

**DELEGATED APPROVAL FORM**  
**DEPUTY CITY MANAGER, CORPORATE SERVICES**  
**EXECUTIVE DIRECTOR, CORPORATE REAL ESTATE MANAGEMENT**

TRACKING NO.: 2020-174

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

Prepared By:	Patricia Chen	Division:	Corporate Real Estate Management
Date Prepared:	December 4, 2020	Phone No.:	416-338-3583

**Purpose** To obtain authority to enter into a lease extension and amending agreement with 8174709 Canada Inc. ("the Landlord") at 100 Consilium Place for a term of 20 months, commencing on July 1, 2020 and expiring on February 28, 2022 (the "Extended Term") for 47,480 square feet of space for the continued use of office space for Toronto Employment and Social Services ("TESS").

**Property** 100 Consilium Place, 10<sup>th</sup> and 11<sup>th</sup> Floor, Scarborough, ON, M1H 3E3 (the "Property"), as shown on the Location Map in Appendix "B".

**Actions** 1. Authority be granted to enter into a lease extension and amending agreement (the "Agreement") substantially on the major terms and conditions outlined herein, including such other terms and conditions as deemed appropriate by the Deputy City Manager, Corporate Services, or his/her designate (the "DCM"), and in a form acceptable to the City Solicitor.

**Financial Impact** The net expenditures for the City, inclusive of basic rent, common area maintenance fees, and realty taxes, will be \$2,786,081.83 (plus HST) or \$2,835,116.87 (net of HST recoveries) over the 20-month term.

The financial implications (inclusive of HST recoveries) broken down by fiscal year is as follows:

20-month Extension	2020	2021	2022
Basic Rent	\$ 410,683.01	\$ 821,366.02	\$ 136,894.34
CAM Expenses	\$ 326,613.78	\$ 666,292.11	\$ 113,269.66
Realty Taxes	\$ 106,294.43	\$ 216,840.63	\$ 36,862.91
Annual Expenditure to the City	\$ 843,591.21	\$ 1,704,498.76	\$ 287,026.90
<b>Total Expenditure to the City</b>	<b>\$ 2,835,116.87</b>		

Funding is available in the 2020 Council Approved Operating Budget for Toronto Employment & Social Services under cost centre C01274. Future years expenditures will be included as part of the 2021 and future year budget submissions.

The Chief Financial Officer and Treasurer has been provided the financial impacts associated with the program identified in this DAF for review as part of the 2021 budget process.

**Comments** The City is currently a tenant of the 10<sup>th</sup> and 11<sup>th</sup> floor office space utilized by TESS at 100 Consilium Place. The original signed lease proposal letter was entered into under the authority of Item No. GM26.29 of the Government Management Committee, adopted by City Council at its meeting on November 30, December 1, 2, 4, and 7 of 2009.

The lease expired on June 30, 2020 and TESS has decided that an alternative location would be better suited to serve its clientele. However, due to the construction timeline necessary for the alternative location, TESS requires an extension on the current location for 20 months. It is anticipated that TESS would relocate from the current premises to the alternative location within the Extended Term.

Real Estate Services considers the proposed rent and other major terms and conditions of the Agreement to be fair, reasonable and reflective of market rates.

**Terms** Please see Appendix "A" on page 4 for Major Terms and Conditions.

<b>Property Details</b>	<b>Ward:</b>	24 – Scarborough-Guildwood
	<b>Assessment Roll No.:</b>	19-01-052-830-003-00
	<b>Approximate Size:</b>	
	<b>Approximate Area:</b>	47,480 sq. ft.
	<b>Other Information:</b>	

A.	Executive Director, Corporate Real Estate Management has approval authority for:	Deputy City Manager, Corporate Services has approval authority for:
1. Acquisitions:	<input type="checkbox"/> Where total compensation does not exceed \$3 Million.	<input type="checkbox"/> Where total compensation does not exceed \$5 Million.
2A. Expropriations Where City is Expropriating Authority:	<input type="checkbox"/> Statutory offers, agreements and settlements where total compensation does not cumulatively exceed \$3 Million.	<input type="checkbox"/> Statutory offers, agreements and settlements where total compensation does not cumulatively exceed \$5 Million.
2B. Expropriations For Transit-Related Purposes Where City is Property Owner or Has Interest in Property Being Expropriated:	<input type="checkbox"/> (a) Acceptance of statutory offers, agreements and settlements where total compensation does not cumulatively exceed \$3 Million. <b>Request/waive hearings of necessity delegated to less senior positions.</b>	<input type="checkbox"/> (a) Acceptance of statutory offers, agreements and settlements where total compensation does not cumulatively exceed \$5 Million. <b>Request/waive hearings of necessity delegated to less senior positions.</b>
3. Issuance of RFPs/REOs:	<input type="checkbox"/> Issuance of RFPs/REOs.	<input type="checkbox"/> Issuance of RFPs/REOs.
4. Permanent Highway Closures:	<input type="checkbox"/> Initiate process & authorize GM, Transportation Services to give notice of proposed by-law.	<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:	<input type="checkbox"/> Transfer of Operational Management to Divisions, Agencies and Corporations.	<input type="checkbox"/> Transfer of Operational Management to Divisions, Agencies and Corporations.
6. Limiting Distance Agreements:	<input type="checkbox"/> Where total compensation does not exceed \$3 Million.	<input type="checkbox"/> Where total compensation does not exceed \$5 Million.
7. Disposals (including Leases of 21 years or more):	<input type="checkbox"/> Where total compensation does not exceed \$3 Million.	<input type="checkbox"/> Where total compensation does not exceed \$5 Million.
8. Exchange of land in Green Space System & Parks & Open Space Areas of Official Plan:	<input type="checkbox"/> Exchange of land in Green Space System and Parks and Open Space Areas of Official Plan.	<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 \$3 Million.	<input type="checkbox"/> (a) Where total compensation (including options/renewals) does not exceed \$5 Million.
	<input type="checkbox"/> (b) Where compensation is less than market value, for periods not exceeding twelve (12) months, including licences for environmental assessments and/or testing, etc.	<input type="checkbox"/> (b) Where compensation is less than market value, for periods not exceeding twelve (12) months, including licences for environmental assessments and/or testing, etc.
	<b>Delegated to a more senior position.</b>	<input type="checkbox"/> I Where compensation is less than market value, provided tenant and lease satisfy Community Space Tenancy Policy criteria set out in Item EX28.8, as adopted by Council on November 7, 8 and 9, 2017, as amended from time to time.
10. Leases/Licences (City as Tenant/Licensee):	<input checked="" type="checkbox"/> Where total compensation (including options/renewals) does not exceed \$3 Million.	<input type="checkbox"/> Where total compensation (including options/renewals) does not exceed \$5 Million.
11. Easements (City as Grantor):	<input type="checkbox"/> (a) Where total compensation does not exceed \$3 Million.	<input type="checkbox"/> (a) Where total compensation does not exceed \$5 Million.
	<input type="checkbox"/> (b) When closing roads, easements to pre-existing utilities for nominal consideration.	<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 \$3 Million.	<input type="checkbox"/> Where total compensation does not exceed \$5 Million.
13. Revisions to Council Decisions in Real Estate Matters:	<input type="checkbox"/> Amendment must not be materially inconsistent with original decision (and subject to General Condition (U)).	<input type="checkbox"/> Amendment must not be materially inconsistent with original decision (and subject to General Condition (U)).
14. Miscellaneous:	<input type="checkbox"/> (a) Approvals, Consents, Notices and Assignments under all Leases/Licences	<input type="checkbox"/> (a) Approvals, Consents, Notices and Assignments under all Leases/Licences
	<input type="checkbox"/> (b) Releases/Discharges	<input type="checkbox"/> (b) Releases/Discharges
	<input type="checkbox"/> I Surrenders/Abandonments	<input type="checkbox"/> I Surrenders/Abandonments
	<input type="checkbox"/> (d) Enforcements/Terminations	<input type="checkbox"/> (d) Enforcements/Terminations
	<input type="checkbox"/> (e) Consents/Non-Disturbance Agreements/Acknowledgements/Estoppel Certificates	<input type="checkbox"/> (e) Consents/Non-Disturbance Agreements/Acknowledgements/Estoppel Certificates
	<input type="checkbox"/> (f) Objections/Waivers/Cautions	<input type="checkbox"/> (f) Objections/Waivers/Cautions
	<input type="checkbox"/> (g) Notices of Lease and Sublease	<input type="checkbox"/> (g) Notices of Lease and Sublease
	<input type="checkbox"/> (h) Consent to regulatory applications by City, as owner	<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"/> (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"/> (j) Documentation relating to Land Titles applications
	<input type="checkbox"/> (k) Correcting/Quit Claim Transfer/Deeds	<input type="checkbox"/> (k) Correcting/Quit Claim Transfer/Deeds

<b>B. Deputy City Manager, Corporate Services and Executive Director, Corporate Real Estate Management 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 each position also has delegated approval authority.</li> <li>• Agreements of Purchase and Sale and all implementing documentation for purchases, sales and land exchanges not delegated to staff for approval.</li> <li>• Expropriation Applications and Notices following Council approval of expropriation.</li> <li>• Community Space Tenancy Leases approved by delegated authority by the Deputy City Manager, Corporate Services and any related documents.</li> </ul>

**Pre-Condition to Approval**

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

**Consultation with Councillor(s)**

Councillor:	Councillor Paul Ainslie	Councillor:	
Contact Name:	Antonette DiNovo	Contact Name:	
Contacted by:	<input type="checkbox"/> Phone <input checked="" type="checkbox"/> E-Mail <input type="checkbox"/> Memo <input type="checkbox"/> Other	Contacted by:	<input type="checkbox"/> Phone <input type="checkbox"/> E-mail <input type="checkbox"/> Memo <input type="checkbox"/> Other
Comments:	No objections – December 4 <sup>th</sup> , 2020	Comments:	

**Consultation with Divisions and/or Agencies**

Division:	Toronto Employment & Social Services	Division:	<b>Financial Planning</b>
Contact Name:	Jeff Parkovnick	Contact Name:	Patricia Libardo
Comments:	No objections – December 1 <sup>st</sup> , 2020	Comments:	No objections – December 1 <sup>st</sup> , 2020

**Legal Services Division Contact**

Contact Name:	<b>Shirley Chow</b>
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DAF Tracking No.: 2020-174	Date	Signature
Recommended by: Manager, Real Estate Services	Dec. 4, 2020	Signed by Daran Somas
Recommended by: Director, Real Estate Services	Dec. 10, 2020	Signed by Alison Folosea
<input type="checkbox"/> Recommended by: <b>Executive Director, Corporate Real Estate Management</b> <input checked="" type="checkbox"/> Approved by: <b>Patrick Matozzo</b>	<b>Dec. 10, 2020</b>	Signed by Patrick Matozzo
<input type="checkbox"/> Approved by: <b>Deputy City Manager, Corporate Services Josie Scioli</b>		<b>X</b>

**Appendix "A" – Major Terms and Conditions**

## Term:

20 months, commencing on July 1, 2020 and ending on February 28, 2022

## Basic rent:

\$17.00 per square foot (\$67,263.33 per month) plus HST during the Extended Term

## Common area maintenance expenses:

Approximately \$13.52 per square foot (\$53,494.13 per month) plus HST during the Extended Term

## Realty taxes:

Approximately \$4.40 per square foot (\$17,409.33 per month) plus HST during the Extended Term

## Option to Extend:

None

All other existing terms and conditions are to remain the same as in the signed lease proposal letter.



### Appendix "B" – Location Map

