

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

TRACKING NO.: 2023-252

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

Prepared By:	Akhilesh Tekchand	Division:	Corporate Real Estate Management
Date Prepared:	October 18, 2023	Phone No.:	416-648-7061
Purpose	To obtain authority to enter into a reciprocal easement and shared facilities agreement (the "Reciprocal Agreement") with Pinnacle International (Seven Yonge) Ltd. (the "Owner) with respect to the property municipally known as 24 Freeland Street and 7 Yonge Street, Toronto for the purpose of operation and maintenance of the One Yonge Community Recreation Centre, developed and constructed in accordance with the requirements of Section 4 of the Section 37 Agreement.		
Property	The property municipally known as 24 Freeland Street, Toronto, described as One Yonge Community Recreation Centre, being part of PIN 21384-0303 (LT), and the first phase of the Development (as defined below) municipally known as 7 Yonge Street, Toronto, both being part of Block A on plan 754-E, as shown on the Location Map in Appendix "B".		
Actions	1. Authority be granted to enter into the Reciprocal Agreement with the Owner, substantially on the major terms and conditions set out in Appendix "A", and including such other and amended terms and conditions as deemed appropriate by the approving authority herein, and in a form satisfactory to the City Solicitor.		
Financial Impact	There is no financial impact to the City. The Easements granted in favour of the Owner and in favour of the City are for nominal consideration. The Owner is responsible for all costs relating to the operation, maintenance and repair of shared facilities at the Property and registration of the Reciprocal Agreement and the Easements, including the costs for providing any surveys that may be required by the City, together with all registration costs relating thereto. The Owner agrees to execute any and all documents required for such purpose at the Owner's sole cost and expense. The Chief Financial Officer and Treasurer has reviewed this DAF and agrees with the financial impact information.		
Comments	The Owners are constructing a phased mixed use development (the "Development"), and entered into a Section 37 Agreement with the City dated January 28, 2019 and registered on February 11, 2019 as Instrument No. AT5074001. Pursuant to Section 4 of the Section 37 Agreement, the Owners have an obligation to construct and convey to the City, by way of a freehold strata conveyance, lands (the "City Lands") comprising a Community Centre. For the efficient operation of the City Lands and the Owner Lands, the parties have agreed to the establishment of certain Easements, rights and agreements between them concerning the Easements, City Lands and the Owner Lands, with the intent to provide for the safe, efficient and harmonious operation of the Owner Facilities and the City Facilities, subject to and in accordance with the terms set out in the Reciprocal Agreement.		
Terms	See Appendix "A" for major terms.		
Property Details	Ward:	10 – Spadina-Fort York	
	Assessment Roll No.:		
	Approximate Size:		
	Approximate Area:	4,772 m ² ± (51,000 ft ² ±)	
	Other Information:		

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 & Parks & 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>Delegated to more senior positions.</p> <p>Delegated to more senior positions.</p> <p>Delegated to more senior positions.</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>Delegated to more senior positions.</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>Leases pursuant to the Community Space Tenancy Policy delegated to a more senior position.</p> <p><input type="checkbox"/> Where total compensation (including options/renewals) does not exceed \$50,000.</p> <p><input checked="" type="checkbox"/> Where total compensation does not exceed \$50,000.</p> <p>Delegated to more senior positions.</p> <p><input checked="" type="checkbox"/> Where total compensation does not exceed \$50,000.</p> <p>Delegated to more senior positions.</p> <p>Delegated to more senior positions.</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 & authorize GM, Transportation Services to give notice of proposed by-law.</p> <p>Delegated to more senior positions.</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 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>Leases pursuant to the Community Space Tenancy Policy delegated to a more senior position.</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:	Ausma Malik	Councillor:	
Contact Name:		Contact Name:	
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 type="checkbox"/> E-mail <input type="checkbox"/> Memo <input type="checkbox"/> Other
Comments:	No objections	Comments:	

Consultation with Divisions and/or Agencies

Division:	Parks, Forestry & Recreation	Division:	Financial Planning
Contact Name:	Ashley Wilson, Jason Bragg	Contact Name:	Ciro Tarantino
Comments:	Concurred	Comments:	Concurred

Legal Services Division Contact

Contact Name:	Jack Payne
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DAF Tracking No.: 2023-252	Date	Signature
Concurred with by: Manager, Real Estate Services Vinette Prescott-Brown	Oct. 24, 2023	Signed by Vinette Prescott-Brown
<input type="checkbox"/> Recommended by: Manager, Real Estate Services Jennifer Kowalski	Oct. 24, 2023	Signed by Jennifer Kowalski
<input checked="" type="checkbox"/> Approved by:		

APPENDIX "A"

Major Terms and Conditions

- Premises:** The City Lands comprising the Community Centre at 24 Freeland Street, Toronto and the first phase of the Development, at 7 Yonge Street, Toronto
- Purpose:** The efficient operation and maintenance of the One Yonge Community Recreation Centre and the Development
- Effective Date:** As of the date upon which the City Lands are conveyed to the City.
- Termination:** The Agreement cannot be terminated other than by the written consent of all of the parties hereto and their respective mortgagees.
- Improvements:** Each of the City and the Owner may, at any time and from time to time, at its sole cost and expense, alter the improvements on or within its Lands without the consent of the other party, save and except where such alteration would constitute a Material Adverse Change, as defined in the Agreement.
- Easements:** **Easements granted by the City to the Owner:**
- Easements over the whole of the City Lands for access for maintenance, repair, and inspection of Owner Lands and Facilities, covering various structural elements; permission to install and maintain utility systems serving Owner Lands, including plumbing, electrical, heating, and more; support of Owner Building and related structures; installation and circulation of air in existing ventilation shafts; access for the exercise of easement rights and duties;
- Easements granted by the Owner to the City:**
- Easements over the whole of the Owner Lands for access for maintenance, repair, and inspection of City Lands and Facilities, covering various structural elements; permission to install and maintain utility systems serving City Lands, including plumbing, electrical, heating, and more; support of Community Centre and related structures; installation and circulation of air in existing ventilation shafts; access for the exercise of easement rights and duties;
 - Easements over various portions of Owner Lands for pedestrian and vehicular ingress and egress;
 - Easement over Community Centre Staff Parking Spaces for parking vehicles;
 - Easement for use of Loading Bay;
 - At the time the future extension of Harbour Street is made publicly available, an easement for future visitor bicycle parking spaces.
 - Exercise of Easement Rights: Authorized personnel from both parties, including employees, contractors, agents, and tenants, may exercise Easement rights. City's elected and appointed officials also included.
 - Obligations to Restore: If party causes damage in exercising its rights under Easements it must reimburse other party for its costs to repair, restore, or replace damage. Loading Bays: Loading Bay shared by Owner and City with reasonable usage accounting for their respective needs. Shared Facilities Manager establishes rules for efficient operation, considering the needs of both parties.

Maintenance & Repair:

The City is responsible for maintaining the Community Centre and all City Facilities in good condition. The Owner is obligated to keep the Owner Building and all Owner Facilities in good condition.

The Owner bears the responsibility for Shared Facilities maintenance, including associated costs and expenses.

Attendance at Meetings:

The City is entitled to have two non-voting representatives attend at meetings of a liaison or similar committee established for the overall Project, with respect to matters affecting the City Lands and Facilities.

Dispositions, Mortgages, Condo Conversions, Encumbrances

Any transferee, mortgagee, or condominium corporation dealing with any portion of the Lands must execute an Assumption Agreement in the form attached to the Agreement. Parties may enter into encumbrances of their Lands provided they don't interfere with the Shared Facilities or rights under the Agreement, including the Easements.

Insurance:

The City is responsible for obtaining and maintaining, at its expense, all risks insurance coverage for City Facilities, covering perils like fire, explosion, collapse, earthquake, flood, and more. This coverage is based on full replacement cost. The Owner shall obtain all risks insurance on the Owner Facilities.

The City and Owner are also to maintain comprehensive boiler and machinery insurance if applicable.

Each party must individually secure and bear the expense of comprehensive general liability insurance, with a policy limit of no less than \$10,000,000.00 per occurrence. The policy should include various clauses like cross-liability, severability of interest, and more.

Each party releases the other from claims relating to the Easements or the other's Facilities, and indemnifies the other for claims due to breach of the Agreement or negligence or misconduct, unless caused by the indemnified party's negligence or misconduct,

Acknowledgment

Each party will, within 30 days of written request, in connection with a disposition or mortgage, provide to the other an acknowledgment confirming the status of the Agreement.

APPENDIX "B"

Location Map



APPENDIX "C"

Easement Part Plans

