

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

TRACKING NO.: 2017-225

- 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 (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 (Confirmatory By-Law No. 1234-2013, enacted on October 11, 2013), as amended by DAF 2013-307 and DAF 2014-087; and further amended by EX44.22 entitled "Strategic Property Acquisitions" adopted by City Council on August 25, 26, 27 and 28, 2014 (Confirmatory By-law No.1074-2014, enacted on August 28, 2014), and further amended by GM16.16 entitled "Transit Shelter Property Acquisitions" adopted by City Council on December 13, 14 and 15, 2016 (Confirmatory By-Law No. 1290-2016, enacted on December 15, 2016).
- 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:   | Loretta Ramadhin | Division:  | Real Estate Services |
| Date Prepared: | August 21, 2017  | Phone No.: | 416-392-7169         |

|                         |  |
|-------------------------|--|
| <b>Purpose</b>          | To obtain authority to enter into a sublease agreement, (the "Sublease") with Homes First Society, ("Homes First") and a consent to sublease agreement (the "Consent") with The Incumbent and Churchwardens of Grace Church in Scarborough, ("Grace Church") and Homes First for the purpose of continuing the shelter operations and services at 702 Kennedy Road, (the "Property").  |
| <b>Property</b>         | The property municipally known as 702 Kennedy Road, Toronto is situated on lands leased from Grace Church being those parts of Block A on Registered Plan No. 5180, City of Toronto, being described as Parts 3, 4, 5, 6, 7, 15, 16, and 17 as shown on Plan 64R-13459 [part of Parcel 06438-0368(LT)] in Appendix "B" and on the Location Map in Appendix "C". The leasehold interest in the Property includes and is subject to such easements as are required for access, utility, and servicing requirements of the Property and the adjacent lands owned and occupied by Grace Church.  |
| <b>Actions</b>          | <ol style="list-style-type: none"> <li>1. Authority is granted to enter into the Sublease with Homes First and the Consent with Grace Church, to sublease the building and rights and obligations under the an existing ground lease agreement for a one (1) year term commencing on September 1, 2017 and ending on August 31, 2018, substantially on the terms and conditions set out in Appendix "A" and any other or amended terms and conditions as may be determined as reasonably necessary by the Chief Corporate Officer and in a form acceptable to the City Solicitor.</li> <li>2. Authority is granted to authorize the Chief Corporate Officer or her designate to administer and manage the Sublease and Consent, 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 matters to City Council for its determination and direction.</li> <li>3. Authority is granted to authorize the City Solicitor to complete the transaction on behalf of the City, including payment of any necessary expenses.</li> <li>4. The appropriate City officials are authorized and directed to take the necessary action to give effect thereto</li> </ol>  |
| <b>Financial Impact</b> | <p>Net rent revenue ("Base Rent") to the City for the one (1) year term for the Sub-lease will be consistent with the City's ground lease agreement with Grace Church at \$28,800 (plus HST). The Base Rent payable is the exact amount owing to Grace Church.</p> <p>The Deputy City Manager &amp; Chief Financial Officer has reviewed this DAF and agrees with the financial impact information.</p>  |
| <b>Comments</b>         | <p>As authorized by DAF 2017-224, the City will enter into a leasehold interest disposition agreement with Second Base Scarborough Youth Shelter and an assignment, assumption and amendment of the ground lease agreement with Grace Church for the purpose of continuing the shelter operations and services at the Property. The ground lease, as amended, has a term of forty (40) years.</p> <p>As authorized by Item CD20.6 of the Community Development and Recreation Committee, adopted by City Council at its meeting held on May 24, 25 and 26, 2017, the City approved the recommended annual funding allocation for Homes First and the recommendation to enter into a purchase of service agreement with Homes First.</p> <p>As authorized by Item CD15.7 of the Community Development and Recreation Committee, adopted by City Council at its meeting held on November 8 and 9, 2016, the City extended and amended its 2015 and 2016 purchase of service agreement with the Home's First to include the provision of shelter services by Homes First at the Property and, by reference, the sub-lease with Homes First.</p> <p>A sub-lease of the entire Property for shelter uses is permitted under the Ground Lease, however, the ground lease requires that Grace Church confirm its accord through the execution of a Consent.</p> |
| <b>Terms</b>            | Refer to the Terms and Conditions in Appendix "A"  |

|                         |                             |  |
|-------------------------|-----------------------------|--|
| <b>Property Details</b> | <b>Ward:</b>                | 35 – Scarborough Southwest               |
|                         | <b>Assessment Roll No.:</b> | 1901041130003000020                      |
|                         | <b>Approximate Size:</b>    | n/a                                      |
|                         | <b>Approximate Area:</b>    | 3124.76 m <sup>2</sup> (33,634.64 sq ft) |
|                         | <b>Other Information:</b>   | n/a                                      |

| A.   | Director of Real Estate Services has approval authority for:  | Chief Corporate Officer has approval authority for:   |
|--|---|---|
| 1. Acquisitions:   | <input type="checkbox"/> Where total compensation does not exceed \$1 Million.  | <input type="checkbox"/> Where total compensation does not exceed \$3 Million.  |
| 2. Expropriations:   | <input type="checkbox"/> Statutory offers, agreements and settlements where total compensation does not cumulatively exceed \$1 Million.  | <input type="checkbox"/> Statutory offers, agreements and settlements where total compensation does not cumulatively exceed \$3 Million.  |
| 3. Issuance of RFPs/REOs:  | <b>Delegated to a more senior position.</b>   | <input type="checkbox"/> Issuance of RFPs/REOs.   |
| 4. Permanent Highway Closures:   | <b>Delegated to a more senior position.</b>   | <input type="checkbox"/> Initiate process & authorize GM, Transportation Services to give notice of proposed by-law.  |
| 5. Transfer of Operational Management to ABCDs:  | <b>Delegated to a more senior position.</b>   | <input type="checkbox"/> Transfer of Operational Management to ABCDs.   |
| 6. Limiting Distance Agreements:   | <input type="checkbox"/> Where total compensation does not exceed \$1 Million.  | <input type="checkbox"/> Where total compensation does not exceed \$3 Million.  |
| 7. Disposals (including Leases of 21 years or more):                                       | <input type="checkbox"/> Where total compensation does not exceed \$1 Million.  | <input type="checkbox"/> Where total compensation does not exceed \$3 Million.  |
| 8. Exchange of land in Green Space System & Parks & Open Space Areas of Official Plan: N/A | <b>Delegated to a more senior position.</b>   | <input type="checkbox"/> Exchange of land in Green Space System and Parks and Open Space Areas of Official Plan.  |
| 9. Leases/Licences (City as Landlord/Licensor):  | <input checked="" type="checkbox"/> (a) Where total compensation (including options/renewals) does not exceed \$1 Million;<br><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.  | <input type="checkbox"/> (a) Where total compensation (including options/renewals) does not exceed \$3 Million;<br><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.   |
| 10. Leases/Licences (City as Tenant/Licensee):   | <input type="checkbox"/> Where total compensation (including options/renewals) does not exceed \$1 Million.   | <input type="checkbox"/> Where total compensation (including options/renewals) does not exceed \$3 Million.   |
| 11. Easements (City as Grantor):   | <input type="checkbox"/> (a) Where total compensation does not exceed \$1 Million.<br><input type="checkbox"/> (b) When closing road, easements to pre-existing utilities for nominal consideration.  | <input type="checkbox"/> Where total compensation does not exceed \$3 Million.<br><b>Delegated to a less senior position.</b>   |
| 12. Easements (City as Grantee):   | <input type="checkbox"/> Where total compensation does not exceed \$1 Million.  | <input type="checkbox"/> Where total compensation does not exceed \$3 Million.  |
| 13. Revisions to Council Decisions in Real Estate Matters:                                 | <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).  | <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).  |
| 14. Miscellaneous:   | <input type="checkbox"/> (a) Approvals, Consents, Notices and Assignments under all Leases/Licences;<br><input type="checkbox"/> (b) Releases/Discharges;<br><input type="checkbox"/> (c) Surrenders/Abandonments;<br><input type="checkbox"/> (d) Enforcements/Terminations;<br><input type="checkbox"/> (e) Consents/Non-Disturbance Agreements/Acknowledgements/Estoppels/Certificates;<br><input type="checkbox"/> (f) Objections/Waivers/Cautions;<br><input type="checkbox"/> (g) Notices of Lease and Sublease;<br><input type="checkbox"/> (h) Consent to regulatory applications by City, as owner;<br><input type="checkbox"/> (i) Consent to assignment of Agreement of Purchase/Sale; Direction re Title;<br><input type="checkbox"/> (j) Documentation relating to Land Titles applications;<br><input type="checkbox"/> (k) Correcting/Quit Claim Transfer/Deeds. | <input type="checkbox"/> (a) Approvals, Consents, Notices and Assignments under all Leases/Licences;<br><input type="checkbox"/> (b) Releases/Discharges;<br><input type="checkbox"/> (c) Surrenders/Abandonments;<br><input type="checkbox"/> (d) Enforcements/Terminations;<br><input type="checkbox"/> (e) Consents/Non-Disturbance Agreements/Acknowledgements/Estoppels/Certificates;<br><input type="checkbox"/> (f) Objections/Waivers/Cautions;<br><input type="checkbox"/> (g) Notices of Lease and Sublease;<br><input type="checkbox"/> (h) Consent to regulatory applications by City, as owner;<br><input type="checkbox"/> (i) Consent to assignment of Agreement of Purchase/Sale; Direction re Title;<br><input type="checkbox"/> (j) Documentation relating to Land Titles applications;<br><input type="checkbox"/> (k) Correcting/Quit Claim Transfer/Deeds. |

|  |  |
|--|--|
| <b>B. Chief Corporate Officer and Director of Real Estate Services each has signing authority on behalf of the City for:</b>   |  |
| <input type="checkbox"/> 1. Agreements of Purchase and Sale and all implementing documentation for purchases, sales and land exchanges not delegated to staff for approval.<br><input type="checkbox"/> 2. Expropriation Applications and Notices following Council approval of expropriation.<br><input checked="" type="checkbox"/> 3. Documents required to implement the delegated approval exercised by him or her. | <b>Chief Corporate Officer also has approval authority for:</b><br><br><input type="checkbox"/> Leases/licences/permits at Union Station during the Revitalization Period, if the rent/fee is at market value. |

| Consultation with Councillor(s)     |   |  |        |                           |                    |                       |       |
|-------------------------------------|---|--|--------|---------------------------|--------------------|-----------------------|-------|
| Councillor:                         | Michelle Holland                            |  |        | Councillor:               |                    |                       |       |
| Contact Name:                       | Michael Giles                               |  |        | Contact Name:             |                    |                       |       |
| Contacted by:                       | Phone                                       | <input checked="" type="checkbox"/>            | E-Mail |                           | Memo               |                       | Other |
| Comments:                           | August 10, 2017                             |  |        | Comments:                 |                    |                       |       |
| Consultation with ABCDs             |   |  |        |                           |                    |                       |       |
| Division:                           | Shelter, Support and Housing Administration |  |        | Division:                 | Financial Planning |                       |       |
| Contact Name:                       | Gordon Tanner                               |  |        | Contact Name:             | Filisha Jenkins    |                       |       |
| Comments:                           | concur                                      |  |        | Comments:                 | concur             |                       |       |
| Legal Division Contact              |   |  |        |                           |                    |                       |       |
| Contact Name:                       | Jennifer Davidson                           |  |        |                           |                    |                       |       |
| DAF Tracking No.: 2017-225          |   | Date   |        | Signature                 |                    |                       |       |
| Recommended by: Manager – Tim Park  |   | Aug 21 <sup>st</sup> 2017                      |        | Signed By: Tim Park       |                    |                       |       |
| <input checked="" type="checkbox"/> | Recommended by:                             | Director of Real Estate Services<br>Joe Casali |        | Aug 23 <sup>rd</sup> 2017 |                    | Signed By: Joe Casali |       |
| <input checked="" type="checkbox"/> | Approved by:                                |  |        |                           |                    |                       |       |
| <input type="checkbox"/>            | Approved by:                                | Chief Corporate Officer<br>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 being available from third party sources, except for "Strategic Property Acquisitions" as set out in EX44.22 adopted by Council August 25, 26, 27 and 28, 2014, which identifies alternative funding mechanisms subject to additional approval requirements.
- (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, except for property acquisitions of 50M<sup>2</sup> or less for transit shelter purposes.
- (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.

## Appendix "A"

### Terms and Conditions

#### Sublease:

Sub-landlord: City of Toronto

Sub-Tenant: Home's First Society

Property: Lands and Buildings, as defined under the Ground Lease, at 702 Kennedy Road, Scarborough

Term: Commencing on September 1, 2017 and ending on August 31, 2018

Base Rent: \$28,800 plus HST per annum,

Additional Rent: (a) Any realty taxes. (The Sub-landlord and the Sub-tenant will be entering into a Municipal Capital Facility Agreement.)  
 (b) All Operating Costs, as defined under the Sub-lease.  
 (c) All taxes imposed upon the Sub-tenant which are attributable to: (i) the personal property, furnishings, fixtures, and improvements installed; (ii) business taxes, if applicable

Use: Shelter Space for adult women;

Insurance: The Sub-tenant is required to obtain and maintain insurance coverages stipulated by the Ground Lease

#### Consent:

Landlord: Grace Church

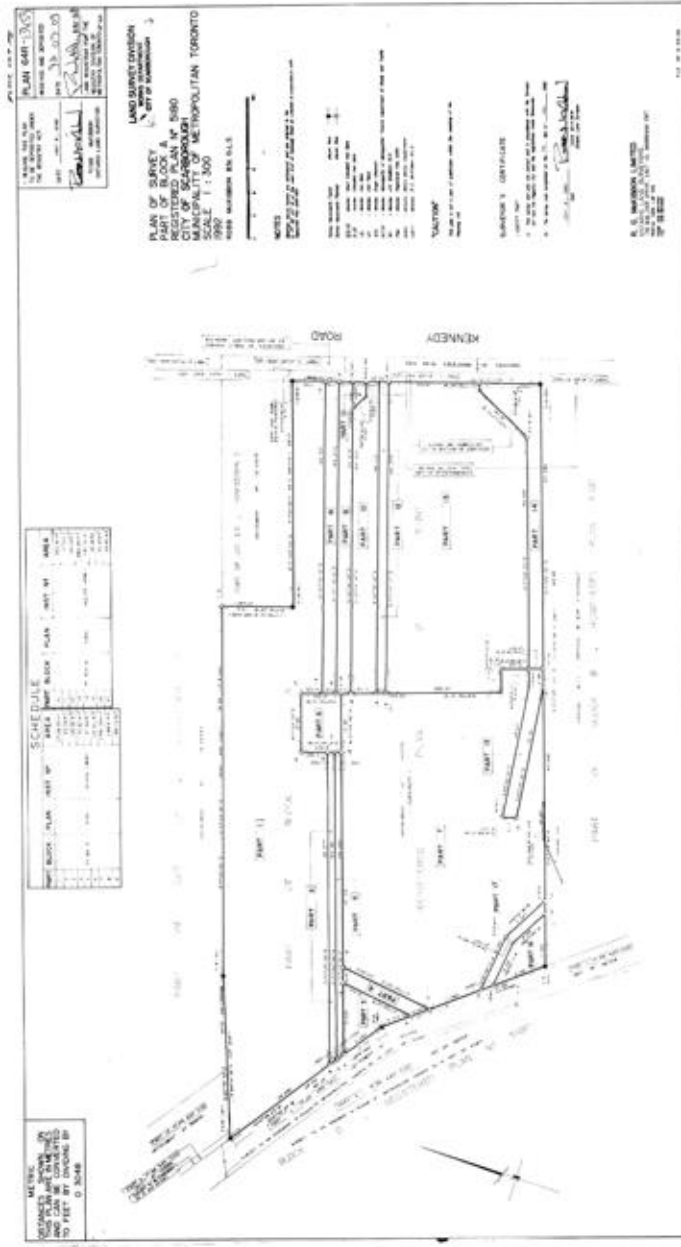
Tenant: City of Toronto

Sub-Tenant: Home's First Society

Consent by Landlord: The Landlord consents to the Sublease with the understanding that the Landlord has no obligations under the Sub-lease.

Appendix "B"

Plan 64R-13459



### Appendix "C"

### Location Map

