

**DELEGATED APPROVAL FORM**  
**DEPUTY CITY MANAGER, CORPORATE SERVICES**  
**EXECUTIVE DIRECTOR, CORPORATE REAL ESTATE MANAGEMENT**

TRACKING NO.: 2022-128

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

Prepared By:	Devi Mohan	Division:	Corporate Real Estate Management
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Date Prepared:	May 20, 2022	Phone No.:	(437) 991 8168
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**Purpose**  
 To obtain authority to sell a City-owned parcel of land being a part of the property municipally known as 4050 Yonge Street, Toronto to the adjacent property owner, Yonge City Square Inc. (the "Purchaser"); subject to the reservation of an easement in favor of the City to allow for public access from the existing Toronto Transit Commission ("TTC") entrance connection to the below-grade York Mills subway station.

**Property**  
 Part of the lands located 4050 Yonge Street, Toronto, legally described as Part of Lots 99, 100, 101 and 102, Plan 204, designated as Parts 1 and 2 on Plan 66R-26058; City Of Toronto, being all of PIN No. 10186-0536 (LT), as shown on the Location Map and Reference Plan in Appendix B; subject to the reservation of an easement in favour of the City for public ingress and egress purposes over Parts 1 and 2 on Plan 66R-26058; City of Toronto (the "Property").

- Actions**
1. Authority be granted to accept an offer from the Purchaser to purchase the Property (the "Offer") for the sum of \$3,500,000 plus HST, substantially on the major terms and conditions set out in Appendix A, and including such other terms and conditions as deemed appropriate by the approving authority herein, and in a form satisfactory to the City Solicitor.
  2. A portion of the proceeds of the sale be directed to fund any outstanding expenses related to the completion of the sale transaction.

**Financial Impact**  
 The City will receive revenue in the amount of \$3,500,000 (exclusive of HST and other applicable taxes), less closing costs and usual adjustments. The proceeds will be contributed to the Land Acquisition Reserve Fund (XR1012) upon closing of the transaction.

The Chief Financial Officer and Treasurer has reviewed this DAF and agrees with the financial implications as identified in the Financial Impact section.

**Comments**  
 The Property was declared surplus on May 31, 2022 (DAF No. 2022-109) with the intended manner of disposal to be by way of inviting an offer to purchase from Yonge City Square Inc. All steps necessary to comply with the City's real estate disposal process as set out in Article 1 of Chapter 213 of the City of Toronto Municipal Code have been complied with.

The Property is remnant parcel of land, comprised of a strip of land with an existing TTC subway entrance and TTC subway corridors/tunnels connecting to a below grade pedestrian connection located to the East, within the Yonge Street right-of-way, connecting to the York Mills Subway Station, and a tunnel to the north of the Property connected to the Yonge Corporate Centre. The Purchaser is the owner of the adjacent lands at 4050 Yonge Street, and proposes to construct a mixed-use development at the site, which will include a new TTC entrance connection, in place of the existing TTC subway entrance, to be constructed at the Purchaser's sole costs.

The Purchaser appealed its request to amend the City's Official Plan, its application to amend the Zoning By-law, and its Site Plan Control Application, to the Ontario Land Tribunal (the "OLT") on September 22, 2020. The Offer is conditional upon the issuance of a final Order of the OLT, amongst other matters described in Appendix A.

The Offer is considered fair, reasonable and reflective of market value, and it is recommended for acceptance substantially on the major terms and conditions set out in Appendix A.

**Terms**  
 See Appendix A – Major Terms and Conditions on Page 4.

<b>Property Details</b>	<b>Ward:</b>	Ward 8 - Eglinton-Lawrence
	<b>Assessment Roll No.:</b>	1906-04-1-040-04000
	<b>Approximate Size:</b>	Parts 1 & 2 - 66R-26058 - 293.6 m2
	<b>Approximate Area:</b>	
	<b>Other Information:</b>	

A.	Executive Director, Corporate Real Estate Management has approval authority for:	Deputy City Manager, Corporate Services has approval authority for:
1. Acquisitions:	<input type="checkbox"/> Where total compensation does not exceed \$3 Million.	<input type="checkbox"/> Where total compensation does not exceed \$5 Million.
2A. Expropriations Where City is Expropriating Authority:	<input type="checkbox"/> Statutory offers, agreements and settlements where total compensation does not cumulatively exceed \$3 Million.	<input type="checkbox"/> Statutory offers, agreements and settlements where total compensation does not cumulatively exceed \$5 Million.
2B. Expropriations For Transit-Related Purposes Where City is Property Owner or Has Interest in Property Being Expropriated:	<input type="checkbox"/> (a) Acceptance of statutory offers, agreements and settlements where total compensation does not cumulatively exceed \$3 Million. <b>Request/waive hearings of necessity delegated to less senior positions.</b>	<input type="checkbox"/> (a) Acceptance of statutory offers, agreements and settlements where total compensation does not cumulatively exceed \$5 Million. <b>Request/waive hearings of necessity delegated to less senior positions.</b>
3. Issuance of RFPs/REOs:	<input type="checkbox"/> Issuance of RFPs/REOs.	<input type="checkbox"/> Issuance of RFPs/REOs.
4. Permanent Highway Closures:	<input type="checkbox"/> Initiate process & authorize GM, Transportation Services to give notice of proposed by-law.	<input type="checkbox"/> Initiate process & authorize GM, Transportation Services to give notice of proposed by-law.
5. Transfer of Operational Management to Divisions, Agencies and Corporations:	<input type="checkbox"/> Transfer of Operational Management to Divisions, Agencies and Corporations.	<input type="checkbox"/> Transfer of Operational Management to Divisions, Agencies and Corporations.
6. Limiting Distance Agreements:	<input type="checkbox"/> Where total compensation does not exceed \$3 Million.	<input type="checkbox"/> Where total compensation does not exceed \$5 Million.
7. Disposals (including Leases of 21 years or more):	<input type="checkbox"/> Where total compensation does not exceed \$3 Million.	<input checked="" type="checkbox"/> Where total compensation does not exceed \$5 Million.
8. Exchange of land in Green Space System & Parks & Open Space Areas of Official Plan:	<input type="checkbox"/> Exchange of land in Green Space System and Parks and Open Space Areas of Official Plan.	<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/Licenser):	<input type="checkbox"/> (a) Where total compensation (including options/renewals) does not exceed \$3 Million.	<input type="checkbox"/> (a) Where total compensation (including options/renewals) does not exceed \$5 Million.
	<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. <b>Delegated to a more senior position.</b>	<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.
10. Leases/Licences (City as Tenant/Licensee):	<input type="checkbox"/> Where total compensation (including options/renewals) does not exceed \$3 Million.	<input type="checkbox"/> Where total compensation (including options/renewals) does not exceed \$5 Million.
	<input type="checkbox"/> (a) Where total compensation does not exceed \$3 Million.	<input type="checkbox"/> (a) Where total compensation does not exceed \$5 Million.
11. Easements (City as Grantor):	<input type="checkbox"/> (b) When closing roads, easements to pre-existing utilities for nominal consideration.	<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 \$3 Million.	<input type="checkbox"/> Where total compensation does not exceed \$5 Million.
13. Revisions to Council Decisions in Real Estate Matters:	<input type="checkbox"/> Amendment must not be materially inconsistent with original decision (and subject to General Condition (U)).	<input type="checkbox"/> Amendment must not be materially inconsistent with original decision (and subject to General Condition (U)).
14. Miscellaneous:	<input type="checkbox"/> (a) Approvals, Consents, Notices and Assignments under all Leases/Licences	<input type="checkbox"/> (a) Approvals, Consents, Notices and Assignments under all Leases/Licences
	<input type="checkbox"/> (b) Releases/Discharges	<input type="checkbox"/> (b) Releases/Discharges
	<input type="checkbox"/> (c) Surrenders/Abandonments	<input type="checkbox"/> (c) Surrenders/Abandonments
	<input type="checkbox"/> (d) Enforcements/Terminations	<input type="checkbox"/> (d) Enforcements/Terminations
	<input type="checkbox"/> (e) Consents/Non-Disturbance Agreements/Acknowledgements/Estoppel Certificates	<input type="checkbox"/> (e) Consents/Non-Disturbance Agreements/Acknowledgements/Estoppel Certificates
	<input type="checkbox"/> (f) Objections/Waivers/Cautions	<input type="checkbox"/> (f) Objections/Waivers/Cautions
	<input type="checkbox"/> (g) Notices of Lease and Sublease	<input type="checkbox"/> (g) Notices of Lease and Sublease
	<input type="checkbox"/> (h) Consent to regulatory applications by City, as owner	<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"/> (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"/> (j) Documentation relating to Land Titles applications
<input type="checkbox"/> (k) Correcting/Quit Claim Transfer/Deeds	<input type="checkbox"/> (k) Correcting/Quit Claim Transfer/Deeds	

**B. Deputy City Manager, Corporate Services and Executive Director, Corporate Real Estate Management each has signing authority on behalf of the City for:**

- Documents required to implement matters for which each position also has delegated approval authority.
- 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.
- 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:	Mike Colle	Councillor:	
Contact Name:	Paul Tye-Ko	Contact Name:	
Contacted by:	Phone <input checked="" type="checkbox"/> 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:	Approved	Comments:	

**Consultation with Divisions and/or Agencies**

Division:	TTC	Division:	<b>Financial Planning</b>
Contact Name:	Matthew Taylor	Contact Name:	Filisha Jenkins
Comments:	Approved	Comments:	Approved

**Legal Services Division Contact**

Contact Name:	Shirley Chow
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DAF Tracking No.: 2022-128	Date	Signature
Recommended by: Manager, Real Estate Services	June 15, 2022	Signed by Ronald Ro
Recommended by: Director, Real Estate Services	June 22, 2022	Signed by Alison Folosea
<input checked="" type="checkbox"/> Recommended by: Executive Director, Corporate Real Estate Management <input type="checkbox"/> Approved by: Patrick Matozzo	June 23, 2022	Signed by Patrick Matozzo
<input checked="" type="checkbox"/> Approved by: Deputy City Manager, Corporate Services Josie Scioli	June 24, 2022	Signed by Josie Scioli

## Appendix A

### Major Terms and Conditions

- Vendor:** City of Toronto
- Purchaser:** Yonge City Square Inc.
- Property:** Part of the lands located 4050 Yonge Street, Toronto, legally described as Part of Lots 99, 100, 101 and 102, Plan 204, designated as Parts 1 and 2 on Plan 66R-26058; City Of Toronto, being all of PIN No. 10186-0536 (LT).
- Purchase Price:** Three Million, Five Hundred Thousand Dollars (\$3,500,000.00)
- Deposit:** Seven Hundred Thousand Dollars (\$700,000.00)
- Irrevocable Date:** The 70<sup>th</sup> day after the date the Offer is executed by the Purchaser.
- Acceptance Date:** The date the City accepts the Offer (the date will be indicated in the Execution Page of the Offer).
- Due Diligence:** The Purchaser shall be allowed until 4:30 p.m. Toronto time on the sixty (60th) day next following the Acceptance Date.
- Closing Date:** The 30<sup>th</sup> day following the expiry of the Pre-Closing Conditional Period (as defined below).
- Assumption Of Lease:** The Property is subject to a lease dated October 31, 1983 (the "CF Lease"), entered into between The Municipality of Metropolitan Toronto, as landlord, The Cadillac Fairview Corporation Limited and London Life Insurance Company, as tenant, and London Life Insurance Company, as mortgagee, and registered on title as Instrument No. TB223174 on February 5, 1985. The Purchaser acknowledges that a portion of the CF Lease encumbers lands that will remain in the City's ownership, and accordingly the City and the Purchaser are collectively the landlords under the CF Lease.
- The City will assign to the Purchaser all of the City's interest in the CF Lease as it relates to the Property and the Purchaser agrees to assume all of the City's obligations under the CF Lease, and to indemnify the City in respect thereof, as of and from Closing Date.
- Reserved Easement:** The Purchaser shall accept title to the Property subject to an easement to be reserved by the City on Closing, in, on, over, along, upon and through the Property, being Parts 1 and 2 on Plan 66R-26058 (the "Reserved Easement Lands") for the purpose of the operation, inspection, maintenance, repair, restoration, reconstruction, relocation, removal, replacement, enlargement, expansion and support, from time to time, of the existing TTC subway entrance located on Property (the "Existing Subway Entrance") and the TTC subway corridors/tunnel connections to the York Mills subway station, and other works ancillary thereto (collectively the "TTC Infrastructure"), and for uses related to the operation of the TTC Infrastructure, including without limitation, unobstructed access in, over, along, upon and through the Reserved Easement Lands for the purposes of ingress and egress to and from the Existing Subway Entrance to the York Mills subway station, for the City, TTC, and their respective agents, consultants, contractors, employees, invitees, servants, and the general public, from time to time, for pedestrian traffic.
- In connection with the Purchaser's proposed development of the Reserved Easement Lands and the Purchaser's adjacent lands at 4050 Yonge Street (collectively referred to as the "Development Lands"), the Purchaser proposes to design, construct and thereafter maintain, at its sole cost and expense, a permanent publicly-accessible TTC subway entrance and pedestrian connection at grade and through below grade areas of the Development Lands to provide pedestrian access and egress through the Development Lands to and from the existing below grade pedestrian connection located east of the Development Lands within the Yonge Street right-of-way and the existing pedestrian connection located north of the Development Lands (hereinafter referred to as the "New TTC Connection"). In connection with the construction of the New TTC Connection, the Purchaser shall grant a nominal sum public access easement in favour of the City and TTC, in a form and content acceptable to the City and TTC in their sole and unfettered discretion, including the registration of same on title to that part of the Development Lands in which the New TTC

Connection is located as identified by a strata reference plan. On registration of the new public access easement, the City covenants and agrees to execute and deliver to the Purchaser a release of the Reserved Easement.

**Pedestrian  
Tunnels:**

From the Closing Date to the date of commencement of construction of the development at 4050 Yonge Street (the "Development"), the Existing Subway Entrance shall be the responsibility of the City and the City shall indemnify the Purchaser against all claims which may be brought against or made upon the Purchaser and against all losses, costs, damages, charges and expenses which may be incurred, sustained or paid by the Purchaser relating to use of the Existing Subway Entrance, including but not limited to the reasonable costs of the Purchaser of defending any such claims, save and except to the extent that any claim is caused or contributed to by the negligent act or omission or willful misconduct of the Purchaser and those for whom it is in law responsible for.

The Purchaser represents and warrants that it shall construct the Development in such a manner so as to minimize interference with the tunnels from the Yonge Corporate Centre (in respect to the portion operating through the Development) to the York Mills Subway Station and it shall ensure that such tunnels shall remain fully open, operational and publicly accessible during the construction of the Development.

**Pre-Closing  
Conditions:**

The City's obligation to complete this Agreement shall be conditional upon satisfaction or waiver by the City of the following conditions (collectively the "Pre-Closing Conditions"):

(a) a Section 37 Agreement in respect of the Development shall be entered into between the Purchaser and the City, and registered in priority on title to both the Development and the Property, at the Purchaser's sole expense;

(b) the issuance of a final Order of the Ontario Land Tribunal ("**OLT**") (LPAT Case No. PL200441) amending the City of Toronto Official Plan and the applicable zoning by-law(s) in a form and content acceptable to the City to permit the construction of the Development in substantial accordance with architectural plans prepared by IBI Group, dated May 16, 2022, said architectural plans being subject to minor modifications with the consent of the City that may be made through the site plan control application or building permit process, with all appeal period(s) expired or, if the Order is appealed, the appeal having been disposed of; and

(c) the Purchaser's satisfaction of all requirements and pre-approval conditions included in Part A and Part B of the Notice of Approval Conditions ("NOAC") filed by the City with the OLT in respect of the Purchaser's site plan control application under appeal (LPAT File No. PL200443), to the satisfaction of the named City official included in the NOAC;

which conditions are inserted for the City's sole benefit and which may be waived in whole or in part by the City by notice in writing delivered to Purchaser at any time on or before six (6) months next following the expiry of the Due Diligence Period (the "Pre-Closing Conditional Period").

If any Pre-Closing Condition is not satisfied prior to the expiry of the Pre-Closing Conditional Period to the City's sole and absolute discretion, then the City may, in its sole and absolute discretion, by notice in writing delivered to the Purchaser prior to the expiry of the Pre-Closing Conditional Period, unilaterally extend the Pre-Closing Conditional Period one or more times for a total period not to exceed twelve (12) months.

**Sale  
Conditions:**

The Purchaser shall accept the Property "as is", including its environmental condition, and shall provide a Release in favour of the City with respect to any hazardous substances.

## Appendix B Location Map and Reference Plan

