

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

TRACKING NO.: 2022-102

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

Prepared By:	Glenn Zeta	Division:	Corporate Real Estate Management
Date Prepared:	April 21, 2022	Phone No.:	416-338-7612

Purpose	To obtain authority for the City to enter into a lease agreement with Violet Tarabay Ltd. ("the tenant").
Property	Approximately 527 square feet of commercial space on the ground floor located municipally at 40 Richmond Street East, Unit 3. described in Appendix "B" (the "Property").
Actions	<ol style="list-style-type: none"> Authority be granted for the City to enter into a lease agreement with Violet Tarabay Ltd, on the terms and conditions contained herein and on such other or further terms and conditions as may be agreed to by the Director, Transaction Services, or her delegate in consultation with the Vice-President, Toronto Parking Authority ("TPA"), or his delegate and in a form acceptable to the City Solicitor. The appropriate City staff be authorized and directed to take the necessary action to give effect thereto.
Financial Impact	<p>The total revenue to the City for the three (3) year Term (as defined herein) will be \$39,525.00 plus HST and applicable taxes. The property taxes, operating and maintenance costs associated with the Property during the Term will be paid by the Tenant directly to TPA according to the terms of the Lease. Details of annual revenue, exclusive of HST, can be found in Schedule "A" attached hereto.</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, operationally managed by TPA, has been vacant since February 1, 2021. TPA requested to use broker services in leasing out the property to generate revenue. Avison Young was hired by the City and TPA to find a tenant. Avison and Young marketed the property and has secured Violet Tarabay Ltd. as a tenant for a three-year term on terms and conditions outlined in Appendix "A". The commission affiliated with the new lease is a flat fee of \$7,500.00.</p> <p>The terms and conditions of the lease are deemed fair and reasonable and reflective of market value.</p>
Terms	<i>Please see Appendix A</i>

Property Details	Ward:	13 – Toronto Centre
	Assessment Roll No.:	1904-06-4-658-000300
	Approximate Size:	n/a
	Approximate Area:	46.08 m ² ± (496 ft ² ±)
	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/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 \$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 checked="" 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 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 (Managers whose position includes responsibility for implementing Council-approved expropriations are the only Managers 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:	Kristyn Wong-Tam	Councillor:	
Contact Name:	Robin Buxton-Potts	Contact Name:	
Contacted by:	Phone <input 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:	Concurred – April 21, 2022	Comments:	
Consultation with Divisions and/or Agencies			
Division:	Toronto Parking Authority	Division:	Financial Planning
Contact Name:	Darcy Watt	Contact Name:	Ciro Tarantino
Comments:	Concurred – April 19, 2022	Comments:	Comments Incorporated – April 21, 2022
Legal Services Division Contact			
Contact Name:	Michele Desimone		

DAF Tracking No.: 2022-102	Date	Signature
Concurred with by: Manager, Real Estate Services Ronald Ro	Apr. 25, 2022	Signed by Ronald Ro
<input type="checkbox"/> Recommended by: Manager, Real Estate Services Vinette Prescott-Brown	Apr. 25, 2022	Signed by Vinette Prescott-Brown
<input checked="" type="checkbox"/> Approved by:		
<input type="checkbox"/> Approved by: Director, Real Estate Services		

Appendix "A"
Major Terms and Conditions

Landlord: City of Toronto

Tenant: Violet Tarabay Ltd.

Property: Unit 3 at 40 Richmond Street East (Municipal Car Park 26), Toronto, ON

Leased Area: Approximately 527 square feet

Use: The premises will be beauty salon providing esthetic and permanent makeup services

Term: Three (3) years commencing November 1, 2022 or a commencement date mutually agreeable to both parties subject to approvals with the Tenant being granted a six (6) month fixturing period, immediately prior which is anticipated to commence May 1, 2022 provided that the Tenant executes the Lease and provides evidence of insurance.

Basic Rent:

<i>Values subject to HST</i>				
Area	527	sq ft		
Commission	\$7,500.00			
Year 1-3	\$25.00	psf		
Est. Operating Costs & Taxes	\$39.64			
	Year 1	Year 2	Year 3	TOTAL
Net Rent	\$13,175.00	\$13,175.00	\$13,175.00	\$39,525.00
Per Month	\$1,097.92	\$1,097.92	\$1,097.92	
Operating Costs, Hydro, Taxes	\$20,890	\$21,308	\$21,734	\$63,933
Total Deposit	\$3,294			

Option to Extend: None

Additional Rent: The Lease shall be a Net Lease and the Tenant shall pay as Additional Rent as provided in the Lease which shall include the Tenant's proportionate share of realty taxes, insurance, maintenance. Additional Rent is estimated to be \$39.64 psf/annum for 2021.

Utilities & HVAC: The Tenant must pay for all utilities consumed on the Premises, which must be directly metered or sub-metered to the Premises at the Landlord's sole cost and expense.

Commission: \$7,500 Flat Fee

Security Deposit: Tenant to provide first month and last month basic rent and additional rent as security deposit.

Appendix "B"
Location Map and Property

