

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

- 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.
- Approved pursuant to the Delegated Authority contained in Executive Committee Item EX33.44 entitled "Union Station Revitalization Implementation and Head Tenant 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:	Derek Wei	Division:	Real Estate Services										
Date Prepared:	October 9, 2016	Phone No.:	416 -392-1259										
Purpose	To obtain authority to enter into a lease agreement (the "Agreement") between the City of Toronto (the "Tenant") and Gurnam Multani and Surjit Multani (collectively the "Landlord"), for the commercial space (the "Leased Area") located at 1430 Gerrard Street East (the "Property"), shown as Leased Area, approximately 3,563 square feet, on Schedule "A" – Location Map a period commencing October 1, 2016 and expiring November 21, 2016 (the "Term"), for use by Shelter, Support and Housing Administration (SSHA).												
Property	Municipally known as 1430 Gerrard Street East, Toronto, ON (see Appendix II – Location Map, Aerial Map and Floor Plan on pages 5 to 7).												
Actions	It is recommended that : <ol style="list-style-type: none"> <li>1) Authority be granted to enter into the Agreement between Gurnam Multani and Surjit Multani, as landlord, and the City, as tenant, for the commercial space located at 1430 Gerrard Street East for a period commencing October 1, 2016 and expiring November 21, 2016, subject to the terms and conditions outlined in Appendix 1 (refer to page 5), and on such revised or other terms as may be satisfactory to the Chief Corporate Officer and in a form acceptable to the City Solicitor;</li> <li>2) the Chief Corporate Officer or designate shall 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</li> <li>3) the appropriate City Officials be authorized and directed to take the necessary action to give effect thereto.</li> </ol>												
Financial Impact	<p>The total net rental cost to the City for the initial Term of this Agreement will be \$7,967.74 plus HST.</p> <p>In addition, the Landlord and Mortgagee require payment of the following amounts, as detailed in the Comments and Terms sections:</p> <p>Non-refundable Additional Amount:                   \$30,000.00            Non-refundable First Month Basic Rent for Main Offer:   \$35,328.27            Refundable Last three months Basic Rent for Main Offer: \$119,163.25</p> <p>The funding for the lease payments is included in the 2015 Approved Operating budget for Shelter, Support and Housing Administration-SHU Social Housing Unit and the 2016 Operating Budget Submission.</p>												
Comments	<p>The Deputy City Manager &amp; Chief Financial Officer has reviewed this DAF and agrees with this financial impact information.</p> <p>The Leased Area will be used as a programing office for homeless persons in need of housing. This Agreement will be used to secure the Property until November 21, 2016, pending Council consideration of the Property as a new Shelter location, and the main Offer to Lease the Property (the "Main Offer") for homeless women, their children and family in need of housing for a term of five (5) years with an option to extend or overhold for an additional five (5) years. The Property is subject to three (3) registered mortgages in favour of Dramel Limited and Mel Solmon (collectively the "Mortgagee") securing the total principal amount of \$8.6 million. In consideration of the Mortgagee providing a Non-Disturbance Agreement to the City, the Landlord and the Mortgagee require an additional payment of \$30,000.00, payment of First Month's Basic Rent in the amount of \$35,328.27 for the Main Offer, and payment of last three months Basic Rent for the Main Offer.</p>												
Terms	See Appendix 1 on page 4 for Comments, and Major Terms and Conditions.												
Property Details	<table border="1"> <tr> <td>Ward:</td> <td>30 – Danforth</td> </tr> <tr> <td>Assessment Roll No.:</td> <td>190408348002400000</td> </tr> <tr> <td>Approximate Size:</td> <td></td> </tr> <tr> <td>Approximate Area:</td> <td>± 3,563 Square Feet.</td> </tr> <tr> <td>Other Information:</td> <td></td> </tr> </table>			Ward:	30 – Danforth	Assessment Roll No.:	190408348002400000	Approximate Size:		Approximate Area:	± 3,563 Square Feet.	Other Information:	
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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/REOIs:</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 &amp; Parks &amp; 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><b>Delegated to a more senior position.</b></p> <p><b>Delegated to a more senior position.</b></p> <p><b>Delegated to a more senior position.</b></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><b>Delegated to a more senior position.</b></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 checked="" 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/REOIs.</p> <p><input type="checkbox"/> Initiate process &amp; 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 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><b>Delegated to a less senior position.</b></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:	Paula Fletcher					Councillor:			
Contact Name:	Susan Serran					Contact Name:			
Contacted by:	Phone	<input checked="" type="checkbox"/>	E-Mail		Memo		Other		
Comments:	Consent					Comments:			
Consultation with ABCDs									
Division:	Shelter, Support & Housing Administration					Division:	Financial Planning/ Business I & I Finance		
Contact Name:	Gordon Tanner					Contact Name:	Filisha		
Comments:	Consent					Comments:	Consent		
Legal Division Contact									
Contact Name:	Soo Kim Lee								

DAF Tracking No. 2016-224	Date	Signature
Recommended by: Manager, Leasing and Site Management Wayne Duong	Oct/31/2016	Sgd.\ Tina Skinner, Actg.Manager
<input type="checkbox"/> Recommended <input checked="" type="checkbox"/> Approved by: Director of Real Estate Services Joe Casali	Oct/31/2016	Sgd.\ Joe Casali
<input type="checkbox"/> Approved by: Chief Corporate Officer Josie Scioli		X

#### 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 leasing matters (**A.9 and A.10**) 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.

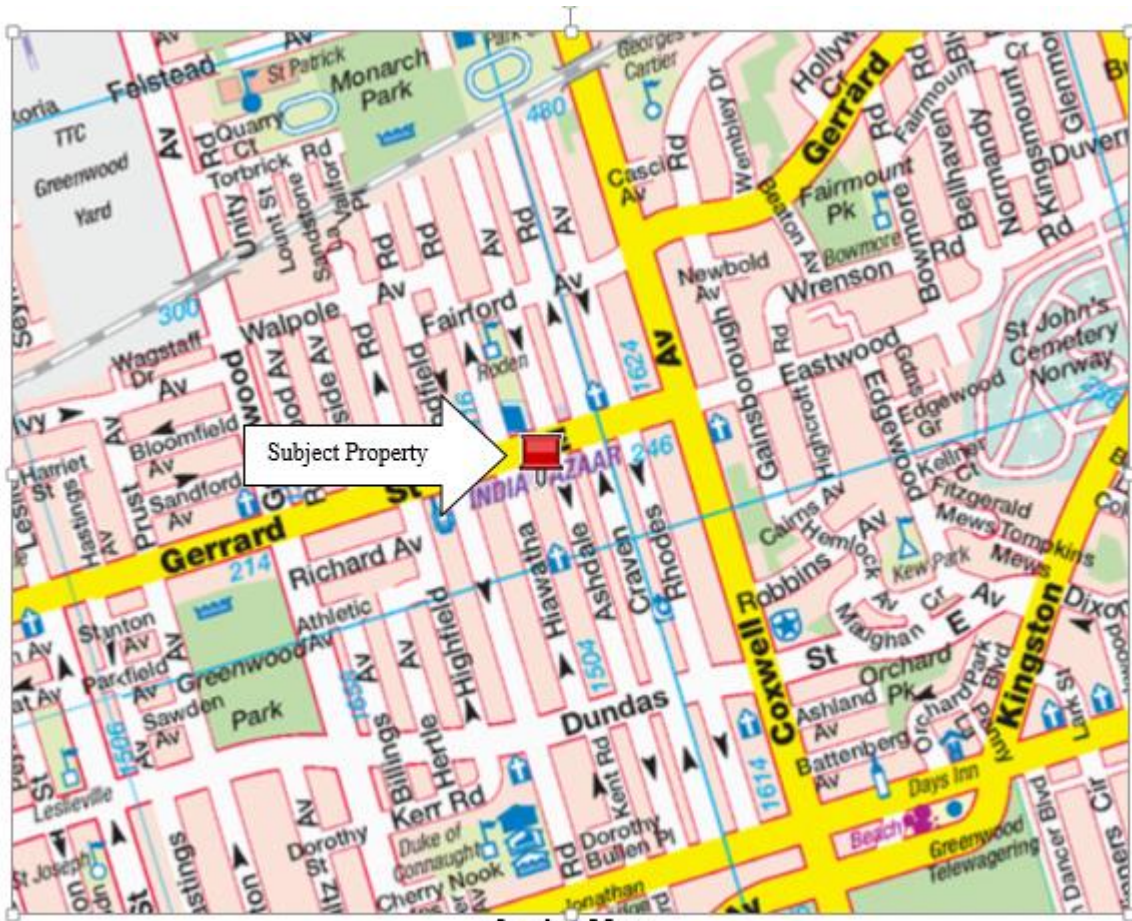
## Appendix I

### Major Terms and Conditions for Conditional Lease Agreement

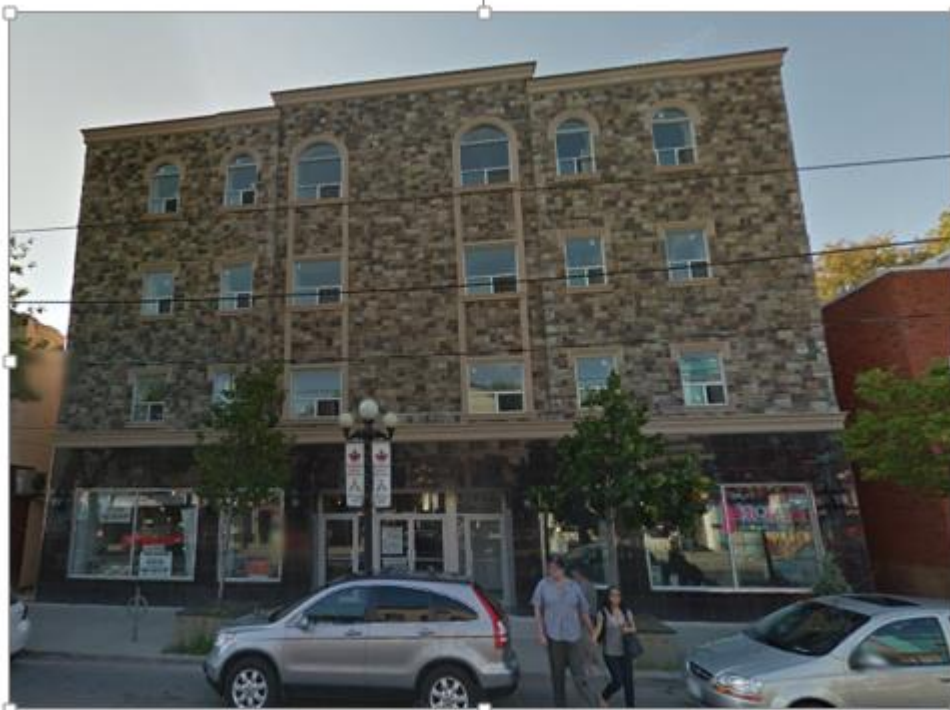
Landlord:	Gurnam Multani and Surjit Multani
Tenant:	City of Toronto, Shelter, Support and Housing Administration (SSHA)
Property:	Municipally known as 1430 Gerrard Street East
Area:	Approximately 3,563 Square Feet of Commercial Space on the ground floor
Term:	October 1, 2016 to November 21, 2016
Basic Rent:	\$4,750.00 per month
Non-refundable payments to Landlord's Mortgagee:	As requested by the Landlord: <ul style="list-style-type: none"><li>(1) Prepaid Basic Rent of \$7,967.74, payable to Dramel Limited;</li><li>(2) Additional Amount of \$30,000.00 payable to Dramel Limited, in consideration of the Mortgagee signing the Non-Disturbance Agreements attached as Schedule "B" for this Offer to lease, and the Main Offer, to be credited against the amounts owing under the Landlord's third mortgage; and</li><li>(3) Prepaid First Month Basic Rent in the amount of \$35,329.27 to Dramel Limited, for Main Offer.</li></ul>
Refundable payment to Landlord's Mortgagee:	Last three (3) months' Basic Rent for the Main Offer, in the amount of \$119,163.25 to Dramel Limited. This amount is refundable, if Council does not approve the Property as a new Shelter location in November.
Realty Taxes	Tenant is responsible for realty taxes, unless exempted as a municipal capital facility.
Additional Rent:	Tenant is responsible for utilities and Operating Costs, but not responsible for: <ul style="list-style-type: none"><li>(a) for management or administrative fees;</li><li>(b) in connection with compliance of the Premises and/or the Property with all applicable laws, directions, rules and regulations;</li><li>(c) for repairs and replacements to:<ul style="list-style-type: none"><li>(i) the elevator;</li><li>(ii) fire protection systems;</li><li>(iii) the foundation, bearing walls, structural columns and beams and other structural components;</li><li>(iv) structural defects or weaknesses;</li><li>(v) the outside of all exterior walls;</li><li>(vi) all parts/components of the roof;</li></ul></li><li>(d) for repairs and replacements to:<ul style="list-style-type: none"><li>(i) the plumbing, mechanical, electrical, heating and air-conditioning systems.</li></ul></li></ul>
Use:	Office – Shelter, Support and Housing Administration

## Appendix II

### Location Map



Aerial Map



al Map

