

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

TRACKING NO.: 2021-098

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

Prepared By:	Mark Gunaratnam	Division:	Corporate Real Estate Management
Date Prepared:	October 28, 2021	Phone No.:	416-392-2598

**Purpose**  
 To obtain authority to enter into a lease extension and amending agreement (the "**Agreement**") with Pinedale Properties Ltd. in Trust for 970 Lawrence Project Limited (the "**Landlord**") for the continued use of the 7<sup>th</sup> floor and parking units at 970 Lawrence Avenue West for another three (3) years as a Parking Tags office by the Toronto Police Services.

**Property**  
 The property municipally known as 970 Lawrence Avenue West, Toronto (the "**Property**") as shown on the location map attached as Appendix "B" being the 7<sup>th</sup> floor of the building on the Property and certain parking spaces comprising approximately 11,577 square feet (the "**Leased Premises**").

**Actions**  
 1. Authority be granted to enter into the Agreement with the Landlord, substantially on the major terms and conditions set out below, and including such other terms as deemed appropriate by the approving authority herein, and in a form satisfactory to the City Solicitor.

**Financial Impact**  
 The total cost to the City for the three (3) year term will be \$1, 429,260.31 (plus HST) or \$1,454,415.30 (net of HST recoveries), which includes base rent (\$16.00psf), additional rent (\$16.40psf) and parking stalls (\$8.34psf). Should the Service wish to terminate the lease agreement prior to the end of the 3-year period, there will be an associated penalty equivalent to one year's estimated lease cost (\$481,246). See annual financial impact as follows:

Lease Term	Annual Net Rent	Additional Rent	Parking Rental	Total Annual Rent
2020	\$ 185,232	\$ 189,862	\$ 96,540	\$ 471,634
2021	\$ 185,232	\$ 194,609	\$ 96,540	\$ 476,381
2022	\$ 185,232	\$ 199,474	\$ 96,540	\$ 481,246
Lease Penalty			\$ 481,246	

Funding is available in the 2021 Council Approved Operating Budget for Toronto Police Services Parking Enforcement Unit.

The Chief Financial Officer and Treasurer has reviewed this DAF and agrees with the financial implications as identified in the Financial Impact section.

**Comments**  
 Toronto Police Services ("**TPS**") uses the Leased Premises to house their Parking Enforcement Unit which is required to be located near a highway and be easily accessible to the general public. In January 2020, TPS recommended this 3 year lease extension to its Board which was approved at its meeting held on February 25, 2020.  
 By the adoption of Report No.28 (46) on October 12 &13, 1994, Metropolitan Council authorized a lease agreement between Belmont Property Management and the Municipality of Metropolitan Toronto commencing on January 1, 1995 and expiring on December 31, 2005, with an option to renew for a further five (5) year term.  
 In 1997, Belmont Property Management reorganized and Pinedale Properties Ltd. became the authorized management. By Report No. 1 (23) on January 31, February 1 & 2, 2006, Policy and Finance Committee authorized the first extension of the lease for a five (5) year term, between Pinedale Properties Ltd and City of Toronto commencing on January 1, 2005 and expiring on December 31, 2009.  
 City Council authorized Item GM26.15 at its meeting on November 30, December 1, 2, 4 & 7, 2009 which approves the second lease extension for another five (5) year term, with Pinedale Properties Ltd. commencing on January 1, 2010 to December 31, 2014. The lease was subsequently extended for another 5 years, from January 1, 2015 to December 31, 2019.  
 City staff consider the proposed terms and conditions to be fair and reasonable to both parties.

**Terms**  
 Please see page 4: Appendix "A".

<b>Property Details</b>	<b>Ward:</b>	15 – Eglinton-Lawrence
	<b>Assessment Roll No.:</b>	
	<b>Approximate Size:</b>	
	<b>Approximate Area:</b>	1,075.54 m <sup>2</sup> ± (11,577 ft <sup>2</sup> ±)
	<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"/> (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"/> (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.
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"/> (c) 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. <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"/> (b) When closing roads, easements to pre-existing utilities for nominal consideration.	<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.
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"/> (c) Surrenders/Abandonments	<input type="checkbox"/> (c) 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. Deputy City Manager, Corporate Services and Executive Director, Corporate Real Estate Management each has signing authority on behalf of the City for:**

- Documents required to implement matters for which each position also has delegated approval authority.
- Agreements of Purchase and Sale and all implementing documentation for purchases, sales and land exchanges not delegated to staff for approval.
- Expropriation Applications and Notices following Council approval of expropriation.
- 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:	Mike Cole	Councillor:	
Contact Name:	Lola Dandybaeva	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 (Nov 16,2020)	Comments:	

**Consultation with Divisions and/or Agencies**

Division:	Toronto Police Services	Division:	<b>Financial Planning</b>
Contact Name:	Enrico Pera	Contact Name:	Patricia Libardo
Comments:	Comments incorporated (Nov 5, 2020)	Comments:	Comments incorporated (Mar 23, 2021)

**Legal Services Division Contact**

Contact Name:	<b>Gloria Lee (Mar 4, 2021)</b>
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DAF Tracking No.: 2021- 098	Date	Signature
Recommended by: Manager, Real Estate Services	Oct. 28, 2021	Signed by Daran Somas
Recommended by: Director, Real Estate Services	Nov. 5, 2021	Signed by Alison Folosea
<input type="checkbox"/> Recommended by: <b>Executive Director, Corporate Real Estate Management</b>	Nov. 5, 2021	Signed by Patrick Matozzo
<input checked="" type="checkbox"/> Approved by: <b>Patrick Matozzo</b>		

2021-098

**Appendix "A": Major Terms and Conditions****Landlord:** Pinedale Properties Ltd. In Trust for 970 Lawrence Project Limited.**Leased Premises:** Approximately 11,577 sq. ft.**Tenant:** City of Toronto**Use:** Toronto Police Services, Parking Enforcement Unit.**Term:** Three (3) years commencing January 1<sup>st</sup>, 2020 and expiring on December 31<sup>st</sup> 2022.**Base Rent:** Year 1-3: \$16.00 sq. ft. (\$185,232.00 annually). Total base rent for the Term: \$555,696.00.**Additional Rent:** Estimated to be at \$16.40 sq. ft. (\$583,944.31 annually). Total additional rental for the Term: \$583,944.31.

**Parking:** 7 underground parking stalls @ \$85.00 per stall per month.  
18 underground parking stalls @ \$125.00 per stall per month.  
15 above parking stalls @ \$55 per stall per month.  
35 underground parking stalls @ 125 per stall per month.

Total parking cost: \$96,540.00 annually.  
Total parking cost for the Term: \$289,620.00.

**Financial Summary:** Total cost for the 3 year extension will be \$1,429,260.31 plus HST.

**Appendix "B": Location Map**

