

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

**TRACKING NO.: 2020-054**

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, as adopted by City Council on May 22, 23 & 24, 2018 and Item GL9.14, as adopted by City Council on November 26 & 27, 2019 or, where applicable, contained in Item EX28.8, as adopted by City Council on November 7, 8 & 9, 2017.

Prepared By:	Glenn Zeta	Division:	Corporate Real Estate Management
Date Prepared:	February 19, 2020	Phone No.:	416-338-7612
<b>Purpose</b>	To obtain authority for The Corporation of the City of Toronto (the " <b>City</b> ") to enter into a lease agreement (the " <b>Lease</b> ") with Mr. Ball Multicultural Food Inc. (the " <b>Tenant</b> ") for the premises known municipally as 161 Baldwin Street, Unit 3, also known as Carpark 68 (the " <b>Premises</b> ") for the purpose of operating a sushi and salad takeout restaurant.		
<b>Property</b>	Approximately 370 square feet of commercial space on the ground floor of the property municipally known as 161 Baldwin Street, Unit 3, also known as Carpark 68, shown in the map and photo attached hereto as Appendix "C".		
<b>Actions</b>	1. Authority be granted for the City to enter into the Lease with the Tenant for the Premises, on the terms and conditions outlined in Appendix "B" attached hereto and in a form acceptable to the City Solicitor.		
<b>Financial Impact</b>	The City will receive total revenues of approximately \$119,145 (plus HST) for the five (5) year term of the Lease. The property taxes, operating and maintenance costs associated with the Premises during the Term of the Lease will be paid by the Tenant. Actual expenses and revenues associated with the Lease will be reported through the Toronto Parking Authority's (" <b>TPA</b> ") quarterly variance reports, and if required, related Operating Budgets will be subsequently adjusted through the annual Budget process for Council consideration.		
<b>Comments</b>	<p>The Chief Financial Officer and Treasurer has reviewed this DAF and agrees with the financial impact information.</p> <p>At its meeting of February 21, 2017 (TPA Minute No. 17-029), the TPA Board authorized staff to negotiate and enter into new tenant lease agreements and existing tenant lease renewals at Car Parks 1, 26, 68, 216, 281, 282, 661, and 674 based on a set of pre-determined market leasing criteria to ensure efficiency during the leasing process. At the time, the leasing parameter at Car Park 68 was set at 5 to 10 years with a minimum net rent of \$32.00 per square foot.</p>		
<b>Terms</b>	See Appendix "B" attached hereto for major terms and conditions.		
<b>Property Details</b>	<b>Ward:</b>	11 – University - Rosedale	
	<b>Assessment Roll No.:</b>	1904-06-4-658-000300	
	<b>Approximate Size:</b>		
	<b>Approximate Area:</b>	34.37 m <sup>2</sup> ± (370 ft <sup>2</sup> ±)	
	<b>Other Information:</b>	New Lease	

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:</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 more senior positions.</b></p> <p><b>Delegated to more senior positions.</b></p> <p><b>Delegated to more senior positions.</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 more senior positions.</b></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><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 more senior positions.</b></p> <p><input type="checkbox"/> Where total compensation does not exceed \$50,000.</p> <p><b>Delegated to more senior positions.</b></p> <p><b>Delegated to more senior positions.</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 more senior positions.</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 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>B. Director, Real Estate Services and Manager, Real Estate Services each has signing authority on behalf of the City for:</b>		
<ul style="list-style-type: none"> <li>Documents required to implement matters for which he or she also has delegated approval authority.</li> <li>Expropriation Applications and Notices following Council approval of expropriation (Manager, Transaction Services is only Manager with such signing authority).</li> </ul>		
<b>Director, Real Estate Services also has signing authority on behalf of the City for:</b>		
<ul style="list-style-type: none"> <li>Agreements of Purchase and Sale and all implementing documentation for purchases, sales and land exchanges not delegated to staff for approval.</li> <li>Community Space Tenancy Leases approved by delegated authority by the Deputy City Manager, Corporate Services and any related documents.</li> </ul>		

Consultation with Councillor(s)															
Councillor:	Councillor Mike Layton					Councillor:									
Contact Name:	Emily Wong					Contact Name:									
Contacted by:	Phone	x	E-Mail		Memo		Other	Contacted by:	Phone		E-mail		Memo		Other
Comments:	No Objections - January 9, 2020					Comments:									
Consultation with Divisions and/or Agencies															
Division:	Financial Planning					Division:	Toronto Parking Authority								
Contact Name:	Filisha Jenkins					Contact Name:	Darcy Watt/Christine Ho								
Comments:	Concurred – February 24, 2020					Comments:	Concurred – September 11, 2019								
Legal Division Contact															
Contact Name:	Stefan Radovanovich (2-8060)														

DAF Tracking No.: 2020-054	Date	Signature
<input checked="" type="checkbox"/> Recommended by: <b>Manager, Real Estate Services</b> <b>Daran Somas</b>	<b>Feb. 28, 2020</b>	Signed by Daran Somas
<input type="checkbox"/> Approved by:		
<input checked="" type="checkbox"/> Approved by: <b>Acting Director, Real Estate Services</b> <b>Nick Simos</b>	<b>March 3, 2020</b>	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, 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 market value and no interest shall be granted for an amount less than the appraised market value, nor additional compensation paid, unless specifically authorized by City Council.
- (f) Authority to approve any transaction 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'**  
**FINANCIAL IMPACT**

Fiscal Year	2020	2021	2022	2023	2024	2025
Basic Rent (Before HST)	9,250	18,778	19,147	19,517	19,887	4,995
Operating Costs (Before HST)	3,866	5,309	5,468	5,632	5,801	1,494
Realty Tax (Before HST)	-	-	-	-	-	-
Additional Rent (Before HST)	-	-	-	-	-	-
Total Before HST ( for Lease Out)	13,116	24,087	24,616	25,150	25,689	6,489

**APPENDIX 'B'**  
**TERMS AND CONDITIONS**

**Landlord:** The Corporation of the City of Toronto

**Tenant:** Mr. Ball Multicultural Food Inc. operating as “**Mr. Ball Multicultural Food**” or a variation thereof approved by the Landlord, which approval shall not be unreasonably or arbitrarily withheld.

**Premises:** Unit 3 at 161 Baldwin also described as Unit 3 at 20 St. Andrew Street (Municipal Car Park 68), Toronto, ON

**Leased Area:** Approximately 370 square feet

**Use:** Sushi and salad takeout restaurant

**Term:** Five (5) years commencing on April 1, 2020 and expiring on March 31, 2025 (the “**Term**”), or such other commencement date as is mutually agreeable by the Landlord and Tenant and subject to approvals.

**Basic Rent:**

Year 1 - \$50 per square foot - \$18,500.00 plus HST per annum, payable in monthly installments of \$1541.67 plus HST  
 Year 2 - \$51 per square foot - \$18,870.00 plus HST per annum, payable in monthly installments of \$1572.50 plus HST  
 Year 3 - \$52 per square foot - \$19,240.00 plus HST per annum, payable in monthly installments of \$1603.33 plus HST  
 Year 4 - \$53 per square foot - \$19,610.00 plus HST per annum, payable in monthly installments of \$1,634.17 plus HST  
 Year 5 - \$54 per square foot - \$19,980.00 plus HST per annum, payable in monthly installments of \$1,665.00 plus HST

**Option to Extend:**

Provided that the Tenant (i) pays rent when due, (ii) is not in breach or default of the Lease, and (iii) the Tenant is “**Mr. Ball Multicultural Food Inc.**” and is itself in occupation of and conducting business from the whole of the Premises, then the Tenant shall, on not more than twelve (12) months' and not less than six (6) months' notice prior to the expiration of the Term, have one (1) option to extend the Term for a further period of five (5) years (the “**Extended Term**”). The Extended Term shall be on the same terms and conditions as set out in the Lease, except that (i) there will be no further right to extend the Term, (ii) there shall be no further Rent Free Period, construction allowance, inducement or other amount in connection with this Lease or improvements installed in the Premises, (iii) if required by the Landlord, the Tenant shall execute an extension agreement prepared by the Landlord at the Tenant's expense, and (iv) the Basic Rent shall be mutually agreed upon by the Landlord and Tenant based upon the fair market rental value of the Premises, provided that the Basic Rent shall in no event be less than the annual Basic Rent payable by the Tenant in the last twelve (12) months of the initial Term.

**Rent Free Period:**

The Tenant shall be allowed to occupy the Premises free of Basic Rent for the first three (3) months of the Term (the “**Rent Free Period**”). During the Rent Free Period, the Tenant shall pay for all waste and refuse removal, utilities, all items of Additional Rent and applicable Property Taxes attributable to the Premises.

**Additional Rent:** The Lease is an absolutely net lease. The Basic Rent and any cost, expense or obligation pertaining to the Premises shall be paid or performed by the Tenant except as otherwise expressly provided in the Lease.

**Utilities & HVAC:** The Tenant will be responsible for all utility and HVAC related charges attributable to the Premises.

**Insurance:** Comprehensive general liability insurance coverage for \$5,000,000.00 per occurrence, against claims for personal and bodily injury, death or property damage suffered by others arising in connection with or without the occupation of the Property by the Tenants with a limit of not less than Five Million Dollars (\$5,000,000.00), Tenant's Legal Liability, fire and extended coverage, business interruption insurance, and property insurance covering the Tenant's property including, without limitation, all tenant improvements.

**Security Deposit:** The sum of \$5,857.00 plus HST to be held, without interest, by the Landlord as security for the Tenant's performance of its covenants, obligations and agreements under the Lease.

**Early Termination:** At any time during the Term or Extended Term, as the case may be, the Landlord shall have the right to terminate the Lease on not less than one hundred eighty (180) days' prior written notice delivered to the Tenant. Upon termination the Tenant shall restore the Premises and deliver vacant possession of the Premises to the Landlord in accordance with all applicable provisions in the Lease.

**Landlord's Improvements:**

None

**Tenant's Improvements:**

The Tenant shall, at its expense, complete the Premises in accordance with the standards of a first-class commercial building and the Landlord's standard construction provisions (to be included in the Lease) using new materials, including but not limited to the installation of:

Interior Work

- (a) Removal and disposal of existing cabinet and vinyl flooring
- (b) Providing patching, sanding, one (1) coat of primer and two (2) coats finish paint for existing wall and ceiling
- (c) Supplying and installing vinyl flooring
- (d) Supplying and installing a 4"H MDF baseboard
- (e) Supplying and installing a divided wall
- (f) Supplying and installing track light on ceiling
- (g) Saw cut trench; removal and disposal of concrete
- (h) Supplying and installing underground piping
- (i) Backfill and pouring of new concrete to match existing grade level

- (j) Installation of one (1) hand sink and one (1) two-compartment sink
- (k) Supplying and installing one (1) 20 gallon hot water tank and one (1) floor drain

#### Power

- (a) All power distribution within the Leased Premises from the load side of the fused disconnect including a meter KWH/D and meter base to be carried out at the Tenant's expense.
- (b) All lighting fixtures, switches, receptacles, etc., in the store area and all wiring between those outlets and the load centre.

#### Telephone

Telephone conduit, wiring and equipment required to serve the Leased Premises distributed through partitions and/or power poles to be carried at the Tenant's expense.

#### Heating, Ventilation and Air-Conditioning

Any modifications to the Landlord's mechanical or electrical system required by the Tenant at the Tenant's expense.

#### Signs

Tenant signage proposals must be presented to the Landlord for approval. Only those signs which are compatible with the Project and are tasteful in size, colour and logo will be approved.



**Appendix "C"**  
**LOCATION MAP AND SITE PHOTO**

