

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

TRACKING NO.: 2022-144  
 With confidential attachment

Approved pursuant to the Delegated Authority contained in Article 2 of City of Toronto Municipal Code Chapter 213, Real Property

Prepared By:	Myron Menezes	Division:	Corporate Real Estate Management
Date Prepared:	July 5, 2022	Phone No.:	(416) 338-3586

<b>Purpose</b>	To obtain authority for the City of Toronto (the "City"), as landlord, to enter into a lease (the "Lease") with Rankin Integrated Energy Inc. and TREC Windpower Co-Operative (No. 1) Incorporated (collectively the "Tenant") and The Board of Governors of Exhibition Place (the "Board") with respect to a portion of Exhibition Place, for the purpose of operation of a wind turbine facility (the "Facility"), educational programming ancillary to the operation of the Facility and the demonstration and promotion of technologies and ideas that enable progress toward net zero emissions.
<b>Property</b>	The property located on Alberta Circle within Exhibition Place grounds, (the "Property"), as shown on the Location Map and in the sketch in Schedule "B".
<b>Actions</b>	1. Authority be granted to enter into the Lease with the Tenant and the Board, substantially on the terms and conditions set out in Schedule "A" and Confidential Attachment 1, and on such other terms and conditions deemed appropriate by the approving authority herein, and in a form satisfactory to the City Solicitor.
<b>Financial Impact</b>	For Financial Impact see Confidential Attachment 1.  Revenue will be directed to the 2023 Council Approved Operating Budget for Exhibition Place under cost center EX0200 and future year revenue will be included in future year budget submissions for Council consideration.  The Chief Financial Officer and Treasurer has reviewed this DAF and agrees with the financial implications as identified in the Financial Impact section.
<b>Comments</b>	The Board of Governors of Exhibition Place (the "Board"), as landlord, and Toronto Hydro Energy Services Inc. ("THESI") and Toronto Renewable Energy Cooperative Windpower Co-Operative (No. 1) Incorporated ("TREC"), collectively as tenant, entered into a lease dated February 15, 2002, as extended by a Lease Extension Agreement dated March 1, 2017 (collectively, the "Existing Lease") for the Property, on which the TREC and THESI constructed a wind turbine and operated it for a term expiring on February 28, 2021.  In 2019, THESI advised the City and the Board that it did not wish to continue as tenant at the Property. The City and Board staff were in agreement to consider a further term for operation of the wind turbine if TREC was able to find a suitable partner to provide the financial backing with sufficient industry expertise. After a thorough review of TREC's proposed partner "Rankin Integrated Energy Inc.". City and Board staff are satisfied to recommend approval of a new lease on the terms and conditions set out in this DAF. The Board, by adoption of Item EP16.5 at its meeting on February 19, 2021, approved the Lease, subject to City approval.  The proposed Rent and other major terms and conditions of the Lease are considered to be fair, reasonable and reflective of market rates.
<b>Terms</b>	Refer to Schedule "A" and Confidential Attachment 1 for the main terms and conditions of the Lease. Reason for Confidential Information: Confidential Attachment 1 relates to a proposed or pending acquisition or disposition of land by the City and the Board.

<b>Property Details</b>	<b>Ward:</b>	10 – Spadina-Fort York
	<b>Assessment Roll No.:</b>	
	<b>Approximate Size:</b>	
	<b>Approximate Area:</b>	197.33 m2 ± (2,124 ft2 ±)
	<b>Other Information:</b>	PIN: 213830039

A.	Manager, Real Estate Services has approval authority for:	Director, Real Estate Services has approval authority for:
<p>1. Acquisitions:</p> <p>2A. Expropriations Where City is Expropriating Authority:</p> <p>2B. Expropriations For Transit-Related Purposes Where City is Property Owner or Has Interest in Property Being Expropriated:</p> <p>3. Issuance of RFPs/REOIs:</p> <p>4. Permanent Highway Closures:</p> <p>5. Transfer of Operational Management to Divisions, Agencies and Corporations:</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/Licensors):</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 \$50,000.</p> <p><input type="checkbox"/> Statutory offers, agreements and settlements where total compensation does not cumulatively exceed \$50,000.</p> <p><input type="checkbox"/> (a) Acceptance of statutory offers, agreements and settlements where total compensation does not cumulatively exceed \$50,000.</p> <p><input type="checkbox"/> (b) Request Hearings of Necessity.</p> <p><input type="checkbox"/> (c) Waive Hearings of Necessity.</p> <p><b>Delegated to more senior positions.</b></p> <p><b>Delegated to more senior positions.</b></p> <p><b>Delegated to more senior positions.</b></p> <p><input type="checkbox"/> Where total compensation does not exceed \$50,000.</p> <p><input type="checkbox"/> Where total compensation does not exceed \$50,000.</p> <p><b>Delegated to more senior positions.</b></p> <p><input type="checkbox"/> (a) Where total compensation (including options/renewals) does not exceed \$50,000.</p> <p><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.</p> <p><b>Leases pursuant to the Community Space Tenancy Policy delegated to a more senior position.</b></p> <p><input type="checkbox"/> Where total compensation (including options/renewals) does not exceed \$50,000.</p> <p><input type="checkbox"/> Where total compensation does not exceed \$50,000.</p> <p><b>Delegated to more senior positions.</b></p> <p><input type="checkbox"/> Where total compensation does not exceed \$50,000.</p> <p><b>Delegated to more senior positions.</b></p> <p><b>Delegated to more senior positions.</b></p>	<p><input type="checkbox"/> Where total compensation does not exceed \$1 Million.</p> <p><input type="checkbox"/> Statutory offers, agreements and settlements where total compensation does not cumulatively exceed \$1 Million.</p> <p><input type="checkbox"/> (a) Acceptance of statutory offers, agreements and settlements where total compensation does not cumulatively exceed \$1 Million.</p> <p><input type="checkbox"/> (b) Request Hearings of Necessity.</p> <p><input type="checkbox"/> (c) Waive Hearings of Necessity.</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><b>Delegated to more senior positions.</b></p> <p><input type="checkbox"/> Where total compensation does not exceed \$1 Million.</p> <p><input type="checkbox"/> Where total compensation does not exceed \$1 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 checked="" type="checkbox"/> (a) Where total compensation (including options/renewals) does not exceed \$1 Million.</p> <p><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.</p> <p><b>Leases pursuant to the Community Space Tenancy Policy delegated to a more senior position.</b></p> <p><input type="checkbox"/> Where total compensation (including options/renewals) does not exceed \$1 Million.</p> <p><input type="checkbox"/> (a) Where total compensation does not exceed \$1 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 \$1 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/Estoppel 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>

**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 each position also has delegated approval authority.
- Expropriation Applications and Notices following Council approval of expropriation (Managers whose position includes responsibility for implementing Council-approved expropriations are the only Managers 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 the Deputy City Manager, Corporate Services and any related documents.

**Pre-Condition to Approval**

Complies with General Conditions in Appendix B of City of Toronto Municipal Code Chapter 213, Real Property

**Consultation with Councillor(s)**

Councillor:	Councillor Joe Cressy	Councillor:	
Contact Name:	Brent Gilliard	Contact Name:	
Contacted by:	Phone <input type="checkbox"/> X E-Mail <input type="checkbox"/> Memo <input type="checkbox"/> Other <input type="checkbox"/>	Contacted by:	Phone <input type="checkbox"/> E-mail <input type="checkbox"/> Memo <input type="checkbox"/> Other <input type="checkbox"/>
Comments:	No objections – June 16, 2022	Comments:	

**Consultation with Divisions and/or Agencies**

Division:	Exhibition Place	Division:	<b>Financial Planning</b>
Contact Name:	Hardat Persaud	Contact Name:	Patricia Libardo
Comments:	Comments incorporated – June 30, 2022	Comments:	Comments incorporated – June 21, 2022

**Legal Services Division Contact**

Contact Name: Jack Payne – June 20, 2022

DAF Tracking No.: 2022-144	Date	Signature
<input checked="" type="checkbox"/> Recommended by: <b>Manager, Real Estate Services Ronald Ro</b>	July 11, 2022	Signed by Ronald Ro
<input type="checkbox"/> Approved by:		
<input checked="" type="checkbox"/> Approved by: <b>Director, Real Estate Services Alison Folosea</b>	July 15, 2022	Signed by Alison Folosea

## SCHEDULE "A" –MAJOR TERMS AND CONDITIONS

Existing Lease:	The Lease shall be materially on the same terms and conditions as the Existing Lease, save as modified or amended in this term sheet and subject to any necessary changes to reflect the City of Toronto, rather than the Board, as Landlord.
Landlord:	City of Toronto
Tenant:	Rankin Integrated Energy Inc. and TREC Windpower Co-Operative (No. 1) Incorporated
Leased Premises:	The property located on Alberta Circle within Exhibition Place grounds, including the Facility and substation connection Area (the "Property"), as shown on the Location Map and Schedule in Schedule "B".
Facility:	The existing wind-powered generating facility constructed at the Property, or such new wind-powered generating facility as may be constructed during the Term or Extension Term subject to approval from the Board and the Landlord.
Repowering the Facility:	The Tenant shall have the option to repower (replacement of turbine and/or components) the Facility during the Term, provided the Tenant obtains the Landlord's prior approval. Prior to any Repowering, the Tenant will provide the Landlord with all necessary approvals, including from Transport Canada and NavCan, that the Repowering will not adversely affect aircraft operations at Billy Bishop Airport.
Life Extension Assessment:	On or before June 30, 2023, the Tenant shall undertake a technical assessment for the continued operation of the existing Facility beyond June 30, 2023. If the assessment shows the Facility cannot be safely and effectively operated throughout the Term and Extended Term, if applicable, the Tenant shall take steps identified by the assessment including, if required, Repowering the Facility, to address any deficiencies.
Parking:	Three (3) non-reserved parking permits for Tenant's permanent, full-time staff at no additional charge except when Exhibition Place has special events allowing the Landlord to close or restrict access to Exhibition Place.
Use:	Solely for operation of the Facility, educational programming ancillary to the operation of the Facility and the demonstration and promotion of technologies and ideas that enable progress toward net zero emissions.
Term:	Eight (8) years commencing on the earlier of: (i) the date of the closing of a transaction between both entities forming the Tenant with respect to the Facility and (ii) January 16, 2023 and expiring Eight (8) years thereafter.
Option to extend Term:	Provided it is not then and has not been in default under the Lease, the Tenant shall have one (1) option to extend for a further term of twelve (12) years (the "Extension Term"), on not less than six (6) months' prior written notice to the Landlord. Basic Rent payable during the Extension Term is set out in Confidential Attachment 1. The Extension Term shall otherwise be on the same terms and conditions as the initial Term, save and except that there shall be no Tenant's right to extend or renew the Lease after the expiry of the Extension Term.
Board Execution:	The Board will also execute the Lease and, unless the City advises otherwise and save as expressly otherwise provided in the Lease, all rights, covenants and obligations of the Landlord may be exercised, performed or complied with by the City and/or the Board.
Payment of Rent:	All payments of Basic Rent and Additional Rent, shall, unless the Landlord advises otherwise, be paid to the Board.
Basic Rent:	Initial Term: See Confidential Attachment 1  Extension Term: See Confidential Attachment 1
Net Lease/Additional Rent:	The Lease shall be a carefree and absolutely net lease to the Landlord, and the Tenant shall be responsible for paying Additional Rent in accordance with the provisions of the Existing Lease.
Maintenance:	The Tenant shall operate, maintain and repair the Facility in good condition in keeping with a comparable first class turbine, including keeping log books on repairs, operations and maintenance.
Tenant's Early Termination:	If the Tenant, acting reasonably, deems the Facility to be inoperable for a technical reason and/or financially infeasible, including without limitation as a result of a material change in applicable law, the Tenant shall have the right to terminate the Lease on at least six (6) months' prior written notice to the Landlord.
Avian Impacts and	

- Landlord Termination:** The Tenant will comply with all avian impact monitoring and prevention programs. If Tenant fails to mitigate significant avian impacts or comply with applicable laws, Landlord has the right, on one (1) year's prior notice, to terminate the Lease.
- Relocation:** The Landlord, at the Landlord's cost, may relocate the Tenant with six (6) months' notice and the Tenant's approval of the new location, which cannot unreasonably be withheld.
- Restoration:** No later than six (6) months after the expiration or sooner termination of this Lease, provided the Tenant is not then in material default under this Lease and the Landlord directs otherwise, all of the improvements to the Property shall be removed by the Tenant at its and expense (not including any portions of pilings that are more than one (1) metre below the surface of the ground), and the Tenant shall restore the Property to the condition on the commencement date of the Existing Lease.
- Operation of the Facility:** The Tenant shall maintain and operate the Facility consistent with the best wind power industry standards. The Tenant shall ensure any works are undertaken by personnel and entities with prior experience in operating and maintaining wind turbine assets and the necessary qualifications and certifications in accordance with such wind industry standards to perform such works.
- Electrical Connection:** The Tenant is permitted to connect the Facility to the existing Exhibition Place electrical distribution system. If the Landlord elects to terminate the Tenant's existing connection, it will provide a right of access, at a location it determines, to permit the Tenant to connect to the electrical distribution system outside of Exhibition Place.
- Signage:** Tenant may install signage only with prior approval from the Landlord.
- Condition of Property:** Tenant to lease Property in as is condition.
- Public Education:** The Tenant will develop a public education program regarding the Facility, in consultation with and subject to Landlord's approval, within one year of the Commencement Date and to be offered for a period of three years after the first anniversary of the Commencement Date.
- Existing Lease:** The restoration provision from the Existing Lease is of no force and effect upon the commencement of the Lease.

### SCHEDULE "B" – LOCATION MAP AND SITE PLAN

