

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

TRACKING NO.: 2024-265

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:	November 14, 2024	Phone No.:	(416) 392-8151
Purpose	To obtain authority to enter into two (2) licence extension and amending agreements with Metrolinx to permit Metrolinx to continue to temporarily use portions of the City's lands to construct certain improvements and works in connection with the Scarborough Subway Extension Project (the "Amending Agreements").		
Property	<p>Portions of the following properties (the "Properties") shown in the Location Map attached hereto as Appendix "B" and the Properties Sketches attached hereto as Appendix "C", and further described below:</p> <ol style="list-style-type: none"> Municipally known as 2457 Eglinton Avenue East & 155 Transway Crescent and legally described as Part of Lots 1 & 2, Plan 3973, as in Part 1, Expropriation Plan 10377, except Part 3, 64R9021; Part Lot 2, Plan 3973, as Part in SC586340, lying, south-east of Plan 64R9021; Scarborough, City of Toronto, being part of PIN 06437-0252 (LT); and Municipally known as 120 Transway Crescent and legally described as Part of Lot 2, Plan 3973, Part 1, Plan 64R6712, except Part 3, Plan 64R9021 and Part 14, Plan 64R4925; Part of Lot 3, Plan 3973, Part 7, 64R6712; Scarborough, City of Toronto, being part of PIN 06437-0254 (LT). 		
Actions	<ol style="list-style-type: none"> Authority be granted to enter into the Amending Agreements 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 collected a total licence fee in the amount of \$810,729.12 plus HST as part of the initial licence agreements for both Properties. The City and Metrolinx have since agreed that the licence fee for the initial licence agreements should have been a total of \$565,053.00 plus HST (creating a surplus of \$245,676.12 plus HST). Given the surplus, the City will collect the following amounts for the Amending Agreements: Year 1 = \$319,376.88 plus HST; Year 2- Year 4 = \$565,053.00 plus HST per annum (grand total of \$2,014,535.88 plus HST for the Term plus extensions).</p> <p>The revenues will be directed to the 2024 Operating Budget for Corporate Real Estate Management under cost centre FA1495 and functional area code 3220200000 and will be included in future budget submissions per the agreement terms.</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>Through an agreement dated November 12, 2023 for 2457 Eglinton Avenue East and 155 Transway Crescent, and an agreement dated November 13, 2023 for 120 Transway Crescent, the City allowed Metrolinx to construct certain improvements and works in connection with the Scarborough Subway Extension (the "Project") on the Properties (the "Original Agreement"). The City obtained authority to enter into the Original Agreement via DAF No. 2023-291. The Original Agreement provided Metrolinx with an option to extend the term for a period of up to twelve (12) months. Metrolinx has contacted the City and requested a four (4) year extension. The City has agreed to the requested additional terms to ensure that Metrolinx is able to complete all proposed works and improvements on the Properties.</p> <p>The proposed licence fee and other major terms and conditions of the Amending Agreements are considered to be fair, reasonable, and reflective of market rates.</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 Properties.</p>		
Terms	Please see Appendix "A"		
Property Details	Ward:	20 – Scarborough Southwest	
	Assessment Roll No.:		
	Approximate Size:		
	Approximate Area:	3,222 m ² + 582 m ² = 3,804 m ²	
	Other Information:		

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 the 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; 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:	Parthi Kandavel	Councillor:	
Contact Name:	Alexandra Kyriakos	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:	Transit Expansion engaged. No objections.	Comments:	

Consultation with Divisions and/or Agencies

Division:	Toronto Transit Commission / Transit Expansion	Division:	Financial Planning
Contact Name:	David Cooper / Antonella Nicaso	Contact Name:	Ciro Tarantino
Comments:	No concerns / Confirmed Compliance with EX15.2	Comments:	Additional language included

Legal Services Division Contact

Contact Name:	Michelle Xu
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DAF Tracking No.: 2024-265	Date	Signature
Recommended by: Manager, Real Estate Services Vinette Prescott-Brown	Nov. 15, 2024	Signed by Vinette Prescott-Brown
Recommended by: Director, Real Estate Services Alison Folosea	Nov. 21, 2024	Signed by Alison Folosea
<input type="checkbox"/> Recommended by: Executive Director, Corporate Real Estate Management <input checked="" type="checkbox"/> Approved by: Patrick Matozzo	Nov. 26, 2024	Signed by Patrick Matozzo
<input type="checkbox"/> Approved by: Deputy City Manager, Corporate Services David Jollimore		

Appendix "A" – Major Terms

Extension Terms

Four (4) years for each licence extension and amending agreement

2457 Eglinton Avenue East = Commencing on November 12, 2024, and expiring on November 11, 2028

120 Transway Crescent = Commencing on November 13, 2024, and expiring on November 12, 2028

Any further extension of the terms is subject to the prior approval of the City, which approval may not be unreasonably withheld by the City.

Licence Fees

2457 Eglinton Avenue East = \$478,602.00 plus HST per annum

120 Transway Crescent = \$86,451.00 plus HST per annum

Licence Fees for any further extension shall be the Licence Fee payable during the preceding year increased by the annual average rate of CPI applicable to the City of Toronto of the previous year.

License Fee Credits

The parties agree that the license fees paid by Metrolinx and received by the City for the initial licence agreements have been renegotiated to a reduced value resulting in the following credits to Metrolinx for the overpayments:

2457 Eglinton Ave. E. = \$208,088.12 plus HST

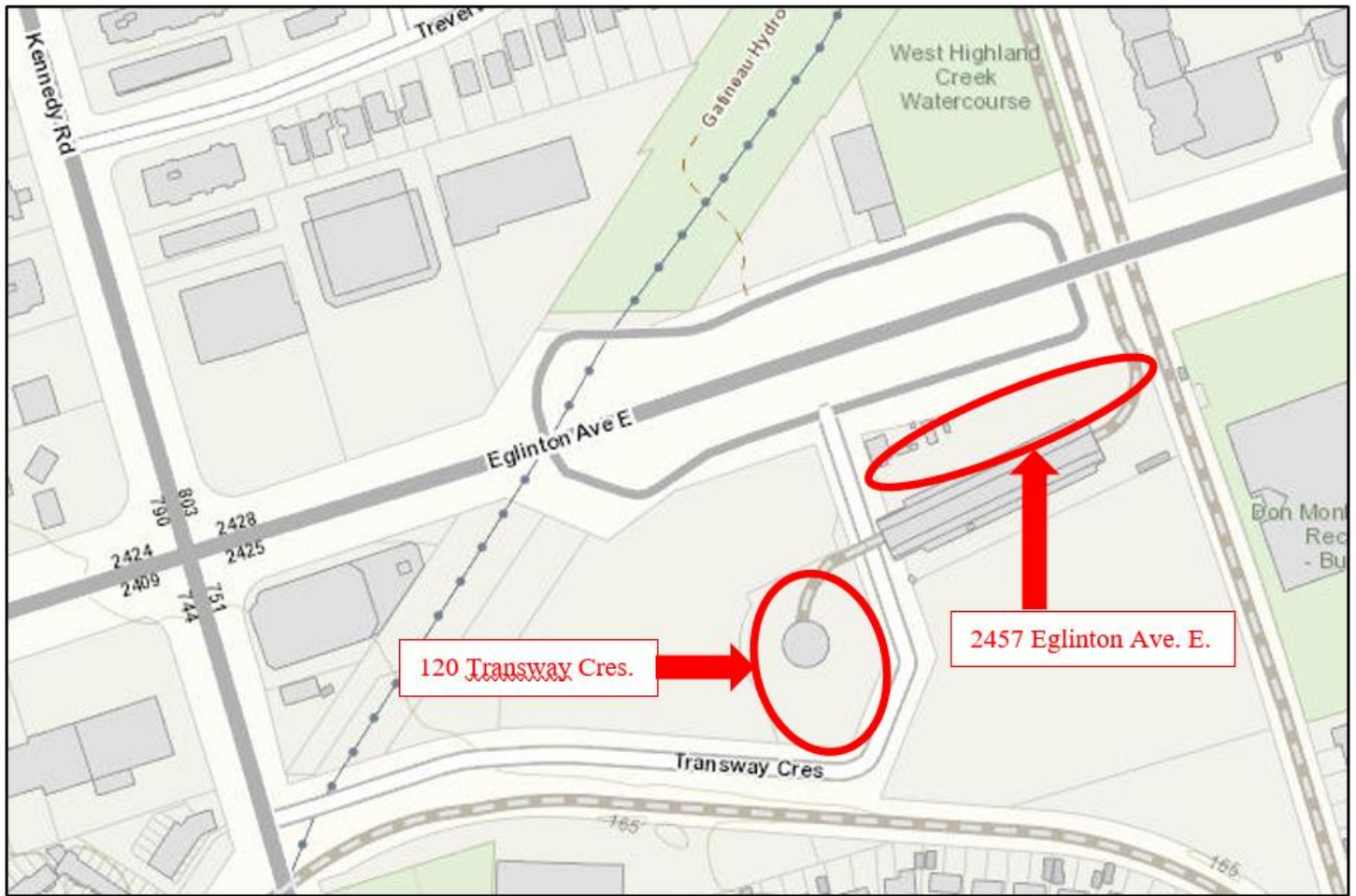
120 Transway Crescent = \$37,588.00 plus HST

The License Fee Credits shall be applied to the first year of the Extension Term for the Amending Agreements, such that the Extension Term License Fee for the first year of the Extension Term shall be reduced to the following amounts for each agreement:

2457 Eglinton Ave. E. = \$270,513.88 plus HST

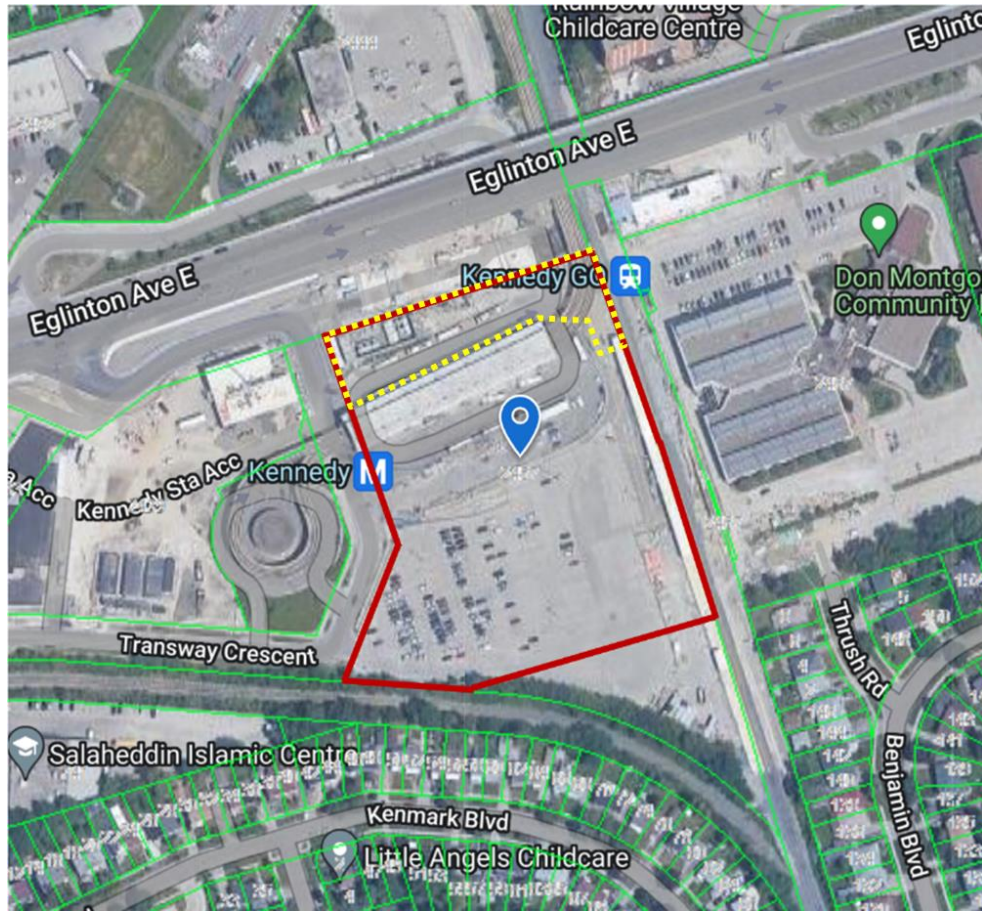
120 Transway Crescent = \$48,863.00 plus HST

Appendix "B" – Location Map



Appendix "C" – The Properties Sketches

2457 Eglinton Avenue East & 155 Transway Crescent



120 Transway Crescent

