

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

TRACKING NO.: 2017-033

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:	Jack Harvey	Division:	Real Estate
Date Prepared:	February 3, 2017	Phone No.:	7-7704

Purpose	To obtain authority to enter into a licence agreement with "The Incumbent and Churchwardens of the Church of the Resurrection" and "The Rector and Wardens of the Church of the Resurrection" (collectively, the "Licensor") for approximately 4,800 square feet of space located at 700 Milverton Boulevard and 1100 Woodbine Avenue, for use as a child care centre (the "Licence Agreement").
Property	Approximately 4,800 square feet of space, being the building and outdoor playground area located at 700 Milverton Boulevard, and the outdoor playground areas located at 1100 Woodbine (together, the "Premises").
Actions	<ol style="list-style-type: none"> 1. Authority is granted for the City to enter into the Licence Agreement with the Licensor for the use of the Premises as a child care centre, for a term of five (5) years commencing on October 1, 2015 (the "Term"), substantially on the terms and conditions outlined herein, and any other terms the Chief Corporate Officer may deem appropriate, and in a form satisfactory to the City Solicitor. 2. The Chief Corporate Officer, or her successor or designate, shall administer and manage the Licence 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 its determination and direction. 3. The appropriate City Officials are authorized and directed to take the action necessary to give effect thereto.
Financial Impact	<p>The City will pay a one-time amount of \$131,482.20 (plus HST) or \$133,796.29 (net of HST recovery) in full settlement of the licence fees payable for the period from October 1, 2010 to September 30, 2015, when the City was licensing the Premises from the Licensor, but the parties did not have a formal licence agreement (see details outlined on page 4).</p> <p>The City will also pay a licence fee of \$59,616.00 (plus HST) or \$60,665.24 (net of HST recovery) for the first year of the Term, which fee shall be increased each year by the percentage change in CPI for Toronto, as reported by Statistics Canada. Total funding of \$191,098.20 or \$194,451.53 (net of HST recovery) is available in the 2017 Recommended Operating Budget for Children's Services under cost centre E1885J. Funding for future years of the licence agreement term will be included in future operating budget submissions.</p> <p>The Deputy City Manager & Chief Financial Officer has reviewed this DAF and agrees with the financial impact information.</p>
Comments	As approved by Council on July 29, 30, and 31, 1998, Children's Services operated a child care centre on the Premises from October 1, 2000 to September 30, 2005. As approved by Council Item GM4.14 of May 23, 24 and 25, 2007, a new licence agreement was approved commencing October 1, 2005 and ending September 30, 2010. The child care centre operated on the Premises from October 1, 2010 to September 30, 2015 without a formal licence agreement (the "Undocumented Period") while the City explored alternative locations for the child care centre. A suitable alternative is not available and Children's Services has elected to enter into a new licence for use of the Premises for a term of five (5) years. In full settlement of the licence fees payable for the Undocumented Period, the parties have agreed to a one-time lump sum payment based on market rates throughout the Undocumented Period. Real Estate staff consider the terms and conditions of this agreement to be fair and reasonable.
Terms	See page 4.

Property Details	Ward:	31 Beaches-East York
	Assessment Roll No.:	
	Approximate Size:	4,800 Square Feet
	Approximate Area:	
	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 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/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 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:	Janet Davis					Councillor:				
Contact Name:	Jay Thiessen					Contact Name:				
Contacted by:	Phone	x	E-Mail	Memo	Other	Contacted by:	Phone	E-mail	Memo	Other
Comments:						Comments:				
Consultation with ABCDs										
Division:	Children's Services					Division:	Finance			
Contact Name:	Nino Dodaro & Dawn Cassar					Contact Name:	Filisha Mohammed			
Comments:	Approved					Comments:	Approved			
Legal Division Contact										
Contact Name:	Nicole See-Too									
DAF Tracking No.: 2017-033				Date		Signature				
Recommended by: Wayne Duong, Mgr. Leasing & Site Mgt.				Mar. 28, 2017		Wayne Duong				
<input type="checkbox"/> Recommended by: Director of Real Estate Services Joe Casali				Mar. 31, 2017		Joe Casali				
<input checked="" type="checkbox"/> Approved by:						X				
<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 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, except for property acquisitions of 50M² 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.

Major Terms and Conditions

Licensor: "The Incumbent and Churchwardens of the Church of the Resurrection" and "The Rector and Wardens of the Church of the Resurrection"

Licensed Premises: Approximately 4,800 square feet of space, being the building and outdoor playground area located at 700 Milverton Boulevard, and the outdoor playground areas located at 1100 Woodbine

Term: 5 years commencing on October 1, 2015 and ending on September 30, 2020

Option to Extend: The City has the option to extend the Term for a period of 2 years.

Use: Operating a child care centre.

Licence Fee: \$59,616.00 plus HST for the first year of the Term, to be increased each year by the percentage change in CPI for Toronto, as reported by Statistics Canada.

Licence Fee for Undocumented Period (October 1, 2010 to September 30, 2015): \$131,482.20 plus HST per the following:

Undocumented Period	PSF Rate	Fee	Paid	Payment
10/01/2010 to 09/30/2011	\$11.93	\$57,264.00	\$27,021.96	\$30,242.04
10/01/2011 to 09/30/2012	\$8.72	\$41,856.00	\$27,021.96	\$14,834.04
10/01/2012 to 09/30/2013	\$10.41	\$49,968.00	\$27,021.96	\$22,946.04
10/01/2013 to 09/30/2014	\$12.24	\$58,752.00	\$27,021.96	\$31,730.04
10/10/2014 to 09/30/2015	\$12.24	\$58,752.00	\$27,021.96	\$31,730.04
Settlement Amount		\$266,592.00	\$135,109.80	\$131,482.20

Operating Costs:

- City shall pay one-third (1/3) of the Licensor's metered cost of natural gas for the Premises.
- City shall pay hydro costs (separately metered) and telephone costs for the Premises.
- Licensor shall pay all other costs relating to the Premises, including but not limited to all property taxes, utility costs, and other taxes, duties, rates, assessments, costs, charges, etc.

Indemnity:

- City shall release and indemnify the Licensor from all claims arising from any occurrence on the Premises, from the City's operations therein, from the City's breach of the Licence Agreement, or from the City's negligence or willful misconduct, except to the extent caused by the Licensor's negligence or willful misconduct.
- Licensor shall release and indemnify the City from all claims arising from the Licensor's breach of the Licence Agreement, or from the Licensor's negligence or willful misconduct, except to the extent caused by the City's negligence or willful misconduct.

Insurance:

- City shall take out "all risks" property insurance on its renovations and trade fixtures, and Commercial General Liability insurance in an amount not less than Five Million Dollars per occurrence, and shall include each of the Licensor and the Incorporated Synod of the Diocese of Toronto as an additional insured.
- Licensor shall take out "all risks" property and boiler and machinery insurance, and comprehensive general liability insurance.

Conditions: Licensor shall at its sole cost and expense by December 31, 2017 replace all the exterior windows of the building at 700 Milverton Boulevard with new, operable, and lockable double-pane windows, except for the three irregularly-shaped windows at the front door to the building.

700 Milverton Boulevard



