

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

TRACKING NO.: 2022-098

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:	April 14, 2022	Phone No.:	416-338-3586
Purpose	To obtain authority for the City of Toronto (the "City"), as licensor, to enter into a Sign License Agreement (the "License") with Branded Cities Company Canada (the "Licensee") and The Board of Governors of Exhibition Place (the "Board"), for the use of a portion of Exhibition Place being the sites of two pylon signs located along Lakeshore Boulevard West, Toronto, for the purpose of converting the existing signs to two double-sided digital entrance gate/advertising sign structures (the "Signs"), installing a Branded Cities identification plaque and operating, managing, maintaining and repairing the Signs and their Related Equipment, including the display and sale of advertising on the Signs.		
Property	Two pylon signs and related equipment at Exhibition Place, and the lands on which the signs are located, at the intersections of: 1. Lakeshore Boulevard West at Ontario Drive (northwest corner) 2. Lakeshore Boulevard West at British Columbia road (east corner) (the "Property") and as shown on Appendix "B".		
Actions	1. Authority be granted to enter into the License with the Licensee and the Board to license the Property, substantially on the major terms and conditions set out in Appendix "A" and Confidential Attachment 1, and including such other terms and conditions as may be deemed appropriate by the approving authority herein, and in a form acceptable to the City Solicitor.		
Financial Impact	For Financial Impact see Confidential Attachment 1. Revenue will be directed to the 2022 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.		
Comments	The Licensee has an existing agreement with the ExPlace which is set to expire on July 31, 2022 (the "Existing License"). The Licensee has provided a financial proposal and proposed terms and conditions for a new sign agreement, which includes a proposal to replace the two existing static display signs with two permanent digital signs (four sides). The opportunity would provide Exhibition Place with advanced, fully digital technologies, modern design and better aesthetics, dynamic messaging, marketing capabilities, and enhanced revenue generation. At its meeting of September 18, 2020, the Board approved the License, subject to obtaining the necessary City of Toronto authorization for the transaction, and subject to the Licensee obtaining the necessary approvals under the City's Municipal Code Chapter 694, Signs, General (the "Sign By-law"). City Council, by adoption of Item PH23.17 at its meeting of June 8 and 9, 2021, approved the necessary amendments to the Sign By-law to permit the Signs, subject to certain conditions. Real Estate Services and Exhibition Place consider the terms and conditions of this proposed Lease to be fair, reasonable and reflective of market rates.		
Terms	See Appendix A for decision history. Major terms and conditions of the Agreement are set out in Appendix "A" and Confidential Attachment 1. Reasons for Confidential Information: Confidential Attachment 1 relates to a proposed or pending acquisition or disposition of land by the City and the Board.		
Property Details	Ward:	4 - Parkdale-High Park and 10 - Spadina-Fort York	
	Assessment Roll No.:		
	Approximate Size:		
	Approximate Area:	39.02 m2 ± (420 ft2 ±)	
	Other Information:	Pin: 213830039	

A.	Executive Director, Corporate Real Estate Management has approval authority for:	Deputy City Manager, Corporate 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 & 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 \$3 Million.</p> <p><input type="checkbox"/> Statutory offers, agreements and settlements where total compensation does not cumulatively exceed \$3 Million.</p> <p><input type="checkbox"/> (a) Acceptance of statutory offers, agreements and settlements where total compensation does not cumulatively exceed \$3 Million.</p> <p>Request/waive hearings of necessity delegated to less senior positions.</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, Agencies and Corporations.</p> <p><input type="checkbox"/> Where total compensation does not exceed \$3 Million.</p> <p><input type="checkbox"/> Where total compensation does not exceed \$3 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 \$3 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>Delegated to a more senior position.</p> <p><input type="checkbox"/> Where total compensation (including options/renewals) does not exceed \$3 Million.</p> <p><input type="checkbox"/> (a) Where total compensation does not exceed \$3 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 \$3 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>	<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"/> (a) Acceptance of statutory offers, agreements and settlements where total compensation does not cumulatively exceed \$5 Million.</p> <p>Request/waive hearings of necessity delegated to less senior positions.</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, Agencies and Corporations.</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 checked="" 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, as amended from time to time.</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/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. 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:	Joe Cressy	Councillor:	Gord Perks
Contact Name:	Brent Gilliard	Contact Name:	Meri Newton
Contacted by:	<input type="checkbox"/> Phone <input checked="" type="checkbox"/> E-Mail <input type="checkbox"/> Memo <input type="checkbox"/> Other	Contacted by:	<input type="checkbox"/> Phone <input checked="" type="checkbox"/> E-mail <input type="checkbox"/> Memo <input type="checkbox"/> Other
Comments:	No objections – April 13, 2022	Comments:	Objected – April 13, 2022, see Appendix C

Consultation with Divisions and/or Agencies

Division:	Exhibition Place	Division:	Financial Planning
Contact Name:	Hardat Persaud, CFO	Contact Name:	Ciro Tarantino
Comments:	Comments incorporated – April 4, 2022	Comments:	Comments incorporated – March 28, 2022

Legal Services Division Contact

Contact Name:	Jack Payne
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DAF Tracking No.: 2022- 098	Date	Signature
Recommended by: Manager, Real Estate Services	April 20, 2022	Signed by Ronald Ro
Recommended by: Director, Real Estate Services	April 26, 2022	Signed by Alison Folosea
<input checked="" type="checkbox"/> Recommended by: Executive Director, Corporate Real Estate Management Patrick Matozzo	April 27, 2022	Signed by Patrick Matozzo
<input checked="" type="checkbox"/> Approved by: Deputy City Manager, Corporate Services Josie Scioli	April 28, 2022	Signed by Josie Scioli

Appendix "A"

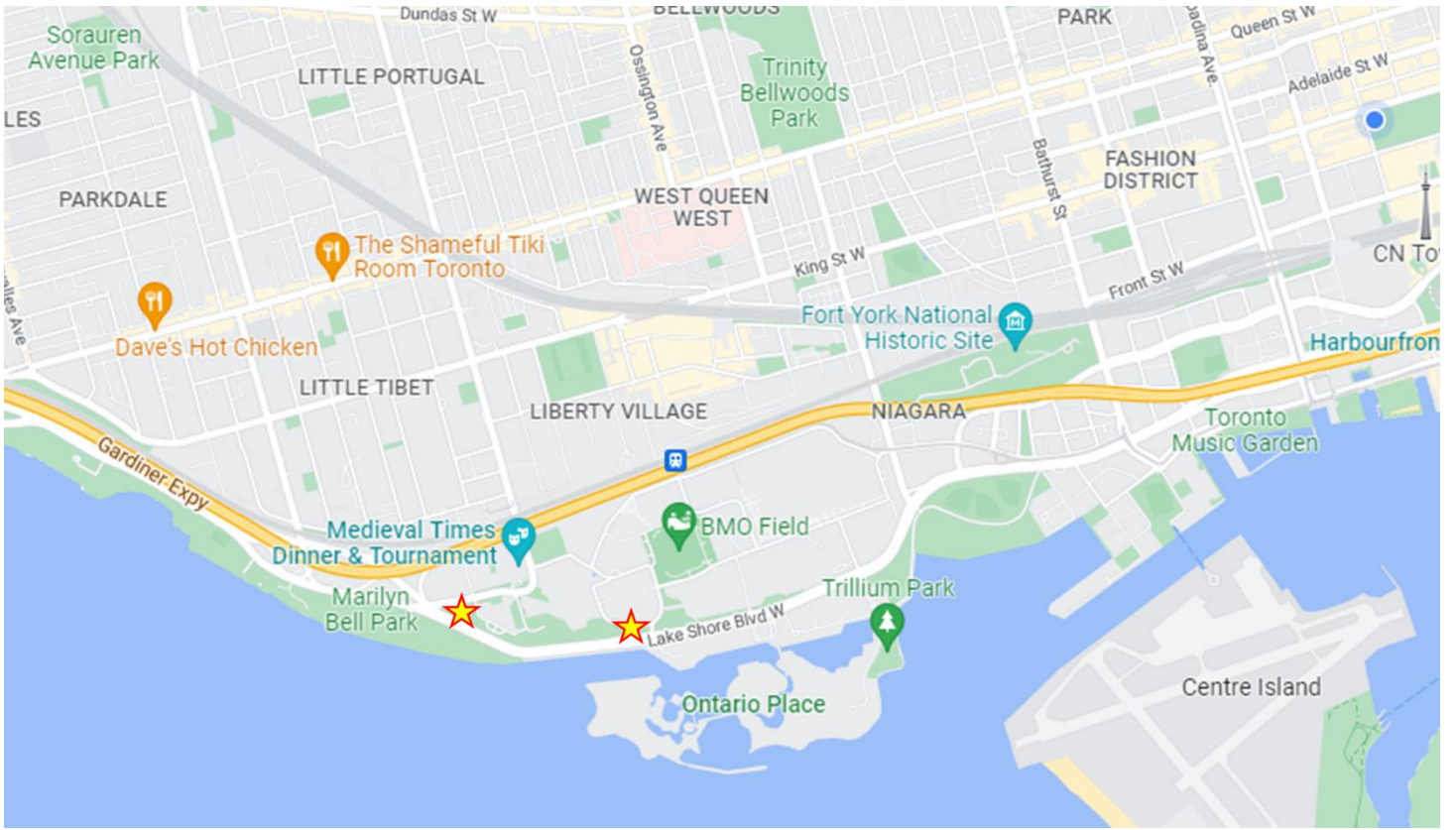
Major Terms and Conditions

Licensor:	City of Toronto
Board:	The Board of Governors of Exhibition Place
Licensee:	Branded Cities Company Canada
Board Execution:	Unless the City advises the Licensee in writing to the contrary, and save and except as otherwise specifically provided in the License, all rights, entitlements, covenants and obligations of the City may be exercised, performed or complied with by the City and/or the Board.
Property:	The Signs and related equipment at Exhibition Place, and the lands on which the Signs are located, at the intersections of: <ol style="list-style-type: none"> 1. Lakeshore Boulevard West at Ontario Drive (northwest corner) 2. Lakeshore Boulevard West at British Columbia road (east corner) and as shown on Appendix "B".
Use:	For the purposes of: (i) converting the existing signs to the Signs and their related equipment; (ii) installing a Branded Cities identification plaque; and (iii) operating, managing, maintaining and repairing the signs and their related equipment, including the display and sale of advertising on the signs
Construction Schedule/ Completion Date:	Branded Cities shall carry out and complete conversion of the existing signs in accordance with a construction schedule approved by the City and the Board. The date on which the existing signs are fully converted to the Signs and their related equipment and fully operational for the display of advertising.
Term:	Commencing on the date that the License is fully executed and, subject to the City's termination rights set out below, ending ten (10) years after the Completion Date.
Existing Agreement:	The Existing Agreement will automatically terminate as of, as applicable: (i) July 31, 2022 in the event that (A) Branded Cities does not obtain the approval of the City and/or the Board to the specifications for the Signs; hereof, or (B) Branded Cities does not timely submit the applications for required building and signage permits and the City terminates the Licence as set out below; or (ii) the Completion Date.
Rent:	As per Confidential Attachment 1.
Board Benefits:	The Board shall be entitled to a guarantee of sixteen percent (16%) of each loop, together with any unsold time upon request and subject to availability, to promote the City and its services. The Licensee shall provide the Board with creative services (includes, content, renderings, formatting, but not pre-production/commercials) at no cost to assist in production of the Board's messaging. Both signs will be available for all Amber Alerts.
Advertising:	The Licensee shall be permitted to secure advertisers for the advertising panels and shall be responsible for paying all costs, including commissions, thereby incurred, and the Licensee shall have the exclusive right and responsibility to sell commercial advertising on the Signs, subject to advertising guidelines. During periods in which paid advertising is not displayed on the Signs, the Licensee may display other content on the Signs, subject to the terms of the License, including the provisions regarding the Board's exclusive sponsors,
Fabrication, Construction, And Installation:	The Licensee shall, at its cost and expense, be responsible for all design, fabrication, transportation, construction and installation of the Signs, and the preparation of the Sites for the construction, installation and operation of the Signs, including all services, equipment and utilities necessary to operate the Signs, and the restoration of the Sites, including all landscaping elements following installation of the Signs.
Permitting:	The Licensee will be solely responsible at its own cost for obtaining all permits necessary to construct, operate, and maintain the signs, including, but not limited to, any by-law amendments or permits, including a site specific amendment to Municipal Code Chapter 694 Signs, General, required to permit the proposed installation.
City Termination:	If the Licensee fails to submit the application(s) for all required permits within 120 days following the date of the License, the City shall have the right to terminate the License, whereupon the parties shall be fully released from their respective duties, obligations, responsibilities, and liabilities, except for those which expressly survive such termination.
Electricity:	The Licensee shall be responsible for the cost of any electrical hook-up of the Signs, and, to any extent required by the City or the Board, the installation of a separate meter, and the cost of all electricity used in connection with the Signs.

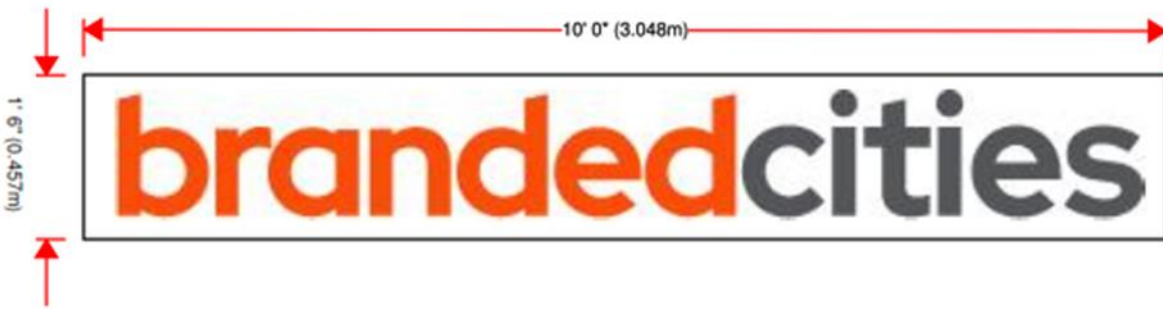
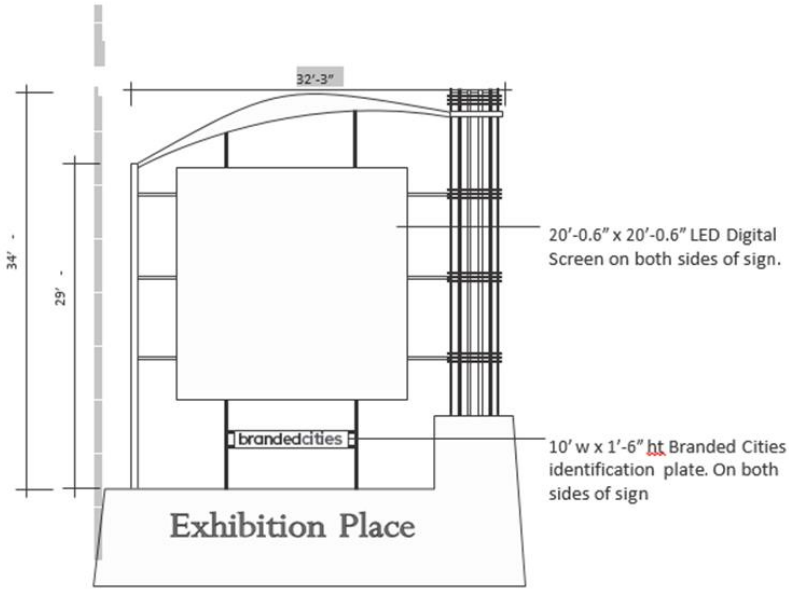
Maintenance:	The Licensee shall, at its sole cost, be responsible for all maintenance and repairs required in the annual operation and up-keep of the Signs, which shall be maintained by the Licensee at all times to the highest standards of the industry.
Taxes:	The Licensee shall be responsible for the payment of any and all taxes, assessments or levies, including realty taxes, which may arise from the conversion of the Existing Signs to the Signs or the operation of the Signs.
Drawings and Specifications:	Within ninety days of the date of the Licence, the Licensee shall provide detailed specifications for the construction of the conversion of the Existing Signs to the Signs for the approval of the City and the Board in accordance with the general specifications set out in the Licence.
Conditions:	The License is conditional on upon the Licensee obtaining all required permits, by no later than July 31, 2022 (the expiration of existing agreement). Should the Licensee be unsuccessful in obtaining the required permits by such date, the License shall be of no further force and effect and the Licensee shall have no claim, recourse or remedies against the Board or the City.
Union Agreements:	The Licensee shall comply with all agreements in force between the Board and any union or association with respect to Exhibition Place.
Board Sponsors:	The Licensee acknowledges that the Board may have certain exclusive sponsorships agreements with third parties and agrees to offer the exclusive sponsors the opportunity to purchase advertising rights on the signs before entering into any agreements selling advertising rights to parties in competition with such exclusive sponsors, and the advertising rates offered to such exclusive sponsors by the Licensee shall not exceed the rates offered to such competitors.
Limitation on the Sale of Advertising by the Licensee:	The Licensee shall ensure that advertising on the Signs is not made available to competitors of major events held at Exhibition Place or Enercare Centre less than fifteen (15) days prior to, or during, a major event, and shall not advertise events at venues directly competing with any venue at Exhibition Place.
Future Olympics/Special Events:	In the event that Exhibition Place becomes a venue for any future Olympics Games and/or the FIFA World Cup to be held during the term, the Licensee will waive its rights to the advertising space on the signs for the period of such event, provided that MAG Rent shall abate during such event, and Term shall be extended for the period of time of such event.
Assignment:	The City has the right to sell, assign, transfer and/or encumber the License without the consent of Branded Cities, to any City local agency, board, commission or corporation or to any purchaser or ground lessee of Exhibition Place, provided such transferee is not a competitor of Branded Cities. The License shall not be assigned, sublicensed, encumbered or transferred by the Licensee without the consent of the City and Board, not to be unreasonably withheld. Provided the Licensee may, without consent: (i) sublicense parts of the Signs to advertisers; (ii) assign the License to an affiliate or corporation that results from amalgamation; (iii) assign as security or encumber the License in connection with a financing; and (iv) transfer the License to a purchaser or all or substantially all of the Licensee's assets or business.
Labour and Material Payment bond:	The Licensee shall provide a performance bond and labour and materials payment bond prior to commencing construction. Each bond shall be in an amount equal to 50% of the cost of construction, transporting and installing the Signs, including the cost of electrical connections and rendering the Signs fully operational. The bonds will be returned on the Completion Date.
Ownership of the Signs:	During the Term (and the expiry of the Term where the City requires the Signs to be relocated or when the City requires the Licensee to remove the Signs due to Licensee default), the Licensee shall be the sole owner of all rights, title and interest in the Signs and their related equipment and all permits. At the expiry of earlier termination of the Term, the City has the option to purchase all of the Licensee's right, title and interest in the Signs and their related equipment for \$1.00.
Restoration of the Premises:	At expiry of the License, the City has the right to require the Licensee, at its expense, to remove the Signs and their related equipment and restore the sites to the extent that the Licensee damaged the same within forty-five (45) days after the expiry, failing which the City may do so and collect any third party expense reasonably incurred in so doing from the Licensee.
Redevelopment:	If (i) the implementation of the Central Waterfront Secondary Plan and/or the initiatives of the Toronto Revitalization Task Force or (ii) the development at Exhibition Place by the Board and/or the City or the redevelopment of Ontario Place, requires that one or both of the Signs be removed during the Term, the City shall have the right upon at least sixty (60) days' notice to Branded Cities to either: (i) remove and relocate the Sign(s), at the City's expense; or (ii) terminate the Licence with respect to one or both signs if the parties cannot agree on a new location, in which case the City will pay the unamortized capital cost of the terminated sign or signs and the cost of removing such sign or signs.

Appendix "B"

Location Maps



Sign Design



Appendix "C"

Through the consultation process, the local Councillors whose wards will be impacted, have been consulted. Councillor Perks has noted they are not in favour of this proposal. Their reasoning for this is as follows:

- Less commercial signage, that is less illuminated and of a smaller size is best for the quality of a City.
- Possible dangers in having a sign close to a major road such as Lakeshore

City council, through majority vote, has demonstrated support for the proposal. As such, staff are in support of this project.