

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

TRACKING NO.: 2017-229

- 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:	Tatiana Kononova	Division:	Real Estate Services
Date Prepared:	August 17, 2017	Phone No.:	(416) 392 – 3883

<b>Purpose</b>	To obtain authority to enter into a lease amending agreement (the "Agreement") for a lease (the "Lease") with Dixon Hall (the "Tenant") in respect of leased premises (the "Premises") located in the Regent Park Community Centre at 402 Shuter Street (the "Property"), to (i) increase the size of the Shared Facilities Area in accordance with Schedule "B"; and (ii) to increase the Tenant's Proportional Share as shown and calculated in accordance with Schedule "C" attached hereto.
<b>Property</b>	402 Shuter Street which is located in the north west corner of the intersection of Shuter Street and Sackville Street in Ward 28 (Toronto Centre-Rosedale), as show on Schedule "A".
<b>Actions</b>	<ol style="list-style-type: none"> <li>1. Authority be granted for the City to enter the Agreement substantially on terms and conditions set forth below and on any other terms as may be determined appropriate by the Chief Corporate Officer and in a form acceptable to the City Solicitor.</li> <li>2. The Chief Corporate Officer or his/her 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 matters to City Council for it 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>
<b>Financial Impact</b>	<p>With the amending agreement in place the City will receive approximately \$263,342.50 in additional revenue for the five (5) year term, compared with approximately \$235,299.00 in additional revenue to the City if the agreement were not in place. This represents an increase of approximately \$28,043.50 in additional lease revenue to the City.</p> <p>There are no financial implications associated with the Basic Rent of the Agreement.</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>The Tenant has been leasing the Premises since March 24, 2016 under the Lease authorized by approval contained in the Delegated Approval Form DAF 2016-049. The Premises are also occupied by TESS, which shares certain space with the Tenant within the Property ("Shared Facilities").</p> <p>Subsequent to entering into the Lease TESS has determined that it requires less dedicated space within the Property. Part of TESS' dedicated space on the first floor is being converted into the Shared Facilities space, resulting in an increase in the Shared Facilities space and an increase in the Tenant's Proportional Share.</p> <p>The Tenant has also requested to move its Literacy Basic Skills (LBS) Program to the Shared Facilities space which will result in an increase in the Tenant's Proportionate Share under the Lease. The designated space for LBS program shall be used by the Tenant 4 days in a week, making this available for TESS for 1 day a week. TESS is supportive of bringing this program to the Property as it is a good alignment with the needs of its clients and community.</p> <p>TESS and the Tenant are also entering into a Shared Facilities Agreement in respect of the Shared Area to reflect their use of the Shared Facilities.</p> <p>Real Estate Services staff consider terms and conditions of the proposed Agreement to be fair and reasonable.</p>
<b>Terms</b>	<p><u>Shared Facilities:</u> Shared Facilities Area is being increased from approximately 6,275.50 square feet to approximately 6,496.97 square feet.</p> <p><u>Tenant's Proportional Share:</u> Tenant's Proportional Share is being increased from 10.15% to 11.60%, calculated in accordance with Schedule "C".</p> <p><u>Schedules "C" and "F" of the Lease:</u> Schedules "C" and "F" of the Lease shall be deleted entirely and substituted by Schedules "B" and "C" attached hereto.</p> <p><u>Effective date:</u> the Agreement takes effect from and after February 1, 2017. The parties agree that the 5 year lease Term is April 1, 2016 to March 31, 2021.</p> <p>All other terms and conditions remain the same.</p>

<b>Property Details</b>	<b>Ward:</b>	28 – Toronto Centre-Rosedale
	<b>Assessment Roll No.:</b>	
	<b>Approximate Size:</b>	
	<b>Approximate Area:</b>	9,974.47 ft <sup>2</sup>
	<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; <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; <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. <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. <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; <input type="checkbox"/> (b) Releases/Discharges; <input type="checkbox"/> (c) Surrenders/Abandonments; <input type="checkbox"/> (d) Enforcements/Terminations; <input type="checkbox"/> (e) Consents/Non-Disturbance Agreements/Acknowledgements/Estoppels/Certificates; <input type="checkbox"/> (f) Objections/Waivers/Cautions; <input type="checkbox"/> (g) Notices of Lease and Sublease; <input type="checkbox"/> (h) Consent to regulatory applications by City, as owner; <input type="checkbox"/> (i) Consent to assignment of Agreement of Purchase/Sale; Direction re Title; <input type="checkbox"/> (j) Documentation relating to Land Titles applications; <input type="checkbox"/> (k) Correcting/Quit Claim Transfer/Deeds.	<input type="checkbox"/> (a) Approvals, Consents, Notices and Assignments under all Leases/Licences; <input type="checkbox"/> (b) Releases/Discharges; <input type="checkbox"/> (c) Surrenders/Abandonments; <input type="checkbox"/> (d) Enforcements/Terminations; <input type="checkbox"/> (e) Consents/Non-Disturbance Agreements/Acknowledgements/Estoppels/Certificates; <input type="checkbox"/> (f) Objections/Waivers/Cautions; <input type="checkbox"/> (g) Notices of Lease and Sublease; <input type="checkbox"/> (h) Consent to regulatory applications by City, as owner; <input type="checkbox"/> (i) Consent to assignment of Agreement of Purchase/Sale; Direction re Title; <input type="checkbox"/> (j) Documentation relating to Land Titles applications; <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.	<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>	
<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:		Office of Pam McConnell				Councillor:							
Contact Name:		Kelly Sather				Contact Name:							
Contacted by:		Phone	E-Mail	X	Memo	Other		Contacted by:		Phone	E-mail	Memo	Other
Comments:		Consent				Comments:							
Consultation with ABCDs													
Division:		Employment and Social Services/TESS				Division:		Financial Planning					
Contact Name:		Eric Fleury / Kelly Jin				Contact Name:		Filisha Jenkins					
Comments:		Consent				Comments:		Consent					
Legal Division Contact													
Contact Name:		Kathleen Ann Kennedy											
DAF Tracking No.: 2017-229					Date		Signature						
Recommended by:		Manager of Leasing and Site Management			Sep/1/2017		Sgd.\ Actg. Manager, Daran Somas						
<input type="checkbox"/> Recommended by:		Director of Real Estate Services Joe Casali			Sep/15/2017		Sgd.\ Joe Casali						
<input checked="" type="checkbox"/> Approved by:													
<input type="checkbox"/> Approved by:		Chief Corporate Officer Josie Scioli											

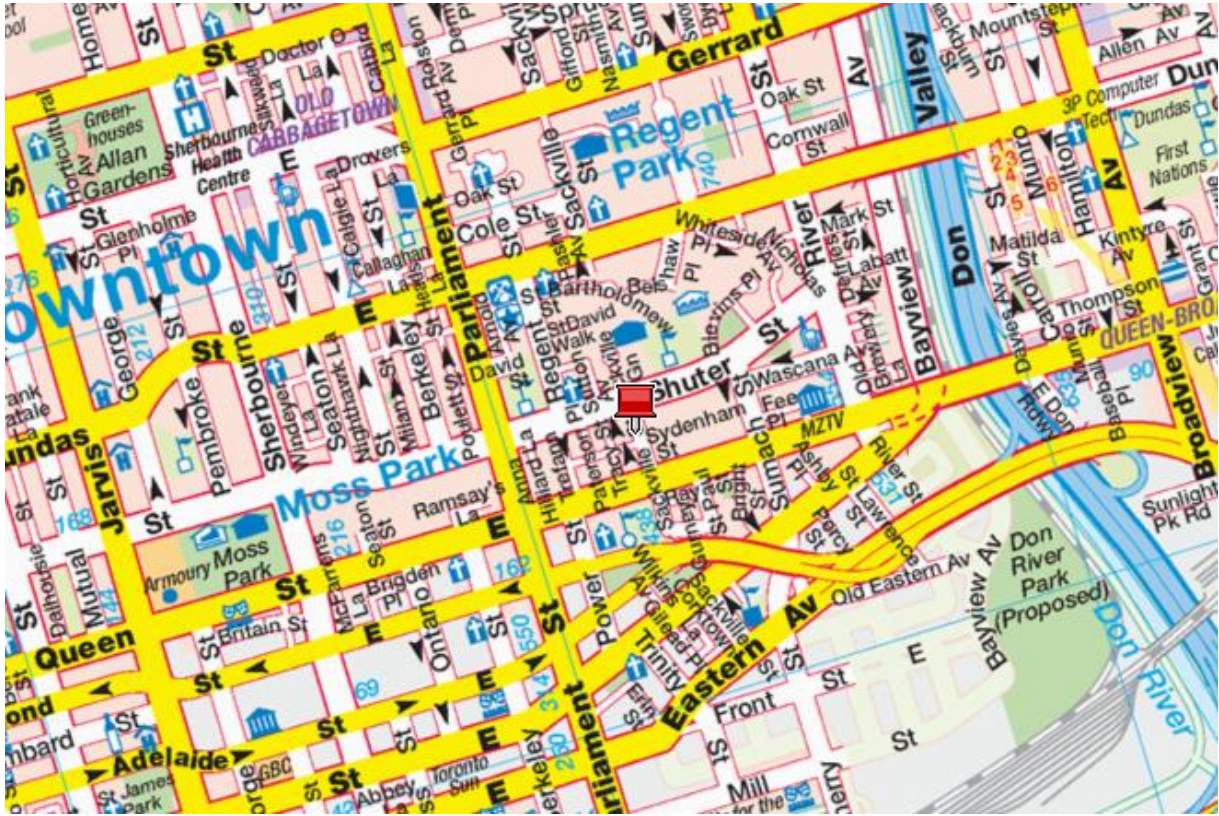
#### General Conditions ("GC")

- (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 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.



Schedule "A"

402 Shuter Street (Regent Park Community Centre) Location Maps

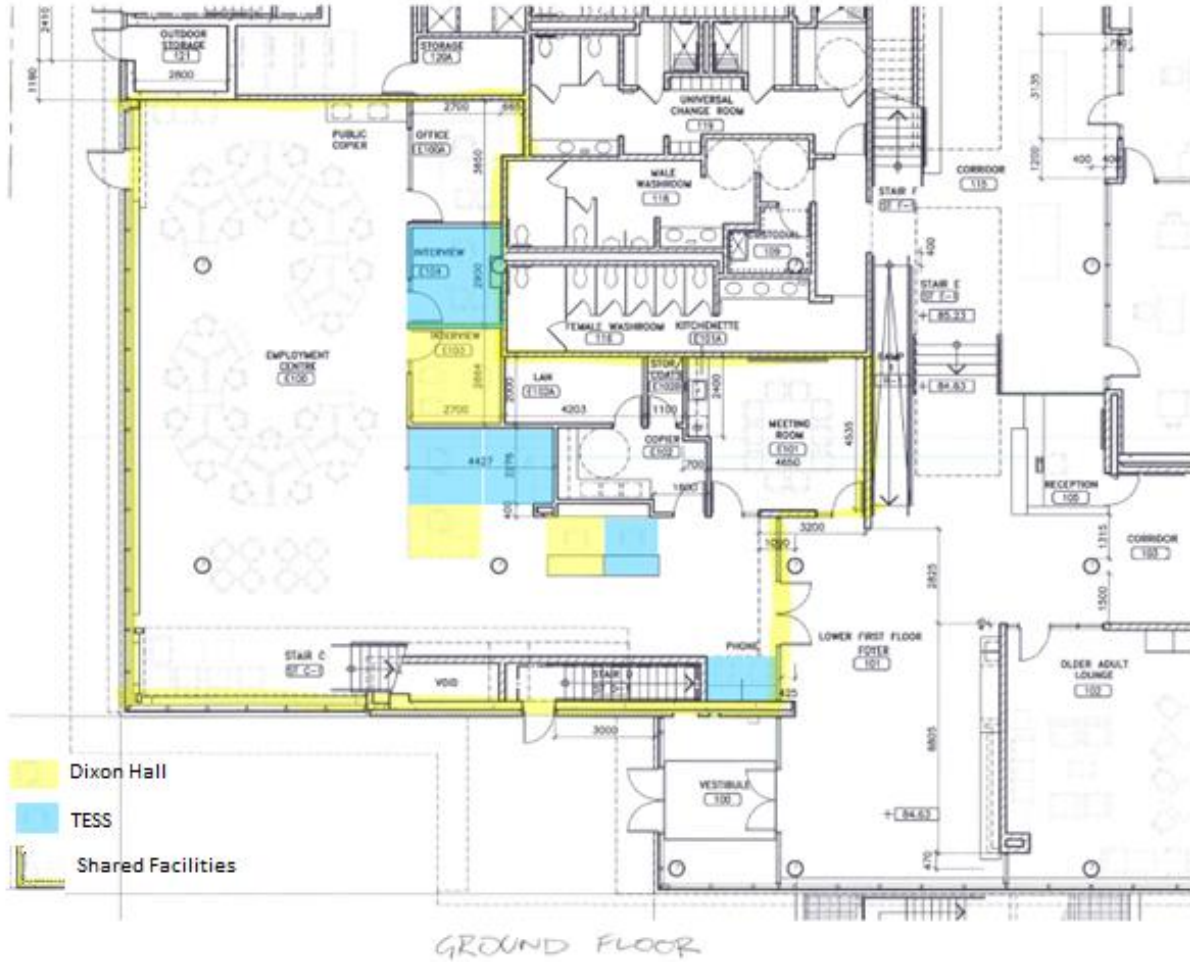




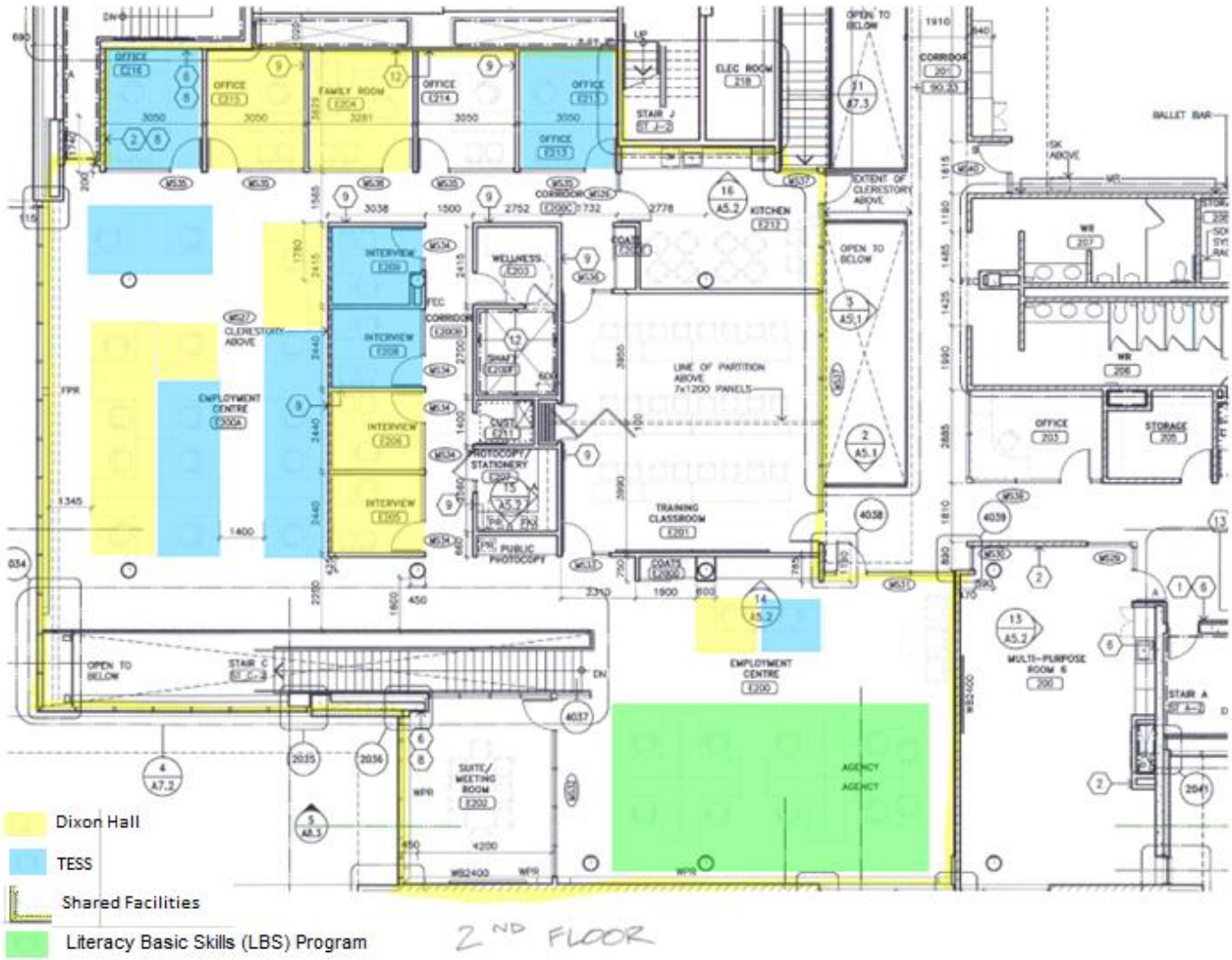
Schedule "B"

402 Shuter Street (Regent Park Community Centre) Leased Premises

402 Shuter 1<sup>st</sup> Floor



### 402 Shuter 2<sup>nd</sup> Floor



**Schedule "C"**

**402 Shuter Street (Regent Park Community Centre) Space Calculation**

Dedicated Spaces	Sq.ft			Building Space Calculation		
TESS	1,132.50	54%		ESS	8,600.00	21%
Dixon Hall	970.54	46%		Children Services	392.00	1%
Total Dedicated Space	2,103.03	100%	24%	Recreation	26,391.00	64%
				Common	5,655.00	14%
<i>Shared Spaces, excluding Literacy Basic Skills (LBS)</i>				Total Building Space	41,038.00	100%
TESS	3,283.26	54%		Dedicated Space		
Dixon Hall	2,813.71	46%		ESS	8,600.00	24.31%
Total	6,096.97	100%		Children Services	392.00	1.11%
<i>Shared Spaces - Literacy Basic Skills (LBS)</i>				Recreation	26,391.00	74.59%
TESS	80.00	20%		Total Dedicated Space	35,383.00	100%
Dixon Hall	320.00	80%		Cost Distribution		
Total	400.00	100%		REC		74.59%
Total Shared Spaces				CS		1.11%
TESS	3,363.26	52%		TESS		12.71% (24%*52%)
Dixon Hall	3,133.71	48%		Dixon Hall		11.60% (24%*48%)
Total Shared Space	6,496.97	100%	76%			100.00%
Dedicated Space + Total Shared Space						
TESS	4,495.75	52%				
Dixon Hall	4,104.25	48%				
<b>Total ESS space</b>	<b>8,600.00</b>	<b>100%</b>				
Common Space Calculation						
REC	4,217.88	75%				
CS	62.65	1%				
TESS	718.52					
Dixon Hall	655.95					
ESS	1,374.47	24%				
Total Common Area Space	5,655.00	100%				

## Schedule "D"

### Basic Rent Calculation (unchanged as a result of entering into the amending agreement)

Dedicated Space Dixon Hall	970.54 sq.ft.				
	<b>Net Rent</b>	<b>Per Annum</b>	<b>Per Month</b>	<b>Per Month + HST</b>	
Year 1	\$ 16.00	\$ 15,528.56	\$ 1,294.05	\$ 1,462.27	
Year 2	\$ 16.50	\$ 16,013.83	\$ 1,334.49	\$ 1,507.97	
Year 3	\$ 17.00	\$ 16,499.10	\$ 1,374.92	\$ 1,553.66	
Year 4	\$ 17.50	\$ 16,984.36	\$ 1,415.36	\$ 1,599.36	
Year 5	\$ 18.00	\$ 17,469.63	\$ 1,455.80	\$ 1,645.06	
AVERAGE RATE	\$ 17.00				
<b>TOTAL + HST</b>					<b>\$ 93,219.90</b>

### Additional Rent Calculation (changed as a result of entering into the amending agreement)

#### Additional Rent (if the amending agreement were not in place)

Dedicated Space Dixon Hall	970.54 sq.ft.				
Shared Space Dixon Hall	2,620.17 sq.ft.				
Common Space Dixon Hall	573.88 sq.ft.				
TOTAL Dixon Hall	4,164.58 sq.ft.				
	<b>Net Rent</b>	<b>Per Annum</b>	<b>Per Month</b>	<b>Per Month + HST</b>	
Year 1	\$ 10.00	\$ 41,645.78	\$ 3,470.48	\$ 3,921.65	
Year 2	\$ 10.00	\$ 41,645.78	\$ 3,470.48	\$ 3,921.65	
Year 3	\$ 10.00	\$ 41,645.78	\$ 3,470.48	\$ 3,921.65	
Year 4	\$ 10.00	\$ 41,645.78	\$ 3,470.48	\$ 3,921.65	
Year 5	\$ 10.00	\$ 41,645.78	\$ 3,470.48	\$ 3,921.65	
<b>TOTAL + HST</b>					<b>\$ 235,299.00</b>

#### Additional Rent (with amending agreement in place)

Dedicated Space Dixon Hall	970.54 sq.ft.				
Shared Space (common + LBS) Dixon Hall	3,133.71 sq.ft.				
Common Space Dixon Hall	655.95 sq.ft.				
TOTAL Dixon Hall	4,760.20 sq.ft.				
	<b>Net Rent</b>	<b>Per Annum</b>	<b>Per Month</b>	<b>Per Month + HST</b>	
Year 1 (10 months Lease agreement)	\$ 10.00	\$ 34,704.82	\$ 3,470.48	\$ 3,921.65	
Year 1 (2 months amending agreement)	\$ 10.00	\$ 7,933.66	\$ 3,966.83	\$ 4,482.52	
Year 2	\$ 10.00	\$ 47,601.96	\$ 3,966.83	\$ 4,482.52	
Year 3	\$ 10.00	\$ 47,601.96	\$ 3,966.83	\$ 4,482.52	
Year 4	\$ 10.00	\$ 47,601.96	\$ 3,966.83	\$ 4,482.52	
Year 5	\$ 10.00	\$ 47,601.96	\$ 3,966.83	\$ 4,482.52	
<b>TOTAL + HST</b>					<b>\$ 263,342.50</b>
<b>Additional Lease Revenue to the City</b>					<b>\$ 28,043.50</b>