

**DELEGATED APPROVAL FORM
CHIEF CORPORATE OFFICER
DIRECTOR OF REAL ESTATE SERVICES**

TRACKING NO.: 2016-007

<input checked="" type="checkbox"/> Approved pursuant to the Delegated Authority contained in Executive Committee Item EX43.7 entitled " Delegation of Authority in Certain Real Estate Matters " adopted by City Council on May 11 and 12, 2010 (City Council confirmatory By-law No. 532-2010, enacted on May 12, 2010), as amended by GM24.9 entitled " Minor Amendments to Delegation of Authority in Certain Real Estate Matters " adopted by City Council on October 8, 9, 10 and 11, 2013 (City Council confirmatory By-Law No. 1234-2013 enacted October 11, 2013), as amended by DAF 2013-307 and DAF 2014-087.			
<input type="checkbox"/> Approved pursuant to the Delegated Authority contained in Executive Committee Item EX33.44 entitled " Union Station Revitalization Implementation and Head Lessee Selection " adopted by City Council on August 5 and 6, 2009. City Council confirmatory By-Law No. 749-2009, enacted on August 6, 2009.			
Prepared By:	Daran Somas	Division:	Real Estate Services
Date Prepared:	December 30, 2015	Phone No.:	(416) 397 - 7671
Purpose	To obtain authority for the City to enter into a fourth lease extension and amending agreement (the "Agreement") with Stanley Dodson carrying on business as Dodson-Lesmark Developments (the "Landlord") for the continued use of the premises municipally known as 779 The Queensway for the use as an employment Centre by Toronto Employment Social Service, commencing on November 1, 2015.		
Property	779 The Queensway, Toronto, Ontario, as more specifically shown on Schedule "A" attached hereto.		
Actions	<ol style="list-style-type: none"> 1. Authority be granted to enter into the fourth lease extension and amending agreement (the "Agreement") with Stanley Dodson carrying on business as Dodson-Lesmark Developments (the "Landlord"), subject to the terms and conditions outlined in Schedule "B", and any other terms deemed appropriate by the Chief Corporate Officer and in a form acceptable to the City Solicitor; 2. The Chief Corporate Officer or designate administer and manage the Agreement including the provision of any consents, approvals, waivers, notices and notices of termination provided that the Chief Corporate Officer may, at any time, refer consideration of such matter to City council for its determination and direction; and 3. The appropriate City Officials be authorized and directed to take the necessary action to give effect thereto. 		
Financial Impact	<p>The total cost to the City including basic net rent, and estimated operating costs for the term of this extension will be approximately \$1,273,500.00 (net of HST). Funding for the balance of 2015 is available in the 2015 Council Approved Operating Budget for Toronto Employment Social Services (TESS). Funding requirements for 2016-2020 will be included in the 2016 Operating Budget submission for Toronto Employment Social Services (TESS) for the respective within the approved operating targets.</p> <p>The Deputy City Manager & Chief Financial Officer has reviewed this DAF and agrees with the financial impact information.</p>		
Comments	<p>At its meeting held on February 22, 23 & 24, 1995, The Council of Former Municipality of Metropolitan Toronto adopted Clause No. 5 of Report No. 3 of the Environmental & Public Space Committee which authorized entering into a lease at 779 The Queensway for a seven (7) year term expiring October 15, 2002, subject to and in accordance with the terms and conditions set out herein.</p> <p>The original lease was extended for another three (3) years pursuant to a lease extension agreement dated February 18, 2004 authorized by (DAF 2003-086) wherein the original lease was extended for a term commencing on October 16, 2002 and expiring on October 15, 2005, subject to and in accordance with the terms and conditions set out herein.</p> <p>The original lease was further extended for another five (5) years and sixteen (16) days pursuant to a second lease extension agreement dated November 10, 2006 authorized by Administration Committee Report 6, Clause 24, adopted by Council on September 25 and 26, 2006 wherein the original lease was extended for a term commencing on October 16, 2005 and expiring on October 31, 2010, subject to and in accordance with the terms and conditions set out herein.</p> <p>The original lease was further extended for another five (5) years pursuant to a third lease extension agreement dated September 24, 2010 authorized by DAF 2010-138, wherein the original lease was extended for a term commencing on November 1, 2010 and expiring on October 31, 2015, subject to and in accordance with the terms and conditions set out herein.</p> <p>City Council on March 5, 6, 7 and 8, 2007, adopted Item No. GG2.7 to declare this leased premises a Municipal Capital Facility.</p> <p>Toronto Employment Social Services confirms that these premises are requirement and supports the City entering into the Agreement.</p> <p>Real Estate Services staff consider the terms and conditions of Agreement, to be fair and reasonable and at market.</p>		
Terms	See Schedule "B" for major terms and conditions		
Property Details	Ward:	05 – Etobicoke – Lakeshore	
	Assessment Roll No.:	191-01-5-030-0000	
	Approximate Size:		
	Approximate Area:	22,500 sq. ft (2,090.25 m ²)	
	Other Information:		

A.	Director of Real Estate Services has approval authority for:	Chief Corporate Officer has approval authority for:
<p>1. Acquisitions:</p> <p>2. Expropriations:</p> <p>3. Issuance of RFPs/REOs:</p> <p>4. Permanent Highway Closures:</p> <p>5. Transfer of Operational Management to ABCDs:</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 \$1 Million.</p> <p><input type="checkbox"/> Statutory offers, agreements and settlements where total compensation does not cumulatively exceed \$1 Million.</p> <p>Delegated to a more senior position.</p> <p>Delegated to a more senior position.</p> <p>Delegated to a more senior position.</p> <p><input type="checkbox"/> Where total compensation does not exceed \$1 Million.</p> <p><input type="checkbox"/> Where total compensation does not exceed \$1 Million.</p> <p>Delegated to a more senior position.</p> <p><input type="checkbox"/> (a) Where total compensation (including options/renewals) does not exceed \$1 Million;</p> <p><input type="checkbox"/> (b) Where compensation is less than market value, for periods not exceeding three (3) months, including licences for environmental assessments and/or testing, etc.</p> <p><input type="checkbox"/> Where total compensation (including options/renewals) does not exceed \$1 Million.</p> <p><input type="checkbox"/> (a) Where total compensation does not exceed \$1 Million.</p> <p><input type="checkbox"/> (b) When closing road, easements to pre-existing utilities for nominal consideration.</p> <p><input type="checkbox"/> Where total compensation does not exceed \$1 Million.</p> <p><input type="checkbox"/> Amendment must not be materially inconsistent with original decision (and may include increase not to exceed the amount of the original decision by the lesser of 10 per cent and \$500,000).</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/Estoppels/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 \$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"/> 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 ABCDs.</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 six (6) months, including licences for environmental assessments and/or testing, etc.</p> <p><input checked="" type="checkbox"/> Where total compensation (including options/renewals) does not exceed \$3 Million.</p> <p><input type="checkbox"/> Where total compensation does not exceed \$3 Million.</p> <p>Delegated to a less senior position.</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 may include increase not to exceed the amount of the original decision by the lesser of 10 per cent and \$1 Million).</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/Estoppels/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. Chief Corporate Officer and Director of Real Estate Services each has signing authority on behalf of the City for:

- 1. Agreements of Purchase and Sale and all implementing documentation for purchases, sales and land exchanges not delegated to staff for approval.
- 2. Expropriation Applications and Notices following Council approval of expropriation.
- 3. Documents required to implement the delegated approval exercised by him.

Chief Corporate Officer also has approval authority for:

- Leases/licences/permits at Union Station during the Revitalization Period, if the rent/fee is at market value.

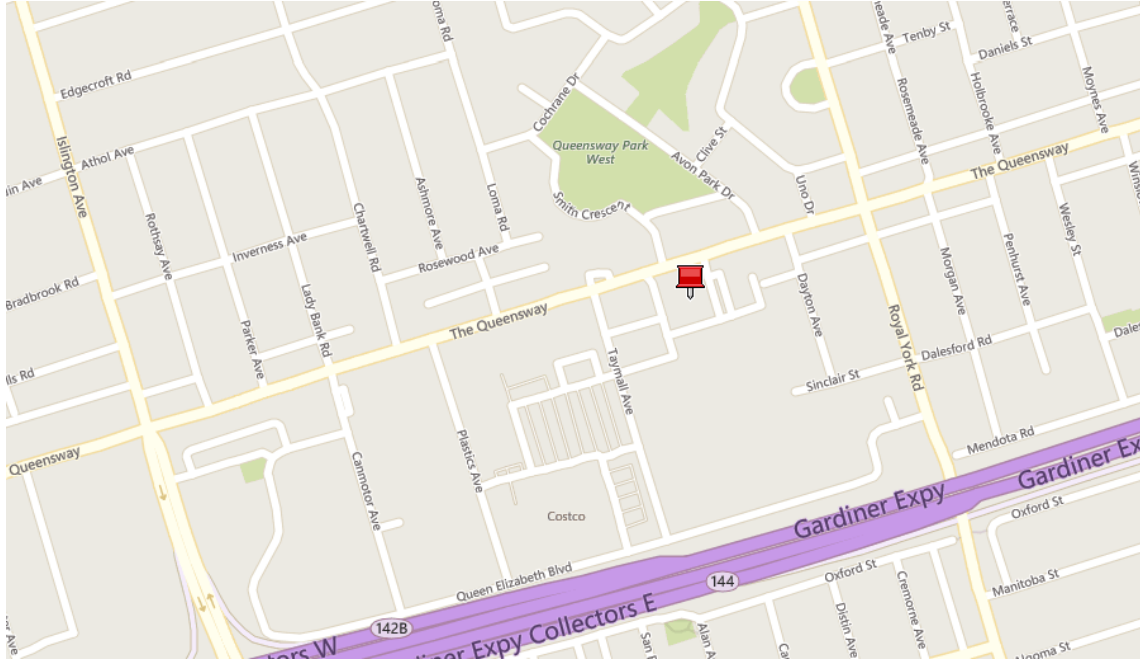
Consultation with Councillor(s)													
Councillor:	Justin Di Ciano					Councillor:							
Contact Name:	Jacqueline Czajka					Contact Name:							
Contacted by:	Phone	X	E-Mail		Memo		Other	Contacted by:	Phone		E-mail	Memo	Other
Comments:	Consent					Comments:							
Consultation with ABCDs													
Division:	Toronto Employment & Social Services					Division:	Financial Planning						
Contact Name:	Jeff Parkovnick					Contact Name:	Filisha Mohammed						
Comments:	Consent					Comments:	Consent						
Legal Division Contact													
Contact Name:	Luxmen Aloysius												
DAF Tracking No.: 2016-007					Date		Signature						
Recommended by: Manager, Wayne Duong					Jan. 8, 2016		Sgd.\Wayne Duong						
<input checked="" type="checkbox"/>	Recommended by: Director of Real Estate Services				Jan. 11, 2016		Sgd.\Joe Casali						
<input type="checkbox"/>	Approved by: Joe Casali												
<input checked="" type="checkbox"/>	Approved by: Chief Corporate Officer				Jan. 14, 2016		Sgd.\Josie Scioli						
<input type="checkbox"/>	Approved by: Josie Scioli												

General Conditions ("GC")

- (a) The local Councillor (or local Councillors if the subject property is located on a ward boundary or if the transaction involves an exchange of properties in more than one ward), will be consulted prior to the exercise of delegated Approving Authority by staff for all Acquisitions, Disposals, Land Exchanges and Leases.
- (b) Where approving power has been delegated to staff, the Chief Corporate Officer, in consultation with the applicable Deputy City Manager or the City Manager, may determine that such matter is of such special interest that same should be returned to the relevant Committee and Council for consideration and determination.
- (c) Exercise of delegated authority is subject to all applicable Council policies, statutes or other applicable law.
- (d) Authority to approve financial commitments/expenditures is subject to all amounts being available in an approved budget [or funding is available from alternative sources].
- (e) Property interests are to be based on appraised value, and no interest shall be granted at less than market value unless otherwise specifically authorized.
- (f) Authority to approve transactions at less than market value is subject to statutory anti-bonusing provisions.
- (g) Total compensation means the aggregate of all types of payments, including land value, estimated clean-up costs, potential arbitration awards, loss claims, etc, but exclusive of any applicable taxes and registration costs.
- (h) Authority to acquire property is conditional upon provision being made to bring the property into compliance with applicable MOE or other requirements such that it will be fit for its intended municipal purpose.
- (i) Authority to initiate the permanent road closure process in **A.4** is conditional upon confirmation by the GM of Transportation Services that it is feasible to permanently close the highway.
- (j) Disposal authorities in **A.7** are subject to the property having been declared surplus, and the disposal policy complied with.
- (k) Land exchanges, except for those in **A.8**, may be authorized based on the delegated Approving Authority for Disposals in **A.7**.
- (l) Approving Authority with respect to land located in the Designated Waterfront Area is conditional upon the approval of the Director, Waterfront Secretariat.
- (m) Authority to approve an exchange of land in **A.8** is conditional upon confirmation by the Chief Planner and Executive Director, and the GM of Parks, Forestry & Recreation, that the land being exchanged is (i) nearby land of equivalent or larger area, and (ii) of comparable or superior green space utility.
- (n) Approving Authority in **A.9** Leases (City as Landlord) but not Licences (City as Licensor) is limited to periods (including options/renewals) of less than twenty-one (21) years.
- (o) Total compensation in leasing matters where the City is landlord (**A.9**) includes the value of tenant improvements if factored into tenant's rental payments.
- (p) Total compensation in leasing matters where the City is the tenant (**A.10**) includes the value of any tenant improvements to be paid by the City.
- (q) Where options/renewals are included in leases, if the renewal rent is to be determined at a date later than the original approval date, total compensation is to be calculated as though all options are exercised, estimating the renewal rent based on the highest rent payable in the first term of the lease.
- (r) Total compensation in leasing matters where the City is landlord (**A.9**) or tenant (**A.10**) is to be calculated from the date of approval pursuant to this delegation (ie. First allowing for the expiry of any prior approvals, whether by Council or a delegated authority).
- (s) Approving Authority in leasing matters includes authority to approve renewals/extensions within the parameters of the delegated Approving Authority.
- (t) Approving Authority includes authority for amendments within the parameters of the delegated Approving Authority, the cumulative total of which may not exceed the delegated financial limit.
- (u) Where proposed additional amounts in **A.13** exceed 10 per cent of the original decision, even if otherwise in compliance with all other conditions, then approving authority is transferred upwards to the next more senior level of approving authority having the relevant overall financial limit.
- (v) Approving Authority includes authority for all documents necessary to implement the authority, on terms and conditions satisfactory to the Approving Authority, in consultation with the relevant operating Division(s).
- (w) Staff positions referred to in this delegation include successors from time to time.
- (x) Documents are to be in a form satisfactory to the City Solicitor (including indemnity and insurance provisions).
- (y) Delegated signing authorities in **B** are conditional upon the documents having received the City Solicitor's prior "Approval as to Form".
- (z) This delegation does not affect sales, acquisitions and leases over which the Affordable Housing Committee has responsibility.
- (aa) Authority to use land acquired by the City for parking purposes by the Toronto Parking Authority is conditional upon Council enacting a by-law designating such use.
- (bb) All residential leasing documents shall adhere to the *Residential Tenancies Act* and any successor legislation.
- (cc) Despite GC(n), Approving Authority in residential leasing matters is not limited to periods of less than twenty-one (21) years.

SCHEDULE "A"

Location Map



Aerial View



SCHEDULE "B"**Major Terms and Conditions**

Landlord: Stanley Dodson carrying on business as Dodson-Lesmark Developments

Tenant: City of Toronto

Premises: Freestanding single story building of approximately 22,500 square foot of rentable area and 100 parking spots of the property known municipally as 779 The Queensway, Toronto

Term: Five (5) years commencing on November 1, 2015 and expiring on October 31, 2020

Net Rent: \$9.95 per square foot applicable to the rentable area, totaling \$223,875.00 per annum with monthly installments of \$18,656.25

Additional Rent: The City shall continue to pay its proportionate share of operating expenses currently estimated to be \$1.37 per square foot per annum applicable to the rentable area, totaling \$30,825.00 per annum with monthly installments of \$2,568.75, plus HST.


Parking: The Landlord shall continue to provide to the City fifty (50) surrounding unreserved parking spaces and fifty (50) dedicated parking spaces at no additional charge to the City during the Term.


Option to Renew: Provided the City has given notice to the Landlord, at least six (6) months' prior to the expiration of the Lease, the City shall have the right to extend the Term of the Lease for five (5) years commencing November 1, 2015 and expiring on October 31, 2020 on the same terms and conditions, save and except for the rental rate, which shall be negotiated by the parties based upon fair market rent for similar premises and failing an agreement three (3) months prior to the expiration of the Lease, the rental rate shall be determined by arbitration in accordance with the Arbitrations Act (Ontario).


Landlord's Improvements: The Landlord is to: (a) add one (1) new accessibility parking spot at the furthest North East side of the allocated unreserved parking spot, (b) refresh the existing accessibility spot of the east end of the Building and (c) remove accessibility signage from the south west parking space as a wheel chair accessible parking stall, to the satisfaction of the City on or before ninety (90) days after the execution of the Agreement.

SCHEDULE "C"

Landlord's Work

 Remove accessibility signage from the south west parking space located in the Property as a wheel chair accessible parking stall

 Refresh the existing accessibility spot of the east end of the Building

 Add one (1) new accessibility parking spot at the furthest North East side of the allocated unreserved parking spot.

