

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

TRACKING NO.: 2018-333

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:	Larry Hughsam/Daran Somas	Division:	Toronto Public Library
Date Prepared:	September 27, 2018	Phone No.:	416-397-5946/416-397-7671

Purpose
 To obtain authority to extend the term of the lease by one (1) year with bclMC Realty Corporation, as Landlord, and the Toronto Public Library Board, as Tenant, for approximately 6,333 square feet of rentable space at Bayview Village Shopping Centre, Unit 123A, 2901 Bayview Avenue, Toronto. The lease extension will commence on February 1, 2019 and end on January 31, 2020.

Property
 Bayview Village Shopping Centre, 2901 Bayview Avenue, Unit 123A.

- Actions**
1. authority be granted to extend the term of the lease by one (1) year with bclMC Realty Corporation, as Landlord, and the Toronto Public Library Board, as Tenant, for approximately 6,333 square feet of rentable space at Bayview Village Shopping Centre, Unit 123A, 2901 Bayview Avenue, Toronto (the "Premises"), substantially on the terms and conditions outlined herein, and any such other terms and conditions deemed appropriate by the Director of Real Estate Services, and in a form acceptable to the City Solicitor;
 2. the City Librarian, or her designate, administer and manage the Lease including the provision of any consents, approvals, waivers, notices and notices of termination provided that the City Librarian may, at any time, refer consideration of such matters to Director of Real Estate Services for determination and direction; and,
 3. the appropriate Library Officials be authorized and directed to take the necessary action to give effect thereto.

Financial Impact
 The total cost to the City for the 1 year term inclusive of basic rent, and additional rent will be \$352,834.23, net of HST recoveries, for 6,333 square feet, with basic rent being 42.50 per square foot and operating costs being 12.25 per square foot. Realty tax is not included as there is already one in place.

Toronto Public Library Board ("TPLB") will be responsible for utilities for the unit, to be included in the total lease cost. Funding is available in the 2018 Council Approved Operating Budget for Toronto Public Library under cost center LB1000.

The Director, Finance and Treasurer (TPL) and Chief Financial Officer has reviewed this DAF and agrees with the financial impact information.

Overview
 Bayview branch is located within the Bayview Village Shopping Centre, Unit 123A, at 2901 Bayview Ave, North York. The current lease runs from February 1, 2016 to January 31, 2019.

The population in the area has expanded due to development along the Sheppard subway and the branch currently serves a population of approx. 50,000. Future development plans will result in continued population growth. While Bayview branch provides a full range of neighbourhood library services, the branch is limited in its ability to meet the growing demand for services in the current location. For this undersized branch, there is no program room and branch space is at a premium at this busy location. The Libray's approved capital plan includes a project to relocate the branch from the mall onto City land by the Bessarian subway stop. The project budget of \$15.2 million is for the construction of a larger 13,418 square foot library in a City joint-use facility with a daycare and a Parks Forestry and Recreation aquatics and recreation centre. It is anticipated that construction will be completed in late 2021.

This one-year lease extension to January 2020 provides a partial bridge to the end of the construction. Library staff will continue to negotiate with the landlord for a further two-year lease extension to allow the branch to remain in the mall until the construction is complete at the Bessarian site. During this period, there is a possibility that the library may be required to relocate within the mall to accommodate their development plans. Section 4 of the lease extension provides for the opportunity to enter into discussions regarding a pop-up (temporary) space, which consists of a portion of Unit 125 (the former LCBO store) in the Shopping Centre, should the landlord require the branch to be relocated within the mall. The terms and conditions of this lease shall be agreed upon no later than January 31, 2020. A further DAF will be completed once the new 2-year extension is negotiated.

Terms
 Please see page 4 for Major Terms and Conditions

Property Details	Ward:	24 - Willowdale
	Assessment Roll No.:	
	Approximate Size:	6,333 square feet
	Approximate Area:	
	Other Information:	

A.	Manager, Real Estate Services has approval authority for:	Director, Real Estate Services 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 & Parks & Open Space Areas of Official Plan: N/A</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 \$50,000.</p> <p><input type="checkbox"/> Statutory offers, agreements and settlements where total compensation does not cumulatively exceed \$50,000.</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 \$50,000.</p> <p><input type="checkbox"/> Where total compensation does not exceed \$50,000.</p> <p>Delegated to a more senior position.</p> <p><input type="checkbox"/> (a) Where total compensation (including options/renewals) does not exceed \$50,000.</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>Leases pursuant to the Community Space Tenancy Policy delegated to a more senior position.</p> <p><input type="checkbox"/> Where total compensation (including options/renewals) does not exceed \$50,000.</p> <p><input type="checkbox"/> Where total compensation does not exceed \$50,000.</p> <p>Delegated to a more senior position.</p> <p><input type="checkbox"/> Where total compensation does not exceed \$50,000.</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"/> Statutory offers, agreements and settlements where total compensation does not cumulatively exceed \$1 Million.</p> <p><input type="checkbox"/> Issuance of RFPs/REOIs.</p> <p><input type="checkbox"/> Initiate process & authorize GM, Transportation Services to give notice of proposed by-law.</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><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 \$1 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>Leases pursuant to the Community Space Tenancy Policy delegated to a more senior position.</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 roads, 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 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/Caution</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. Director, Real Estate Services and Manager, Real Estate Services each has signing authority on behalf of the City for:		
<ul style="list-style-type: none"> • 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:		
<ul style="list-style-type: none"> • 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 David Shiner					Councillor:				
Contact Name:						Contact Name:				
Contacted by:	Phone	E-Mail	Memo	X	Other	Contacted by:	Phone	E-mail	Memo	Other
Comments:	Approved					Comments:				
Consultation with Divisions and/or Agencies										
Division:	Toronto Public Library					Division:	Financial Planning			
Contact Name:	Larry Hughsam					Contact Name:	Patricia Libardo			
Comments:	Approved					Comments:	Approved			
Legal Division Contact										
Contact Name:	Michelle Desimone									

DAF Tracking No.: 2018 - 333	Date	Signature
Recommended by:		
<input checked="" type="checkbox"/> Recommended by: Manager, Real Estate Services Tim Park	Sept. 27, 2018	Signed by Tim Park
<input type="checkbox"/> Approved by:		
<input checked="" type="checkbox"/> Approved by: Director, Real Estate Services David Jollimore	Sept. 28, 2018	Signed by David Jollimore

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 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 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.

Premises:

Approximately 6,333 square feet of rentable space in the Bayview Village Shopping Centre, Unit 123A at 2901 Bayview Avenue

Landlord:

bclMC Realty Corporation

Term:

One (1) year, commencing on February 1, 2019 and ending on January 31, 2020

Use:

Community library branch, operated by the Toronto Public Library

Rent/Fee:

Base rent of \$42.50 per s.f. or \$269,152.50 per year, plus applicable taxes, equivalent to \$22,429.38 per month. This represents no increase to the rent currently being paid.

Additional Rent:

Tenant pays for its own utilities and a proportionate share of certain common costs, estimated at \$12.25 per sq. ft., or \$77,579.25 per year or \$6,464.94 per month.

Fiscal Year	2019	2020
Basic Rent (Before HST)	246,293	22,860
Additional Rent (Before HST)	70,990	6,589
Total Net of HST Recovery	322,867	29,967

Insurance:

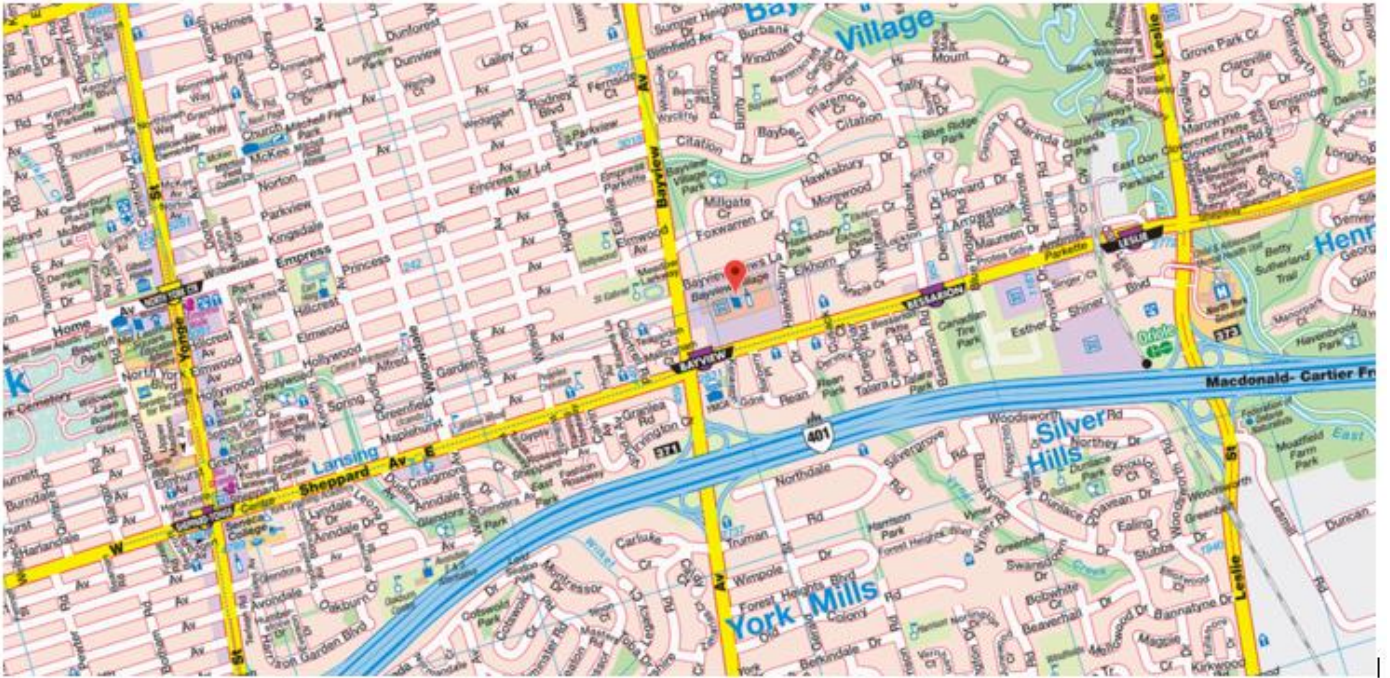
The Tenant shall have the following:

- 1.) CGL limit per occurrence of \$5,000,000
- 2.) All risks property insurance
- 3.) Business interruption insurance
- 4.) Boiler and machinery insurance
- 5.) Designation of QuadReal Property Group as additional insured

Capital Repair:

Not applicable

Location Map



SKETCH OF TENANCY
UNIT 123A
BAYVIEW VILLAGE SHOPPING CENTRE

2901 BAYVIEW AVENUE
WILLOWDALE

SCALE 1" = 20'

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