

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

TRACKING NO.: 2021-085

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

Prepared By:	Katrina Chaves	Division:	Corporate Real Estate Management
Date Prepared:	March 15, 2021	Phone No.:	416-392-7214

Purpose	To obtain authority to enter into a licence amending agreement (the "Amending Agreement") between the City of Toronto, as Licensor, and 2676417 Ontario Inc. c.o.b. KA Car Care (the "Licensee"), and Enver Coovadia (the "Indemnifier") to amend the terms and conditions contained in the licence agreement entered into between each of the aforementioned parties and the Toronto Parking Authority (the "TPA") dated September 5, 2019 (the "Licence Agreement") including, <i>inter alia</i> , a relocation of the licensed premises from the parking facility located at 9 Bedford Road, Toronto, also known as Municipal Carpark 58, to the parking facility located on the lands and premises known municipally as 110 Queen Street West, Toronto, also known as Municipal Car Park 36, which premises are shown located in the map attached hereto as Appendix "C" (the "Licensed Area") for the purpose of operating a car cleaning and hand-detailing services.
Property	Five (5) parking spaces, a storage room and an office located on the P2 below grade parking level of the parking facility located on the lands and premises known municipally as 110 Queen St. West, Toronto, located as shown on the map attached hereto as Appendix "B" and shown highlighted and bolded on the sketch attached as Appendix "C".
Actions	<ol style="list-style-type: none"> 1. Authority be granted for the City to enter into the Amending Agreement with the Licensee and Indemnifier, substantially on the major terms and conditions set out in Appendix "A" attached hereto, and in a form satisfactory to the City Solicitor. 2. The appropriate City staff be authorized and directed to take the necessary action to give effect thereto.
Financial Impact	<p>The TPA will receive gross revenues of \$183,130.15 over the initial five (5) year term of the Amending Agreement, beginning April 1, 2021 and continuing to and including March 31, 2026 (the "Term"). The Licensee will be permitted to occupy the Licensed Area free of the Licence Fee for the first three (3) months of the Term (the "Fixturing Period") in order to complete the Tenant's improvements.</p> <p>The Licensee will have the option to renew the Term for two (2) additional five (5) year terms (each extended term referred to herein individually as an "Extension Term") with the annual Licence Fee payable during each Extension Term being the fair market rate for comparable premises in the area, and in no event be less than the annual Licence Fee payable by the Licensee in the last twelve (12) months of the initial Term or the first Extension Term, as the case may be. The minimum total gross potential revenues, including the full extension, are \$608,555.32.</p> <p>The Licensee will also reimburse TPA for the Licensor's improvements to be undertaken at the Licensed Area, for a total sum of \$15,000, to be repaid in annual installments over the balance of the Term and Extension Term(s), if applicable. Details of annual revenues to the TPA, under the terms of the Agreement, can be found in Appendix "A".</p> <p>The Chief Financial Officer and Treasurer has reviewed this DAF and agrees with the financial implications as identified in the Financial Impact section.</p>
Comments	The Licensee currently operates the business at the car park facility located at 9 Bedford Road, also known as Municipal Car Park 58. Due to reduced traffic and business as a result of the COVID-19 pandemic, this location has been deemed not sustainable for successful operation of the business. The Licensor has permitted the relocation of the Licensee's business to Municipal Car Park 36. The TPA Board of Directors subsequently approved the relocation on December 14, 2020.
Terms	Refer to Appendix "A" for Major Terms and Conditions.

Property Details	Ward:	10 – Spadina-Fort York
	Assessment Roll No.:	
	Approximate Size:	Irregular
	Approximate Area:	
	Other Information:	

A.	Manager, Real Estate Services has approval authority for:	Director, Real Estate Services has approval authority for:
<p>1. Acquisitions:</p> <p>2A. Expropriations Where City is Expropriating Authority:</p> <p>2B. Expropriations For Transit-Related Purposes Where City is Property Owner or Has Interest in Property Being Expropriated:</p> <p>3. Issuance of RFPs/REOIs:</p> <p>4. Permanent Highway Closures:</p> <p>5. Transfer of Operational Management to Divisions, Agencies and Corporations:</p> <p>6. Limiting Distance Agreements:</p> <p>7. Disposals (including Leases of 21 years or more):</p> <p>8. Exchange of land in Green Space System & Parks & Open Space Areas of Official Plan:</p> <p>9. Leases/Licences (City as Landlord/Licensors):</p> <p>10. Leases/Licences (City as Tenant/Licensee):</p> <p>11. Easements (City as Grantor):</p> <p>12. Easements (City as Grantee):</p> <p>13. Revisions to Council Decisions in Real Estate Matters:</p> <p>14. Miscellaneous:</p>	<p><input type="checkbox"/> Where total compensation does not exceed \$50,000.</p> <p><input type="checkbox"/> Statutory offers, agreements and settlements where total compensation does not cumulatively exceed \$50,000.</p> <p><input type="checkbox"/> (a) Acceptance of statutory offers, agreements and settlements where total compensation does not cumulatively exceed \$50,000.</p> <p><input type="checkbox"/> (b) Request Hearings of Necessity.</p> <p><input type="checkbox"/> (c) Waive Hearings of Necessity.</p> <p>Delegated to more senior positions.</p> <p>Delegated to more senior positions.</p> <p>Delegated to more senior positions.</p> <p><input type="checkbox"/> Where total compensation does not exceed \$50,000.</p> <p><input type="checkbox"/> Where total compensation does not exceed \$50,000.</p> <p>Delegated to more senior positions.</p> <p><input type="checkbox"/> (a) Where total compensation (including options/renewals) does not exceed \$50,000.</p> <p><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.</p> <p>Leases pursuant to the Community Space Tenancy Policy delegated to a more senior position.</p> <p><input type="checkbox"/> Where total compensation (including options/renewals) does not exceed \$50,000.</p> <p><input type="checkbox"/> Where total compensation does not exceed \$50,000.</p> <p>Delegated to more senior positions.</p> <p><input type="checkbox"/> Where total compensation does not exceed \$50,000.</p> <p>Delegated to more senior positions.</p> <p>Delegated to more senior positions.</p>	<p><input type="checkbox"/> Where total compensation does not exceed \$1 Million.</p> <p><input type="checkbox"/> Statutory offers, agreements and settlements where total compensation does not cumulatively exceed \$1 Million.</p> <p><input type="checkbox"/> (a) Acceptance of statutory offers, agreements and settlements where total compensation does not cumulatively exceed \$1 Million.</p> <p><input type="checkbox"/> (b) Request Hearings of Necessity.</p> <p><input type="checkbox"/> (c) Waive Hearings of Necessity.</p> <p><input type="checkbox"/> Issuance of RFPs/REOIs.</p> <p><input type="checkbox"/> Initiate process & authorize GM, Transportation Services to give notice of proposed by-law.</p> <p>Delegated to more senior positions.</p> <p><input type="checkbox"/> Where total compensation does not exceed \$1 Million.</p> <p><input type="checkbox"/> Where total compensation does not exceed \$1 Million.</p> <p><input type="checkbox"/> Exchange of land in Green Space System and Parks and Open Space Areas of Official Plan.</p> <p><input checked="" type="checkbox"/> (a) Where total compensation (including options/renewals) does not exceed \$1 Million.</p> <p><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.</p> <p>Leases pursuant to the Community Space Tenancy Policy delegated to a more senior position.</p> <p><input type="checkbox"/> Where total compensation (including options/renewals) does not exceed \$1 Million.</p> <p><input type="checkbox"/> (a) Where total compensation does not exceed \$1 Million.</p> <p><input type="checkbox"/> (b) When closing roads, easements to pre-existing utilities for nominal consideration.</p> <p><input type="checkbox"/> Where total compensation does not exceed \$1 Million.</p> <p><input type="checkbox"/> Amendment must not be materially inconsistent with original decision (and subject to General Condition (U)).</p> <p><input type="checkbox"/> (a) Approvals, Consents, Notices and Assignments under all Leases/Licences</p> <p><input type="checkbox"/> (b) Releases/Discharges</p> <p><input type="checkbox"/> (c) Surrenders/Abandonments</p> <p><input type="checkbox"/> (d) Enforcements/Terminations</p> <p><input type="checkbox"/> (e) Consents/Non-Disturbance Agreements/Acknowledgements/Estoppel Certificates</p> <p><input type="checkbox"/> (f) Objections/Waivers/Cautions</p> <p><input type="checkbox"/> (g) Notices of Lease and Sublease</p> <p><input type="checkbox"/> (h) Consent to regulatory applications by City, as owner</p> <p><input type="checkbox"/> (i) Consent to assignment of Agreement of Purchase/Sale; Direction re Title</p> <p><input type="checkbox"/> (j) Documentation relating to Land Titles applications</p> <p><input type="checkbox"/> (k) Correcting/Quit Claim Transfer/Deeds</p>

B. Director, Real Estate Services and Manager, Real Estate Services each has signing authority on behalf of the City for:
<ul style="list-style-type: none"> • 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:
<ul style="list-style-type: none"> • 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:	Councillor Joe Cressy	Councillor:	
Contact Name:	Brent Gilliard	Contact Name:	
Contacted by:	Phone <input type="checkbox"/> X <input checked="" type="checkbox"/> E-Mail <input type="checkbox"/> Memo <input type="checkbox"/> Other <input type="checkbox"/>	Contacted by:	Phone <input type="checkbox"/> E-mail <input type="checkbox"/> Memo <input type="checkbox"/> Other <input type="checkbox"/>
Comments:	Concurrence – December 7, 2020	Comments:	
Consultation with Divisions and/or Agencies			
Division:	Toronto Parking Authority	Division:	Financial Planning
Contact Name:	Darcy Watt	Contact Name:	Patricia Libardo
Comments:	Concurrence – March 3, 2021	Comments:	Concurrence – March 15, 2021
Legal Services Division Contact			
Contact Name:	Stefan Radovanovich (March 3, 2021)		

DAF Tracking No.: 2021-085	Date	Signature
<input checked="" type="checkbox"/> Recommended by: Manager, Real Estate Services Daran Somas	Mar. 23, 2021	Signed by Daran Somas
<input type="checkbox"/> Approved by:		
<input checked="" type="checkbox"/> Approved by: Director, Real Estate Services Alison Folosea	Mar. 23, 2021	Signed by Alison Folosea

Appendix A Major Terms and Conditions

The terms of the Licence Agreement to be amended as follows:

Licensor: Amended from "Toronto Parking Authority" to "City of Toronto"

Licensee: 2676417 Ontario Inc. carrying on business as "KA Car Care"

Licensed Area:

(a) Effective March 31, 2021, the Licensee will give up, surrender and deliver to the Licensor possession of the original Licensed Area described in the Licence Agreement in accordance with Section 3(c) therein; and

(b) Effective April 1, 2021, the Licensed Area will be relocated to the five (5) parking spaces, storage room and office on Level P2, 110 Queen Street West (Municipal Car Park 36), Toronto, ON, more particularly shown highlighted and bolded in the sketch attached as Appendix "C".

Indemnifier: Enver Coovadia

Term: Five (5) years, six (6) months and twenty-two (22) days commencing September 10, 2019 and expiring on March 31, 2026.

License Fee: Minimum Fee will be set at \$35,190.00 per annum (\$2,875.00 per month) which is inclusive of HST, increasing by 2% on each anniversary over the Term. Effective April 1, 2021, the Minimum Fee paid by the Licensee to the Licensor shall be as follows:

Licence Period	Annual Minimum Fee (inclusive HST)	Monthly Minimum Fee (inclusive HST)
April 1, 2021 – March 31, 2022	\$35,190.00	\$2,932.50
April 1, 2022 – March 31, 2023	\$35,893.80	\$2,991.15
April 1, 2023 – March 31, 2024	\$36,611.68	\$3,050.97
April 1, 2024 – March 31, 2025	\$37,343.91	\$3,111.99
April 1, 2025 – March 31, 2026	\$38,090.76	\$3,174.23

Fixturing Period: Three (3) months commencing April 1, 2021 and ending on June 30, 2021. During the Fixturing Period, all provisions of the Licence Agreement and the Amending Agreement shall apply, except the Licensee shall not be obligated to pay the License Fee, but shall pay all other costs set out in the Licence Agreement and associated with the Licensee's operation of its business from the Licensed Area.

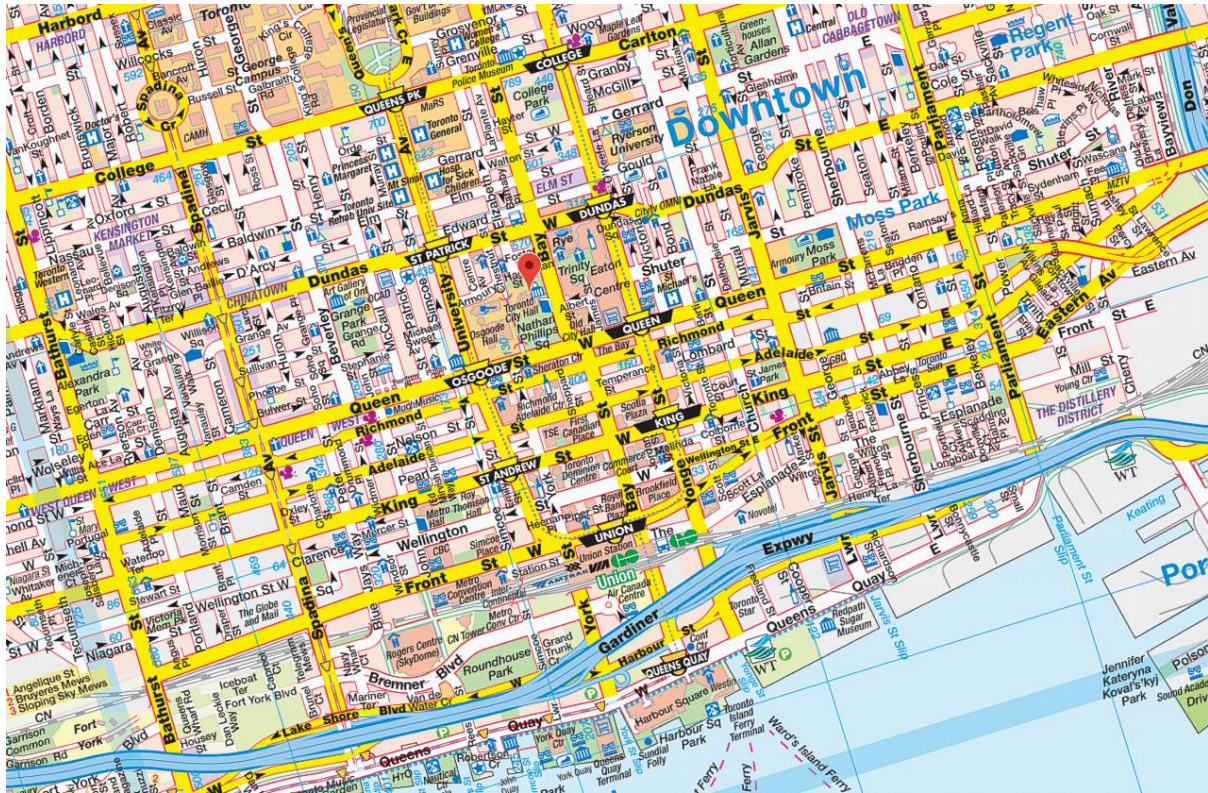
Licensor Improvement Costs: \$15,000 to be re-paid by the Licensee to the Licensor in annual installments over the balance of the Term and Extension Term(s), if applicable. If the Licensee leaves Car Park 36 prior to the full re-payment of the Licensor's improvement costs, the Licensee will be responsible for repaying the full remaining balance thereof.

Letter of Credit: The Licensee shall deliver the City an irrevocable standby letter of credit for \$15,000 issued by a Schedule I bank, and in a form acceptable to the City in order to secure the Licensee's obligations to repay the Improvement Costs as set out in Section 12 of the Amending Agreement, and shall expire on March 31, 2036.

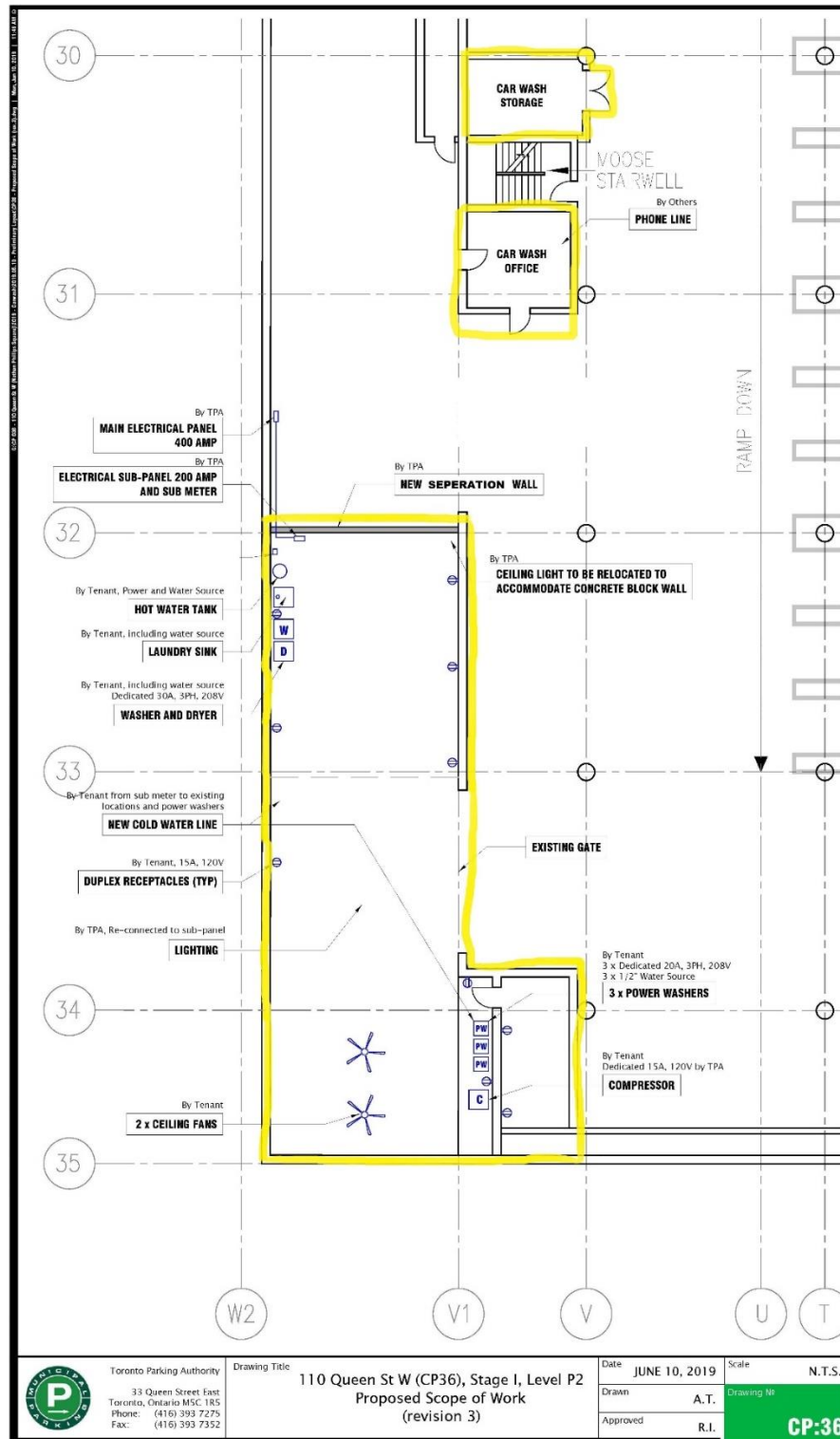
Options to Extend: Two (2) options to extend the initial Term for five (5) years each (each additional period referred to herein individually as an "Extended Term") each to be exercised by written notice from the Licensee to the Licensor not less than six (6) months' prior to the expiration of the initial Term or first Extended Term, as the case may be.

Relocation of Licensed Area: The pending construction at Car Park 36, and any dust, debris and inconvenience associated with it are not sufficient grounds requiring the further relocation of the Licensee to another TPA facility.

Appendix B Site Location Map



Appendix C Licensed Area



NOTE:

- The Licensed Area is shown highlighted and bolded in yellow.