REPORT FOR ACTION WITH CONFIDENTIAL ATTACHMENT

Proposed Settlement with Dakin West Inc.

Date: October 4, 2024
To: Board of Directors, Toronto Parking Authority
From: City Solicitor and President, Toronto Parking Authority
Wards: Ward 13 – Toronto Centre

REASON FOR CONFIDENTIAL INFORMATION

This report is about litigation or potential litigation that affects Toronto Parking Authority (TPA) and contains advice or communications that are subject to solicitor-client privilege.

SUMMARY

The purpose of this report is to inform the Board regarding a settlement of monies owed by Dakin West Inc., who has subleased the premises to various franchisees who operate INS Markets, to TPA for the use of the premises located at 33 Queen Street East, Unit 2, Toronto, Ontario.

RECOMMENDATIONS

The City Solicitor and President, Toronto Parking Authority recommend that:

1. Toronto Parking Authority Board of Directors direct that the confidential information contained in Confidential Attachment 1 remain confidential in its entirety, as it is about litigation or potential litigation that affects Toronto Parking Authority and contains advice or communications that are subject to solicitor-client privilege.

FINANCIAL IMPACT

The financial implications are discussed in the confidential attachment.

DECISION HISTORY

Toronto Parking Authority's Management of Real Estate Issues is Delegated to CREM

On December 5, 2017, City Council approved item 2017.EX.29.5 – City Wide Real Estate, which created a City-wide delegated real estate authority to CREM from various City related agencies, including the TPA, to CREM, in accordance with the City's new Real Estate Services Delivery Model.

Agenda Item History - 2017.EX29.5 (toronto.ca)

COMMENTS

TPA entered into a lease agreement (the Agreement) with Dakin West Inc. (the "Tenant") dated February 1, 1995, for the use of the Premises. The Tenant entered into four subsequent Lease Extension Agreements, the most recent of which commenced March 1, 2020 and continues until February 28, 2025. The Tenant arranges for sub-tenant franchisees to operate the INS Market in the unit. Rental arrears accumulated between July 2020 and May 2021 during the COVID-19 pandemic.

A conditional settlement has been reached as a result of negotiations between the City, TPA and the Tenant.

CONTACT

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SIGNATURE

Shamila Clark, Acting City Solicitor
On Behalf of Wendy Walberg, City Solicitor

W. Scott Collier, President
Toronto Parking Authority

ATTACHMENTS

Confidential Attachment 1 - Confidential Information