

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

**TRACKING NO.: 2018-019**

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:	Jack Harvey	Division:	Real Estate Services
Date Prepared:	February 12, 2018	Phone No.:	7-7704

<b>Purpose</b>	To obtain authority to enter into a twelve month License Renewal Agreement with 2192761 Ontario Inc. O/A Lexus Downtown (the "Licensee") commencing on January 1, 2018 and ending on December 31, 2018 for exclusive use of twelve (12) parking spots located on part of the City-owned lands adjacent to 740 Dundas Street E (the "Renewal Agreement").
<b>Property</b>	City-owned land adjacent to 740 Dundas Street East, as shown in the location map on page 5 (the "Property").
<b>Actions</b>	<ol style="list-style-type: none"> <li>1. Authority be granted to enter into the Renewal Agreement for a term of twelve (12) months commencing on January 1, 2018 and expiring on December 31, 2018, substantially upon the terms and conditions contained below and any such other or amended terms deemed appropriate by the Deputy City Manager, Internal Corporate Services (the "DCM") or designate, and in a form acceptable to the City Solicitor.</li> <li>2. The DCM or his or her designate, shall administer and manage the Renewal Agreement including the provision of any consents, approvals, amendments, waivers, notices and notice of termination provided that the DCM may, at any time, refer consideration of such matters to City Council for its determination and direction; and,</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 net revenue for the Renewal Agreement is \$36,000 (\$3,000.00 per month) plus all applicable taxes.</p> <p>The Acting Chief Financial Officer has reviewed this DAF and agrees with the financial impact information.</p>
<b>Comments</b>	<p>The City-owned Property is located next to a right away north of Dundas Street that was historically used as staff parking for the City's facility located at 149 River Street. In or around 2011, the Licensee approached the City about using twelve (12) of the available parking spots to provide their clients with direct access to the dealership's main entrance. As per DAF No. 2011-259, dated Sept 13, 2011, a license agreement was executed for a five (5) year term ending September 30, 2016. The Licensee continues to occupy the property on a month-to-month basis.</p> <p>As per DAF No. 2011-259, dated Sept 13, 2011, a license agreement was executed for a five (5) year term ending September 30, 2016. The Licensee continues to occupy the property on a month-to-month basis.</p> <p>Toronto Water advised Real Estate Services that a drop shaft will be installed on the Property as part of the City's Don River &amp; Central Waterfront WWF Connections project (the "Project"). The proposed Renewal Agreement will formalize the Licensee's continued use of the Property until it is required for the Project, at which time the licence will be terminated. Upon completion of the drop shaft, which is estimated to take approximately two years, Real Estate Services will evaluate the condition of the Property and consider the feasibility of entering into a new license agreement with the Licensee.</p> <p>The basic net License Fee and other terms and conditions of the Agreement reflect market value taking into consideration the term of the agreement &amp; the mutual benefit of the License.</p> <p>In accordance with general condition "cc" noted on Page 3, the concurrence of Tim Park, Manager, Real Estate Services has been obtained.</p>
<b>Terms</b>	See Page 4.

<b>Property Details</b>	<b>Ward:</b>	28 – Toronto Centre-Rosedale
	<b>Assessment Roll No.:</b>	PIN 210820433
	<b>Approximate Size:</b>	9,913 Square feet
	<b>Approximate Area:</b>	4000 square feet
	<b>Other Information:</b>	N/A

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/REOs:</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: 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><b>Delegated to a more senior position.</b></p> <p><b>Delegated to a more senior position.</b></p> <p><b>Delegated to a more senior position.</b></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><b>Delegated to a more senior position.</b></p> <p><input checked="" 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><b>Leases pursuant to the Community Space Tenancy Policy delegated to a more senior position.</b></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><b>Delegated to a more senior position.</b></p> <p><input type="checkbox"/> Where total compensation does not exceed \$50,000.</p> <p><b>Delegated to a more senior position.</b></p> <p><b>Delegated to a more senior position.</b></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/REOs.</p> <p><input type="checkbox"/> Initiate process &amp; authorize GM, Transportation Services to give notice of proposed by-law.</p> <p><b>Delegated to a more senior position.</b></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><b>Leases pursuant to the Community Space Tenancy Policy delegated to a more senior position.</b></p> <p><input 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:**

- 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:	Lucy Troisi				Councillor:					
Contact Name:	Tom Davidson				Contact Name:					
Contacted by:	Phone	x	E-Mail	Memo	Other	Contacted by:	Phone	E-mail	Memo	Other
Comments:	Approved				Comments:					
Consultation with Divisions and/or Agencies										
Division:	Engineering & Construction Services				Division:	Financial Planning				
Contact Name:	Caroline Kaars Sijpesteijn				Contact Name:	Patricia Libardo				
Comments:	Approved				Comments:	Approved				
Legal Division Contact										
Contact Name:	Jennifer Davidson / Catherine Thomas									

DAF Tracking No.: 2018-019	Date	Signature
Recommended by:		
<input checked="" type="checkbox"/> Recommended by: <b>Manager, Real Estate Services Tim Parks</b>	Feb. 13, 2018	Signed by Tim Park
<input type="checkbox"/> Approved by: <b>Daran Somas, Mgr. Real Estate Serv.</b>		Signed by Daran Somas
<input type="checkbox"/> Approved by: <b>Director, Real Estate Services David Jollimore</b>		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.

Major terms and conditions of the Agreement are as follows:

**Property**

Approximately 4000 square feet of City-owned lands Adjacent to 740 Dundas Street East

**Licensee:**

2192761 Ontario Inc. O/A Lexus Downtown

**Term:**

Twelve (12) months, commencing on January 1, 2018 and ending on December 31, 2018

**Renewal rights:**

No option to renew.

**License Fee:**

Total net License Fee of \$36,000.00 plus all applicable taxes.

**Early Termination**

The City shall have the right to terminate the License at any time upon one (1) month prior written notice

**Use:**

12 Parking Spots

**Insurance:**

Licensee must maintain Commercial General Liability Insurance not be less than Five Million Dollars (\$5,000,000.00) per occurrence.

**Additional License Fees**

Operating Costs: Licensee pays

Utilities: Licensee pays

Property Taxes: Licensee pays

**Capital Repair and Maintenance**

The License is a completely carefree net license to the City.

**Management Fee**

N/A

# Location Map

## City owned Land adjacent to 740 Dundas Street E

### Parking Spots for Lexus Dealership

