

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

TRACKING NO.: 2024-206

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:	August 27, 2024	Phone No.:	(416) 392-8151										
Purpose	To obtain authority to enter into a licence agreement with Metrolinx with respect to the property municipally known as 2575 Eglinton Avenue East, for all works and uses relating to the construction of certain improvements and works in connection with the Scarborough Subway Extension project (the "Agreement").												
Property	A portion of the property municipally known as 2575 Eglinton Avenue East and legally described as Part of Lot 354, Plan 2029, Scarborough; Part of Lot 355, Plan 2029, Scarborough, as in CA482744; Lot 352, Plan 2029, Scarborough; Lot 353, Plan 2029, Scarborough; Lot 356, Plan 2029, Scarborough; Lot 357, Plan 2029, Scarborough; Toronto, City of Toronto; being part of PIN 06425-0051 (LT) (the "Property") as shown on the location map attached hereto as Appendix "B" and on the property sketch attached hereto as Appendix "C".												
Actions	1. Authority be granted to enter into the Agreement with Metrolinx, substantially on the major 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.												
Financial Impact	<p>The City is estimated to collect a total licence fee in the amount of \$80,405.00 (or \$16,081.00 per annum) 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 \$17,046.00 plus applicable taxes per year (subject to amendments based on the annual average CPI rate increase for year 7), for a grand total of \$97,451.00 plus applicable taxes for years 1-6 and \$17,046.00 adjusted by the rate of CPI plus HST for year 7, if applicable. The revenue will be directed to the 2024 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>												
Comments	<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 ("the Project").</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 "C". 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 form of the Agreement is substantially in the form appended to the Real Estate Protocol.</p> <p>On June 26th, 2024, City Council authorized staff report EX15.2 titled "Priorities in Transit Expansion and Transit-Oriented Communities Projects". The report contained a recommendation that required Metrolinx to provide the City with certain information prior to completing any further real estate transactions involving City lands. The Transit Expansion (TE) Division has confirmed that the Ward Councillor is comfortable proceeding with this land transaction based on the information provided by Metrolinx about its mitigation efforts related to construction impact to residential tenants and businesses. Therefore, TE confirms that Metrolinx has satisfied the conditions set out in EX15.2 relating to the Property.</p>												
Terms	Please see Appendix "A".												
Property Details	<table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 40%;">Ward:</td> <td>20 – Scarborough Southwest</td> </tr> <tr> <td>Assessment Roll No.:</td> <td></td> </tr> <tr> <td>Approximate Size:</td> <td></td> </tr> <tr> <td>Approximate Area:</td> <td>83 square meters (or 893.4 square feet)</td> </tr> <tr> <td>Other Information:</td> <td></td> </tr> </table>			Ward:	20 – Scarborough Southwest	Assessment Roll No.:		Approximate Size:		Approximate Area:	83 square meters (or 893.4 square feet)	Other Information:	
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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/REOs:</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/REOs.</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 checked="" 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/REOs.</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 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; 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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:	Parthi Kandavel	Councillor:	
Contact Name:	Alexandra (Sandy) Kyriakos	Contact Name:	
Contacted by:	Phone <input type="checkbox"/> X <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:	No objections	Comments:	

Consultation with Divisions and/or Agencies

Division:	Fire Services / Transit Expansion	Division:	Financial Planning
Contact Name:	Jim Jessop / Antonella Nicaso	Contact Name:	Karen Liu
Comments:	No concerns / Confirmed compliance with EX15.2	Comments:	No concerns

Legal Services Division Contact

Contact Name:	Michelle Xu
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DAF Tracking No.: 2024-206	Date	Signature
Recommended by: Manager, Real Estate Services Vinette Prescott-Brown	August 28, 2024	Signed by Vinette Prescott-Brown
Recommended by: Director, Real Estate Services Alison Folosea		
<input type="checkbox"/> Recommended by: Executive Director, Corporate Real Estate Management	August 28, 2024	Signed by Patrick Matozzo
<input checked="" type="checkbox"/> Approved by: Patrick Matozzo		
<input type="checkbox"/> Approved by: Deputy City Manager, Corporate Services David Jollimore		

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

Licensed Area:

Approximately 83 square meters (or 893.4 square feet)

Term:

Five (5) years with an option to extend for up to two (2) additional years.

Commencement Date:

The Licence shall commence on two (2) weeks written notice by Metrolinx (the "Commencement Date") and shall expire five (5) years following the Commencement Date (the "Term"), unless extended by written agreement of the parties. The option to commence the licence shall not extend beyond March 1, 2025 (the "Commencement Deadline"). If no written notice is provided by the Metrolinx to the City by the Commencement Deadline, then the Licence shall automatically commence on March 1, 2025.

Licensed Fee:

\$16,081.00 per annum, plus HST for the Term (or \$80,405.00 plus applicable taxes for the initial 5-year term of the Agreement). If the Term is extended, the Licence Fee starting on the 6th year of the Term shall be increased by six percent (6%) to \$17,046.00 plus HST, 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:

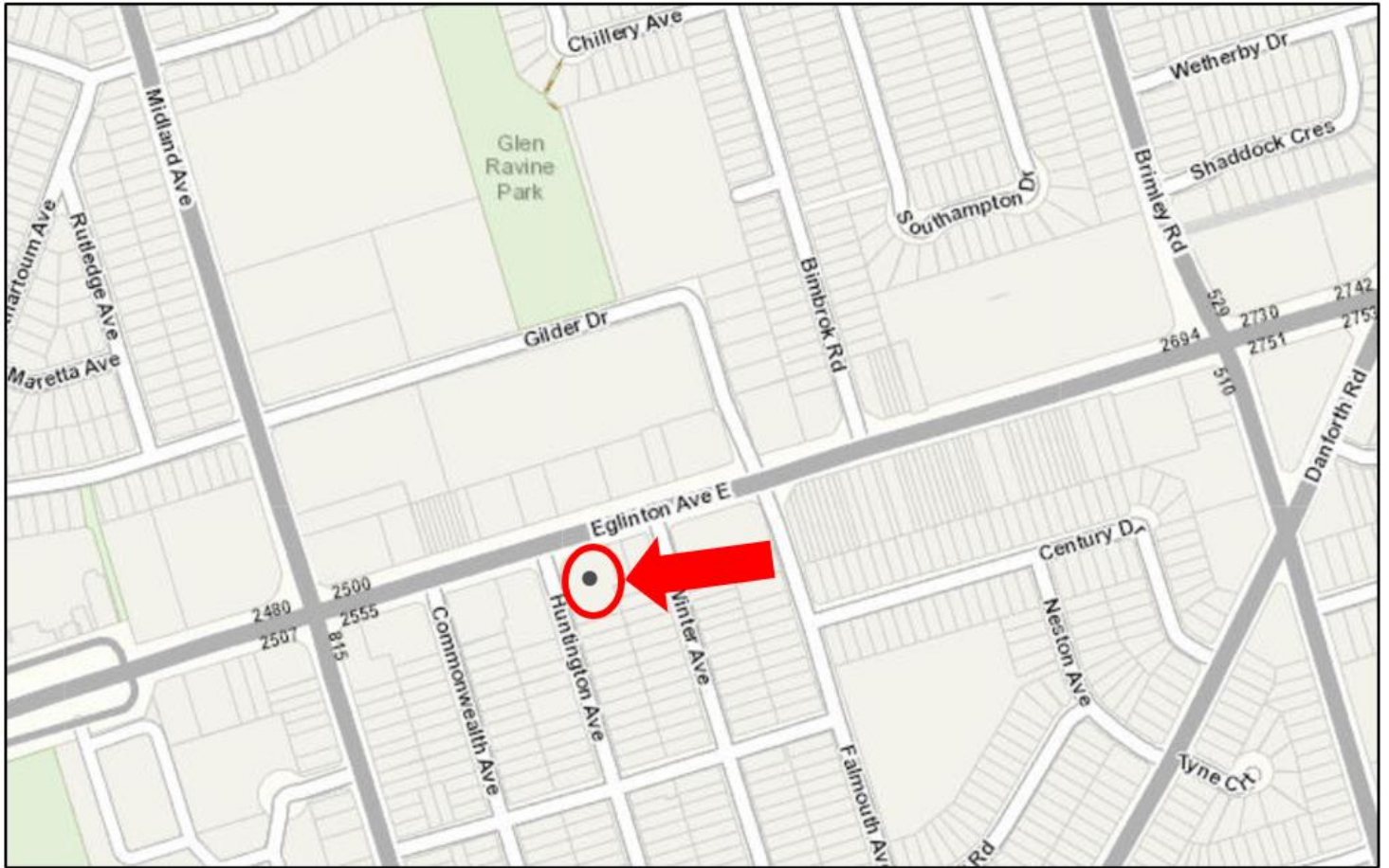
All works and uses in connection with the construction of the Project, including, without limitation:

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 Licensed Areas for all purposes, including, but not limited to, construction staging and laydown areas, grading, excavation, temporary roadway detours, landscaping, 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 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, traffic signals, street lighting, relocation of existing electrical and other utilities (provided that Metrolinx has received all applicable consents from the holders of the aforementioned utilities and the work is performed in accordance with all applicable laws), 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 (provided that Metrolinx has received all applicable permits), 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 of new transit facilities, construction of noise walls, temporary removal of parking areas and all other improvements and all related work, all in compliance with all applicable laws at Metrolinx's cost.

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 "C" – The Property (Part 1)

