

**DELEGATED APPROVAL FORM**  
**DIRECTOR, REAL ESTATE SERVICES**  
**MANAGER, REAL ESTATE SERVICES**

**TRACKING NO.: 2018-203**

Approved pursuant to the Delegated Authority contained in Executive Committee Item EX27.12, as adopted by City Council on October 2, 3 and 4, 2017 or, where applicable, in Executive Committee Item EX28.8, as adopted by City Council on November 7, 8 and 9, 2017.

Prepared By:	Christine Ho	Division:	Toronto Parking Authority
Date Prepared:	April 27, 2018	Phone No.:	(416) 338-8957

<b>Purpose</b>	To obtain authority for City of Toronto (“Landlord”) to enter into a lease extension agreement (“Lease Extension Agreement”) with Infoware Canada Inc. (the “Tenant”) with respect to the property municipally known as 50 Richmond Street East, Unit 500 (the “Subject Property”) (refer to <i>Appendix ‘A’ – Site Location Map</i> and <i>Appendix ‘B’ – Site</i> ), to extend the existing Lease Agreement dated June 29, 2013, for a period of one (1) year commencing July 31, 2018 and expiring July 31, 2019 (the “Extended Term”) with an option to extend for one (1) further year.
<b>Property</b>	Approximately 2628 square feet of office space and located municipally at 50 Richmond Street East, a 5-storey 'brick-and-beam' office building consisting of a total of 14,554 square feet of leasable space with each tenant occupying an entire floor.
<b>Actions</b>	<ol style="list-style-type: none"> <li>Authority to be granted for the Toronto Parking Authority to enter into a Lease Extension Agreement with Infoware Canada Inc. with respect to a property municipally located at 50 Richmond Street Unit 500 for an extended term of one (1) year and an option to extend for one further year.</li> <li>The appropriate City and TPA staff be authorized and directed to take the necessary action to give effect thereto.</li> </ol>
<b>Financial Impact</b>	<p>The Extended Term will generate a total of approximately \$210,240.00 in revenue (excluding HST) for the entire two (2) year term, including the proposed option period. The property taxes, operating and maintenance costs associated with the Subject Property during the Extended Term will be paid by the TPA. During the period, these costs are estimated to be approximately \$38,400 which would be covered by the rent proceeds to the TPA.</p> <p>Actual expenses and revenues associated with the Lease Extension Agreement will be reported through the Toronto Parking Authority's quarterly variance reports, and if required, related budgets will be subsequently adjusted through the annual budget process.</p> <p>The Interim Chief Financial Officer has reviewed this DAF and agrees with the financial impact information.</p>
<b>Comments</b>	The TPA assumed five (5) existing leases at the time of acquisition of 50 Richmond Street East in September 2017. Infoware Canada Inc. has occupied Suite 500 of the building since August 1, 2013 and has requested an extension of their lease which provides the Tenant with an option to renew for one (1) further period of 5 years at fair market rent for the extension term. The Tenant has agreed to pay the fair market lease rate and has requested an extension term of one (1) year. All other terms of the Lease Extension are in line with the original lease. TPA staff completed all due diligence with oversight from City Real Estate Services.
<b>Terms</b>	<i>The major terms and conditions of the Lease Extension Agreement with The Inc. are detailed under Appendix ‘C’ – Lease Extension Agreement.</i>

<b>Property Details</b>	<b>Ward:</b>	28 – Toronto Centre – Rosedale
	<b>Assessment Roll No.:</b>	1904-0941-6000-400
	<b>Approximate Size:</b>	
	<b>Approximate Area:</b>	244.15m <sup>2</sup> ± (2628 ft <sup>2</sup> ±)
	<b>Other Information:</b>	N/A

A.	Manager, Real Estate Services has approval authority for:	Director, Real Estate Services has approval authority for:
1. Acquisitions:	<input type="checkbox"/> Where total compensation does not exceed \$50,000.	<input type="checkbox"/> Where total compensation does not exceed \$1 Million.
2. Expropriations:	<input type="checkbox"/> Statutory offers, agreements and settlements where total compensation does not cumulatively exceed \$50,000.	<input type="checkbox"/> Statutory offers, agreements and settlements where total compensation does not cumulatively exceed \$1 Million.
3. Issuance of RFPs/REOIs:	<b>Delegated to a more senior position.</b>	<input type="checkbox"/> Issuance of RFPs/REOIs.
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 Divisions and Agencies:	<b>Delegated to a more senior position.</b>	<b>Delegated to a more senior position.</b>
6. Limiting Distance Agreements:	<input type="checkbox"/> Where total compensation does not exceed \$50,000.	<input type="checkbox"/> Where total compensation does not exceed \$1 Million.
7. Disposals (including Leases of 21 years or more):	<input type="checkbox"/> Where total compensation does not exceed \$50,000.	<input type="checkbox"/> Where total compensation does not exceed \$1 Million.
8. Exchange of land in Green Space & Open Space Areas of Official Plan:	<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 type="checkbox"/> (a) Where total compensation (including options/renewals) does not exceed \$50,000.	<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"/> (b) Where compensation is less than market value, for periods not exceeding six (6) months, including licences for environmental assessments and/or testing, etc.
	<b>Leases pursuant to the Community Space Tenancy Policy delegated to a more senior position.</b>	<b>Leases pursuant to the Community Space Tenancy Policy delegated to a more senior position.</b>
10. Leases/Licences (City as Tenant/Licensee):	<input type="checkbox"/> Where total compensation (including options/renewals) does not exceed \$50,000.	<input type="checkbox"/> Where total compensation (including options/renewals) does not exceed \$1 Million.
11. Easements (City as Grantor):	<input type="checkbox"/> Where total compensation does not exceed \$50,000.	<input type="checkbox"/> (a) Where total compensation does not exceed \$1 Million.
	<b>Delegated to a more senior position.</b>	<input type="checkbox"/> (b) When closing roads, easements to pre-existing utilities for nominal consideration.
12. Easements (City as Grantee):	<input type="checkbox"/> Where total compensation does not exceed \$50,000.	<input type="checkbox"/> Where total compensation does not exceed \$1 Million.
13. Revisions to Council Decisions in Real Estate Matters:	<b>Delegated to a more senior position.</b>	<input type="checkbox"/> Amendment must not be materially inconsistent with original decision (and subject to General Condition (u)).
14. Miscellaneous:	<b>Delegated to a more senior position.</b>	<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/Caution
		<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. Director, Real Estate Services and Manager, Real Estate Services each has signing authority on behalf of the City for:**

- Documents required to implement matters for which he or she also has delegated approval authority.
- Expropriation Applications and Notices following Council approval of expropriation (Manager, Acquisitions & Expropriations is only Manager with such signing authority).

**Director, Real Estate Services also has signing authority on behalf of the City for:**

- Agreements of Purchase and Sale and all implementing documentation for purchases, sales and land exchanges not delegated to staff for approval.
- Community Space Tenancy Leases approved by delegated authority by Deputy City Manager, Internal Corporal Services and any related documents.

Consultation with Councillor(s)										
Councillor:	Councillor Lucy Troisi					Councillor:				
Contact Name:						Contact Name:				
Contacted by:	Phone	X	E-Mail	Memo	Other	Contacted by:	Phone	E-mail	Memo	Other
Comments:	Proceed					Comments:				
Consultation with Divisions and/or Agencies										
Division:	Real Estate Services – Leasing and Site Mgmt					Division:	Financial Planning			
Contact Name:	Robin Chen, Project Manager					Contact Name:	Patricia Libardo			
Comments:						Comments:	Proceed			
Legal Division Contact										
Contact Name:	Michele Desimone									

DAF Tracking No.: 2018-203	Date	Signature
Recommended by: Daran Somas, Supervisor	June 6, 2018	Signed by Daran Somas
<input type="checkbox"/> Recommended by: Manager, Real Estate Services		
<input type="checkbox"/> Approved by: [NTD. Insert Manager's name]		
<input checked="" type="checkbox"/> Approved by: City Deputy Manager, ICS Josie Scioli	June 14, 2018	Signed by Josie Scioli

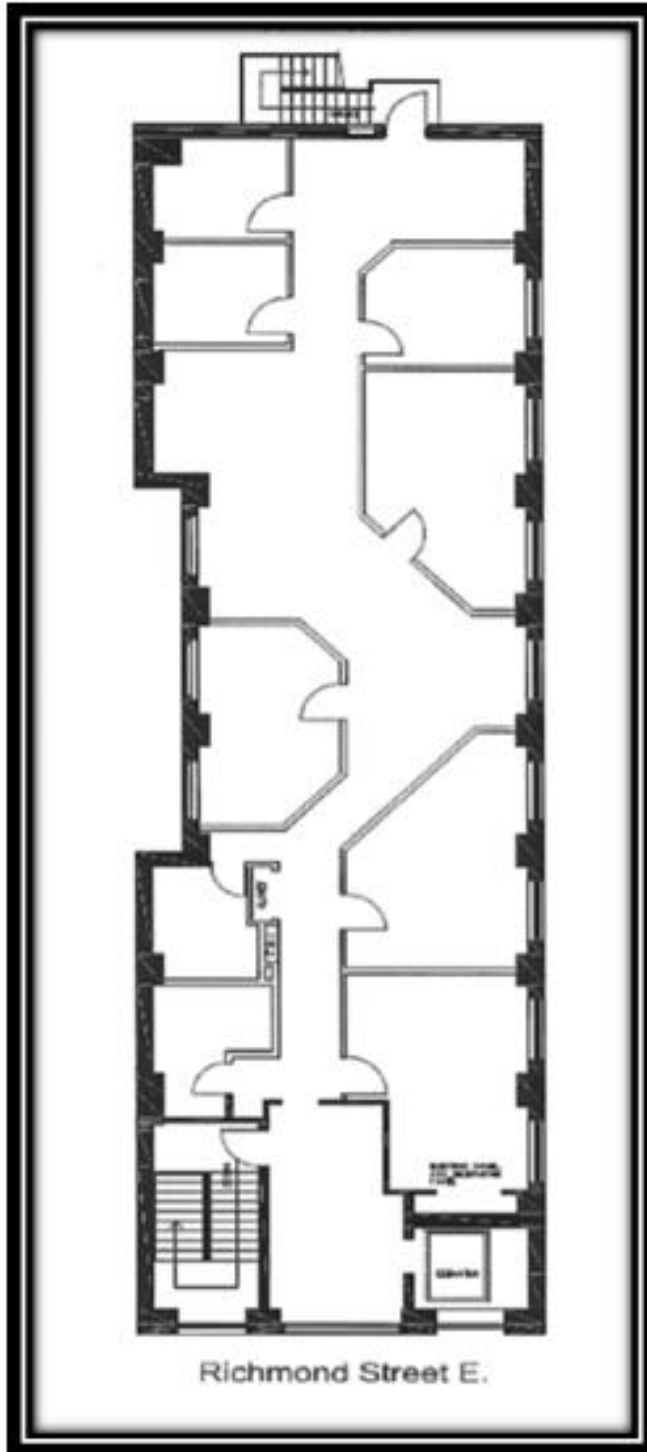
#### General Conditions ("GC")

- (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. In the event of a vacancy in the Ward in which the subject property is located, the Mayor's office shall be consulted in the alternative.
- (b) Where approving power has been delegated to staff, the Deputy City Manager, Internal Corporate Services, in consultation with any other 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 as defined in the *Toronto Waterfront Revitalization Corporation Act, 2002* 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 of City Planning, 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, as leases of 21 years or more may be authorized based on the delegated Approving Authority for disposals in **A.7**.
- (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, including ancillary agreements, 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) 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.
- (aa) All residential leasing documents shall adhere to the *Residential Tenancies Act, 2006* and any successor legislation.
- (bb) Despite GC(n), Approving Authority in residential leasing matters is not limited to periods of less than twenty-one (21) years and total compensation in residential leasing matters where the City is landlord is to be calculated based on an assumed term of ten years unless the lease term expressly identified therein is longer.
- (cc) Where Approving Authority has been delegated to the Manager level, such authority shall be conditional upon the Manager first having secured the written concurrence of a second Manager within the Real Estate Services Division.

# APPENDIX 'A' SITE LOCATION MAP



# APPENDIX 'B' SITE LAYOUT



## APPENDIX 'C'

# LEASE EXTENSION AGREEMENT

Summarized below are the terms and conditions of the lease extension and amending agreement between the TPA (as "Landlord") and The. (as "Tenant"):

Tenant:	Infoware Canada Inc.
Landlord:	Toronto Parking Authority
Subject Property:	50 Richmond Street Unit 500
Leasable Area:	2628 sq. ft.
Extended Term:	July 31, 2018 to July 31, 2019
Basic Rent:	\$40.00 per square foot plus HST
Option to Extend:	The Tenant has the option to renew for a further period of one (1) year, under the same terms and conditions, including rent.
Landlord Responsibilities:	All costs and charges associated with operating, securing, repairing and maintaining the building including electricity, heating, elevator maintenance, and base building telecommunication connections to the Property.
Tenant Responsibilities:	The Tenant is responsible for dry cleaning drapes and shampooing carpets as need. Tenant pays Gross Rent which covers rent, operating costs, and realty taxes.
Termination:	The Landlord has the right to terminate the Lease, if the Tenant ceases to conduct business in the Property for a period more than 3 months, with 30 days' written notice.