

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

TRACKING NO.: 2021-111

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

Prepared By:	Glenn Zeta/Rafael Gutierrez	Division:	Corporate Real Estate Management
Date Prepared:	August 4, 2021	Phone No.:	416-338-7612/416-338-2995
Purpose	To obtain authority to enter into a license agreement with TruExperiences Tours Inc. (the " Licensee ") with respect to the property municipally known as 365 MacPherson Avenue, Toronto for the purpose of operating a temporary parking lot for personal and commercial vehicles belonging to the Licensee, its representatives, agents, assigns, employees, officers, invitees and contractors and anyone for whom the Licensee is at law responsible, or any of them (the " Licence Agreement ").		
Property	The property municipally known as 365 MacPherson Avenue, Toronto, legally described as: PT LT 23-24 CON 2 FTB TWP OF YORK PT 5 64R14165, BEING A FORCED RD (AKA HURON ST) CLOSED BY EM64873; CITY OF TORONTO, being all of PIN 21219-0141 (LT) (the " Property "), as shown as Part 5 on Reference Plan 64R-14165 in Appendix "B".		
Actions	1. Authority be granted to enter into the Licence Agreement with the Licensee, substantially on the terms and conditions set out in Appendix "A", and including such other terms as deemed appropriate by the approving authority herein, and in a form satisfactory to the City Solicitor.		
Financial Impact	<p>The licence fee owed to the City is approximately \$123,601.31 (plus HST) over the initial term of four (4) years and four (4) months and fifteen (15) days term of the Licence Agreement. There will be an option to extend the Licence Agreement for a further period of five (5) years, where the estimated licence fees owed is approximately \$153,528.00 (plus HST).</p> <p>The Licensee shall pay to the City the sum of \$1,052.00 plus HST prior to the commencement of the term, which represents a reimbursement of 50% of the City's cost in repairing the gate adjacent to MacPherson Ave. The Licensee will also submit to the City a damage deposit by certified cheque in the amount of \$4,767.00 plus HST, issued by a national Canadian bank and payable to "Treasurer, City of Toronto".</p> <p>The total amount owed to the City, as listed above, is approximately \$278,181.31 (plus HST)</p> <p>Revenue will be directed to the 2021 Council Approved Operating Budget for Corporate Real Estate Management (CREM) under cost center FA3061.</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	<p>The Property was previously used as a surface parking lot by a general contractor building affordable housing adjacent to the site located at 200 Madison Avenue. The Licensee approached the City for the use of the vacant lot for parking purposes through an Expression of Interest dated January 23, 2020. The Licensee is a member of Tourism Toronto and the Tourism Industry Association of Canada which provides touring services in Toronto and Niagara.</p> <p>The proposed licence fee and other major terms and conditions of the Licence Agreement are considered to be fair, reasonable and reflective of market rates.</p>		
Terms	See Appendix "A".		
Property Details	Ward:	12 – Toronto-St.Paul's	
	Assessment Roll No.:	1904105990030500000	
	Approximate Size:	N/A	
	Approximate Area:	516.2 m ² (5,556.3 ft ²)	
	Other Information:	N/A	

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:

- 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:	Josh Matlow	Councillor:	
Contact Name:	Fertaa Yieleh-Chireh	Contact Name:	
Contacted by:	Phone <input type="checkbox"/> X 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:	No objections – August 6, 2021	Comments:	

Consultation with Divisions and/or Agencies

Division:		Division:	Financial Planning
Contact Name:		Contact Name:	Patricia Libardo
Comments:		Comments:	No objections – August 5, 2021

Legal Services Division Contact

Contact Name:	Emily Ng/Aiden Alexio
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DAF Tracking No.: 2021 - 111	Date	Signature
Concurred with by: Manager, Real Estate Services		X
<input type="checkbox"/> Recommended by: Manager, Real Estate Services Daran Somas	Aug 13, 2021	Signed By: Daran Somas
<input checked="" type="checkbox"/> Approved by:		
<input checked="" type="checkbox"/> Approved by: Director, Real Estate Services Alison Folosea	Aug 16, 2021	Signed By: Alison Folosea

Appendix "A"
Major Terms & Conditions

Licensor:

City of Toronto

Licensee:

TruExperiences Tours Inc.

Licensed Premises:

Property legally described as PIN 21219-0141 (LT) Pt Lt 23-24 Con 2 FTB TWP of York Being Part 5 on 64R14165, City of Toronto (the "**Property**") located on MacPherson Avenue adjacent to the foot of Huron Street as shown as Part 5 on Reference Plan 64R-14165 in Appendix "B".

Use:

The Licensee shall only use the Licensed Area for the sole purpose of establishing and operating a temporary parking lot with access on MacPherson Avenue for staff of the Licensee.

License Fee:

Throughout the Term, the Licensee shall pay to the City, a licence fee in the amounts set out below (the "**Licence Fee**"), plus Harmonized Sales Tax ("**HST**"), without abatement, deduction or set-off, payable monthly in advance on the first day of each calendar month, commencing on the Commencement Date.

TERM		
Time Period	Licence Fee (per Time Period)	Licence Fee (per month)
August 16, 2021 to August 30, 2021	\$1,177.78	\$1,177.78
September 1, 2021 to July 30, 2022	\$24,291.63	\$2,208.33
August 1, 2022 to July 30, 2023	\$27,427.50	\$2,285.63
August 1, 2023 to July 30, 2024	\$28,387.46	\$2,365.62
August 1, 2024 to July 30, 2025	\$29,522.96	\$2,460.25
August 1, 2025 to December 31, 2025	\$12,793.98	\$2,558.80
Total for initial term	\$123,601.31	
EXTENSION TERM		
January 1, 2026 to December 31, 2026	\$30,705.60	\$2,558.80
January 1, 2027 to December 31, 2027	\$30,705.60	\$2,558.80
January 1, 2028 to December 31, 2028	\$30,705.60	\$2,558.80
January 1, 2029 to December 31, 2029	\$30,705.60	\$2,558.80
January 1, 2030 to December 31, 2030	\$30,705.60	\$2,558.80
Estimated total for extension term	\$153,528.00	
Total for initial term + extension term	\$277,129.31	

Term:

Four (4) years and four (4) months and fifteen (15) days, commencing on August 16, 2021 and terminating on December 31, 2025.

Extension Option:

At the Licensee's option, but on the conditions set out in section 3(3) of the agreement, the City agrees to extend the term for a further period of 5 years commencing on January 1, 2026 and expiring on December 31, 2030. To exercise the extension option, the Licensee must give the City notice in writing not less than six (6) months and not more than twelve (12) months before February 28, 2025.

The licence fee payable for the extension period will be based on the new rates to be agreed on by the City and Licensee and will be comparable to market rent for similar premises but in no event will the monthly licence fee payable during the extension period be less than the monthly licence fee payable at the expiration of the term. If the parties have not reached an agreement within three (3) months following the date on which the Licensee has given written notice to the City of its exercise of the extension option, then the term will expire on February 28, 2025.

Licensee Insurance Requirements:

Commercial General Liability – \$5,000,000

Automobile liability insurance – \$2,000,000

Such other insurance as may be reasonably required by the City from time to time

Early Termination Rights:

At any time during the Term or any extension thereof, either party may terminate the licence upon giving written notice of such termination to the other party. The termination notice shall specify the termination date which shall be no less than sixty (60) days after the termination notice is given. If the termination notice is given, the Licence shall terminate on the termination date and and the Licensee shall deliver vacant possession of the licensed area to the City.

Site Improvements:

The Licensee shall not make or erect in or on the Licensed Premises any installations, alterations, additions or partitions without first submitting detailed plans and specifications and construction methods/procedures to the City. Any repairs and/or improvements shall be reviewed and approved by the City who, in its sole and absolute discretion, may determine that any or all of the said repairs and/or improvements may only be carried out by the City.

The Licensee shall reimburse the City for all costs incurred by the City as a result of this License and/or the Licensee's Work, except to the extent that this Licence expressly provides for the City to be responsible for such costs. The parties agree that the Licensee shall only be required to reimburse the City for 50% of the total costs incurred by the City (plus HST) in connection with the licensee's work described in Schedule "C" of the Licence Agreement. All invoices for payment rendered by the City to the Licensee shall, to the extent reasonably possible, be rendered on a monthly basis and shall be accompanied by such supporting invoices received by the City relating to such expenses, and shall be paid by the Licensee to the City within thirty (30) days of receipt of the City's invoice. Without limiting the generality of the foregoing, the Licensee covenants and agrees to pay to the City the sum of \$1,052.00 plus HST by wire payment or electronic fund transfer prior to the commencement of the Term, which represents a reimbursement of 50% of the City's cost in repairing the gate adjacent to Macpherson Ave.

Site Location:

