

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

TRACKING NO.: 2020-251

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

Prepared By:	Rafael Gutierrez	Division:	Corporate Real Estate Management
Date Prepared:	September 18, 2020	Phone No.:	416-338-2995

Purpose To obtain authority for the City of Toronto (the "**City**") to enter into a licence agreement (the "**Agreement**") with the Artists' Network of Riverdale (the "**Licensee**") to licence to the Licensee the whole of the building known as "Leslie Grove Fieldhouse" (the "**Building**"), located upon the lands and premises municipally described as 1158 Queen Street East, Toronto and legally described as YORK CON 1 FTB PT LOT 11 AND PLAN 423E PT LOTS 25 AND 26 (referred to herein as the "**Property**"), for use as a workspace, storage, community programming, and gallery space.

Property The whole of the Building located on the Property, the location of which Property is shown approximately on the location maps attached hereto as Appendix "B".

Actions 1. Authority be granted to enter into the Agreement with the Licensee, substantially on the major terms and conditions set out in Appendix "A" attached hereto, and including such other terms as deemed appropriate by the approving authority herein, and in a form satisfactory to the City Solicitor.

Financial Impact The City will receive total revenues of \$37,469.04 (plus HST) for the initial five (5) year term of the Agreement, commencing on November 1, 2019 and expiring on October 31, 2024. The Licensee shall have one (1) option to extend the initial term for an additional five (5) years, for an additional \$42,618.00 (plus HST). The total potential revenues to the City, including the extension term, is \$80,087.04 (plus HST). Revenue for current and future years will be adjusted for in the Operating Budget for Parks, Forestry & Recreation under cost center P10227.

Fiscal Year	Period	No. of Months	Excluding HST	
			Monthly Rate	Total Revenues
2020	Nov. 1, 2019 to Oct. 31, 2020	12	\$ 600.00	\$ 7,200.00
	Nov. 1, 2020 to Dec. 31, 2020	2	\$ 612.00	\$ 1,224.00
2021	Jan. 1, 2021 to Oct. 31, 2021	10	\$ 612.00	\$ 6,120.00
	Nov. 1, 2021 to Dec. 31, 2021	2	\$ 624.24	\$ 1,248.48
2022	Jan. 1, 2022 to Oct. 31, 2022	10	\$ 624.24	\$ 6,242.40
	Nov. 1, 2022 to Dec. 31, 2022	2	\$ 636.72	\$ 1,273.44
2023	Jan. 1, 2023 to Oct. 31, 2023	10	\$ 636.72	\$ 6,367.20
	Nov. 1, 2023 to Dec. 31, 2023	2	\$ 649.46	\$ 1,298.92
2024	Jan. 1, 2024 to Oct. 31, 2024	10	\$ 649.46	\$ 6,494.60
Sub total				\$ 37,469.04
2024	Nov. 1, 2024 to Dec. 31, 2024	2	\$ 668.94	\$ 1,337.88
2025	Jan. 1, 2025 to Oct. 31, 2025	10	\$ 668.94	\$ 6,689.40
	Nov. 1, 2025 to Dec. 31, 2025	2	\$ 689.01	\$ 1,378.02
2026	Jan. 1, 2026 to Oct. 31, 2026	10	\$ 689.01	\$ 6,890.10
	Nov. 1, 2026 to Dec. 31, 2026	2	\$ 709.68	\$ 1,419.36
2027	Jan. 1, 2027 to Oct. 31, 2027	10	\$ 709.68	\$ 7,096.80
	Nov. 1, 2027 to Dec. 31, 2027	2	\$ 730.97	\$ 1,461.94
2028	Jan. 1, 2028 to Oct. 31, 2028	10	\$ 730.97	\$ 7,309.70
	Nov. 1, 2028 to Dec. 31, 2028	2	\$ 752.90	\$ 1,505.80
2029	Jan. 1, 2029 to Oct. 31, 2029	10	\$ 752.90	\$ 7,529.00
Extension Option Subtotal				\$ 42,618.00
TOTAL				\$ 80,087.04

As detailed in Appendix A, the Licensee will be responsible for paying 40% of utility costs with the City paying for the remaining 60% of utility charges. Funding is available in the 2020 Council Approved Operating Budget for Parks, Forestry & Recreation under cost center FA0374. Future year expenditures will be referred to the City's annual budget process and will be included in the Operating Budget submission as required.

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

Comments The Licensee will have non-exclusive use of the washrooms, and hallway for administrative purposes, community arts programming, other group purposes, working with the City's Recreation Services branch.

The Licensee will have exclusive use of the storage room, and the gallery space, The space will allow the Licensee to expand their current programming while increasing public awareness and participation. They will also have the ability to use the space for fundraisers, and will coordinate with current permit holders for the use of the space.

All permit rates charged will be subject to the approval of the General Manager – Parks, Forestry & Recreation.

Terms See Appendix "A"

Property Details	Ward:	14 – Toronto-Danforth
	Assessment Roll No.:	19 04 082 100 099 00
	Approximate Size:	N/A
	Approximate Area:	106.84 m ² ± (1,150 ft ²)
	Other Information:	N/A

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:		Paula Fletcher				Councillor:				
Contact Name:		Susan Serran				Contact Name:				
Contacted by:		Phone	<input checked="" type="checkbox"/>	E-Mail		Memo		Other		
Comments:		Concurs (September 15, 2020)				Comments:				
Consultation with Divisions and/or Agencies										
Division:		Parks, Forestry & Recreation				Division:		Financial Planning		
Contact Name:		Christina Iacovino				Contact Name:		Patricia Libardo		
Comments:		Concurs (September 18, 2020)				Comments:		Concurs (September 3, 2020)		
Legal Services Division Contact										
Contact Name:		Stefan Radovanovich (September 14, 2020)								

DAF Tracking No.: 2020-251	Date	Signature
Concurred with by: Manager, Real Estate Services		X
<input checked="" type="checkbox"/> Recommended by: Manager, Real Estate Services Daran Somas <input type="checkbox"/> Approved by:	Sept 22, 2020	Signed By: Daran Somas
<input checked="" type="checkbox"/> Approved by: Director, Real Estate Services Alison Folosea	Oct 1, 2020	Signed By: Alison Folosea

Appendix "A" Major Terms and Conditions

Licensor: City of Toronto

Licensee: Artists' Network of Riverdale

Licensed Premises: The "**Licensed Premises**" comprises the whole of the Building, and refers collectively to the following exclusive and non-exclusive premises within the Building:

- (a) approximately 683 square feet of the Building as highlighted in blue on the sketch attached hereto as Appendix "C" (the "**Exclusive Premises**"); and
- (b) approximately 467 square feet of the Building as highlighted in orange on the sketch attached hereto as Appendix "C" (the "**Non-Exclusive Premises**").

Term: Five (5) years (the "**Term**"), commencing on November 1, 2019 (the "**Commencement Date**") and expiring on October 31, 2024.

Fixturing Period: Provided that the Agreement has been executed by both the City and the Licensee, and upon the Licensee providing evidence of the Licensee's insurance satisfactory to the City, the Licensee shall be granted early possession of the Licensed Premises from the 10th day of October, 2019 to the Commencement Date (the "**Fixturing Period**") rent free, in order to prepare the Licensed Premises for the operation of its business. During the Fixturing Period the Licensee shall comply with all terms and conditions of the Agreement, and the Licensee shall be responsible for the payment of all amounts due and payable herein including, without limitation, the payment of any Additional Fees (as defined below), save and except for the Licence Fees.

Option to Extend: Provided that the Licensee is not in default of any of the terms, covenants and conditions of the Agreement, and upon not less than three (3) months' written notice to the City prior to the expiry of the initial Term, the Licensee shall have one (1) option to extend the Term for a further five (5) year period (the "**Extended Term**"), expiring on October 31, 2029. The Extended Term shall be on the same terms and conditions as the Agreement, except for the Licence Fees (which are set out below) and there shall be no further options to extend.

Use: The Licensed Premises shall be used for Artists' Network programming, a gallery space, and associated administrative purposes, and for no other purpose. The Exclusive Premises shall be used in connection with the Licensee's community arts programming. The Non-Exclusive Premises shall be used by the Licensee for curriculum space, hallways, washroom facilities, and any uses ancillary thereto.

Licence Fees:

Fiscal Year	Period	No. of Months	Excluding HST	
			Monthly Rate	Total Revenues
2020	Nov. 1, 2019 to Oct. 31, 2020	12	\$ 800.00	\$ 7,200.00
	Nov. 1, 2020 to Dec. 31, 2020	2	\$ 612.00	\$ 1,224.00
2021	Jan. 1, 2021 to Oct. 31, 2021	10	\$ 612.00	\$ 6,120.00
	Nov. 1, 2021 to Dec. 31, 2021	2	\$ 624.24	\$ 1,248.48
2022	Jan. 1, 2022 to Oct. 31, 2022	10	\$ 624.24	\$ 6,242.40
	Nov. 1, 2022 to Dec. 31, 2022	2	\$ 636.72	\$ 1,273.44
2023	Jan. 1, 2023 to Oct. 31, 2023	10	\$ 636.72	\$ 6,367.20
	Nov. 1, 2023 to Dec. 31, 2023	2	\$ 649.46	\$ 1,298.92
2024	Jan. 1, 2024 to Oct. 31, 2024	10	\$ 649.46	\$ 6,494.60
Subtotal				\$ 37,469.04
2024	Nov. 1, 2024 to Dec. 31, 2024	2	\$ 668.94	\$ 1,337.88
2025	Jan. 1, 2025 to Oct. 31, 2025	10	\$ 668.94	\$ 6,689.40
	Nov. 1, 2025 to Dec. 31, 2025	2	\$ 689.01	\$ 1,378.02
2026	Jan. 1, 2026 to Oct. 31, 2026	10	\$ 689.01	\$ 6,890.10
	Nov. 1, 2026 to Dec. 31, 2026	2	\$ 709.68	\$ 1,419.36
2027	Jan. 1, 2027 to Oct. 31, 2027	10	\$ 709.68	\$ 7,096.80
	Nov. 1, 2027 to Dec. 31, 2027	2	\$ 730.97	\$ 1,461.94
2028	Jan. 1, 2028 to Oct. 31, 2028	10	\$ 730.97	\$ 7,309.70
	Nov. 1, 2028 to Dec. 31, 2028	2	\$ 752.90	\$ 1,505.80
2029	Jan. 1, 2029 to Oct. 31, 2029	10	\$ 752.90	\$ 7,529.00
Extension Option Subtotal				\$ 42,618.00
TOTAL				\$ 80,087.04

Utility Costs, Operating Costs:

In addition to the Licence Fees, the Licensee shall be responsible for paying to the City:

(a) forty percent (40%) of the cost of all utilities consumed in the Licensed Premises, including, without limitation, the cost of all hydro, gas, and water, and the cost of all other utilities consumed in the Licensed Premises;

(b) one hundred percent (100%) of any increase to the property taxes attributable to the Property as a result of the Licensee's use and occupation of the Licensed premises; and

(b) any and all other charges whatsoever relating to the Licensed premises or the Licensee's use thereof, except those which are the responsibility of the City as specifically set out in the Agreement.

(the foregoing costs of which are collectively referred to herein as the "**Additional Fees**").

Repair & Maintenance:

The Licensee, at its sole expense, shall operate, maintain and keep the Licensed Premises, and the improvements and fixtures therein and all electrical and telephone outlets and conduits in good condition and repair, except for structural repairs and repairs and replacement of all electrical, mechanical, plumbing, heating, ventilation and air conditioning equipment and systems of the Licensed Premises and the Building, which are the responsibility of the City.

City's Termination Right:

At any time during the Extended Term, if applicable, the City shall have the right (but not the obligation) to terminate the Agreement if the City requires the Licensed Premises for the purposes of park programming, park operations, or part uses, as determined by the City's General Manager of Parks, Forestry and Recreation or his or her designate, in his or her sole and absolute discretion, upon giving at least ninety (90) days' prior written notice of such termination to the Licensee.

Licensee's Termination Right:

If, at any time during the Term or Extended Term (if any), the Licensee is no longer able to meet its financial obligations under the Agreement due to a significant change in its funding sources, as determined by the Licensee in its sole discretion, the Licensee shall have the right (but not the obligation) to terminate the Agreement upon giving not less than one hundred twenty (120) days' prior written notice of such termination to the City.

Licensee's Insurance:

The Licensee shall, at its own expense, takeout and keep in full force and effect during the term commercial general liability insurance of not less than five million dollars (\$5,000,000.00) per occurrence and any other policies of insurance with such coverage and in such amounts as the City may require, acting reasonably.

Signage:

The Licensee shall be permitted, at its sole cost and expense, to supply and install a maximum of two (2) signs on the exterior of the Building and one (1) plaque sign stating the hours and mandate of the Licensee, such signage to be of such dimensions and placed in a location approved in advance by the City, acting reasonably.

Licensee's Work:

The Licensee shall, at any time during the Term or Extension Term (but not more than once), and at its sole cost and expense, be permitted to complete the following work in the Licensed Premises:

1. Supply and install gallery hanging system on all walls;
2. Clad partitions in hallway to be consistent with the Exclusive Use Premises.
3. Supply and install signage on the exterior of the Building, in accordance with the terms of the Licensing Agreement.

(collectively, the "**Licensee's Work**").

The Licensee's Work shall be completed in a good and workmanlike manner using new materials only.

Appendix "B" Location Maps

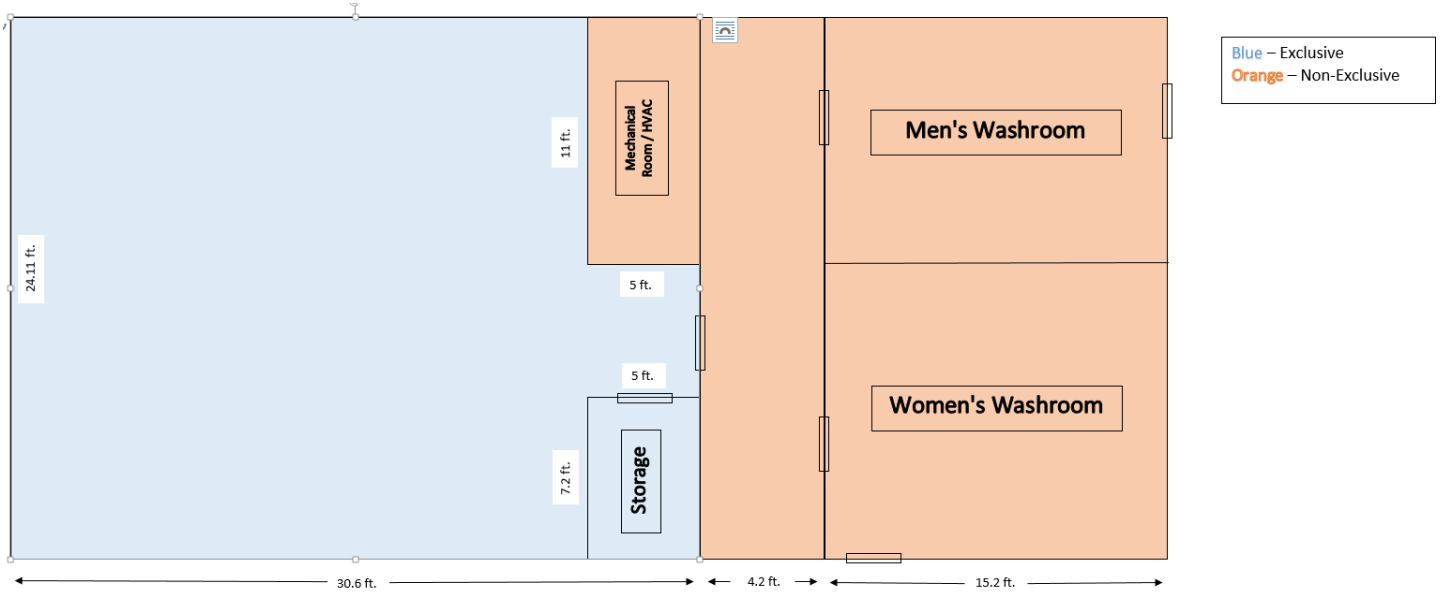
Site Map:



Aerial Map:



Appendix "C" Licensed Premises



NOTE:

- Notwithstanding the above sketch, the area labelled "Mechanical Room/HVAC" is not included in the Non-Exclusive Premises