

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

TRACKING NO.: 2019-187

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:	Joe Corigliano	Division:	Real Estate Services
Date Prepared:	July 8 th 2019	Phone No.:	416-392-1167

Purpose	To obtain authority to enter into a Limiting Distance Agreement ("LDA") with the registered owner of 40 Temperance Street, BAC SURFACE INC, as represented by Brookfield properties (the "Developer"), that would prevent the City from constructing a building, as defined by the Building Code, anywhere on the 9 westernmost metres of the City's property, municipally known as 14 Temperance Street and commonly known as Cloud Gardens Park. In so doing, the Developer will be able to calculate the required limiting distance for an exposing building face to a point beyond their property line, in accordance with sentence 3.2.3.1(11) of Division B of the Building Code.
Property	<p>The LDA will be registered on a portion of the City Lands known as the Limiting Distance Lands and all of the Developer Lands, being described as follows:</p> <p>Limiting Distance Lands: 14 Temperance Street – Cloud Gardens Park, as shown on Appendix A, and legally defined as Part of Lot 3, S/S Richmond St W, Town of York Plan, as shown as Part on Job No. 0510325-2019, being part of PIN 21403-0014 (LT) Legally defined as: PART OF LOT 3, S/S RICHMOND ST W, TOWN OF YORK PLAN, AS SHOWN AS PART 1 ON JOB NO. 0510324-2019 , BEING PART OF PIN 21403-0014 (LT) APPENDIX B)</p> <p>Developer Lands: 40 TEMPERANCE STREET, AS SHOWN ON APPENDIX A AND LEGALLY DEFINED AS PART BLOCK 1, PLAN 66M2487; PARTS 1, 2, 3, 4, 5, 6, 7, 9, 11, 16 & 17 PLAN 66R24850 As In E283630, SUCH LAND AND PREMISES BEING ALL OF PIN 21403-0123(LT);</p>
Actions	<ol style="list-style-type: none"> 1. Authority be granted to enter into the LDA with the Developer substantially on the terms and conditions set out below, with such revisions thereto as may be determined by the Acting Director of Real Estate Services, and in a form acceptable to the City Solicitor. 2. Authority be granted to the City Solicitor to oversee the registration of the LDA on title of the Limiting Distance Lands and Developer Lands; 3. The Acting Director of Real Estate Services or his designate shall administer and manage the LDA, including the provision of any consents, approvals, amendments, waivers, notices and notice of termination provided that the Acting Director may, at any time, refer consideration of such matters (including their consent) to City Council for its determination and direction; and 4. The appropriate City officials be authorized and directed to take the necessary action to give effect thereto;
Financial Impact	<p>The City will receive compensation from the LDA of \$675,000.00 (plus HST), payable to the City upon the Developers execution of the LDA. All associated registration costs will also be borne by the Developer.</p> <p>The Chief Financial Officer & Treasurer has reviewed this DAF and agrees with the financial impact information.</p>
Comments	<p>The Bay Adelaide Centre is a multi-phased office development complex, located on the north side of Temperance Street and the south side of Richmond Street West. The West Tower (Phase 1) and East Tower (Phase 2) were completed in 2009 and 2015, respectively. The Developer, is now proposing to construct a new office building (North Tower) over the existing underground parking garage and the Underground PATH system. The proposed North Tower will be 32 storeys, with 73,864.53 sq. m.(795,071.18 sq. ft.) of GFA with unprotected openings on the east wall.</p> <p>As a result, The Developer is requesting to enter into a LDA with the City, in its capacity as the owner of the adjoining lands, which would prevent the City from constructing a building, within the meaning of the Building Code, anywhere on the 9 westernmost metres of the City's property. The area over which the LDA will apply is 481 sq. m. (5,177 sq. ft.) as shown highlighted in the attached Limited Distance Diagram (Appendix C). As the City owned parcel is already stratified and is designated parkland, the development of the site is already quite limited.</p> <p>The requested LDA area was reviewed and confirmed by Toronto Building's staff. PFR provided a list of park amenities, none of which will violate the terms of the LDA. The compensation being paid to the City represents as a one –time payment was reviewed by Real Estate Services appraisals group and determined to be fair, reasonable and reflective of market value. The Limiting Distance Agreement will also be registered on title once executed to ensure it is binding on subsequent owners.</p>
Terms	See "Schedule A"

Property Details	Ward:	Ward 13 – Toronto Centre
	Assessment Roll No.:	
	Approximate Size:	
	Approximate Area:	481 sq. m (5,177 sq. ft.)
	Other Information:	

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 checked="" 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:	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:	K. Wong Tam					Councillor:									
Contact Name:	K. Wong Tam					Contact Name:									
Contacted by:	Phone	<input checked="" type="checkbox"/>	E-Mail		Memo		Other	Contacted by:	Phone		E-mail		Memo		Other
Comments:	No Objections (July 4 th 2019)					Comments:									
Consultation with Divisions and/or Agencies															
Division:	Parks Forestry and Recreation					Division:	Financial Planning								
Contact Name:	Christina Iacovino					Contact Name:	Filisha Jenkins								
Comments:	No Objections (July 5 th 2019)					Comments:	No Objections (July 5 th 2019)								
Legal Division Contact															
Contact Name:	Catherine Thomas (July 5 th 2019)														

DAF Tracking No.: 2019-187	Date	Signature
Concurred with by: Manager, Real Estate Services		
<input checked="" type="checkbox"/> Recommended by: Manager, Real Estate Services Daran Somas	July 10, 2019	Signed by Daran Somas
<input type="checkbox"/> Approved by:		
<input checked="" type="checkbox"/> Approved by: Acting Director, Real Estate Services Nick Simos	July 15, 2019	Signed by Nick Simos

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").

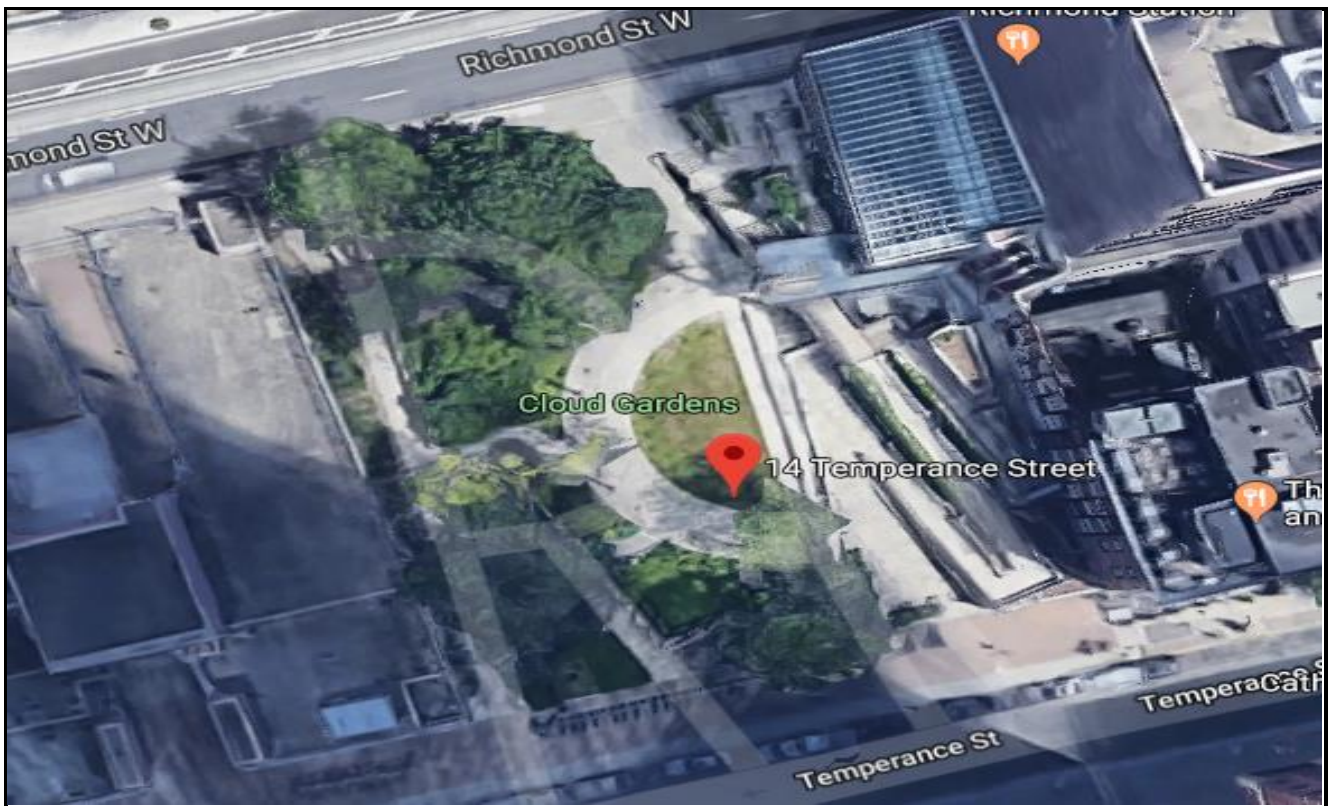
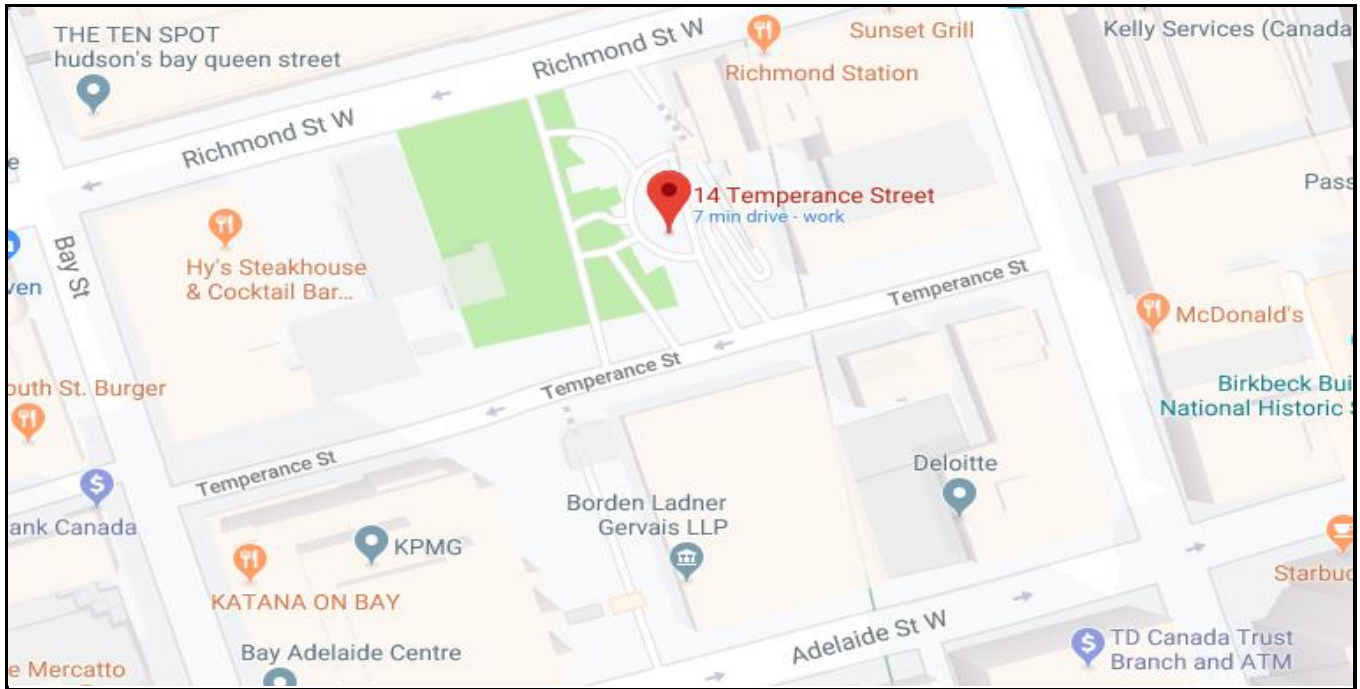
"Schedule A"

Term: Commences upon registration on title and automatically expires upon demolition, material collapse or removal of the North Tower. At the end of the Term, the City shall be entitled to delete the LDA from its lands.

Indemnity: Developer will indemnify City and each of its elected officials, officers, employees, and agents from and against all manner of actions, suits, claims and demands brought against City as consequence of entering into the LDA.

Release: Developer releases the City and each of its elected officials, officers, employees from and against all manners and actions brought against the City as consequence of entering into the LDA.

Appendix "A" – Property Location



Appendix "C" – Limiting Distance Diagram

