

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

**TRACKING NO.: 2024-057**

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

Prepared By:	Bruno Iozzo	Division:	Corporate Real Estate Management
Date Prepared:	February 23, 2024	Phone No.:	(416) 392-8151

<b>Purpose</b>	To obtain authority to enter into a licence agreement (the "Agreement") with Metrolinx to permit the organization to temporarily access and use portions of the City's lands to construct certain improvements and works in connection with the Scarborough Subway Extension project (the "Project").
<b>Property</b>	A portion of the property located at the north-west corner of the McCowan Road and Progress Avenue intersection; Scarborough, City of Toronto, being part of PIN 06000-0188 (LT) and displayed in the location map attached hereto in Appendix "B" and in the property sketch displayed in Appendix "B-1".
<b>Actions</b>	1. Authority be granted to enter into the Agreement with Metrolinx, substantially on the terms and conditions set out in Appendix "A", and on such other terms and conditions deemed appropriate by the approving authority herein, and in a form acceptable to the City Solicitor.
<b>Financial Impact</b>	<p>The City is estimated to collect a total licence fee in the amount of \$211,375.00 plus applicable taxes for the initial term of the Agreement. Should Metrolinx exercise its option to extend the term of the Agreement, the City is estimated to collect an additional \$179,246.00 plus applicable taxes (subject to amendments based on the annual average CPI rate increase for years 7-9), for a grand total of \$390,621.00. The revenue will be directed to the 2024 Council Approved Operating Budget for Corporate Real Estate Management under cost centre FA1495 and functional area code 3220200000.</p> <p>The Chief Financial Officer and Treasurer has reviewed this DAF and agrees with the financial implications as identified in the Financial Impact section.</p>
<b>Comments</b>	<p>On December 15, 2021, City Council adopted Item EX28.12 titled "Metrolinx Subways Program – Real Estate Protocol and Land Valuation Principles for Subways and GO Expansion Programs". Upon its adoption, the City, TTC and Metrolinx entered into an agreement dated June 16, 2022 ("Subways Master Agreement"), which included a schedule that outlined the process for real estate transactions related to subway projects (the "Real Estate Protocol"). The Real Estate Protocol provides a clear process for the City, TTC and Metrolinx to follow relating to the acquisition, ownership, and disposition of real property between the parties, both temporary and permanent interests, required for the Subways Program, which includes the Scarborough Subway Extension.</p> <p>Metrolinx intends to construct certain improvements and works in connection with the Project, which requires temporary access to and use of the Property as identified on the sketch shown in Appendix "B-1". The City has agreed to grant a temporary licence to Metrolinx to enter and utilize the Property to undertake these works associated with the Project. The terms and conditions of the Agreement are substantially the same as provided in the Real Estate Protocol.</p> <p>The proposed licence fee and other major terms and conditions of the Agreement are considered to be fair, reasonable, and reflective of market rates.</p>
<b>Terms</b>	Please see Appendix "A"

<b>Property Details</b>	<b>Ward:</b>	21 – Scarborough Centre
	<b>Assessment Roll No.:</b>	
	<b>Approximate Size:</b>	
	<b>Approximate Area:</b>	1,423 m <sup>2</sup> (or 15,317 ft <sup>2</sup> )
	<b>Other Information:</b>	

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/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 \$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:	Michael Thompson	Councillor:	
Contact Name:	Amalia Stefanopoulos	Contact Name:	
Contacted by:	Phone <input type="checkbox"/> E-Mail <input checked="" 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	Comments:	

**Consultation with Divisions and/or Agencies**

Division:	Toronto Water	Division:	Financial Planning
Contact Name:	Mina Mirzajani	Contact Name:	Ciro Tarantino
Comments:	No concerns	Comments:	No issues

**Legal Services Division Contact**

Contact Name: Michelle Xu

DAF Tracking No.: 2024-057	Date	Signature
<input checked="" type="checkbox"/> Recommended by: <b>Manager, Real Estate Services Vinette Prescott-Brown</b>	February 29, 2024	Signed by Vinette Prescott-Brown
<input type="checkbox"/> Approved by:		
<input checked="" type="checkbox"/> Approved by: <b>Director, Real Estate Services Alison Folosea</b>	March 6, 2024	Signed by Alison Folosea

## Appendix "A" – Major Terms and Conditions of the Agreement

### **Licensed Area:**

Approximately 1,423 square metres

### **Term:**

Five (5) years with an option to extend for up to 4 years.

### **Commencement Date:**

Upon execution of the Agreement by both parties

### **Licensed Fee:**

\$42,275.00 per annum, plus HST for the Term (or \$211,375.00 plus applicable taxes for the initial 5-year term of the Agreement). The parties agree to have the licensed fee re-assessed. Metrolinx agrees to pay any shortfall, and the City agrees to credit any overpayment to the extension term licensed fee, or refund to the Program if the term is not being extended. If the Term is extended, the Licence Fee starting on the 6th year of the Term shall be increased by six percent (6%), and thereafter, each additional extension year shall increase annually based on the annual average rate of CPI of the preceding calendar year plus HST.

### **Insurance:**

Metrolinx may self-insure.

### **Early Termination:**

- Metrolinx shall have the right to terminate the Licence at any time during the Term or the extension term, as applicable, upon giving not less than thirty (30) days of prior written notice to the City. In the event of any such termination, any pre-paid portion of the Licence Fee shall be refunded to Metrolinx on a pro-rated basis.
- A termination of the Subways Master Agreement or the Real Estate Protocol is a termination of the Licence.

### **Permitted Purpose:**

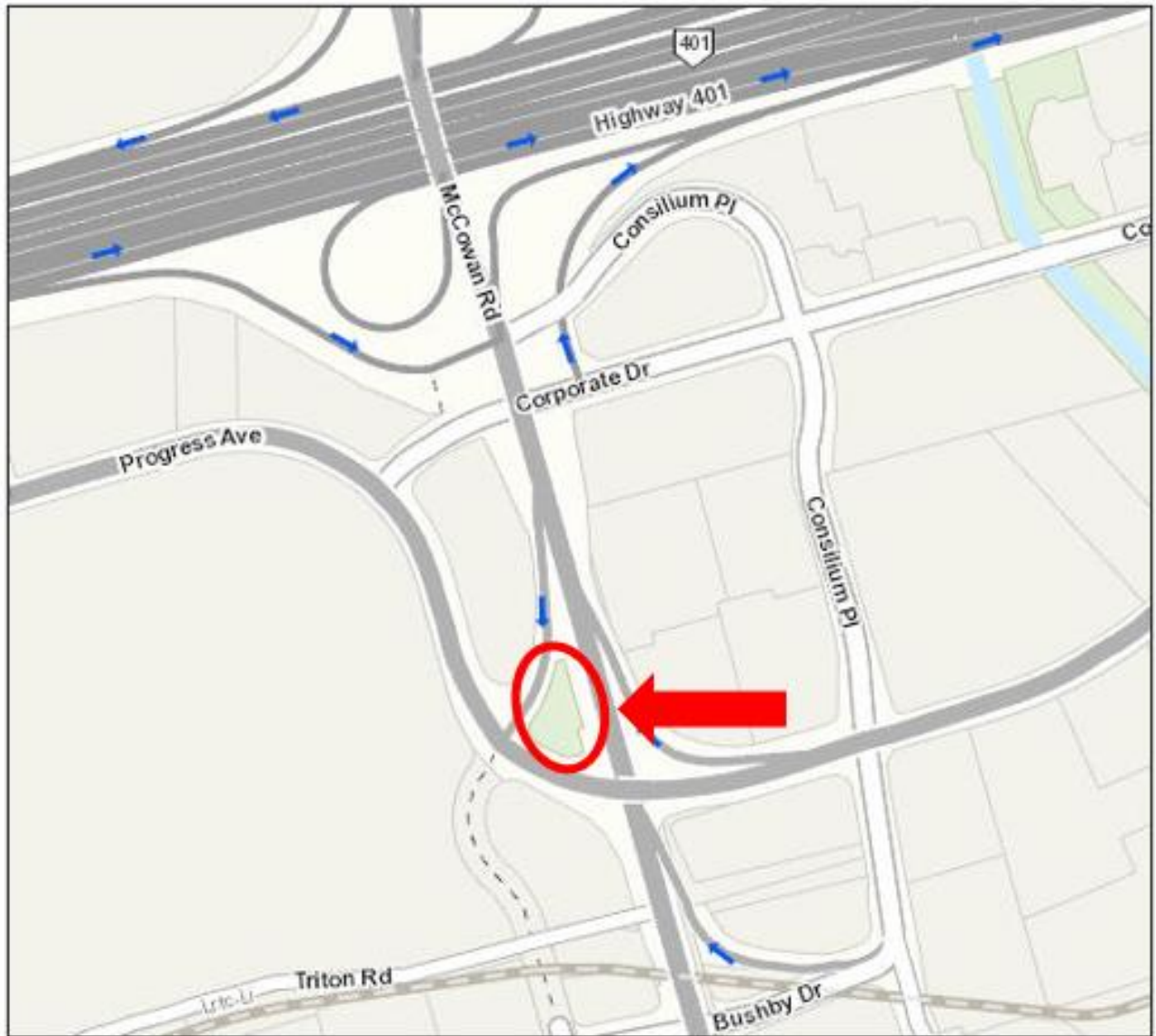
All works and uses in connection with the construction of the Project, including, without limitation:

Entering, occupying, and re-entering with all necessary material, including, but not limited to, light and heavy vehicles, service vehicles, boring machines, machinery, mobile cranes, support facilities, supplies and equipment at all times in, on, over, through, under, along and upon the lands for all purposes, including, but not limited to, construction staging and laydown areas, grading, excavation, temporary roadway detours, support of excavation structures, placement and storage of soil and aggregate, equipment, supplies and other material, to conduct due diligence work, temporary and permanent above grade structures construction, construction of temporary and permanent of subsurface elements such as headwalls, construction of subsurface tunnelling works and tunnel wall supports, footings and supports, construction and installation of temporary retaining walls, formwork, walking paths, temporary and permanent road infrastructure, relocation of existing electrical and other utilities, site offices, parking of vehicles or other equipment, hoarding, shoring and formwork, pile wall protection, sheet piling and associated works, fencing, establishing temporary alternative access, site clearance, including all necessary removal of vegetation, trees, relocation, reconstruction or demolition of structures at grade and/or above and below grade including the disconnection and/or reconnection of any electrical and other utilities, provision of any temporary utilities required for construction or new transit facilities, construction of noise walls, temporary removal of parking areas and all other improvements and all related work.

### **Removal and Restoration:**

With the exception of the areas that will be acquired by Metrolinx on a permanent basis by way of fee simple interest or permanent easement on the expiry or early termination of the Agreement, Metrolinx shall repair at its own expense and to the satisfaction of the City, acting reasonably, all damage to the Property and improvements thereon caused by the use of the Property by Metrolinx or its Authorized Users and shall restore the Property to substantially the same condition that the Property was in prior to the commencement of the Agreement.

### Appendix "B" – Location Map



**APPENDIX "B-1"**  
**LICENSED AREA**

