate Services <input checked="" type="checkbox"/> Approved by: Josie Scioli	March 14, 2019	Signed 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-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").

<p>Comments</p>	<p>The Highway is a portion of Perth Avenue running west to east to its connection with Sterling Road. The realignment of the Highway is contemplated in development permissions previously granted to the abutting property owner through By-law No. 942-2015 (OMB) and By-law No. 943-2015 (OMB), as amended. The Highway is proposed to be incorporated in to a future park block to be conveyed to the City, pursuant to the development permissions. In addition, to implement the redevelopment and pursuant to the subdivision requirements, the abutting property owner will create a new extension and realignment of Perth Avenue, extending easterly from the south end of the Perth Avenue road allowance (the "Perth Realignment"), and shown on Appendix "A" as Part 2 on Aerial, Official Record of Highways and will include the conveyance and dedication of required lands for a new public highway.</p> <p>In accordance with the City's Real Estate Disposal By-law, No. 814-2007, the Highway was declared surplus on December 18, 2018 (DAF No. 2018-334) with the intended manner of disposal to be by inviting an offer to purchase from the abutting owner at 158 Sterling Road.</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> <p>The Offer to Purchase submitted by Castlepoint Greybrook Sterling Inc. (the "Purchaser") in the amount of \$2,300,000.00 is considered fair, reasonable and reflective of market value. It is recommended for acceptance substantially on the terms and conditions outlined below.</p>
<p>Terms</p>	<p>Irrevocable Date: April 20, 2018</p> <p>Purchase Price: \$2,300,000.00</p> <p>Deposit: \$230,000.00; the Deposit shall be held in trust and deposited by the City in an interest bearing account or instrument with a Canadian chartered bank.</p> <p>Balance: Cash or certified cheque on closing.</p> <p>Due Diligence: The Purchaser has 45 days after acceptance of the Offer by the City, to conduct title searches and off-title searches, with respect to encumbrances and work orders.</p> <p>Closing Date: The completion of the transaction of purchase and sale provided for in the Agreement (the "Closing") shall occur on the 45th day following the <u>later</u> of (i) the date the Closing By-law is enacted by City Council; and (ii) the date that all of the Pre-Closing Conditions have been satisfied, or at such earlier or later date as the parties, or their respective solicitors, may mutually agree in writing (the "Closing Date"). In the event that (i) City Council has not enacted the Closing By-law within <u>five (5) years</u> of the Acceptance Date, and unless the parties mutually agree in writing, or (ii) City Council has considered the proposed Closing By-law and has decided not to enact it, the Agreement shall be at an end and the Deposit returned.</p> <p>Highway Closing Requirements & Sale Conditions: Completion of the sale transaction contemplated herein is subject to satisfaction of the conditions precedent (the "Pre-Closing Conditions") within five (5) years of the Acceptance Date by the Purchaser (the "Conditional Period"):</p> <ul style="list-style-type: none"> (a) An Order granting Draft Plan Approval has been issued by the Local Planning Appeal Tribunal ("LPAT") [LPAT File: PL1709393]; (b) The Plan of Subdivision approved by LPAT, together with the Subdivision Agreement, has been registered in the appropriate Land Registry Office to the satisfaction of the City Solicitor and the Chief Planner; (c) City Council shall have enacted a by-law closing that portion of Perth Avenue comprising the Highway, which by-law shall not come into effect until such time as the Perth Realignment is dedicated as a public highway; (d) all requirements set out in the Subdivision Agreement pertaining to the design and construction of the Perth Realignment (as that term is defined in the Draft Plan Conditions), shall have been completed, and accepted to the satisfaction of the Chief Engineer and Executive Director, Engineering and Construction Services, and Chief Engineer has established commencement date of two (2) year guarantee period for remedial work; and (f) all Blocks on the Plan of Subdivision required to be conveyed to the City to complete the realigned Perth Avenue have been conveyed by the Purchaser to the City for nominal consideration in accordance with the terms of the Subdivision Agreement. <p>Unusual Provision: The City does not normally permit assignment or permit title to be taken by a third party on Closing, without City consent which may be unreasonably withheld. After detailed consultation with City Planning, an exception will be made. Provided that: (i) the Plan of Subdivision (Subdivision Application File No. 12 226212 STE 18 SB) and the Subdivision Agreement have been registered on title and all supporting documentation satisfactory to the City Solicitor have been delivered to the City, and (ii) the consent of the Chief Planner as contemplated by the Section 118 restrictions imposed through the Draft Plan Conditions has been secured, then on Closing, the Purchaser may direct that title to the Highway be taken in the name of <u>Sterling Park Developments Limited</u>, provided that such corporate entity is the sole registered and beneficial owner of the Purchaser's Lands which abut the Highway. For greater certainty, the Purchaser shall not be released from any obligations pursuant to this Agreement.</p>

Appendix "A" – Location Map, Aerial - Official Record of Highways



Appendix "A" – 66R-30540

