

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

**TRACKING NO.: 2019-037**

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:	Allan Mak	Division:	Real Estate Services
Date Prepared:	February 19, 2019	Phone No.:	416-392-8159

<b>Purpose</b>	To obtain authority to enter into a Lease Agreement (the "Lease") for premises located at 2952 Dufferin Street, Ground Floor and Basement with Bernardo Funeral Home Limited (the "Landlord") for use as a Constituency Office for Councillor Mike Colle.
<b>Property</b>	<p>The leased premises is the Ground Floor and Basement of the property known municipally as 2952 Dufferin Street (the "Leased Premises"). The Leased Premises is part of the building which also includes Bernardo Funeral Home, two residential units, and one other commercial unit. The Leased Premises consists of approximately 1,086 rentable square feet of space. The floor plan of the Leased Premises is attached hereto as Appendix "B".</p> <p>The Leased Premises is located near Dufferin Street and Lawrence Avenue West and is shown on the Location Map, attached hereto as Appendix "C".</p>
<b>Actions</b>	<ol style="list-style-type: none"> <li>Authority be granted to enter into the Lease with the Landlord on the terms and conditions outlined in Appendix "A" and on such other terms and conditions as may be satisfactory to the Deputy City Manager, Corporate Services and in a form acceptable to the City Solicitor.</li> <li>The Director of Real Estate Services, or his designate, shall administer and manage the Lease including the provision of any consents, approvals, waiver notices, and notices of termination provided that the Director of Real Estate Services may, at any time, refer consideration of such matter to City Council for its determination and direction.</li> <li>The appropriate City Officials be authorized and directed to take the necessary action to give effect.</li> </ol>
<b>Financial Impact</b>	<ol style="list-style-type: none"> <li>The following costs will be incurred by the City during the term of the Lease: <ul style="list-style-type: none"> <li>Gross Rent (inclusive of utilities) payable to the Landlord of approximately \$82,800.00 (exclusive of HST)</li> <li>Estimated costs of internal cleaning, garbage removal, snow removal, and salting for the Leased Premises of approximately \$28,920.00 (exclusive of HST).</li> </ul> <p>Total estimated costs for the term of the Lease is \$111,720.00 (exclusive of HST).</p> </li> <li>Funding is available in the 2019 – 2022 Council Approved Operating Budget for City Council under cost centre CNY008.</li> </ol> <p>The Chief Financial Officer &amp; Treasurer has reviewed this DAF and agrees with the financial impact information.</p>
<b>Comments</b>	<p>At its meeting on July 11, 12 and 13, 2012, City Council adopted and amended report EX21.9 "Policy Changes to Councillor Office Operations". In doing so, City Council directed that the provision of a constituency office within a civic centre (including City Hall) or within the Councillor's respective ward be funded from the General Council Account and further that staff develop appropriate parameters for these spaces.</p> <p>At its meeting on October 30, 31, and November 1, 2012, City Council adopted Recommendation 1 of report CC27.5 "Parameters for Councillor Constituency Offices" and approved the proposed parameters.</p> <p>The proposed Lease enables Councillor Mike Colle to establish a constituency office within his Ward (Ward 8 – Eglinton-Lawrence). The rent and other terms and conditions of the Leased reflect current market value according to market research and valuation conducted by Real Estate Services.</p>
<b>Terms</b>	See Appendix "A" for Terms

<b>Property Details</b>	<b>Ward:</b>	Ward 8 – Eglinton-Lawrence
	<b>Assessment Roll No.:</b>	
	<b>Approximate Size:</b>	100.89 sqm (1,086.00 sqft)
	<b>Approximate Area:</b>	
	<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, Internal Corporal Services and any related documents.

Consultation with Councillor(s)															
Councillor:	Councillor Mike Colle, Ward 8					Councillor:									
Contact Name:	Lola Dandybaeva, Chief of Staff					Contact Name:									
Contacted by:	Phone	<input checked="" type="checkbox"/>	E-Mail		Memo		Other	Contacted by:	Phone		E-mail		Memo		Other
Comments:	No Concerns (2019-02-14)					Comments:									
Consultation with Divisions and/or Agencies															
Division:	City Clerk's Office					Division:	Financial Planning								
Contact Name:	Lesley Ruscica					Contact Name:	Mustufa Ghani								
Comments:	Concurs (2019-02-14)					Comments:	Concurs (2019-02-08)								
Legal Division Contact															
Contact Name:	Jacqueline Kiggundu														

DAF Tracking No.: 2019-037	Date	Signature
Concurred with by: Manager, Real Estate Services		
<input checked="" type="checkbox"/> Recommended by: Manager, Real Estate Services Daran Somas	Feb. 19, 2019	Signed by Daran Somas
<input type="checkbox"/> Approved by:		
<input checked="" type="checkbox"/> Approved by: Director, Real Estate Services Nick Simos	Feb. 19, 2019	Signed by Nick Simos

#### 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").

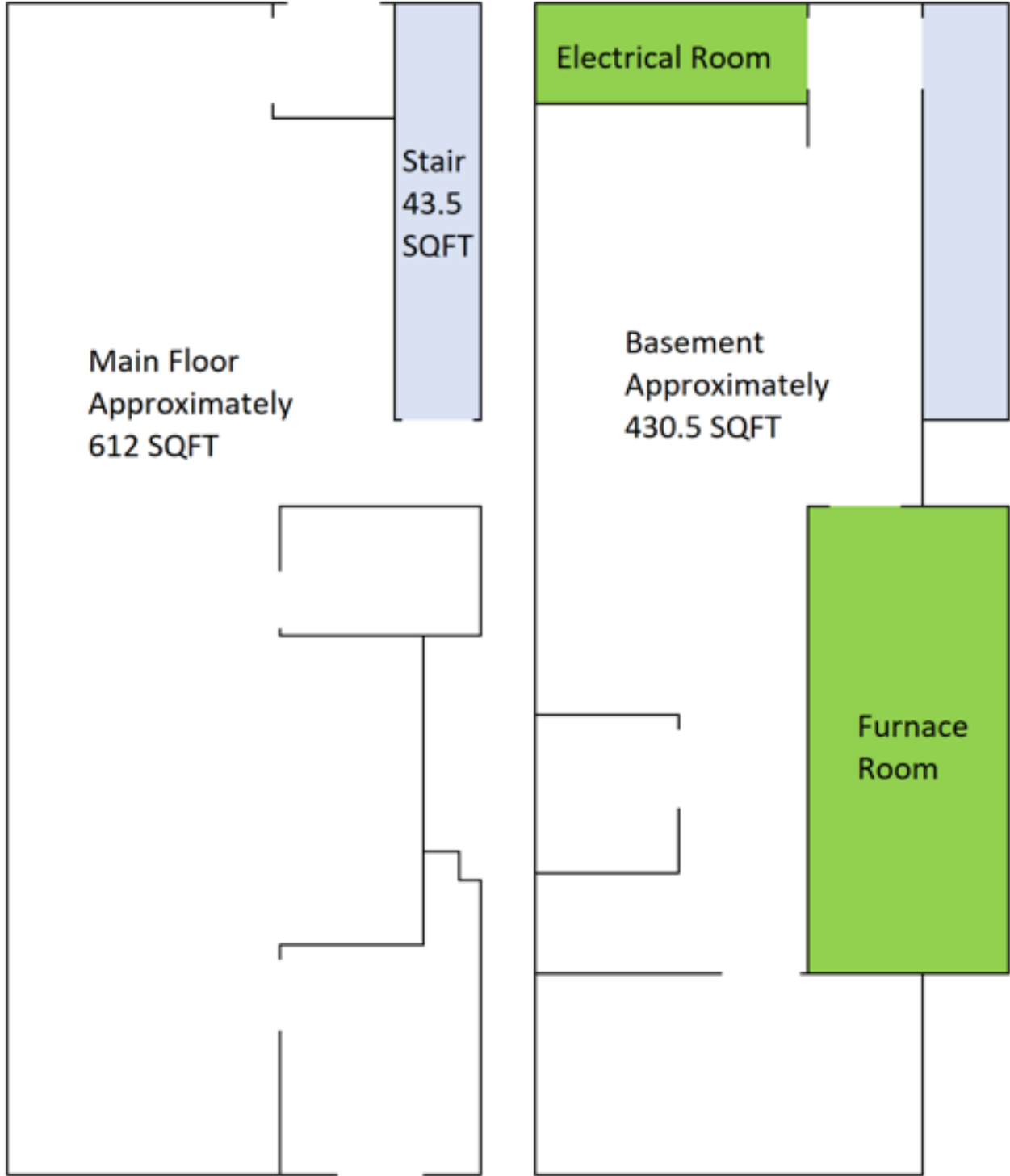
**Appendix "A" – Terms & Conditions**

Landlord:	Bernardo Funeral Home Limited
Tenant:	City of Toronto
Leased Premises:	Ground Floor and Basement space located in the building municipally known as 2952 Dufferin Street
Approximate Space:	1,086 rentable square feet
Lease Commencement:	The date of which the Lease is executed by the City.
Lease Expiry:	November 30, 2022
Gross Rent (Monthly):	\$1,800 excluding (i) Garbage removal from the Leased Premises, and (ii) snow removal and salting of the walkway immediately in front of the property.
Alterations:	The City accepts the Leased Premises in an as-is condition and shall complete all alterations and improvements as the City deems necessary at its sole cost and expense.
Restoration:	At the end of the Term or any renewal or extension thereof, the City shall not be required to remove any leasehold improvements or to restore the Leased Premises.
Early Termination:	This Lease shall terminate, if for any reason, Councillor Mike Colle's term as a Member of City of Toronto Council should end.
Insurance:	The City shall, at its expense, arrange for tenant liability, property damage and other insurance in the amount of not less than Five Million (\$5,000,000.00) per occurrence and shall provide evidence of such insurance to the Landlord.
Parking:	The City shall have use of one unreserved parking space in front of the property municipally known as 2960 Dufferin Street.
Signage:	The City may install and maintain building standard identification signage on the directory board(s) of the building at its sole expense. All identification signage shall be subject to the Landlord's written approval.

**Municipal Capital Facilities Agreement**

The Landlord acknowledges that the City has the right, in its discretion, to request Toronto City Council to exempt the Property from taxation for municipal and school purposes if the City considers that the Leased Premises may be used as a municipal capital facility. Provided Toronto City Council grants satisfactory approval to this effect, the Landlord has agreed to enter at its sole cost and expense into the necessary municipal capital facility agreement with the City pursuant to Section 110(1) of the Municipal Act, 2001, as amended, in a form acceptable to the City Solicitor and legal counsel for the Landlord and to pass the full benefit of such exemption on to the City during the entire period of any such exemption.

Appendix "B" – Leased Premises Floor Plan



Appendix "C" – Location of Subject Property

