

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

Approve	d pursuant to the Delegate	d Authority contain	ed in Article 2 of City of Tor	onto Municipal Code Chapter 213, Real Property					
Prepared By:	Glenn Zeta		Division:	Corporate Real Estate Management					
Date Prepared:	October 14, 2020		Phone No.:	416-338-7612					
Purpose	To obtain authority to enter into a lease extension and amending agreement (the " Agreement ") with Lakemount Developments Inc. (the " Landlord ") to extend the term of a lease entered into between the City of Toronto (the " City ") and Landlord on July 1, 2009 as extended by a letter agreement dated November 14, 2016 (collectively, the " Lease ") and to amend the terms thereof for the purpose of leasing from the Landlord ninety-two (92) parking spaces located within a parking garage situated on the lands and premises known municipally as 10 Gateway Boulevard, Toronto.								
Property	10 Gateway Boulevard, situated east of Don Mills Rd., south of Eglinton Ave. E. see Appendix B (Ward 16 – Don Valley East)								
Actions	1. Authority be granted for the City to enter into the Agreement on the terms and conditions set out in Appendix "A" attached hereto, together with such other terms and conditions deemed appropriate by the approving authority herein, and in form satisfactory to the City Solicitor.								
Financial Impact	The total cost to the City will be \$441,647.88 (plus HST) or \$449,420.88 (net of HST recoveries) for the five extended term. The below table reflects the total lease expenditures to the City for each fiscal year.								
			Total Net of HST						
			uding HST recoveries						
		Dec 31, 2020 \$ Dec 31, 2021 \$	41,593.20 \$ 42,325.24 84,434.22 \$ 85,920.26						
	2022 Jan 1, 2022	Dec 31, 2022 \$	86,967.24 \$ 88,497.86						
		Dec 31, 2023 \$	89,576.22 \$ 91,152.76 92,263.50 \$ 93,887.34						
		Dec 31, 2024 \$ Jun 30, 2025 \$	46,813.50 \$ 47,637.42						
	TOTAL		441,647.88 \$ 449,420.88						
	2020 Council Approv Division Technology Services	ed Operating Budget Period Jul 1, 2020 - Dec 31, 2	Excluding HST Net of HS recoverie 020 \$ 29,386.50 \$ 29,903	ST ES .70					
	OEM	Jul 1, 2020 - Dec 31, 2							
	Toronto Fire Services	Jul 1, 2020 - Dec 31, 2							
	Toronto Paramedic Services Jul 1, 2020 - Dec 3 TOTAL		\$ 41,593.20 \$ 42,325						
	The Chief Financial Officer and Treasurer has reviewed this report and agrees with the financial implications as identified in the Financial Impact section.								
Comments	On September 7, 2006, authority was granted by DAF 2008-146 to enter into a three (3) year lease agreement with Western Industrial Group (Gateway) Inc. for sixty (60) parking spaces in the garage situated at 10 Gateway Blvd, fo Information and Technology Division staff located at 703 Don Mills Road. By adoption of DAF 2010-048 the City entered into a six (6) year lease agreement with Lakemount Developments Inc. for sixty-five (65) parking spaces at 10 Gateway Blvd. The six year lease expired on June 30, 2015 but the City continued to occupy the parking spaces on an overhold basis. <i>Comments continued on page 4.</i>								
Terms	Please see Appendix	A for Major Term	ns and Conditions						
Property Details	Ward:		16 – Don Valley East						
	Assessment Roll No	.:							
	Approximate Size:		N/A						
	Approximate Area:		N/A						
	Other Information:								
			92 Parking Stalls						

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Α.	Manager, Real Estate Services has approval authority for:	Director, Real Estate Services has approval authority for:				
1. Acquisitions:	Where total compensation does not exceed \$50,000.	Where total compensation does not exceed \$1 Million.				
2A. Expropriations Where City is Expropriating Authority:	Statutory offers, agreements and settlements where total compensation does not cumulatively exceed \$50,000.	Statutory offers, agreements and settlements where total compensation does not cumulatively exceed \$1 Million.				
2B. Expropriations For Transit- Related Purposes Where City is Property Owner or Has Interest in Property Being	(a) Acceptance of statutory offers, agreements and settlements where total compensation does not cumulatively exceed \$50,000.	(a) Acceptance of statutory offers, agreements and settlements where total compensation does not cumulatively exceed \$1 Million.				
Expropriated:	(b) Request Hearings of Necessity.	(b) Request Hearings of Necessity.				
	(c) Waive Hearings of Necessity.	(c) Waive Hearings of Necessity.				
3. Issuance of RFPs/REOIs:	Delegated to more senior positions.	Issuance of RFPs/REOIs.				
4. Permanent Highway Closures:	Delegated to more senior positions.	Initiate process & authorize GM, Transportation Services to give notice of proposed by-law.				
 Transfer of Operational Management to Divisions, Agencies and Corporations: 	Delegated to more senior positions.	Delegated to more senior positions.				
6. Limiting Distance Agreements:	Where total compensation does not exceed \$50,000.	Where total compensation does not exceed \$1 Million.				
 Disposals (including Leases of 21 years or more): 	Where total compensation does not exceed \$50,000.	Where total compensation does not exceed \$1 Million.				
 Exchange of land in Green Space System & Parks & Open Space Areas of Official Plan: 	Delegated to more senior positions.	Exchange of land in Green Space System and Parks and Open Space Areas of Official Plan.				
 Leases/Licences (City as Landlord/Licensor): 	(a) Where total compensation (including options/ renewals) does not exceed \$50,000.	(a) Where total compensation (including options/ renewals) does not exceed \$1 Million.				
	(b) Where compensation is less than market value, for periods not exceeding three (3) months, including licences for environmental assessments and/or testing, etc.	(b) Where compensation is less than market value, for periods not exceeding six (6) months, including licences for environmental assessments and/or testing, etc.				
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.				
10. Leases/Licences (City as Tenant/Licensee):	Where total compensation (including options/ renewals) does not exceed \$50,000.	X Where total compensation (including options/ renewals) does not exceed \$1 Million.				
11. Easements (City as Grantor):	Where total compensation does not exceed \$50,000.	(a) Where total compensation does not exceed \$1 Million.				
	Delegated to more senior positions.	(b) When closing roads, easements to pre- existing utilities for nominal consideration.				
12. Easements (City as Grantee):	Where total compensation does not exceed \$50,000.	Where total compensation does not exceed \$1 Million.				
13. Revisions to Council Decisions in Real Estate Matters:	Delegated to more senior positions.	Amendment must not be materially inconsistent with original decision (and subject to General Condition (U)).				
14. Miscellaneous:	Delegated to more senior positions.	(a) Approvals, Consents, Notices and Assignments under all Leases/Licences				
		(b) Releases/Discharges				
		(c) Surrenders/Abandonments				
		(d) Enforcements/Terminations (e) Consents/Non-Disturbance Agreements/				
		Acknowledgements/Estoppel Certificates				
		(g) Notices of Lease and Sublease				
		(h) Consent to regulatory applications by City, as owner				
		(i) Consent to assignment of Agreement of Purchase/Sale; Direction re Title				
		(j) Documentation relating to Land Titles applications				
		(k) Correcting/Quit Claim Transfer/Deeds				

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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

x Complies with General Conditions in Appendix B of City of Toronto Municipal Code Chapter 213, Real Property

Consultation with Councillor(s)											
Councillor:	Denzil Minnan-Wong				Councillor:						
Contact Name:	Amalia Stefanopolous				Contact Name:						
Contacted by:	Phone	E-Mail	Memo	Other	Contacted by:	Phon	ne	E-mail	Memo	Other	
Comments:	No Objections – July 29, 2020				Comments:						
Consultation with Divisions and/or Agencies											
Division:	Multiple Divisions			Division:	Financia	Financial Planning					
Contact Name:	N/A				Contact Name:	Filisha Je	Filisha Jenkins				
Comments:	Concurred – July 23, 2020				Comments:	Concurre	Concurred – July 29, 2020				
Legal Services Division Contact											
Contact Name:	Stefan Radovanovich										

DAF Tracking No.: 2020-297	Date	Signature		
Concurred with by: Manager, Real Estate Services		X		
x Recommended by: Manager, Real Estate Services Daran Somas Daran Somas	Oct. 28, 2020	Signed by Daran Somas		
x Approved by: Director, Real Estate Services Alison Folosea Alison Folosea	Nov. 11, 2020	Signed by Alison Folosea		

Comments Continued:

Transportation Services, Office of Emergency Services, Fire Services and Paramedic Services, requested an additional thirty-five (35) parking spots, for a total of one hundred (100) parking spaces in the garage. The Divisions commenced occupation of the additional thirty-five parking spots on April 1, 2015. The rental rate was Sixty-five (\$65.00) Dollars, per month, plus HST, per parking space and increasing by 3.00% annually throughout the term which commenced retroactively on July 1st, 2015 and expiring on June 30, 2020. On January 31, 2017, Transportation Services advised the termination of their eight (8) parking spaces.

Furthermore, after consultation with the various City divisions, the parking spaces are still required hence the necessity for the Agreement. Real Estate Services staff considers the proposed terms and conditions of the Agreement to be fair and reasonable.

Appendix "A"

Major terms and conditions Lease Extension and Amending Agreement

Premises:

Ninety-two (92) parking spaces (the "**Parking Units**") located within the parking garage situated at the lands and premises municipally described as 10 Gateway Boulevard, the location of which is shown in detail in Appendix "B" attached hereto.

Extended Term:

5 years (the "Extended Term") – commencing retroactively on July 1, 2020 and continuing to and including June 30, 2025

Tenant:

City of Toronto Information & Technology: 65 Stalls Office of Emergency Management: 12 stalls Fire Services: 10 stalls Paramedic Services: 5 stalls Total: 92 stalls

Basic Rent:

Total # of Parking Spots: 92 Rate will be \$75.35 per stall, increasing at 3.00% per annum

Total Par	rking Stalls a	are 92, increasing at 3%	% per annum					
	Rate	Monthly	Annually					
Year 1	\$75.35	\$6,932.20	\$83,186.40					
Year 2	\$77.61	\$7,140.17	\$85,682.04					
Year 3	\$79.94	\$7,354.37	\$88,252.44					
Year 4	\$82.34	\$7,575.00	\$90,900.00					
Year 5	\$84.81	\$7,802.25	\$93,627.00					
Total			\$441,647.88					
			Total		2020 Council Approv	Total		
	Fiscal Year	Period	Excluding HST	Net of HST recoveries	Division	Period	Excluding HST	Net of HST recoveries
	2020	Jul 1, 2020 - Dec 31, 2020	\$ 41,593.20	\$ 42,325.24	Technology Services	Jul 1, 2020 - Dec 31, 2020	\$ 29,386.50	\$ 29,903.70
	2021	Jan 1, 2021 - Dec 31, 2021	\$ 84,434.22	\$ 85,920.26	OEM	Jul 1, 2020 - Dec 31, 2020	\$ 5,425.20	\$ 5,520.68
	2022	Jan 1, 2022 - Dec 31, 2022	\$ 86,967.24	\$ 88,497.86	Toronto Fire Services	Jul 1, 2020 - Dec 31, 2020	\$ 4,521.00	\$ 4,600.57
	2023	Jan 1, 2023 - Dec 31, 2023	\$ 89,576.22	\$ 91,152.76	Toronto Paramedic Services	Jul 1, 2020 - Dec 31, 2020	\$ 2,260.50	\$ 2,300.28
	2024	Jan 1, 2024 - Dec 31, 2024	\$ 92,263.50	\$ 93,887.34		TOTAL	\$ 41,593.20	\$ 42,325.24
	2025	Jan 1, 2025 - Jun 30, 2025	\$ 46,813.50	\$ 47,637.42				
		TOTAL	\$ 441,647.88	\$ 449,420.88				

Total Financial Impact for 5 year term is \$449,446.77 net of HST Recoveries.

Termination:

The City shall be entitled to cancel any or all of the parking spaces during the lease term by giving the Landlord not less than ninety (90) days prior written notice. In the event of any such cancellation by the City, the Rent shall be reduced proportionately by an amount equal to the per unit Rent for the number of cancelled Parking Units, and the number of Parking Units leased by the City shall be deemed to be reduced by such cancellation.

Option to Extend:

One (1) year option to extend exercisable by Tenant upon not less than sixty (60) days' prior written notice, with all terms and conditions to remain the same save and except the Rent which shall be negotiated by the parties in good faith and based on the fair market value rental for parking units of similar size, quality and location to the Parking Units.

Insurance:

The City at its own expense, throughout the duration of the Extended Term, shall keep comprehensive general liability insurance, to a minimum limit of two million dollars (\$2,000,000) for each occurrence.

Appendix "B" Location Map 10 Gateway Blvd.



