

**DELEGATED APPROVAL FORM  
CITY MANAGER  
DEPUTY CITY MANAGER, INTERNAL CORPORATE SERVICES**

TRACKING NO.: 2018-282

Approved pursuant to the Delegated Authority contained in Item EX27.12, as adopted by City Council on October 2, 3 & 4, 2017, as amended by Item GM27.12, adopted by City Council on May 22, 23 & 24, 2018 or, where applicable, in Item EX28.8, as adopted by City Council on November 7, 8 & 9, 2017

Prepared By:	Ryan Glenn	Division:	CreateTO
Date Prepared:	August 30th, 2018	Phone No.:	(416) 660-9158

<b>Purpose</b>	To obtain authority for the City of Toronto (the " <b>City</b> ") to enter into a ground lease (the " <b>lease</b> ") on behalf of the Shelter Support and Housing Administration ("SSHA") with Gulfdream Limited Partnership, (the " <b>Landlord</b> ") or any other corporate name of the Landlord, for approximately 53,000 square feet of land to construct and operate a temporary respite at the property municipally known as 351 Lake Shore Blvd E, Toronto.
<b>Property</b>	351 Lake Shore Blvd E, Toronto (the " <b>Property</b> ") as shown on the location map attached as Appendix "B". The premises to be leased to the City is approximately 53,000 square feet of land, or the "Rentable Area".
<b>Actions</b>	<ol style="list-style-type: none"> <li>1. Authority be granted to enter into the Lease with the Landlord for the Premises for a term of no less than two (2) years on the terms and conditions outlined in Appendix "A" attached hereto, and on such other or amended terms as may be satisfactory to the Deputy City Manager, Internal Corporate Services and in a form acceptable to the City Solicitor;</li> <li>2. The Deputy City Manager, Internal Corporate Services, or her successor or designate, shall administer and manage the Lease, including the provision of any consents, certificates, approvals, waivers and notices of termination, provided that the Deputy City Manager, Internal Corporate Services, at any time, refer consideration of such matters to City Council for its determination and direction;</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>The total cost to the City for the 2 year term, with a net lease, will be \$556,000 net of property tax and HST recoveries.</p> <p>Annual cost to the City, net of HST recoveries, is as follows: \$92,667 in 2018, \$278,000 in 2019, \$185,333 in 2020. Funding from the 2018 Council Approved Capital Budget, from account CHS047, has sufficient funding available to finance the gross rent.</p> <p>The Interim Chief Financial Officer has reviewed this DAF and agrees with the financial impact information.</p>
<b>Comments</b>	In light of unprecedented service demands for people experiencing homelessness, the Shelter, Support and Housing Administration division (SSHA), CreateTO and Real Estate Services division (RES) of the City of Toronto have been working to identify new locations for year-round emergency respite and refugee services, particularly in and around the downtown area. So far, City staff have explored numerous downtown options, including vacant City lands, as well as leasing and acquisition opportunities. At this time, it has been determined that 351 Lake Shore Blvd E a property which is currently owned by DREAM is the best option for a downtown Emergency Respite location in the downtown east neighbourhood and best meets the needs of SSHA.
<b>Terms</b>	See 'Appendix "A" – Major Terms & Conditions'.

<b>Property Details</b>	<b>Ward:</b>	Ward 28 - Toronto Centre-Rosedale
	<b>Assessment Roll No.:</b>	1904 071 060 00950
	<b>Approximate Size:</b>	+/- 1.16 Acres (50,530 square feet)
	<b>Approximate Area:</b>	
	<b>Other Information:</b>	Vacant Land

A.	Deputy City Manager, Internal Corporate Services has approval authority for:	City Manager 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 Divisions and Agencies:</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 \$5 Million.</p> <p><input type="checkbox"/> Statutory offers, agreements and settlements where total compensation does not cumulatively exceed \$5 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 Divisions and Agencies.</p> <p><input type="checkbox"/> Where total compensation does not exceed \$5 Million.</p> <p><input type="checkbox"/> Where total compensation does not exceed \$5 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 \$5 Million.</p> <p><input type="checkbox"/> (b) Where compensation is less than market value, for periods not exceeding twelve (12) months, including licences for environmental assessments and/or testing, etc.</p> <p><input type="checkbox"/> (c) Where compensation is less than market value, provided tenant and lease satisfy Community Space Tenancy Policy criteria set out in Item EX28.8, as adopted by Council on November 7, 8 and 9, 2017.</p> <p><input checked="" type="checkbox"/> Where total compensation (including options/renewals) does not exceed \$5 Million.</p> <p><input type="checkbox"/> (a) Where total compensation does not exceed \$5 Million.</p> <p><input type="checkbox"/> (b) When closing roads, easements to pre-existing utilities for nominal consideration.</p> <p><input type="checkbox"/> Where total compensation does not exceed \$5 Million.</p> <p><input type="checkbox"/> Amendment must not be materially inconsistent with original decision (and subject to General Condition (u)).</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 \$10 Million.</p> <p><input type="checkbox"/> Statutory offers, agreements and settlements where total compensation does not cumulatively exceed \$10 Million.</p> <p><b>Delegated to a less senior position.</b></p> <p><b>Delegated to a less senior position.</b></p> <p><b>Delegated to a less senior position.</b></p> <p><input type="checkbox"/> Where total compensation does not exceed \$10 Million.</p> <p><input type="checkbox"/> Where total compensation does not exceed \$10 Million.</p> <p><b>Delegated to a less senior position.</b></p> <p><input type="checkbox"/> Where total compensation (including options/renewals) does not exceed \$10 Million.</p> <p><b>Delegated to a less senior position.</b></p> <p><input type="checkbox"/> Where total compensation (including options/renewals) does not exceed \$10 Million.</p> <p><input type="checkbox"/> Where total compensation does not exceed \$10 Million.</p> <p><b>Delegated to a less senior position.</b></p> <p><input type="checkbox"/> Where total compensation does not exceed \$10 Million.</p> <p><input type="checkbox"/> Amendment must not be materially inconsistent with original decision (and subject to General Condition (u)).</p> <p><b>Delegated to a less senior position.</b></p>

**B. City Manager and Deputy Manager, Internal Corporate 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.

**Deputy City Manager, Internal Corporate 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.
- Expropriation Applications and Notices following Council approval of expropriation.

Consultation with Councillor(s)															
Councillor:	Lucy Troisi				Councillor:										
Contact Name:	Herb Pirk				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:	SSHA				Division:	Financial Planning									
Contact Name:	Mary- Ann Bedard				Contact Name:	Patricia Libardo									
Comments:	Proceed				Comments:	Proceed									
Legal Division Contact															
Contact Name:	Michelle Desimone														

DAF Tracking No.: 2018-282	Date	Signature
Recommended by: Manager, Real Estate Services		
Recommended by: Director, Real Estate Services	Aug. 30, 2018	Signed by David Jollimore
<input type="checkbox"/> Recommended by: Deputy City Manager, Internal Corporate Services	Sept. 4, 2018	Signed by Josie Scioli
<input checked="" type="checkbox"/> Approved by: Josie Scioli		
<input type="checkbox"/> Approved by: Interim City Manager Giuliana Carbone		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. 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.
- (dd) Where the City is transacting with a public agency, and such agency requires that an unqualified environmental indemnity be granted by the City, the authority to acquire property includes authority to grant such an indemnity, provided that the Phase I and Phase II environmental site assessments undertaken on behalf of the City have identified no significant environmental impacts or human health threats, with no, or minor action required ("Low Risk").

**APPENDIX "A" – MAJOR TERMS & CONDITIONS**

**Tenant:** City of Toronto (on behalf of the SSHA)

**Landlord:** Gulfdream Limited Partnership

**Rentable Area of Premises:** 50,530 sf of land (approximatley)

**Use:** Emergency Respite

**Commencement Date:** September 15, 2019

**Term:** Minimum of two (2) years.

**Options to Extend:** The City would like the ability to extend beyond the minimum of two (2) years if possible; the Landlord has not determed the timing on the future redevelopment of this site and may be willing to allow for an extension of the lease beyond two years but will not be in the position to determine that until a date later than the signing of this DAF.

**Early Termination:** The Landlord will not have the ability to terminate this agreement, unless the City has not remedied any default of the agreement, for at least two (2) years.

**Net Rent:** \$278,000 per annum or \$5.25 per square foot.

<b>Fiscal Year</b>	<b>Total Gross Rent</b>
2018	\$81,496
2019	\$278,000
2020	\$185,333

**Contact:** Gulfdream Limited Partnership  
By its general Partner, Dream GG Inc.  
3751 Victoria Park Avenue  
Toronto Ontario  
M1W 3Z4

### APPENDIX "B" – LOCATION MAP

