

DELEGATED APPROVAL FORM
CITY MANAGER
DEPUTY CITY MANAGER, CORPORATE SERVICES

TRACKING NO.: 2019-146

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:	October 14, 2019	Phone No.:	(416) 392-7205						
Purpose	To authorize the sale of a portion of the L-shaped public lane adjacent to and east of 1095-1107 Yonge Street, south of 5 Scrivener Square, and 10R Price Street, and north of 8-10 Price Street, subject to a negative support easement to be reserved by the City to protect TTC's subway below, and together with an easement for structural support elements and an operating easement in portions of the remainder of the lane, to the abutting property owner.								
Property	A portion of the L-shaped public lane legally described as part of PIN 21119-0324 (LT), Part of Lane & Part of Lot 55 on Plan 208, and Part of Block A Plan 180E; all of PIN 21119-0387 (LT), being Part of Lot 1 on Plan 111-E; all of PIN 21119-0385 (LT), being Part of Lots 2, 3 & 4 on Plan 111-E; and all of PIN 21119-0383 (LT), being Part of Lots 8, 47, 48 & 49 on Plan 208 and Part of Block B on Plan 180E, designated on Reference Plan 66R-30744 (the "Plan") as Parts 1, 2, 3, 5, 6, 7, 8, 9, and 10 (the "Lane"), and shown on the attached Appendix "A".								
Actions	<ol style="list-style-type: none"> The City accept an offer from the abutting property owner, Scrivener Square Nominee Inc., as nominee for and on behalf of WNUF 3 Oakmont GP Inc., in its capacity as general partner of WNUF 3 Oakmont LP, and Scrivener Square GP Inc., in its capacity as general partner of Scrivener Square LP (collectively, the "Purchaser"), to purchase portions of the Lane, subject to a negative support easement to be reserved by the City, and easements in retained subsurface portions of the Lane as further described herein, on the terms and conditions outlined herein and on such other or amended terms as may be acceptable to the City Manager 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. 								
Financial Impact	<p>Revenue in the amount of \$5,490,420.00 (exclusive of HST), less closing costs and the usual adjustments is anticipated on closing of the initial phase of the transaction. If TTC approves the construction of proposed subsurface elements in and around the subway tunnels as part of the development, additional revenue of \$118,184.00 (exclusive of HST), less closing costs and the usual adjustments, is anticipated. The proceeds of sale will be contributed to the Land Acquisition Reserve Fund (XR1012) upon closing of the transaction(s).</p> <p>The Chief Financial Officer & Treasurer has reviewed this DAF and agrees with the financial impact information.</p>								
Comments	<p>A portion of the Lane is to be incorporated into a proposed mixed-use development on the adjacent lands at 5 Scrivener Square, 8-10 & 10R Price Street, and 1095-1107 Yonge Street which is proposed to be redeveloped with a 21 storey residential building with commercial uses included in the first two floors, in accordance with a settlement offer made to the City by Diamond Corp. and Tricon Capital Group Inc. (the "Developers") in respect of their development application, and accepted by City Council at its meeting of July 23-31, 2018 as Item TE34.46. The Purchaser is a related entity indirectly controlled by the Developers, and it is a condition of the settlement that the purchase of a portion of the Lane be completed prior to the final order of the Local Planning Appeal Tribunal (LPAT).</p> <p>In accordance with the City's Real Estate Disposal By-law, No. 814-2007, the portions of and easements in the Lane proposed to be sold herein were declared surplus on April 23, 2019 (DAF No. 2019-002) with the intended manner of disposal to be by inviting an offer to purchase from the Purchaser.</p> <p>Continued on Page 4</p>								
Terms	See Pages 4 and 5								
Property Details	<table border="1"> <tr> <td>Ward:</td> <td>11 – University Rosedale</td> </tr> <tr> <td>Assessment:</td> <td>N/A</td> </tr> <tr> <td>Other Information:</td> <td>Public lane</td> </tr> </table>			Ward:	11 – University Rosedale	Assessment:	N/A	Other Information:	Public lane
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Assessment:	N/A								
Other Information:	Public lane								

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 & 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/REOIs.</p> <p><input 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 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 checked="" 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>

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:	Mike Layton				Councillor:				
Contact Name:	Angela Surdi				Contact Name:				
Contacted by:	<input checked="" type="checkbox"/> Phone	<input checked="" type="checkbox"/> E-Mail	<input type="checkbox"/> Memo	<input type="checkbox"/> Other	Contacted by:	<input type="checkbox"/> Phone	<input type="checkbox"/> E-mail	<input type="checkbox"/> Memo	<input type="checkbox"/> Other
Comments:	No Objections – October 11, 2019				Comments:				
Consultation with Divisions and/or Agencies									
Division:	Transport. Serv: L. Pawlowski – October 10, 2019				Division:	Financial Planning, Filisha Jenkins – Oct 10, 2019			
Division:	Planning: Kevin Friedrich – October 14, 2019				Division:	TTC, Michael Lipkus – October 14, 2019			
Division:	Planning Law: Alexander Suriano – Oct 10, 2019				Comments:	Provided comments and concurs with submission			
Legal Division Contact									
Contact Name:	Charlene Farrugia – October 9, 2019								

DAF Tracking No.: 2019-146	Date	Signature
Recommended by: Acting Manager, Transaction Services, Daran Somas	October 16, 2019	Signed by Daran Somas
Recommended by: Acting Director, Real Estate Services, Nick Simos	October 18, 2019	Signed by Nick Simos
<input checked="" type="checkbox"/> Recommended by: Deputy City Manager, Corporate Services <input type="checkbox"/> Approved by: Josie Scioli	October 21, 2019	Signed by Josie Scioli
<input checked="" type="checkbox"/> Approved by: City Manager Chris Murray	October 21, 2019	Signed by Chris Murray

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>By adoption of Item TE6.1 on June 18, 2019, City Council authorized the permanent closure of the Lane, and the enactment of a by-law to close the Lane (the "Closure By-Law") conditional upon the Purchaser entering into a satisfactory agreement with the City with respect to the purchase of the Lane.</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>Subway tunnel infrastructure which forms part of part of TTC's Yonge-University-Spadina line runs perpendicular to the Lane, through or directly adjacent to Parts 3, 9 and 10 on the Plan (the "Tunnel Lands"). As such, the TTC is undertaking a technical review process with respect to the plans for the proposed development in order to ensure that it will not adversely impact TTC infrastructure and operations and to determine whether the proposed subsurface elements of the development in the Tunnel Lands can be permitted (the "Technical Review").</p> <p>As the Technical Review is still underway, it is anticipated that the transfer of portions of and easements in the Lane to the Purchaser will occur in phases. Most of the Lane, excluding only the subsurface segment comprising the Tunnel Lands, (the "Surplus Lands") is being sold as the first stage of the transaction ("Phase 1"), part of which will be subject to a negative support easement to protect the subway tunnel infrastructure below.</p> <p>Subject to TTC's approval of subsurface structures that will form part of the proposed development, a portion of the Tunnel Lands is also being sold, subject to the reservation of a negative support easement, along with an easement for subsurface structural elements in remaining portions of the Tunnel Lands. As the extent of these lands will be determined through TTC's Technical Review, these interests are expected to be transferred to the Purchaser in the second stage of the transaction ("Phase 2").</p> <p>An easement in a retained portion of the Tunnel Lands, if deemed necessary by TTC, will also be sold to the Purchaser in order to facilitate the safe, efficient and harmonious operation of the subway and the proposed development. If TTC determines that this easement is necessary and sufficient detail can be provided by TTC about its ongoing requirements in relation to the proposed development upon completion of the Technical Review, it is anticipated that this easement will be finalized and transferred on or shortly after the Phase 2 closing.</p> <p>The offer submitted by the Purchaser 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><u>Phase 1 – Sale of Surplus Lands (Surface Lands above Subway and Remainder of Lane)</u></p> <p>Surplus Lands: Parts 1, 2, 5, 6, 7 and 8 on the Plan, subject to a negative support easement to be reserved by the City over Part 2 on the Plan.</p> <p>Purchase Price: \$5,490,420.00</p> <p>Deposit: Three Hundred Thousand Dollars (\$300,000.00) Second Deposit: Three Hundred Thousand Dollars (\$300,000.00) (payable after Closing By-Law enacted) Total Deposit: Six Hundred Thousand Dollars (\$600,000.00)</p> <p>Balance: Cash or certified cheque on Phase 1 closing.</p> <p>Due Diligence: The Purchaser has 25 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: 40th day after the Closing By-law is enacted by City Council.</p> <p>Existing Utilities: Purchaser acknowledges that a Toronto Water sewer connection within Part 1 on the Plan will become a private connection following the Phase 1 closing, and agrees to pay any costs associated with removing, relocating, adjusting or abandoning existing Bell Canada services.</p>

Terms
(continued)

Negative Support Easement – Major Terms:

- (a) Purchaser shall not commence any work on or effect any change in use of the easement lands which may affect the load on and/or safety of the subway, or store flammable or explosive materials on the easement lands, without the prior written consent of the City and/or TTC.
- (b) Upon 3 days' written notice to the Purchaser, the City may enter the easement lands for general inspections, and to identify and assess any default under the agreement.
- (c) Purchaser shall include notice of the easement in all leases, licences, or other permissions entered into in respect of the easement lands.
- (d) Each party will indemnify the other against claims, losses and expenses resulting from the indemnifying party's breach of the agreement, or its negligence or wilful misconduct.
- (e) Purchaser shall not grant any subsequent easements in the easement lands without the City's prior written consent.

Phase 2 – Sale of Adjustment Lands and Structural Elements Easement

Adjustment Lands: Subsurface lands consisting of the portion of Parts 3, 9 and 10 on the Plan, if any, that TTC determines is not required to be retained for its purposes, subject to a negative support easement to be reserved by the City (see terms above).

Purchase Price: \$80,000.00

Structural Elements Easement Lands: Subsurface lands consisting of the portion of Part 9 and/or 10 on the Plan, if any, in which TTC approves construction of caissons, micropiles or other permanent structural supports and ancillary works ("Structural Elements") and any ancillary portion of Part 9 and/or 10 on the Plan which TTC determines is not required to remain unencumbered for its purposes.

Easements Price (total for Structural Elements Easement & Operations Easement, described below):
\$38,184.00

Closing: 45th day after reference plan showing Adjustment Lands and Structural Elements Easement Lands is deposited by the Purchaser.

Structural Elements Easement – Major Terms:

- (a) Purchaser has the right to install, inspect, maintain and repair Structural Elements in the easement lands, as may be approved by TTC through the Technical Review, for the benefit of the Purchaser's lands above.
- (b) Purchaser shall protect the TTC's subway facilities, and a combined City sewer to the east of the easement lands, and pay for repair costs associated with any damage to them.
- (c) Purchaser shall provide the City and TTC with "as-built" drawings of the Structural Elements.
- (d) City and TTC shall have the right, from time to time, to inspect the Structural Elements.
- (e) Other than as initially approved by TTC for the construction of the Structural Elements, no additional loads shall be placed in or through the easement lands, and no digging, drilling, excavation, construction or other work shall be carried out in or through the easement lands by the Purchaser, without the prior written consent of the TTC and City.
- (f) Purchaser shall maintain commercial general liability insurance in the amount of \$10 million per occurrence.
- (g) Purchaser shall indemnify the City against claims, losses and expenses in respect of the Structural Elements or the exercise of the Purchaser's easement rights.
- (h) City may terminate the easement if the development is ever demolished, destroyed or otherwise removed, in which case the Purchaser shall restore the easement lands.

Phase 2/Post-Phase 2 – Transfer of Operations Easement

Operations Easement: An easement in such portion of the subsurface lands designated as Parts 3, 9 and 10 on the Plan, if any, as TTC determines is necessary to enable the Purchaser to install, inspect, maintain and/or otherwise access any structures and facilities, as the TTC may determine through the Technical Review is appropriate to facilitate the safe, efficient and harmonious operation of the subway and the proposed development.

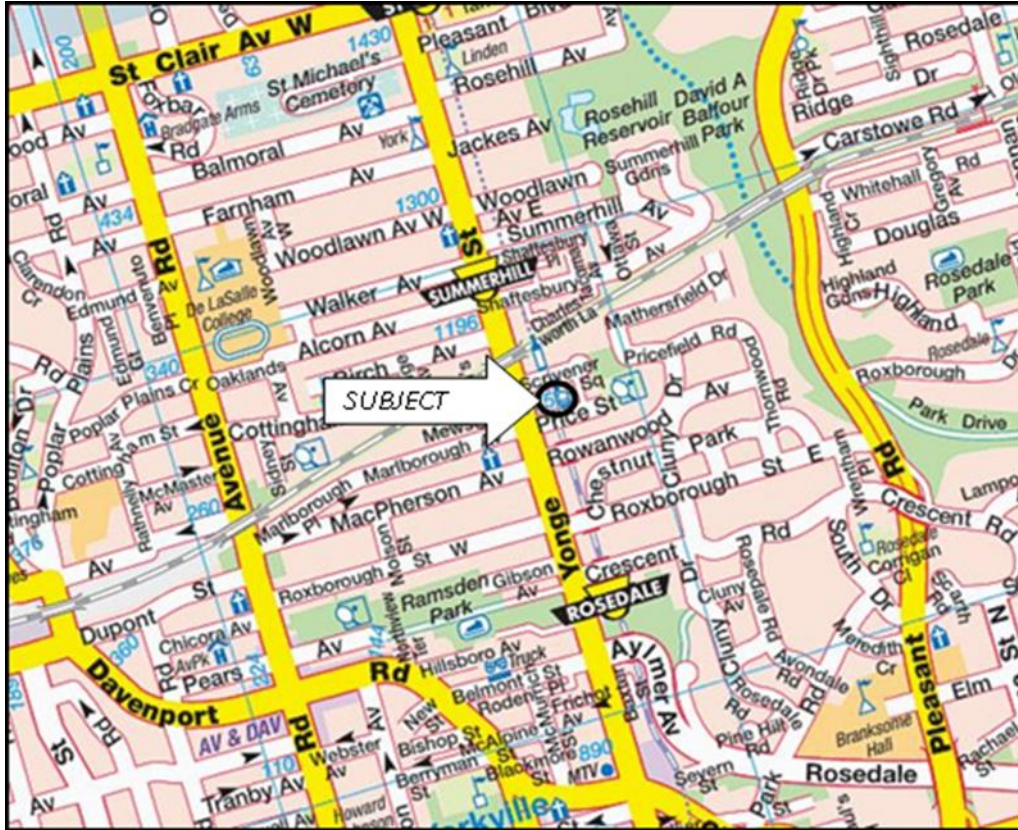
Purchase Price: Easements Price, see above

Closing: As the parties may agree, acting reasonably, and within a reasonable time after the terms (which will require input from the TTC after the Technical Review is complete) are settled.

Replacement Easement: If an easement to facilitate the safe, efficient and harmonious operation of the subway is granted or reserved in the abutting lands north and south of the Lane after the transfer of the Operations Easement, the City can require the Purchaser to accept the transfer of a new easement on similar terms and release the initial Operations Easement.

<p>Terms (continued)</p>	<p><u>General</u></p> <p>Lane Closure Condition: The obligation of the parties to complete the agreement is conditional on City Council having passed the Closure By-Law. The Purchaser shall indemnify the City in respect of all claims, demands, loss, costs, damages and/or expenses the City may sustain resulting or arising from the City's efforts to permanently close the Lane and from the completion of such closure.</p> <p>Assignment: The entities comprising the Purchaser may assign their interests in the agreement among themselves, and to other entities that directly or indirectly control them (collectively, "Permitted Transferees"), and changes in ownership and control of the entities comprising the Purchaser are permitted, provided that at the time of the Phase 1 closing and Phase 2 closing the Purchaser /assignee is directly or indirectly controlled by one or both of the Developers.</p> <p>"As Is" Condition: The Purchaser shall accept the Lane in "as is" condition and on closing shall execute and deliver a release in favour of the City, in a form satisfactory to the City Solicitor, in respect of all losses, costs, damages, liabilities or actions relating to the environmental condition of the Surplus Lands and Adjustment Lands.</p> <p>Termination: The agreement shall be at an end if: (a) a Closing By-law has not been enacted within twelve months of the date of the agreement, or (b) the Phase 2 closing and the transfer of the Operations Easement not have both been completed within five years of the Phase 1 closing.</p> <p><u>Post-Closing Obligations</u></p> <p>Anti-speculation: If the Purchaser sells the Surplus Lands, or if there is a change in corporate control of the Purchaser within two years following the Phase 1 closing, other than to or in favour of a Permitted Transferee or the limited partner of either of the limited partnerships comprising the Purchaser, the Purchaser shall pay the resulting profit to the City.</p> <p>Density Increase: If an application is made during the two years following the Phase 1 closing, in respect of a development on 8-10 Price Street and 5 Scrivener Square that results in a density that permits gross floor area in excess of 23,800 square metres, the Purchaser shall make an additional payment to the City of \$240.00 per square foot of excess gross floor area.</p> <p>Restriction: A restriction will be registered on title prohibiting the transfer or charge of the Surplus Lands Without the City's consent for two years, or until a condominium is registered on the Surplus Lands. The City will consent to all charges given as security for project or construction financing in respect of the proposed development, and any enforcement of such security will not be subject to the restriction or the Purchaser's post-closing obligations.</p>

Appendix "A"



NOT TO SCALE. FOR ILLUSTRATION PURPOSES ONLY

Appendix "B" - Reference Plan 66R-30744

