

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

TRACKING NO.: 2021-148

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

Prepared By:	Anna Edwards	Division:	Corporate Real Estate Management
Date Prepared:	May 19, 2021	Phone No.:	416-338-3185

Purpose To obtain authority to exercise the right to extend the lease agreement (the "**Lease**") between City of Toronto (the "**Tenant**") and Gurnam Multani and Surjit Multani (collectively the "**Landlord**") dated October 6, 2016 and accepted November 8, 2016 for the space located at 1430 Gerrard Street East, Toronto, for a period commencing on December 1, 2021 and expiring on November 30, 2026 (the "**Extended Term**").

Property Part of the lands and premises municipally known as 1430 Gerrard Street East, consisting of commercial space on part of the ground floor; residential units on the entire second, third, fourth and fifth floors; and 3 parking units at grade (the "**Property**"). The general location of the Property is shown on the map attached hereto as Appendix "A"

Actions 1. Authority be granted to exercise the right in favour of the City contained in the Lease to extend the term thereof for a further period of five (5) years.

Financial Impact The total cost to the City of Toronto, for the five (5) year term, will be approximately \$3,425,063.13 (net of HST recoveries), or \$3,365,824.13 (plus HST), of which \$2,918,901.12 (plus HST) relates to the basic rent and approximately \$446,923 (plus HST) for utilities and general maintenance.

Annual rent costs (net of HST recoveries) to the City is as follows:

Lease Year	Fiscal Year	Period	No. of months	Excluding HST				Net of HST recoveries (additional 1.76%)
				Basic Rent per Month			Basic Rent per Period	Basic Rent per Period
				Residential	Commercial	Residential and Commercial	Residential and Commercial	Residential and Commercial
1	2021	Dec. 1, 2021 to Dec. 31, 2021	1	\$ 40,714.11	\$ 5,506.55	\$ 46,220.66	\$ 46,220.66	\$ 47,034.14
	2022	Jan. 1, 2022 to Nov. 30, 2022	11	\$ 40,714.11	\$ 5,506.55	\$ 46,220.66	\$ 508,427.26	\$ 517,375.58
2	2022	Dec. 1, 2022 to Dec. 31, 2022	1	\$ 41,731.96	\$ 5,671.75	\$ 47,403.71	\$ 47,403.71	\$ 48,238.02
	2023	Jan. 1, 2023 to Nov. 30, 2023	11	\$ 41,731.96	\$ 5,671.75	\$ 47,403.71	\$ 521,440.81	\$ 530,618.17
3	2023	Dec. 1, 2023 to Dec. 31, 2023	1	\$ 42,775.26	\$ 5,841.90	\$ 48,617.16	\$ 48,617.16	\$ 49,472.82
	2024	Jan. 1, 2024 to Nov. 30, 2024	11	\$ 42,775.26	\$ 5,841.90	\$ 48,617.16	\$ 534,788.76	\$ 544,201.04
4	2024	Dec. 1, 2024 to Dec. 31, 2024	1	\$ 43,844.64	\$ 6,017.16	\$ 49,861.80	\$ 49,861.80	\$ 50,739.37
	2025	Jan. 1, 2025 to Nov. 30, 2025	11	\$ 43,844.64	\$ 6,017.16	\$ 49,861.80	\$ 548,479.80	\$ 558,133.04
5	2025	Dec. 1, 2025 to Dec. 31, 2025	1	\$ 44,940.76	\$ 6,197.67	\$ 51,138.43	\$ 51,138.43	\$ 52,038.47
	2026	Jan. 1, 2026 to Nov. 30, 2026	11	\$ 44,940.76	\$ 6,197.67	\$ 51,138.43	\$ 562,522.73	\$ 572,423.13
TOTAL							\$ 2,918,901.12	\$ 2,970,273.78

Funding is available in the 2021 Council Approved Operating Budget for Shelter, Support and Housing Administration under cost center F54631. Future year expenditures will be referred to the City's annual budget process and will be included as part of future year budget submissions 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 On November 8 and 9, 2016, City Council adopted item CD15.9 authorizing the Lease substantially on the terms set out therein. This includes an option to extend the term for five (5) years and early termination rights during the extended term, provided at least six (6) months' notice is given.

Comments section continued on page 4.

Terms All terms and conditions of the Lease remain the same.

Property Details	Ward:	Ward 14 – Toronto-Danforth
	Assessment Roll No.:	1904-08-3-480-02400
	Approximate Size:	
	Approximate Area:	± 28,751 sq. ft (± 2,671 sq.m.)
	Other Information:	

A.	Executive Director, Corporate Real Estate Management has approval authority for:	Deputy City Manager, Corporate 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/Licensor):</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 \$3 Million.</p> <p><input type="checkbox"/> Statutory offers, agreements and settlements where total compensation does not cumulatively exceed \$3 Million.</p> <p><input type="checkbox"/> (a) Acceptance of statutory offers, agreements and settlements where total compensation does not cumulatively exceed \$3 Million.</p> <p>Request/waive hearings of necessity delegated to less senior positions.</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><input type="checkbox"/> Transfer of Operational Management to Divisions, Agencies and Corporations.</p> <p><input type="checkbox"/> Where total compensation does not exceed \$3 Million.</p> <p><input type="checkbox"/> Where total compensation does not exceed \$3 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 type="checkbox"/> (a) Where total compensation (including options/renewals) does not exceed \$3 Million.</p> <p><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.</p> <p>Delegated to a more senior position.</p> <p><input type="checkbox"/> Where total compensation (including options/renewals) does not exceed \$3 Million.</p> <p><input type="checkbox"/> (a) Where total compensation does not exceed \$3 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 \$3 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>	<p><input type="checkbox"/> Where total compensation does not exceed \$5 Million.</p> <p><input type="checkbox"/> Statutory offers, agreements and settlements where total compensation does not cumulatively exceed \$5 Million.</p> <p><input type="checkbox"/> (a) Acceptance of statutory offers, agreements and settlements where total compensation does not cumulatively exceed \$5 Million.</p> <p>Request/waive hearings of necessity delegated to less senior positions.</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><input type="checkbox"/> Transfer of Operational Management to Divisions, Agencies and Corporations.</p> <p><input type="checkbox"/> Where total compensation does not exceed \$5 Million.</p> <p><input type="checkbox"/> Where total compensation does not exceed \$5 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 type="checkbox"/> (a) Where total compensation (including options/renewals) does not exceed \$5 Million.</p> <p><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.</p> <p><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.</p> <p><input checked="" type="checkbox"/> Where total compensation (including options/renewals) does not exceed \$5 Million.</p> <p><input type="checkbox"/> (a) Where total compensation does not exceed \$5 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 \$5 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. 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:	Paula Fletcher					Councillor:					
Contact Name:						Contact Name:					
Contacted by:	Phone	<input checked="" type="checkbox"/>	E-Mail	Memo	Other	Contacted by:	Phone		E-mail	Memo	Other
Comments:	No objections (5/13/2021)					Comments:					

Consultation with Divisions and/or Agencies

Division:	Housing Secretariat	Division:	Financial Planning
Contact Name:	Valesa Faria (Director)	Contact Name:	Patricia Libardo
Comments:	No Concerns (5/19/2021)	Comments:	Comments incorporated (5/19/2021)

Legal Services Division Contact

Contact Name:	Mark Zwegers (5/12/2021)
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DAF Tracking No.: 2021-148	Date	Signature
Recommended by: Supervisor, Real Estate Services, Van Hua	May 19, 2021	Signed by Van Hua
Recommended by: Director, Real Estate Services, Alison Folosea	May 19, 2021	Signed by Alison Folosea
<input checked="" type="checkbox"/> Recommended by: Executive Director, Corporate Real Estate Management	May 20, 2021	Signed by Patrick Matozzo
<input type="checkbox"/> Approved by: Patrick Matozzo		
<input checked="" type="checkbox"/> Approved by: Deputy City Manager, Corporate Services	May 20, 2021	Signed by Josie Scioli
<input type="checkbox"/> Approved by: Josie Scioli		

Comments continued

During the initial five (5) year term, the Property was used in accordance with the terms of the Lease as a shelter facility for women in need of housing together with their children and family, together with offices and such related services or other assistance as considered appropriate by the City from time to time for the residents. The shelter facility was operated by Red Door Family Shelter, which relocated the operation in April, 2021. Due to the continued need and demand for affordable housing in Toronto, Real Estate Services and Housing Secretariat staff recommend exercising the option to extend the Lease term to secure space in the short term while long term plans are being finalized and negotiations with the Landlord continue.

