

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

TRACKING NO.: 2024-145
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:	Eric Allen	Division:	Corporate Real Estate Management										
Date Prepared:	November 4, 2024	Phone No.:	416-392-1852										
Purpose	<p>To obtain authority to revise City Council's Decision made on December 16, 2020, by its adoption of Item GL19.11 (the "Original Decision") to amend certain major business terms and to add additional major business terms set out in Appendix "B" to this report and substantially for the amended consideration set out in Confidential Attachment 1 to this report. The original Council Decision authorized the City of Toronto, as Vendor, to enter into an Agreement of Purchase and Sale (the "APS") with DevGreat Inc. (the "Purchaser/Developer") for a combined land exchange, City sale and City acquisition of properties at 101 Spadina, 105 Spadina Avenue and 363 Adelaide Street West (collectively the "Properties"), for the purposes of constructing and delivering a new public park, the acquisition of stratified freehold title to two levels of underground public parking, and to allocate the proceeds from the transactions in the Agreement to the acquisition of affordable housing units in the area.</p>												
Reason for Confidential Information	<p>This report deals with a proposed or pending disposition or acquisition of land by the City of Toronto.</p>												
Property	<p>The City property includes 105 Spadina Avenue, being all of PIN 21412-0011 (LT) Pcl 7-1 Sec AD160; Lt 8 PI D160; <u>Pt Lt 7, PI D160</u>, as more particularly described in the PIN; and 363 Adelaide Street West, Toronto, being All of PIN 21412-0149(LT) Lt 6, 27-28 PI D160; Pt Lt 5,7,26&29 PI D160 Toronto as more particularly described in the PIN. Collectively, the City property consists of approximately 1,241 square meters in land area. The Developer/Purchaser property includes 101 Spadina Avenue, being all of PIN 21412-0148(LT) Lt 9-11, PI D160; Pt Lt 7, 29 D160 Toronto, as more particularly described in the PIN. The Developer/Purchaser property consists of approximately 930 square meters in land area. The Properties are shown on the Location Map in Appendix "A".</p>												
Actions	<ol style="list-style-type: none"> Authority be granted to revise the Original Decision to amend certain major business terms and to add additional major business terms substantially in accordance with the terms set out in Appendix "B" and substantially for the amended consideration set out in Confidential Attachment 1 to this report such that the Original Decision shall be amended to incorporate such amendments contained in Appendix B and Confidential Attachment 1 to this report. Authority be granted for the public release of Confidential Attachment 1 to this report at the same time that the Confidential Attachment to the Original Decision is made public. 												
Financial Impact	<p>As a result of the minor changes in areas of lands to be sold or exchanged, there are minor adjustments to the calculations of the sale prices/exchange prices, but the mechanism for calculating these adjustments (based on final densities permitted under the zoning by-law) has not changed, as more particularly set out in the Conditional Attachment 1. The City sale of the venting shaft lands within the public park lands is a new term and the consideration for the sale is set out in Confidential Attachment 1. The license fee for the construction license is no longer an estimated amount and is now finalized as set out in Confidential Attachment 1. As a result of these minor amendments, the estimated amount available for the Capital Revolving Reserve Fund for Affordable Housing (XR1058), net of applicable land transfer taxes and Harmonized Sales Tax, has now decreased by \$85,187 as more particularly set out in Confidential Attachment to this report.</p>												
Comments	<p>The Chief Financial Officer and Treasurer has reviewed this DAF and agrees with the financial impact information.</p> <p>Comments on Revisions to Original Decision (please see Page 4 for additional comments on Decision History):</p> <p>Since the Original Decision, the parties have been negotiating the APS and all ancillary agreements; the Developer has obtained rezoning of the development site; surveying plans have been made showing minor changes to the land areas to be sold/exchanged, and some minor revisions to the major business terms have been discussed between the parties. Create TO has completed its due diligence review of the Developer and provided written confirmation to CREM, TPA, and PF&R that it is satisfied with the corporate structure, financial capacity, and experience of the Developer to complete the transactions under the APS. Create TO will review the construction financing commitment prior to closing as additional due diligence. The original transaction was valued on the basis that the City's retained public park lands could be redeveloped as an 11 storey building and up to 110,000 square feet of gross floor area under current permitted zoning. Accordingly, the parties negotiated terms that would accommodate the structural support for a future development on the City park lands. The Developer has provided an engineer's letter from a structural engineer (which letter has been reviewed and found to be acceptable to the Executive Director, CREM) and which letter confirms that the construction drawings for the underground garage will support a proposed redevelopment on the City lands.</p>												
Terms	<p>See Appendix "B" for amended terms and conditions deemed appropriate by the Executive Director, Corporate Real Estate Management in consultation with the President, Toronto Parking Authority in respect of the Public Parking Garage and in consultation with the General Manager, Parks, Forestry and Recreation in respect of the Public Park.</p>												
Property Details	<table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 30%;">Ward:</td> <td>10 – Spadina-Fort York</td> </tr> <tr> <td>Assessment Roll No.:</td> <td>190406233000200, 190406233000300, 190406233000100</td> </tr> <tr> <td>Approximate Size:</td> <td>150 metres x 160 metres (492 feet x 524 feet)</td> </tr> <tr> <td>Approximate Area:</td> <td>2,171 square metres (23,367 square feet)</td> </tr> <tr> <td>Other Information:</td> <td></td> </tr> </table>			Ward:	10 – Spadina-Fort York	Assessment Roll No.:	190406233000200, 190406233000300, 190406233000100	Approximate Size:	150 metres x 160 metres (492 feet x 524 feet)	Approximate Area:	2,171 square metres (23,367 square feet)	Other Information:	
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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/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 checked="" 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 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:	Councillor Ausma Malik	Councillor:	
Contact Name:	Nora Cole	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 comments	Comments:	

Consultation with Divisions and/or Agencies

Division:	CreateTO	Division:	Financial Planning
Contact Name:	Nick Simos	Contact Name:	Ciro Tarantino
Comments:	Comments received	Comments:	Comments received
Division:	Toronto Parking Authority	Division:	Parks Forestry and Recreation
Contact Name:	Aviva Levy	Contact Name:	Paul Farish
Comments:	No comments	Comments:	No comments

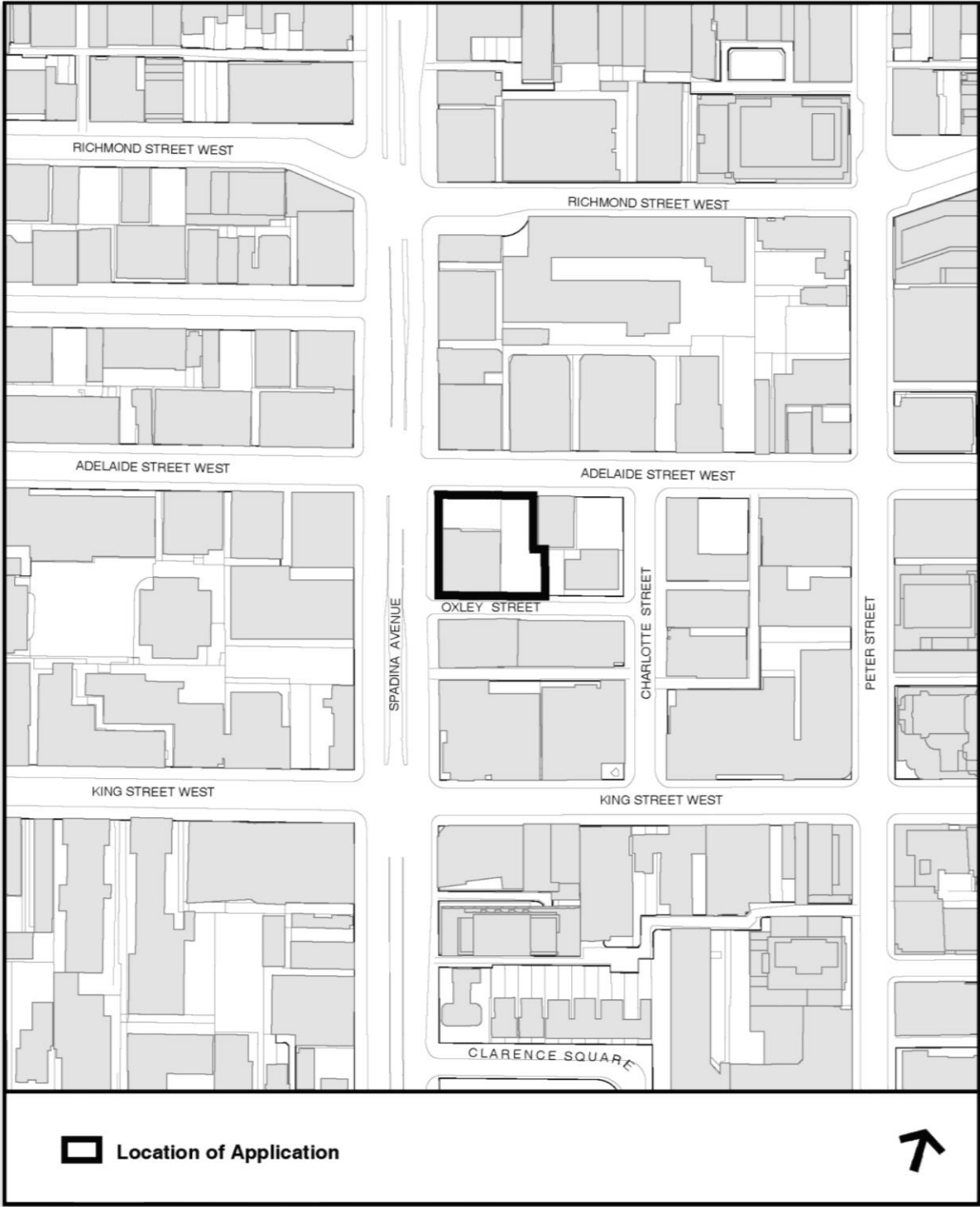
Legal Services Division Contact

Contact Name:	Jack Payne
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DAF Tracking No.: 2024-145	Date	Signature
Recommended by: Manager, Real Estate Services Niall Robertson	Nov. 12, 2024	Signed by Niall Robertson
Recommended by: Director, Real Estate Services Alison Folosea	Nov. 12, 2024	Signed by Alison Folosea
<input type="checkbox"/> Recommended by: Executive Director, Corporate Real Estate Management <input type="checkbox"/> Approved by: Patrick Matozzo	Nov. 12, 2024	Signed by Patrick Matozzo
<input type="checkbox"/> Approved by: Deputy City Manager, Corporate Services David Jollimore		X

Additional Comments	<p>On May 10, 2023, by the adoption of Item No. TE4.8, Toronto City Council ("Council") authorized the rezoning application to permit the redevelopment of the southern portion of the site at 101 - 105 Spadina Avenue and 363 Adelaide Street West with a 39-storey mixed-use building, which would contain 375 dwelling units and 194 square metres of retail space. A parking garage is proposed beneath the building and the proposed City park, with 72 resident and 70 public parking spaces. The public parking spaces are to be operated by the Toronto Parking Authority (TPA). The Zoning By-law Amendment application applies only to the development site where the mixed-use building is proposed, as well the below-grade parking garage. The public park lands are not rezoned.</p> <p>On December 16, 2020, by the adoption of Item No. GL19.11, Council authorized the City to enter into a real estate transaction between the City of Toronto and the Applicant (DevGreat Inc.) to transfer various portions of three individual properties at 101 and 105 Spadina Avenue and 363 Adelaide Street West to create a City-owned stratified park measuring approximately 1,000 square metres with a public parking garage underneath on the northern portion of the site and a private development parcel on the southern portion of the site, to be redeveloped with the proposed mixed-use development.</p> <p>On November 3, 2020, the Board of Directors of Toronto Parking Authority adopted PA18.6 - "Acquisition of Parking at 105 Spadina Avenue (Car Park 212) and 363 Adelaide Street West (Car Park 227)". The Board authorized the submission of a joint report between the Acting President, Toronto Parking Authority and the Deputy City Manager, Corporate Services pertaining to the acquisition of new underground public parking spaces through the transaction being contemplated for the City owned lands at 105 Spadina Avenue and 363 Adelaide Street West.</p> <p>At its meeting of July 23, 2020 the CreateTO Board adopted RA14.6 - "Opportunity to Create New City Park at 105 Spadina Avenue and 363 Adelaide Street West". CreateTO Board directed the Chief Executive Officer, CreateTO to negotiate with DevGreat Inc. based on the major terms identified in that report. The Board also directed the CEO CreateTO to work with the Executive Director, Housing Secretariat on a plan to redevelop the properties located at 15 Denison Ave. and 25 Bellevue Ave, and to work with the Acting President, Toronto Parking Authority and the General Manager, Transportation Services to locate on street replacement parking which contemplates the loss in surface parking from both of these sites.</p> <p>Through EX9.3, adopted by City Council on November 8, 2023, 105 Spadina Avenue / 363 Adelaide Street West was included on the list of 'housing-ready' sites in Attachment 2 of Item EX9.3; subsequently, the Deputy City Manager, Development and Growth Services has confirmed that he has no concerns with proceeding with the agreement of purchase and sale with the adjoining owner, that staff does not need to go to Council to remove the Property from the list of sites in Attachment 2 of Item EX9.3, and that it is staff's decision whether the transaction can occur, based on directions from EX9.3 and GL19.11.</p>
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APPENDIX "A"
Location Map



APPENDIX "B"

Amendments and New Terms to 2020.GL19.11, as adopted by City Council on December 16, 2020

Authority	Council-Adopted Recommendation or Term	Amendments or New Terms Request by Delegated Authority
GL19.11 - City-building Opportunities at 105 Spadina Avenue and 363 Adelaide Street West (Report p3) <u>Recommendation 1</u>	1 a. City Council authorized a land exchange between the City and Devgreat of 214 square meters. 1 b. City Council authorized a sale of City lands to Devgreat of 249 square meters.	The land exchange areas be revised to 219.2 square meters. The City lands to be sold to Devgreat be revised to 241 square meters.
GL19.11 - City-building Opportunities at 105 Spadina Avenue and 363 Adelaide Street West (Report p5) <u>Recommendation 12</u>	The Public Park will be in City ownership prior to the first above grade building permit with the above base park improvements completed prior to the condominium registration of the building.	The construction of Above Base Park Improvements to the Public Park and Public Park Lands shall be completed within fifty-five (55) months after the issuance of all required excavation permits and commencement of construction of the Project and prior to the condominium registration of any portion of the Project.
APPENDIX E - Summary of Major Business Terms (Report p17) <u>Purchaser / Developer</u>	Owners of 101 Spadina Avenue (DevGreat Inc.).	Devgreat Inc. as nominee and Devgreat Inc. as sole general partner for 101 Spadina Limited Partnership (collectively the "Developer/Purchaser")
APPENDIX E - Summary of Major Business Terms (Report p19) <u>Public Park</u>	The Public Park will be a stratified freehold title with no upper limit or ceiling of minimum 1,000 square meters (10,765 square feet), free and clear of all encumbrances save and except for the underground parking structure, and any ancillary transaction agreements.	The Public Park will have an area of approximately 1,000 square meters, less the area to be conveyed to the Developer for the intake Venting Shaft. The City will transfer to the Developer fee simple title to an intake Venting Shaft being 13.88 square metres in size below grade together with Developer-owned fee simple title to air rights being 16.74 square metres in size to an upper elevation of six (6) metres above grade for intake Venting Shaft. The consideration to be paid by the Developer to the City for the lands for the Venting Shaft is set out in the Confidential Attachment 1 to this report.
APPENDIX E – Summary of Major Business Terms (Report p19) <u>Public Park</u>	The Public Park will be turned over prior to the first above grade building permit with the above base park improvements completed prior to the condominium registration of the building.	The construction of Above Base Park Improvements to the Public Park and Public Park Lands and the Public Park Turnover shall be completed within fifty-five (55) months after the issuance of all required excavation permits and commencement of construction of the Project and prior to the condominium registration of any portion of the Project.

Authority	Council-Adopted Recommendation or Term	Amendments or New Terms Request by Delegated Authority
<p>APPENDIX E – Summary of Major Business Terms (Report p21)</p> <p><u>Closings</u></p>	<p>The Closing of the land exchanges and City sales of portions of the City Property shall take place after the Project Lands have been zoned in final form (the “First Closing”) and following demolition of the existing building at 101 Spadina Avenue. Demolition of 101 Spadina Avenue will occur no later than the earlier of a) 12 months following zoned in final form and b) 4 months following Site Plan Control Application – Notice of Approval Conditions.</p>	<p>The First Closing will be—the earlier of a) May 28, 2025; and b) Four (4) months after a Notice of Approval Conditions of Site Plan Approval in respect of the Purchaser's site plan application for the Project shall have been issued by the City in its capacity as statutory planning authority. Demolition of existing commercial building at 101 Spadina Avenue to grade level has been completed.</p>
<p>APPENDIX E – Summary of Major Business Terms(Report p23):</p> <p><u>Separate Construction and/or Construction Management Agreement(s) for the Public Parking Garage and the Public Park</u></p>	<p>The Developer and the City shall enter into a construction and/or construction management agreement(s), or agreement(s) in a form as deemed appropriate by the City, on or following the first closing for the construction of the Public Parking Garage and the Public Park, which agreements shall set out the terms and conditions, specifications, guidelines, procedures, and deliverables for the Public Parking Garage and/or the Public Park.</p>	<p>Provisions for the construction of the Public Parking Garage and the Public Park are incorporated into the APS and are not separate agreements.</p>

Authority	Council-Adopted Recommendation or Term	Amendments or New Terms Request by Delegated Authority
<p>APPENDIX E - Summary of Major Business Terms (Report p26).</p> <p><u>Planning Applications/ Rezoning etc.</u></p>	<p>The Developer acknowledges and agrees that the maximum building height of the Project shall not exceed 134.4 meters (to top of mechanical penthouse).</p>	<p>The Developer acknowledges and agrees that the maximum building height of the Project shall not exceed 173 meters.</p> <p><u>Restrictive Covenants</u> A Restrictive Covenant Agreement shall be provided on closing that provides as follows:</p> <p>(1) the height of the Project shall not exceed an upper horizontal ceiling of 173 metres above grade without the City's prior written consent, which may be withheld in the City's sole and absolute discretion.</p> <p>(2) Part 11, on the preliminary survey dated October 4, 2023, shall not be used other than for an intake air venting shaft air intake to the underground parking garage.</p> <p>(3) No structures or improvements or buildings shall be permitted on Part 12, on the preliminary survey except with the City's prior written consent and provided such structures, improvements or buildings are compatible with the use of the Benefitting Land as a public park or otherwise and in compliance with applicable zoning.</p> <p>(4) No parking spaces within the balance of the Parking Garage at the Property or any abutting land owned by the Developer shall be used as a commercial parking garage, without the City's consent which may be unreasonable or arbitrarily withheld.</p>
<p>APPENDIX E – Summary of Major Business Terms (Report p26)</p> <p><u>Add new major term -</u> <u>Construction Financing Commitment</u></p>	<p><u>Not included.</u></p>	<p>The transaction shall be subject to the City having received a satisfactory construction financing commitment from the Developer's construction lender prior to the First Closing together with the lender's agreement to enter into a chargee agreement with the City.</p>

Authority	Council-Adopted Recommendation or Term	Amendments or New Terms Request by Delegated Authority
<p>APPENDIX E – Summary of Major Business Terms (Report p26)</p> <p><u>Add new major term - Structural Conditions to Support Future Redevelopment on Public Park Lands</u></p>	<p><u>Not included.</u></p>	<p>The design and construction of the Parking Garage will accommodate significant future retrofits or structural upgrades as required to support a future redevelopment of a building of up to 11 storeys and up to 110,000 square feet of gross floor area on the Public Park Lands. The City will agree not to overload the Public Park Lands beyond the said proposed redevelopment. The Developer will deliver a certification letter, to the satisfaction of the Executive Director, Corporate Real Estate Management, from a qualified structural engineer confirming that the design and construction of the Parking Garage will accommodate such future development. The Developer will construct the Parking Garage in accordance with the specified engineering and construction drawings.</p>