

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

**TRACKING NO.: 2018-371**

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:	Van Hua	Division:	Real Estate Services
Date Prepared:	November 15, 2018	Phone No.:	416 338 9572

**Purpose** To obtain authority to enter into a Lease Extension Agreement (the "Extension Agreement") between the City of Toronto (the "Tenant") and Reiter International Limited (the "Landlord") for the continued use of 321 Rexdale Blvd. Unit 3 (the "Property") as an Ambulance Station for Emergency Medical Services.

**Property** 321 Rexdale Boulevard, Unit 3, Toronto, Ontario (Please see Appendix "A").

- Actions**
1. Authority be granted to enter into a Lease Extension Agreement with the Landlord, subject to the terms and conditions outlined in Appendix "B" of this form and on such other terms as may be satisfactory to the Director, Real Estate Services and in a form satisfactory to the City Solicitor;
  2. The Director, Real Estate Services or designate shall administer and manage the Agreement including the provision of any consents, approvals, waivers, notices and notices of termination, provided that at any time, consideration of such matter may be referred to City Council for its determination and direction; and
  3. The appropriate City Official be authorized and directed to take the necessary action to give effect thereto.

**Financial Impact** The total cost to the City of Toronto over a term of three (3) years is \$166,739.87 (net of HST recoveries), of which \$124,513.54 (net of HST recoveries) relates to basic rent and \$42,226.33 (net of HST recoveries) for additional rent.

Annual cost to the City of Toronto is detailed as follows: \$22,556.80 (net of HST recoveries) for 2018, \$54,587.46 (net of HST recoveries) for 2019, \$56,121.32 (net of HST recoveries) for 2020, and \$33,474.29 (net of HST recoveries) for 2021. Funding is available in the 2018 Council Approved Operating Budget for Toronto Paramedics Services under cost center B55300. Future year expenditures will be submitted through the 2019 Budget Process.

The Chief Financial Officer has reviewed this DAF and agrees with the financial impact information.

**Comments** The facility is utilized as an ambulance station and provides important emergency medical services to the neighbouring community. The City entered into a Lease with the Landlord dated September 30, 1977 (the "Lease"), for this location. The Lease has been renewed and extended by various agreements, with the latest expiring on July 31, 2018. Emergency Medical Services (EMS), has stated they require the use of this facility and has requested Real Estate Services to extend the Lease for three (3) years.

Real Estate Services have reviewed the negotiated terms and are satisfied that the terms and conditions are fair, reasonable and at market value.

**Terms** The Terms and Conditions remain the same as in the Lease except for the Basic Rent and Additional Rent. Please see Appendix "B" for the Major Terms and Conditions.

<b>Property Details</b>	<b>Ward:</b>	1 - Etobicoke North
	<b>Assessment Roll No.:</b>	1919-04-4-020-00900
	<b>Approximate Size:</b>	
	<b>Approximate Area:</b>	395 m <sup>2</sup> (4,256 ft <sup>2</sup> )
	<b>Other Information:</b>	

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/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 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 System & Parks & 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 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 checked="" 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, Corporal Services and any related documents.

Consultation with Councillor(s)										
Councillor:	Councillor Michael Ford					Councillor:				
Contact Name:	Stephanie DiNucci					Contact Name:				
Contacted by:	Phone	x	E-Mail	Memo	Other	Contacted by:	Phone	E-mail	Memo	Other
Comments:	Consent					Comments:				
Consultation with Divisions and/or Agencies										
Division:	Toronto Paramedic Services					Division:	Financial Planning			
Contact Name:	Ralph Hole/Frederic Schaefer					Contact Name:	Patricia Libardo			
Comments:	Consent					Comments:	Consent			
Legal Division Contact										
Contact Name:	Bart Lipsett/Joanne Franco									

DAF Tracking No.: 2018-371	Date	Signature
<b>Recommended by: Supervisor, Real Estate Services</b>		
<input checked="" type="checkbox"/> <b>Recommended by: Acting Manager, Real Estate Services</b> <b>Daran Somas</b>	<b>Nov 21, 2018</b>	<b>Signed By: Daran Somas</b>
<input type="checkbox"/> <b>Approved by:</b>		
<input checked="" type="checkbox"/> <b>Approved by: Acting, Director, Real Estate Services</b> <b>Tim Park</b>	<b>Nov 22, 2018</b>	<b>Signed By: Tim Park</b>

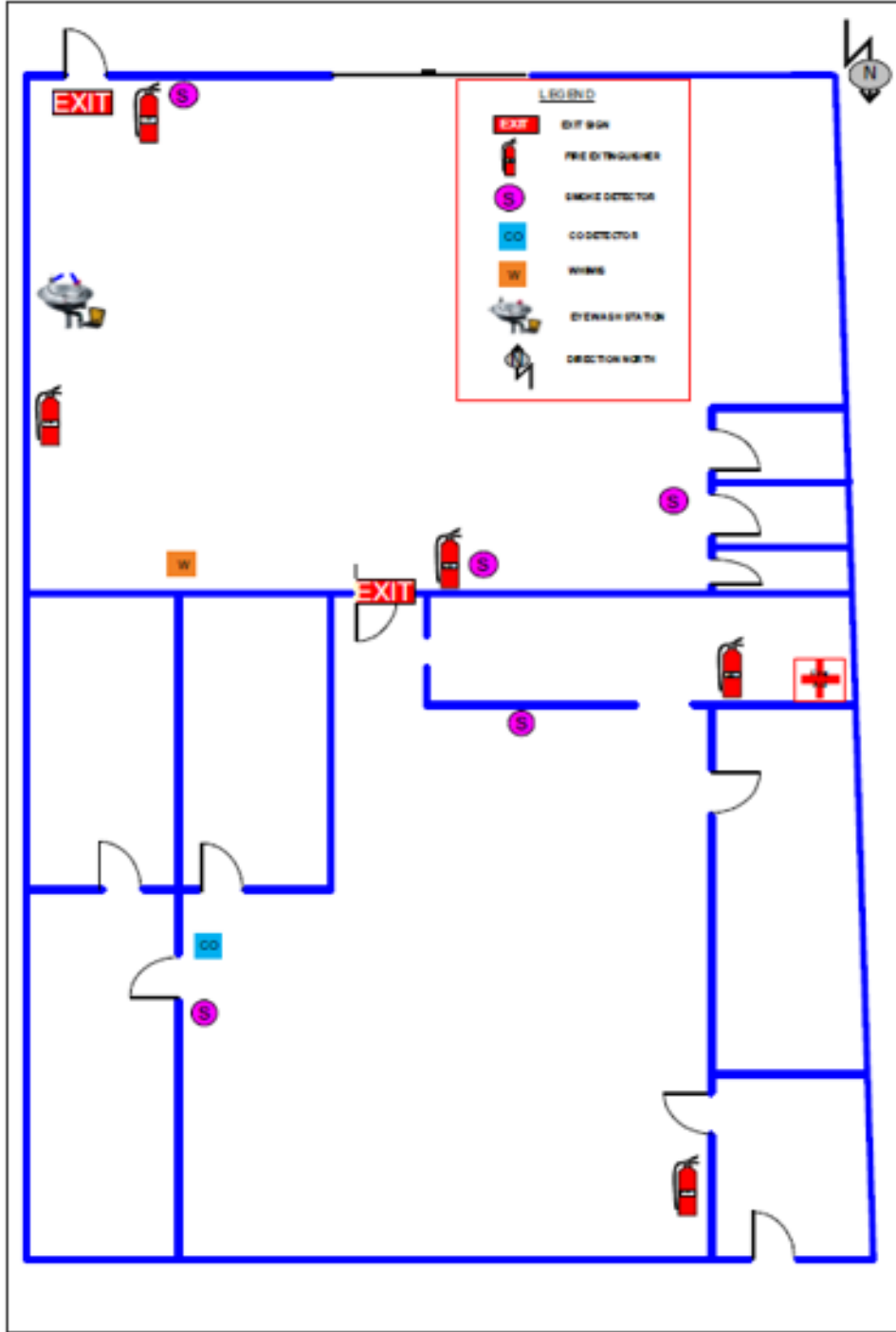
#### General Conditions ("GC")

- (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, 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" Location Map



### Appendix "A" continued Floor Plan



**Appendix "B"**  
Major Terms and Conditions

<b>Landlord:</b>	Reiter International Limited
<b>Tenant:</b>	City of Toronto
<b>Property:</b>	321 Rexdale Blvd. unit 3
<b>Area:</b>	4,256.00 square feet
<b>Term:</b>	Three (3) years, commencing on August 1, 2018 and expiring on July 31, 2021
<b>Basic Rent:</b>	Year 1 - \$9.25 per sq. ft. \$39,368.00 (plus HST) annually. Year 2 - \$9.50 per sq. ft. \$40,432.00 (plus HST) annually. Year 3 - \$10.00 per sq. ft. \$42,560.00 (plus HST) annually.
<b>Additional Rent:</b>	\$3.25 per sq. ft. \$13,832.00 (plus HST) annually. Additional rent is for operational costs only. The Tenant is exempt from property tax as there is a Municipal Capital Facility Agreement in place dated February, 2012.
<b>Municipal Capital Facility &amp; Taxation Exemption:</b>	The Landlord and the Tenant entered into a Municipal Capital Facility Agreement dated February 2012 with respect to tax exemption of the Demised Premises (the "MCFA"). The MCFA shall remain in full force and effect during the Extended Term. In accordance with the MCFA, the Demised Premises are exempt from taxation for municipal and school purposes, and the estimated Additional Rent should not include any component or amount for municipal or school taxes.
<b>Overpayment of Realty Taxes:</b>	The Tenant has overpaid realty taxes to the Landlord since 2012. The Landlord and the Tenant are in the process of determining the overpaid amount. Once the overpaid amount has been determined by the parties, the Landlord shall reimburse such amount to the Tenant by certified cheque within ten (10) business days.