

MOTION WITHOUT NOTICE

Non-Profit Licensed Daycare Centre at 115 and 117-127 Broadway Avenue

Moved by: Councillor Josh Matlow _____

Seconded by: Councillor Chernos-Lin _____

SUMMARY:

Further to a settlement hearing held by the Local Planning Appeal Tribunal (the “LPAT”) on November 20, 2017, which resulted in site specific amendments to Zoning By-laws 438-86 and 569-2013 in respect of the property at 117-127 Broadway, the City secured the long-term lease of a non-profit licensed daycare facility, to be located in the development, as a Section 37 benefit.

At the time City Council accepted the settlement offer which resolved the appeal to the LPAT, it was the City’s practice to enter into long-term leases with owners of development, to secure non-profit licensed daycare facilities offered as Section 37 benefits

The instructions to the City Solicitor in City Council decision 2017.CC34.5, adopted on November 7, 8 and 9, 2017, were therefore to negotiate a Section 37 Agreement to secure a long-term lease, in favour of the City, in respect of the non-profit licensed daycare facility.

This Section 37 Agreement was negotiated, executed, and registered on title to 117-127 Broadway as Instrument Number AT5499194 on August 19, 2020. Technical amendments were made to the Section 37 Agreement by an Amending Section 37 Agreement, registered as Instrument Number AT5655580 on February 19, 2021.

The building at 117-127 Broadway has now been constructed and occupied, and is subject to a Declaration under the *Condominium Act, 1998*. The non-profit licensed daycare facility space, comprised of finished interior and exterior space has been unitized, and the declarant (former owner of the development site) has retained ownership of the unit. The Declaration discloses that the unit will be used for the purposes of a non-profit licensed daycare facility, and provides that the daycare facility will be operated in accordance with the Section 37 Agreement. The declarant prefers to convey the ownership of the daycare unit to the City, rather than to enter into a long-term lease with the City.

This motion will serve to amend City Council’s previous instructions to staff, by amending the recommendation to secure a long-term lease for the non-profit licensed daycare facility, to add the option to secure the conveyance of the non-profit licensed daycare facility condominium unit, on terms acceptable to the City.

No amendments to the in-force site specific Zoning By-laws 20-0973(LPAT) and 20-0974(LPAT) are required to allow the Section 37 Agreement to be amended as described in this summary.

In addition, this motion will amend Item 2025.GG24.14 (adopted October 8–9, 2025) to replace the existing recommendation authorizing a sublease with the non-profit child care operator with language that provides flexibility for either a sublease (if the City remains a tenant under the head lease) or a lease (if the City acquires ownership of the daycare space through conveyance), ensuring continuity of operations under either arrangement.

Children's Services staff and Corporate Real Estate Management staff support the recommendations of this motion.

This motion is urgent because the daycare facility is finished, save for minor items that do not impede its operation. There is a desire to have the daycare facility ready to be opened for public use, with an operator in place as soon as possible. Delaying consideration of this motion until the next City Council meeting could result in a delay in the daycare space being available for use, as City staff require authority to negotiate the necessary agreements and/or amending agreements before the daycare space can be opened.

RECOMMENDATIONS:

1. City Council amend Item 2017.CC34.5 by:

a. deleting Parts 4b and 4c

b. the details of the lease term in respect of the non-profit licensed daycare centre community benefit will be finalized between the Owner and the City substantially in accordance with the City of Toronto's Child Care Term Sheet; and

c. the parties shall negotiate a Section 37 Agreement in this regard, which will be registered on title to the property.

and:

b. adopting instead the following new Parts 4b and 4c

b. the details of the lease term or the conveyance at no cost to the City in respect of the non-profit licensed daycare centre community benefit will be finalized between the Owner and the City substantially in accordance with the City of Toronto's Child Care Term Sheet or such other terms and conditions as are satisfactory to the City Solicitor in consultation with the General Manager, Children's Services and the Executive Director, Corporate Real Estate Management; and

c. the parties shall amend the Section 37 Agreement registered as Instrument Number AT5499194 on August 19, 2020, as amended by the

Amending Section 37 Agreement registered as Instrument Number AT5655580 on February 19, 2021; to give effect to the new Part 4b.

2. City Council amend Item 2025.GG24.14 by:

a. deleting Part 1

City Council authorize the Executive Director, Corporate Real Estate Management to enter into a nominal sublease agreement (the "Sublease") with Macaulay Centres for Children, as subtenant, (the "Subtenant") for a term of ten years (the "Term") with an option to renew for a further ten years in respect of premises at the property municipally known as 115 Broadway Avenue, as set out in Appendix A (the "Subleased Premises") to the report (September 5, 2025) from the Executive Director, Corporate Real Estate Management and the General Manager, Children's Services, as illustrated on the Location Map and Floor Plan of the Subleased Premises set out in Appendix B and Appendix C to the report (September 5, 2025) from the Executive Director, Corporate Real Estate Management, and the General Manager, Children's Services respectively, and including such other or amended terms and conditions that are acceptable to the Executive Director, Corporate Real Estate Management and in a form satisfactory to the City Solicitor.

and:

b. adopting instead the following new Part 1

City Council authorize the Executive Director, Corporate Real Estate Management to enter into either:

(a) a nominal sublease agreement with Macaulay Centres for Children, as subtenant, if the City enters into a 99 year head lease with the Owner or

(b) a nominal lease agreement with Macaulay Centres for Children, as tenant, if the City acquires ownership of the daycare space through conveyance;

in either case, for a term of ten years, with an option to renew for a further ten years in respect of premises at the property municipally known as 115 Broadway Avenue, as set out in Appendix A to the report (September 5, 2025) from the Executive Director, Corporate Real Estate Management and the General Manager, Children's Services, as illustrated on the Location Map and Floor Plan of the Premises set out in Appendix B and Appendix C to the report, and including such other or amended terms and conditions that are acceptable to the Executive Director, Corporate Real Estate Management and in a form satisfactory to the City Solicitor.

Date: December x, 2025