

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

TRACKING NO.: 2020-181

Approved pursuant to the Delegated Authority contained in Article 2 of City of Toronto Municipal Code Chapter 213, Real Property

Prepared By:	Myron Menezes	Division:	Corporate Real Estate Management
Date Prepared:	July 7, 2020	Phone No.:	(416) 338-3586

Purpose	To obtain authority to extend and amend the lease ("Lease") entered into between the City and Stackt Properties Inc. in its capacity as General Partner of Stackt Properties LP (the "Tenant") for the lease of a portion of the property known municipally as 28 Bathurst Street.																		
Property	Portion of City-owned property municipally known as 28 Bathurst Street, described as Parts 2, 3, and 4 on Plan 64R-16673 having an approximate area of 102,773 square feet, as shown on Appendix "A" (the "Leased Area").																		
Actions	<ol style="list-style-type: none"> The City shall enter into a Lease Extension and Amending Agreement with the Tenant, to extend the term of the Lease from October 1, 2020 to March 31, 2023, on substantially the same terms as the current Lease with the additional terms outlined below, and on such other additional and/or amended terms as deemed appropriate by the Deputy City Manager, Corporate Services (the "DCM") or designate, and in a form satisfactory to the City Solicitor. The DCM administer and manage the Lease Extension and Amending Agreement, including the provision of any consent, approvals, waivers, notices and notices of termination, on such terms as deemed appropriate by the DCM, provided that the DCM may at any time refer consideration of such matter to City Council for its determination and direction. The appropriate City Officials be authorized and directed to take the necessary action to give effect thereto. 																		
Financial Impact	<p>The City will receive revenue of \$624,859.94.00 (plus HST) over the two and a half (2.5) year extension term. The following table reflects total revenues to be remitted to the City for each fiscal year:</p> <table border="1"> <thead> <tr> <th>Fiscal Year</th> <th>Term / Period</th> <th>Total Revenues (plus HST)</th> </tr> </thead> <tbody> <tr> <td>2020</td> <td>Oct 2020 - Dec 2020</td> <td>61,406.87</td> </tr> <tr> <td>2021</td> <td>Jan 2021 - Dec 2021</td> <td>246,912.13</td> </tr> <tr> <td>2022</td> <td>Jan 2022 - Dec 2022</td> <td>252,307.77</td> </tr> <tr> <td>2023</td> <td>Jan 2023 - Mar 2023</td> <td>64,233.18</td> </tr> <tr> <td>Total</td> <td></td> <td>\$ 624,859.94</td> </tr> </tbody> </table>	Fiscal Year	Term / Period	Total Revenues (plus HST)	2020	Oct 2020 - Dec 2020	61,406.87	2021	Jan 2021 - Dec 2021	246,912.13	2022	Jan 2022 - Dec 2022	252,307.77	2023	Jan 2023 - Mar 2023	64,233.18	Total		\$ 624,859.94
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Comments	<p>The Chief Financial Officer and Treasurer has reviewed this DAF and agrees with the financial impact information.</p> <p>The City and Tenant entered into the Lease dated December 27, 2017, which was extended by Lease Amending Agreement dated April 30, 2018 authorized by DAF 2017-343. The Lease expires on September 30, 2020. The Tenant is using the Leased Area for a temporary outdoor shipping container market.</p>																		
Terms	<p>The City has plans to develop 28 Bathurst Street into a future park. The process to turn this site into a park requires further testing and planning. As a result, as per section 2.1A (b) (iv) of the Lease, the City waives the requirement of the Extension Request being submitted six (6) months prior to the expiry of the Term.</p> <p>All terms and conditions for the two and a half (2.5) year extension remain the same as in the Lease, save and except for:</p> <ol style="list-style-type: none"> The Basic Rent for the Extension Term (October 1, 2020 to March 31, 2023) shall be \$2.39 in year 1, \$2.44 in years 2 and \$2.50 in year 3 per square foot and does not include Realty taxes. The Tenant is responsible for paying its portion of Realty taxes in addition to the Basic Rent (for the Term May 17, 2018 to September 30, 2020, the rent was \$4.50 per square foot inclusive of Realty Taxes and the 2019 Annualized tax was \$421,971.62, which is approximately \$4.11 per square foot). The City has the right to perform environmental testing between March 1, 2022 and April 30, 2022 if the Tenant is provided four (4) month's advanced notice of the commencement of the testing. During the testing, the tenant's rent of \$41,794.36 (plus HST) or \$42,529.94 (net of HST recoveries) shall abate for the period of the testing, being two (2) months. 																		

Property Details	Ward:	10 – Spadina-Fort York
	Assessment Roll No.:	Part of 1904-06-2-160-02406
	Approximate Size:	
	Approximate Area:	9,549 m ² ± (102,773 ft ²)
	Other Information:	

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:	Delegated to more senior positions.	<input type="checkbox"/> Issuance of RFPs/REOs.
4. Permanent Highway Closures:	Delegated to more senior positions.	<input type="checkbox"/> Initiate process & authorize GM, Transportation Services to give notice of proposed by-law.
5. Transfer of Operational Management to Divisions, Agencies and Corporations:	Delegated to more senior positions.	Delegated to more senior positions.
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:	Delegated to more senior positions.	<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"/> (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 checked="" 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 six (6) months, including licences for environmental assessments and/or testing, etc.
10. Leases/Licences (City as Tenant/Licensee):	Leases pursuant to the Community Space Tenancy Policy delegated to a more senior position.	Leases pursuant to the Community Space Tenancy Policy delegated to a more senior position.
11. Easements (City as Grantor):	<input type="checkbox"/> Where total compensation (including options/renewals) does not exceed \$50,000. <input type="checkbox"/> Where total compensation does not exceed \$50,000. Delegated to more senior positions.	<input type="checkbox"/> Where total compensation (including options/renewals) does not exceed \$1 Million. <input type="checkbox"/> (a) Where total compensation does not exceed \$1 Million. <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:	Delegated to more senior positions.	<input type="checkbox"/> Amendment must not be materially inconsistent with original decision (and subject to General Condition (U)).
14. Miscellaneous:	Delegated to more senior positions.	<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/Estoppel Certificates <input type="checkbox"/> (f) Objections/Waivers/Cautions <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 each position also has delegated approval authority.
- Expropriation Applications and Notices following Council approval of expropriation (Manager, Transaction Services 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 the Deputy City Manager, Corporate Services and any related documents.

Pre-Condition to Approval			
<input checked="" type="checkbox"/> Complies with General Conditions in Appendix B of City of Toronto Municipal Code Chapter 213, Real Property			
Consultation with Councillor(s)			
Councillor:	Joe Cressy	Councillor:	
Contact Name:	Joan Wilson	Contact Name:	
Contacted by:	Phone <input type="checkbox"/> X E-Mail <input type="checkbox"/> Memo <input type="checkbox"/> Other <input type="checkbox"/>	Contacted by:	Phone <input type="checkbox"/> E-mail <input type="checkbox"/> Memo <input type="checkbox"/> Other <input type="checkbox"/>
Comments:	No objections – July 7, 2020	Comments:	
Consultation with Divisions and/or Agencies			
Division:	Parks Forestry & Recreation, Capital Projects	Division:	Financial Planning
Contact Name:	Jennifer Kowalski	Contact Name:	Filisha Jenkins
Comments:	No objections – July 3, 2020	Comments:	No objections – July 7, 2020
Legal Services Division Contact			
Contact Name:	Michele Desimone		

DAF Tracking No.: 2020- 181	Date	Signature
Concurred with by: Acting Manager, Transaction Services		X
<input checked="" type="checkbox"/> Recommended by: Acting Manager, Transaction Services Daran Somas	July 13, 2020	Signed by Daran Somas
<input type="checkbox"/> Approved by:		
<input checked="" type="checkbox"/> Approved by: Director, Transaction Services Alison Folosea	July 13, 2020	Signed by Alison Folosea

