

DELEGATED APPROVAL FORM

CITY MANAGER

TRACKING NO.: 2025-223

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

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|----------------|---------------|------------|----------------------------------|
| Prepared By: | Bruno Iozzo | Division: | Corporate Real Estate Management |
| Date Prepared: | July 23, 2025 | Phone No.: | (416) 392-8151 |

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| Purpose | To obtain authority to enter into a licence agreement with Metrolinx with respect to a portion of the property located on the north side of Eglinton Avenue, between Wincott Drive and Islington Avenue, for the purpose of constructing certain improvements and other related works including stations, rails and subways components associated with the Eglinton Crosstown West Extension Project (the "Licence"). |
| Property | A portion of the property located on the north side of Eglinton Avenue West, between Wincott Drive and Islington Avenue, City of Toronto; being part of PIN 07401-0145 (LT) (the "Property") as shown on the location map attached hereto as Appendix "B" and designated as Parts 1 – 7 on the property sketch attached hereto as Appendix "C". |
| Actions | 1. Authority be granted to enter into the Licence with Metrolinx, substantially on the major terms and conditions set out in Appendix "A", and including such other terms as deemed appropriate by the approving authority herein, and in a form satisfactory to the City Solicitor. |
| Financial Impact | <p>The City is estimated to collect a total licence fee in the amount of \$3,108,847.35 (or \$621,769.47 per annum) plus applicable taxes for the term of the Licence. Should Metrolinx exercise its option to extend the term of the Licence, the City is estimated to collect an additional \$659,075.64 plus applicable taxes per year (subject to adjustments based on the annual average CPI rate increase for years 7-9), for a grand total of \$3,767,922.99 plus applicable taxes for years 1-6 and an additional \$659,075.64 per annum, adjusted by the rate of CPI plus HST for years 7-9, if applicable. The revenue will be directed to the 2025 Approved Operating Budget for Corporate Real Estate Management under cost centre FA1684 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>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, which included a schedule that outlined the process for real estate transactions related to the Subway Programs (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 Eglinton Crosstown West Extension ("ECWE") Project.</p> <p>Metrolinx requires access and use of the Property to complete the proposed works in connection with the ECWE Project. The City has agreed to grant an initial Licence to Metrolinx to complete the stations, rails and subways components of the ECWE Project. Once Metrolinx has completed all construction related activities on the Property, Metrolinx will seek the transfer of all required permanent property interests from the City under a separate transfer agreement.</p> <p>Staff within the Parks and Recreation Division have no objection to the granting of the Licence. The form of the Licence is substantially in the form appended to the Real Estate Protocol. Real Estate Services staff considers the proposed fees and other terms and conditions of the Licence to be fair, reasonable and reflective of market rates.</p> <p>On June 26th, 2024, City Council adopted 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 Metrolinx has provided satisfactory information about its mitigation efforts related to construction impact to residential tenants and businesses, which satisfies the conditions set out in EX15.2 relating to the Property.</p> |
| Terms | Please see Appendix "A" |

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| Property Details | Ward: | 2 – Etobicoke Centre |
| | Assessment Roll No.: | 1919026010028000000 |
| | Approximate Size: | |
| | Approximate Area: | 5,784.4 m ² |
| | Other Information: | |

| A. | City Manager has approval authority for: |
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| <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/Licenser):</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 \$10 Million.</p> <p><input type="checkbox"/> Statutory offers, agreements and settlements where total compensation does not cumulatively exceed \$10 Million.</p> <p><input type="checkbox"/> (a) Acceptance of statutory offers, agreements and settlements where total compensation does not cumulatively exceed \$10 Million.</p> <p>Request/waive hearings of necessity delegated to less senior positions.</p> <p>Delegated to less senior positions.</p> <p>Delegated to less senior positions.</p> <p>Delegated to less senior positions.</p> <p><input type="checkbox"/> Where total compensation does not exceed \$10 Million.</p> <p><input type="checkbox"/> Where total compensation does not exceed \$10 Million.</p> <p>Delegated to less senior positions.</p> <p><input checked="" type="checkbox"/> Where total compensation (including options/ renewals) does not exceed \$10 Million.</p> <p>Leases/licences for periods up to 12 months at less than market value delegated to less senior positions.</p> <p>Leases pursuant to the Community Space Tenancy Policy delegated to a less senior position.</p> <p><input type="checkbox"/> Where total compensation (including options/renewals) does not exceed \$10 Million.</p> <p><input type="checkbox"/> Where total compensation does not exceed \$10 Million.</p> <p>Nominal sum easements to pre-existing utilities when closing roads delegated to less senior positions.</p> <p><input type="checkbox"/> Where total compensation does not exceed \$10 Million.</p> <p><input type="checkbox"/> Amendment must not be materially inconsistent with original decision (and subject to General Condition (U)).</p> <p>Delegated to less senior positions.</p> |

| B. City Manager has signing authority on behalf of the City for: |
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| <ul style="list-style-type: none"> Documents required to implement matters for which this position also has delegated approval authority. |

| Pre-Condition to Approval | |
|---|---|
| <input checked="" type="checkbox"/> Complies with General Conditions in Appendix B of City of Toronto Municipal Code Chapter 213, Real Property | |
| Consultation with Councillor(s) | |
| Councillor: Stephen Holyday | Councillor: |
| Contact Name: Christine Arezes | Contact Name: |
| Contacted by: <input checked="" 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: Advised | Comments: |
| Consultation with Divisions and/or Agencies | |
| Division: Parks and Recreation | Division: Financial Planning |
| Contact Name: Mark Ventresca | Contact Name: Ciro Tarantino |
| Comments: Advised | Comments: No concerns |
| Legal Services Division Contact | |
| Contact Name: Michelle Xu | |

| DAF Tracking No.: 2025-223 | Date | Signature |
|--|----------------|----------------------------------|
| Recommended by: Manager, Real Estate Services Vinette Prescott-Brown | July 28, 2025 | Signed by Vinette Prescott-Brown |
| Recommended by: Director, Real Estate Services Alison Folosea | Aug 1, 2025 | Signed by Alison Folosea |
| <input checked="" type="checkbox"/> Recommended by: Executive Director, Corporate Real Estate Management Patrick Matozzo | August 1, 2025 | Signed by Patrick Matozzo |
| <input checked="" type="checkbox"/> Recommended by: Deputy City Manager, Corporate Services David Jollimore | Aug 7, 2025 | Signed by David Jollimore |
| <input checked="" type="checkbox"/> Approved by: City Manager Paul Johnson | August 8, 2025 | Signed by Paul Johnson |

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

Licensed Area:

Approximately 5,784.4 square meters

Term:

Five (5) years with an option to extend for up to four (4) additional years, upon 6 months of written notice to the City in advance.

Commencement Date:

Commencing on August 22, 2025, and expiring on August 21, 2030.

Licence Fee:

\$621,769.47 per annum, plus applicable taxes (or \$3,108,847.35 plus applicable taxes) for the 5-year term of the Licence. If the Term is extended, the Licence Fee starting on the 6th year of the Term shall be increased by six percent (6%) to \$659,075.64 plus HST, and thereafter, the Licence Fee for each additional extension year shall increase annually based on the annual average rate of CPI applicable to the City of Toronto 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, 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 including but not limited to due diligence investigations, construction staging and laydown areas, access, grading, drainage, excavation, tiebacks, parking, mobilization of large cranes and crawler cranes, drill rigs, boom trucks, skid steers, compactors, jacks and sliders, telehandlers, forklifts and other construction equipment, placement and storage of soil and aggregate, equipment, supplies and other material, parking of vehicles or other equipment, hoarding, fencing, establishing temporary alternative access, access to any other Metrolinx and/or associated facilities, site clearance, including all necessary removal of vegetation, relocation, disconnection and/or reconnection of electrical and other utilities, support for a subway and any appurtenant works including tracks, signals, ventilation equipment, stormwater management systems, telecommunication and traction power equipment facilities, lighting and all other improvements necessary or desirable for and in connection with the Eglinton Crosstown West Extension and all works and/or uses ancillary to the said purpose, all in compliance with all Applicable Laws.

Appendix "B" – Location Map

PIN 07401-0145



