

## OFFER TO LEASE

**TO:** CITY OF TORONTO (the "City")  
**FROM:** (the "Proponent")  
**RE:** 218 Carlton Street, Toronto

### WHEREAS:

Pursuant to an agreement entered into under section 37 of the *Planning Act*, R.S.O., 1990 c. P. 13, the City has received a public benefit in the form of the opportunity to own 218 Carlton Street, Toronto (the "Premises"), which agreement provides for delivery of the building, fully renovated, for use as a multi-unit residential building.

### 1. Offer to Lease

The Proponent hereby offers to lease the Premises from the City, substantially on the terms and conditions set out in the lease attached hereto as Schedule "A" (the "Lease") and to operate the Premises in accordance with the Contribution Agreement, attached hereto as Schedule "B". It is the intention of the parties hereto is that the closing of this transaction will occur simultaneously with the acquisition of the Premises by the City.

Terms used in this Offer to Lease are as defined in the Contribution Agreement.

### 2. Conditions

#### 2.1 Proponent's Conditions:

The closing of this transaction is conditional until 4:30 p.m. on the day that is 10 days before closing upon satisfaction of the following condition, which only the City may, at its sole option and discretion, waive:

The Proponent shall have until the condition date to satisfy itself with respect to the above-noted conditions. In the event the Proponent is so satisfied, the Proponent shall notify the City in writing within the period of time so specified that the condition or conditions have been satisfied or waived. In the event that no such written notice is provided to the City, confirming satisfaction of the conditions, the agreement shall be deemed to be terminated by the Proponent, whereupon this Offer to Lease shall be null and void.

## 2.2 City's Conditions:

The closing of this transaction is conditional until 4:30 p.m. on April 16, 2021 upon satisfaction of the following condition, which only the City may, at its sole option and discretion, waive:

- (a) obtaining Council of the City of Toronto authorizing the entering into of the Lease; and the Contribution Agreement with the Tenant.

The closing of this transaction is conditional until 4:30 p.m. on the date which is thirty days before Closing upon satisfaction of the following conditions each of which shall form a condition hereof which only the City may, at its sole option and discretion waive in whole or in part:

- (b) the Director, Housing Stability Services having received and approved the Proponent's Tenant Access Plan, which plan will set out the eligibility requirements for the Proponent's tenants and the method to be used to select those tenants;
- (c) the Director, Housing Stability Services having received and approved the Proponent's Initial Depth of Affordability Report, in the form of the report attached as Schedule "C"; or in a form designated by the Director, Housing Stability Services;
- (d) the Proponent has provided an up to date operating budget, for the Premises, satisfactory to the Director, Housing Stability Services;

The closing of this transaction is conditional until the Closing of this transaction, upon satisfaction of the following conditions each of which shall form a condition hereof which only the City may, at its sole option and discretion waive in whole or in part:

- (e) the City having acquired title to the Premises; and
- (f) nothing shall have occurred which, in the sole opinion of the Director, could reasonably be expected to have a material adverse effect on the business, assets, liabilities or prospects of the Proponent.

The City shall have until each of the conditions date to satisfy itself with respect to the above-noted conditions. In the event the City is so satisfied, the City shall notify the Proponent in writing within the period of time so specified that the condition or conditions have been satisfied or waived. In the event that no such written notice or notices are provided to the Proponent, confirming satisfaction of the conditions, the agreement shall be deemed to be terminated by the City, whereupon this Offer to Lease shall be null and void.

## 3. Closing

This transaction will close on the date on which the City acquires title to the Premises (the "Closing") and, in any event, no later than 90 days after the City has given notice to the Proponent that the renovation of the Premises is nearing completion and no sooner than 30 days after such notice.

On closing:

- (a) the Landlord and the Proponent shall duly execute and deliver to one another:
  - i. the Lease, the commencement date of which will be the date of closing;
  - ii. the Contribution Agreement; and
  - iii. all other agreements and documentation and all acknowledgements and directions and other documentation required to complete this transaction and to register a satisfactory notice of the Lease on title to the Premises.
- (b) the Proponent will deliver to the City:
  - i. a copy of the registered Restriction;
  - ii. a signed Declaration of Compliance with Anti-Harassment/Discrimination Legislation & City Policy substantially in the form of the declaration attached hereto as Schedule "D";
  - iii. proof of insurance as set out in Article 7 of the Lease; and
  - iv. an acknowledgement that the Proponent has participated in an inspection and the Proponent has approved the condition of the Premises;
- (c) the City will deliver to the Proponent:
  - i. all operating and maintenance manuals for the systems and equipment forming part of or servicing the Premises; and
  - ii. such keys, combination or other access devices required to access the Premises.

#### 4. **Tenant's Covenants**

- (a) cooperate with the Landlord to attend at the Premises in connection with the actions contemplated pursuant to Section 5.1 hereof.
- (b) notwithstanding Section 5 below, the Tenant shall be responsible for its own information technology service contracts (i.e. Bell and Rogers) for internet, cable, TV and telephone services.

#### 5. **Landlord's Covenants**

The Landlord shall upon execution of this Offer to Lease by the Tenant:

- (a) Permit the Tenant or its authorized representatives to have access to the Premises prior to Closing, accompanied by a representative of the Landlord, from time to time until Closing, at all reasonable times on twenty-four hours' notice to the Landlord and subject to reasonable availability of the Landlord's and the developer's representative, for the following purposes:

- i. familiarizing itself with the Premises and the Building Systems, including without limitation the fire life safety and security systems;
  - ii. conducting inspections of the Premises to determine work needed to be completed or coordinated prior to occupancy in order to rectify any deficiencies (the "Deficiencies") in the work under the Landlord's agreement for the renovation of the Premises; and,
  - iii. arranging for the delivery, placement and installation of furnishings and chattels in the individual residential units, offices, utility and other areas in the Premises for the purposes of readying same for occupation by Licensees.
- (b) cause the Deficiencies to be rectified by Closing, provided that notwithstanding any other provision in this Offer to Lease, the Landlord's only obligation to complete the Deficiencies shall be to ensure that the Deficiencies are completed in accordance with the Landlord's agreement for the renovation of the Premises;
- (c) conduct a formal hand over session within five (5) business days prior to Closing at such time determined by the Landlord and the Tenant each acting reasonably and to deliver to the Tenant at such session:
- i. As-built plans, Specifications;
  - ii. Approvals and certifications process and documents;
  - iii. Building Systems operating and maintenance manuals, warranties;
  - iv. Commissioning reports, certifications, schedules, permits, occupancy letters, licenses, test reports;
  - v. Consultants and Trades lists;
  - vi. Contracts for any Building Systems;
  - vii. Trade shop drawings;
  - viii. Fire safety plans;
  - ix. Appliance warranties;
  - x. Building Systems Operation and Training for Tenant's maintenance staff;
  - xi. Access and Security Turnover instructions;
  - xii. Information re utility accounts;
  - xiii. Warranty Period Deficiency Procedure (one-year period following substantial performance as per the Turner Contract);

xiv. Transfer emergency contact (i.e Elevator per TSSA requirement) from Owner to Tenant's Call Centre;

(collectively the "**Turnover Deliveries**"); and,

(d) deliver to the Tenant and the City on Closing all deliverables hereinafter set out.

## 6. **Notice**

6.1 Unless otherwise provided in this Offer, any notice, approval or other communication required or permitted to be given ("Notice") shall be in writing and shall be personally delivered, sent by prepaid registered mail, or sent by telecopier and, in the case of notice to the City, addressed to it as follows:

City of Toronto  
55 John Street, Metro Hall, 2<sup>nd</sup> Floor  
Toronto Ontario M5V 3C6

Attention: Director of Real Estate Services  
Fax No.: (416) 392-1880

### **with a copy to:**

City of Toronto – Legal Services  
55 John Street, Metro Hall, 26<sup>th</sup> Floor, Station 1260  
Toronto Ontario M5V 3C6

Attention: City Solicitor  
Fax No.: (416) 397-5624

### **to the Proponent:**

Attention: President and CEO  
Fax No.:

6.2 Any Notice so given shall be deemed conclusively to have been given and received on the date of delivery if personally delivered, or on the third (3rd) business day following the date of mailing if sent by prepaid registered mail, on the day of transmission by telecopier (if transmitted prior to 5:00 p.m. on a business day), and on the business day next following transmission (if transmitted after 5:00 p.m., or if transmitted on other than a business day), provided that if there is any anticipated or existing postal dispute, Notice shall be personally delivered or transmitted by telecopier. Either party may from time to time change its address for service by Notice to the other party to this Offer.

## 7. **Divisions/Headings**

The division of this Offer into articles, sections, subsections, paragraphs and subparagraphs, and the insertion of headings or captions, are for convenience of reference only, and shall not affect the construction or interpretation of this Offer or any parts of them.

## 8. **Cumulative Remedies**

No remedy conferred upon or reserved by one or both of the parties is intended to be exclusive of any other remedy. Each remedy shall be cumulative and in addition to every other remedy conferred or reserved, whether such remedy exists on the date of this Offer or after, and whether such remedy becomes available under common law, equity or statute.

## 9. **Interpretation**

This Offer shall be read with all changes of gender and number required by the context. If two or more persons have executed this Offer as Proponent, their liability shall be joint and several.

## 10. **Time of Essence**

Time shall in all respects be of the essence of all matters provided for in this Offer provided that the time for the doing or completing of any matter may be extended or abridged by an agreement, in writing, executed by the City and the Proponent, or by their respective solicitors, who are expressly appointed for that purpose.

## 11. **Assignment**

The Proponent shall not assign this Offer, or direct that the Lease be taken in the name of any person or entity other than the Proponent, without the prior written consent of the City, which consent may be unreasonably and arbitrarily withheld. It shall be deemed to be an assignment of this Offer requiring the prior written consent of the City if there is a transfer or assignment of the whole or any part of the ownership or control of the Proponent. If the City consents to an assignment, or to a direction that the Lease be taken in the name of any person or entity other than the Proponent, the Proponent shall agree, and shall cause the assignee or such other person or entity to agree, in writing in favour of the City, to be jointly and severally bound to perform the obligations of the Proponent under this Offer. The Offer shall enure to the benefit of and be binding upon the City, its successors and assignees, and the Proponent, its successors and permitted assignees.

## 12. **No Registration**

The Proponent agrees not to register this Offer or any other document providing evidence of this Offer or of any interest of the Proponent in the Premises against title to the Premises (collectively, the "Proponent's Registration"). The Proponent irrevocably nominates, constitutes

and appoints the City as its agent and attorney in fact and in law to cause the removal of the Proponent's Registration from title to the Premises. Should the Proponent be in default of its obligations under this Section, the City may (as agent and attorney of the Proponent) cause the removal of the Proponent's Registration from the title to the Premises.

### **13. City as Landlord**

13.1 Nothing in this Offer derogates from or interferes with or fetters the exercise by the City of all of its rights as a municipality, or imposes any obligations on the City, in its role as a municipality, and the City shall not be prevented from or prejudiced in carrying out its statutory rights and responsibilities, including planning rights and responsibilities. Nothing in this Offer derogates from or interferes with or fetters the exercise by the City's officers, employees, agents, representatives or elected and appointed officials of all of their rights, or imposes any obligations on the City's officers, employees, agents, representatives or elected and appointed officials, other than as expressly set out in this Offer.

13.2 No communication or dealing between the Proponent and any department, committee, body, officer, employee, agent, representative or elected or appointed official of the City will be deemed to be a communication or dealing under the provisions of this Offer between the Proponent and the City as parties to this Offer or to affect the City with notice of any such communication or dealings. It is intended and agreed that the City acts solely in a private capacity under this Offer and any communication or dealing between the City and the Proponent as parties to this Offer will only be effective if delivered in accordance with the notice provisions set out in this Offer. No communication or dealing between the City as a party to this Offer and the Proponent as a party to this Offer will relieve the Proponent from the responsibility of discharging its lawful obligations to the City imposed by statute, regulation, by-law or in any other lawful manner separate and apart from the obligations of the Proponent imposed by this Offer.

13.3 Any of the rights and obligations of the City under this Offer may be exercised and performed, respectively, by the Chief Corporate Officer from time to time, or by his or her successors and designate(s) from time to time.

### **14. Applicable Laws**

This Offer shall be interpreted and enforced in accordance with the laws of the Province of Ontario and Canada. Any legal proceeding arising in connection with this Offer shall be commenced and heard in a court (or, if applicable, a tribunal of competent jurisdiction) sitting in Toronto, Ontario, which it is agreed will be the appropriate location. If the court (or, if applicable, tribunal of competent jurisdiction) does not sit in Toronto, the legal proceedings shall be commenced and heard in the jurisdiction nearest to the City of Toronto within the Province of Ontario in which such court (or, if applicable, tribunal of competent jurisdiction) convenes.

### **15. Schedules**

All Schedules attached, form part of this Agreement. If there is any conflict between what is set out in a Schedule and what is otherwise set out in the Agreement, the conflicting term set out in the Schedule shall prevail.





**Schedule "A"**  
**[Lease]**

**Schedule "B"**  
**[Contribution Agreement]**

**SCHEDULE "C"****PROPONENT'S INITIAL DEPTH OF AFFORDABILITY REPORT****A. Project Information**

Project Name	
Project Address	
Occupancy Date	
Contribution Agreement Expiry Date	

**B. Number of Units in Project**

<b>Unit Type</b>	<b>Total Number of Units</b>
Bachelor	
1 BR	
2 BR	
3 BR	
Other (specify)	
<b>Total</b>	

**C. Depth of Affordability: Rents at Occupancy**

Unit Type	Unit Size	Number of Units (A)	Actual Rent to be charged per month (B)	CMHC Average Market Rent (AMR – 20XX) or City published AMR (C)	Actual Project Rents (D)=(A)X(B)	Project Rents as per CMHC AMR or Alternate (E)=(A)X(C)
Bachelor						
1BR						
2 BR						
3 BR						
Other (specify)						
<b>TOTAL</b>						

**Notes:**

1. For Column (B), actual rent is the net to occupants after all subsidies
2. For Column (C), Alternate e.g. modified Ontario Works Shelter Allowance, ODSP (in the event CMHC AMR does not apply)

<b>Weighted Average Rents</b>	<b>Project Weighted Average Rent</b> Total of (D) ÷ Total of (A) =	<b>CMHC or City published Weighted Average Rent</b> Total of (E) ÷ Total of (A) =
<b>Depth of Affordability</b>	(Project Weighted Average Rent ÷ CMHC (or City Published) Weighted Average Rent) x100 =	

**D. Project Certification**

I certify, to the best of my knowledge, that the information provided in Sections B and C above is true and correct. I hereby authorize the City of Toronto to review the rent roll from appropriate source(s) if deemed necessary.

**Name of Proponent:**

by: \_\_\_\_\_ Date: \_\_\_\_\_

Name:

Title:

I have authority to bind the corporation

**City of Toronto**

by: \_\_\_\_\_ Date: \_\_\_\_\_

Name:

Title:

I have authority to bind the corporation

**Schedule "D"**

**Declaration of Compliance with Anti-Harassment/Discrimination Legislation & City Policy**



## Declaration of Compliance with Anti-Harassment/Discrimination Legislation & City Policy

For Office Use Only  
DECLARATION OF COMPLIANCE WITH ANTI-HARASSMENT/DISCRIMINATION LEGISLATION & CITY POLICY

Date:  
Group/Vendor/Individual Name:

Organizations/individuals in Ontario, including the City of Toronto, have obligations under the Ontario Human Rights Code, the Occupational Health and Safety Act, the Employment Standards Act, the Accessibility for Ontarians with Disabilities Act, the Criminal Code of Canada and the Charter of Rights and Freedoms. In addition, the City of Toronto also has policies that prohibit discrimination on the additional grounds of political affiliation or level of literacy, subject to the requirements of the Charter. Organizations are required to have and post policies, programs, information, instruction, plans and/or other supports, and an appropriate internal process available to their employees and service recipients to prevent, address and remedy discrimination, racism, harassment, hate and inaccessibility complaints under the applicable legislation and including the additional grounds of discrimination prohibited under City policy. Individuals are obliged to refrain from harassment/hate activity.

The City of Toronto requires all organizations and individuals that contract with the City to sign the following Declaration of Compliance with Anti-Harassment/Discrimination Legislation & City Policy. This Declaration must be signed by your organization and submitted with the contract or Letter of Understanding. The name of your organization and the fact that you have signed this declaration may be included in a public report to City Council.

**Declaration:**

I/we uphold our obligations under the above provincial and federal legislation. In addition, I/we uphold our obligations under City policies which prohibit harassment/discrimination on a number of grounds including political affiliation and level of literacy.

WHERE LEGALLY MANDATED I/we have in place the necessary policies, programs, information, instruction, plans and/or other supports that are consistent with our obligations, and I/we have an internal process available to my/our employees and service recipients to prevent, address and remedy discrimination, racism, harassment, hate and inaccessibility complaints. I/we agree that I/we shall, upon the request of the City, provide evidence of the policies, programs, information, instruction, plans and other supports and an appropriate internal complaint resolution process required under this Declaration which is sufficient to allow the City to determine compliance. I/We acknowledge that failure to demonstrate compliance with this declaration to the satisfaction of the operating Division, in consultation with the City Solicitor, may result in the termination of the contract.

Name of Vendor or Name of Grant Applicant (Organization or Individual):

\_\_\_\_\_

Complete Address: \_\_\_\_\_ Email \_\_\_\_\_

Tel. No. \_\_\_\_\_

Postal Code: \_\_\_\_\_ Fax No. \_\_\_\_\_

Name of Signing Officer or Name of Applicant (Name – *please print*): Position

\_\_\_\_\_

Signature: \_\_\_\_\_ Date: \_\_\_\_\_  
*Authorised Signing Officer or Individual*

Multilingual Services: 311 and TTY 416-338-0889. Further information: [www.toronto.ca/diversity.ca](http://www.toronto.ca/diversity.ca)

