

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

TRACKING NO.: 2021-220

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:	September 15, 2021	Phone No.:	(416) 392-8160

Purpose	To obtain authority for the City of Toronto (the " City "), on behalf of the Toronto Transit Commission (the " TTC "), to extend an existing lease agreement (the " Lease ") with 671 Danforth Avenue Inc. (the " Landlord ") for office space located at 671 Danforth Avenue (the " Property ").																										
Property	671 Danforth Avenue, Suite 301, comprising approximately 3,008 sq. ft. as shown on Appendix "A" attached hereto (the " Leased Premises ").																										
Actions	Authority be granted to extend the term of a Lease with the Landlord for a five (5) year period, commencing January 1, 2022 and ending December 31, 2026, 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 \$276,194.56 (plus HST), or \$281,055.58 (net of HST recoveries), for the five (5) year term.																										
	<table border="1"> <thead> <tr> <th>Fiscal Year</th> <th>Term/Period</th> <th>Annual Rent (excluding HST)</th> <th>Annual Rent (net of HST recoveries)</th> </tr> </thead> <tbody> <tr> <td>2022</td> <td>January 1, 2022 – December 31, 2022</td> <td>\$54,144.00</td> <td>\$55,096.93</td> </tr> <tr> <td>2023</td> <td>January 1, 2023 – December 31, 2023</td> <td>\$54,685.44</td> <td>\$55,647.90</td> </tr> <tr> <td>2024</td> <td>January 1, 2024 – December 31, 2024</td> <td>\$55,226.88</td> <td>\$56,198.87</td> </tr> <tr> <td>2025</td> <td>January 1, 2025 – December 31, 2025</td> <td>\$55,798.40</td> <td>\$56,780.45</td> </tr> <tr> <td>2026</td> <td>January 1, 2026 – December 31, 2026</td> <td>\$56,339.84</td> <td>\$57,331.42</td> </tr> </tbody> </table>			Fiscal Year	Term/Period	Annual Rent (excluding HST)	Annual Rent (net of HST recoveries)	2022	January 1, 2022 – December 31, 2022	\$54,144.00	\$55,096.93	2023	January 1, 2023 – December 31, 2023	\$54,685.44	\$55,647.90	2024	January 1, 2024 – December 31, 2024	\$55,226.88	\$56,198.87	2025	January 1, 2025 – December 31, 2025	\$55,798.40	\$56,780.45	2026	January 1, 2026 – December 31, 2026	\$56,339.84	\$57,331.42
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	TTC is responsible for other costs such as operating costs, taxes and utilities. Funding will be referred to the City's annual budget process and will be included in the 2022 - 2031 Capital Budget and Plan Submission for the TTC under cost centre 9999 and CTT028-1 Easier Access for Council consideration. Any future year expenditures will also be referred to future year budget processes for Council consideration.																										
	The Chief Financial Officer and Treasurer has reviewed this DAF and agrees with the financial implications as identified in the Financial Impact section.																										
Comments	<p>On August 23, 2016, TTC and the Landlord entered into the Lease at the Property for an initial term of five (5) years with one (1) option to extend for an additional five (5) years. The Leased Premises are used as a construction field office in connection with the Easier Access Projects. The Property is located on the TTC Line 2 subway corridor, and provides staff with convenient access to project sites by public transit.</p> <p>The current term is set to expire on December 31, 2021. DAF-2021-168, executed on June 18, 2021, authorized the provision of written notice of TTC's intention to extend the Lease. On July 12, 2021, the City provided notice of TTC's intention to extend the Lease to the Landlord, on the same terms and conditions as the initial Lease, except for the rental rate. CREM has determined the new rental rates, which are reflective of fair market value. The Landlord is agreeable to the annual rents. At the end of the new term, TTC intends to vacate the Property as it will no longer require the Leased Premises, with the Easier Access Project having been completed. ModernTO has no objections with the extension of the Lease.</p>																										
Terms	Term:	Five (5) years, commencing January 1, 2022, expiring on December 31, 2026																									
	Total Rent:	\$276,194.56 (+HST)																									

Property Details	Ward:	14 – Toronto-Danforth
	Assessment Roll No.:	1904-08-4-370-01000
	Approximate Size:	
	Approximate Lease Area:	280 m ² ± (3,008 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/REOIs:	Delegated to more senior positions.	<input type="checkbox"/> Issuance of RFPs/REOIs.
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							
<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:		Paula Fletcher			Councillor:		
Contact Name:		Daryl Finlayson			Contact Name:		
Contacted by:		Phone	<input checked="" type="checkbox"/>	E-Mail		Memo	
Comments:		No objections (June 10, 2021)			Comments:		
Consultation with Divisions and/or Agencies							
Division:		TTC			Division:		Financial Planning
Contact Name:		Gurpreet Dubb			Contact Name:		Patricia Libardo
Comments:		Incorporated into DAF (July 23, 2021)			Comments:		Incorporated into DAF (July 27, 2021)
Legal Services Division Contact							
Contact Name:		Amna Shakil (July 27, 2021)					

DAF Tracking No.: 2021-220	Date	Signature
<input checked="" type="checkbox"/> Recommended by: Manager, Real Estate Services Vinette Prescott-Brown	Sept, 16, 2021	Signed by Vinette Prescott-Brown
<input type="checkbox"/> Approved by:		
<input checked="" type="checkbox"/> Approved by: Director, Real Estate Services Alison Folosea	Sept. 28, 2021	Signed by Alison Folosea

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

