

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

TRACKING NO.: 2021-064

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

Prepared By:	Trixy Pugh	Division:	Corporate Real Estate Management
Date Prepared:	March 3, 2021	Phone No.:	(416) 392-8160

Purpose	To obtain authority to enter into a sublease agreement (the " Sublease Agreement ") with Slate Toronto Core Office GP Inc. as general partner for Slate Toronto Core Office L.P. and Slategreen GP Inc., as general partner for Slategreen Limited Partnership, and Incore Equities Inc. (collectively, the " Sublandlord ") for the premises located at 154 University Avenue, Unit 603. The subject property interest is required as a new Toronto Transit Commission (" TTC ") construction field office.		
Property	154 University Avenue, Suite 603, comprising approximately 2,070 sq. ft. as shown on Appendix "A" attached hereto (the " Subleased Premises ").		
Actions	Authority be granted to enter into the Sublease Agreement with the Sublandlord, substantially on the major terms and conditions set out herein, and including such other or amended terms and conditions as may be deemed appropriate by the approving authority herein, and in a form acceptable to the City Solicitor.		
Financial Impact	TTC will pay a total sum of \$331,500.00 (plus HST), or \$337,334.40 (net of HST recoveries), for the initial five (5) year term with one (1) parking spot at \$350 (plus HST)/month. Should TTC exercise its options to extend, the rents would be based at the then current market rates.		
	Fiscal Year	Term/Period	Basic Rent & Parking (excluding HST)
	2021	April 1 2020 – December 31, 2021	\$46,620.00
	2022	January 1, 2022 – December 31, 2022	\$63,712.50
	2023	January 1, 2023 – December 31, 2023	\$65,782.50
	2024	January 1, 2024 – December 31, 2024	\$67,852.50
	2025	January 1, 2025 – December 31, 2025	\$69,922.50
	2026	January 1, 2026 – March 31, 2026	\$17,610.00
	TTC is responsible for other costs such as operating costs, taxes and utilities. Funding has been referred to the City's annual budget process and has been included in the 2021 – 2030 Capital Budget and Plan Submission for the TTC under cost centre 9999 and CTT028-1 Easier Access. Any future year expenditures will also be referred to future year budget processes for Council consideration.		
	The Chief Financial Officer and Treasurer has been provided the financial impacts associated with this program for review as part of the 2021 budget process.		
Comments	On May 8, 2019 the TTC Board approved the 2019-2023 TTC Multi-Year Accessibility Plan. The Easier Access Phase III program (the " Project ") is an important part of the 2019-2023 TTC Accessibility Plan in its objective to fulfill the provincially legislated requirements in the Accessibility for Ontarians with Disabilities Act, 2005.		
	TTC has negotiated the Sublease Agreement for a new construction field office in order to manage the Project. The location of the Subleased Premises is adjacent to the subway line which provides staff with convenient access to Project sites by public transit.		
Terms	See page 4		

Property Details	Ward:	10 – Spadina-Fort York
	Assessment Roll No.:	
	Approximate Size:	
	Approximate Lease Area:	192.3 m ² ± (2,070 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"/> (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 three (3) 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 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):	<input type="checkbox"/> Where total compensation (including options/renewals) does not exceed \$50,000.	<input checked="" type="checkbox"/> Where total compensation (including options/renewals) does not exceed \$1 Million.
11. Easements (City as Grantor):	<input type="checkbox"/> Where total compensation does not exceed \$50,000.	<input type="checkbox"/> (a) Where total compensation does not exceed \$1 Million.
	Delegated to more senior positions.	<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
 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:	Anthony Macmahon	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 (Feb 17, 2021)	Comments:	

Consultation with Divisions and/or Agencies

Division:	TTC	Division:	Financial Planning
Contact Name:	Mike Cernik	Contact Name:	Patricia Libardo
Comments:	Incorporated into DAF (Feb 12, 2021)	Comments:	Incorporated into DAF (Feb 17, 2021)

Legal Services Division Contact

Contact Name:	Gloria Lee (Feb 16, 2021)
---------------	---------------------------

DAF Tracking No.: 2021-064	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:	Mar. 15, 2021	Signed by Daran Somas
<input checked="" type="checkbox"/> Approved by: Director, Real Estate Services Alison Folosea	Mar. 15, 2021	Signed by Alison Folosea

Terms	<p>Term:</p> <p>Basic Rent:</p> <p>Parking:</p> <p>Construction Costs for Sublandlord's Work:</p> <p>Limitation of Sublandlord's Liability:</p> <p>Effect of Assignment:</p> <p>Insurance:</p> <p>Early Termination by Sublandlord:</p>	<p>Five (5) years, commencing April 1, 2021, with an option to extend for a period of three (3) years, followed by another option to extend for a period of two (2) years, at the then current market rate</p> <p>\$310,500 (+HST)</p> <p>\$21,000 (\$350/month)</p> <p>Up to a maximum of \$200,000 (+HST)</p> <p>The Sublandlord's liability under the Sublease shall be limited to its interest in the lands and the building. If the Sublandlord consists of more than one person, the liability of each such person shall be several and be limited to its percentage interest in the lands and building.</p> <p>The Subtenant shall continue to be bound by the Sublease upon assignment of the Sublease. In the event of an assignment to a municipal, provincial or federal government-owned and operated corporation and the Sublandlord is satisfied with the permitted assignee's financial covenant, then the Subtenant shall be relieved from its obligations under the Sublease.</p> <p>The Subtenant shall maintain legal liability insurance for bodily injury or death or property damage resulting from each occurrence in the amount of not less than Five (\$5) Million Dollars.</p> <p>If the Sublandlord intends to demolish, renovate, remodel or alter the building to such an extent that it requires possession of the Subleased Premises, the Sublandlord shall have the right to terminate this Sublease upon giving 365 days' written notice.</p>
--------------	---	---

Appendix "A": Location Map & Layout of Subleased Premises

