

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

TRACKING NO.: 2022-091

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

Prepared By:	Robin Chen	Division:	Corporate Real Estate Management
Date Prepared:	March 30, 2022	Phone No.:	416-392-1852

**Purpose** To obtain authority to enter into a lease agreement (the "Lease") with Cedar City Paradise (Milliken) Inc. (the "Landlord"), to lease 1,700 square feet within Suite 300 of 240 Alton Tower Circle (the "Leased Premises") for the construction and operation of a senior dental clinic under the Ontario Seniors Dental Care Program.

**Property** Approximately 1,700 square feet space within the property municipally known as 240 Alton Tower Circle, Toronto, ON M1V 3Z3, as shown in Appendix "A"

**Actions** 1. Authority be granted to enter into the Lease with the Landlord, substantially on the terms and conditions outlined in Appendix "B", and including such other terms and conditions deemed appropriate by the approving authority herein, and in a form acceptable to the City Solicitor.

**Financial Impact** The total estimated cost to the City for the initial term of fifteen (15) years and two (2) optional extended term of five (5) years each will be approximately \$1,554,178 (plus HST) or \$1,581,532 (net of HST recoveries). Of this total, \$644,921 (plus HST) or \$656,271 (net of HST recoveries) is payable as basic rent; \$909,258 (plus HST) or \$925,261 (net of HST recoveries) is payable as additional rent. The Landlord will also provide \$25,500 plus HST of tenant inducement.

Fiscal Year	Basic Rent (Before HST)	Additional Rent (Before HST)	Total Net of HST Recovery (for Lease in)
2022	\$ 13,693	\$ 16,740	\$ 30,969
2023	\$ 20,647	\$ 25,394	\$ 46,851
2024	\$ 21,148	\$ 26,252	\$ 48,234
2025	\$ 21,535	\$ 26,991	\$ 49,380
2026	\$ 21,960	\$ 27,800	\$ 50,636
2027	\$ 22,344	\$ 28,581	\$ 51,822
2028	\$ 22,852	\$ 29,546	\$ 53,320
2029	\$ 23,235	\$ 30,378	\$ 54,557
2030	\$ 23,660	\$ 31,289	\$ 55,917
2031	\$ 24,041	\$ 32,168	\$ 57,199
2032	\$ 24,555	\$ 33,255	\$ 58,827
2033	\$ 24,935	\$ 34,191	\$ 60,167
2034	\$ 25,360	\$ 35,217	\$ 61,643
2035	\$ 25,738	\$ 36,206	\$ 63,034
2036	\$ 26,258	\$ 37,428	\$ 64,807
2037	\$ 26,704	\$ 38,482	\$ 66,333
2038	\$ 27,238	\$ 39,637	\$ 68,051
2039	\$ 27,731	\$ 40,750	\$ 69,687
2040	\$ 28,390	\$ 42,126	\$ 71,757
2041	\$ 28,905	\$ 43,312	\$ 73,488
2042	\$ 29,483	\$ 44,611	\$ 75,398
2043	\$ 30,017	\$ 45,865	\$ 77,217
2044	\$ 30,730	\$ 47,413	\$ 79,518
2045	\$ 31,288	\$ 48,748	\$ 81,444
2046	\$ 31,913	\$ 50,210	\$ 83,569
2047	\$ 10,560	\$ 16,667	\$ 27,706

Funding is provided by the Province of Ontario in 2022 for the Ontario Seniors Dental Care Program to Toronto Public Health and available under cost center PH3015 FAC5760000000.

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

<b>Comments</b>	On April 11, 2019, the Government of Ontario announced a \$90 million investment for the Ontario Seniors Dental Care Program (OSDCP), a new publicly-funded dental program for low-income Ontario seniors. The program is for eligible Ontario seniors, and allows eligible seniors to seek treatment services anywhere in Ontario where OSDCP is provided. As part of the Ministry's implementation, Toronto Public Health applied and received capital funding to procure or construct infrastructure to support program delivery. The Leased Premises will house one of the senior dental clinics to deliver such program.		
<b>Terms</b>	See Appendix B		
<b>Property Details</b>	<b>Ward:</b>	Ward – Scarborough North	
	<b>Assessment Roll No.:</b>		
	<b>Approximate Size:</b>	Approximately 1,700 sq ft	
	<b>Approximate Area:</b>		
	<b>Other Information:</b>		

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/REOs:</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 &amp; Parks &amp; 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><b>Request/waive hearings of necessity delegated to less senior positions.</b></p> <p><input type="checkbox"/> Issuance of RFPs/REOs.</p> <p><input type="checkbox"/> Initiate process &amp; 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><b>Delegated to a more senior position.</b></p> <p><input checked="" 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><b>Request/waive hearings of necessity delegated to less senior positions.</b></p> <p><input type="checkbox"/> Issuance of RFPs/REOs.</p> <p><input type="checkbox"/> Initiate process &amp; 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 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:	Councillor Lai	Councillor:	
Contact Name:	Jim Murphy	Contact Name:	
Contacted by:	Phone <input checked="" 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:	No Objection	Comments:	

**Consultation with Divisions and/or Agencies**

Division:	Toronto Public Health	Division:	Financial Planning
Contact Name:	Humphrey Liu	Contact Name:	Ciro Tarantino
Comments:	No Objection (3/30/2022)	Comments:	Comment incorporated (04/08/2022)

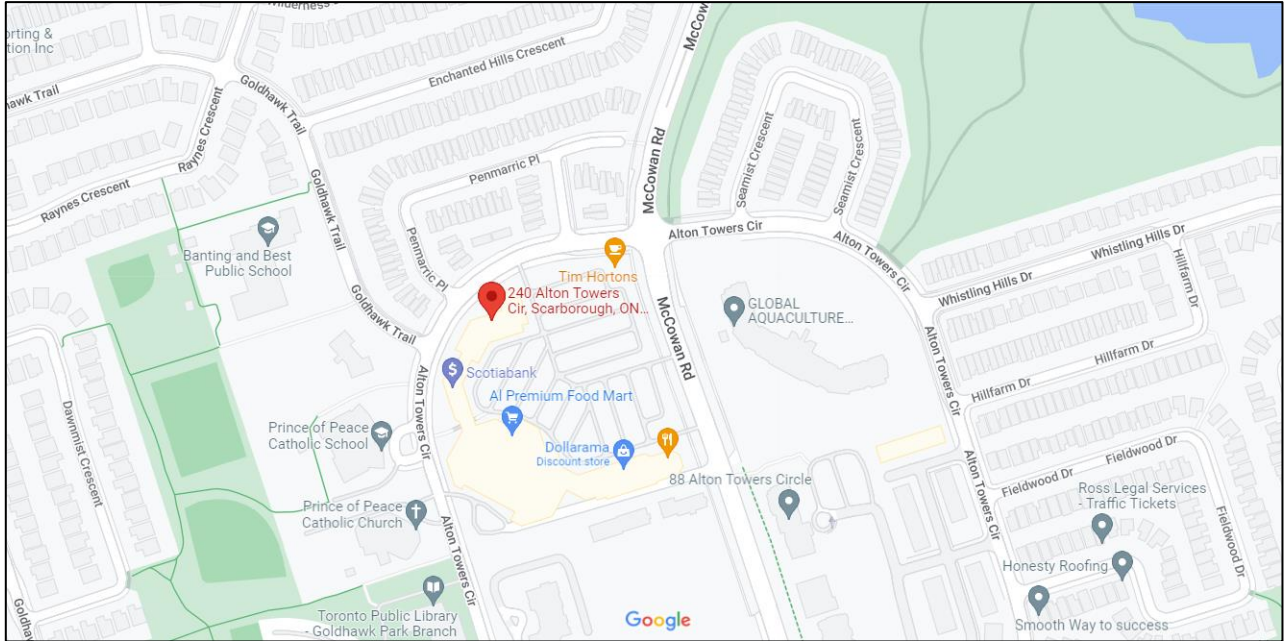
**Legal Services Division Contact**

Contact Name:	Jack Payne ( 04/06/2022)
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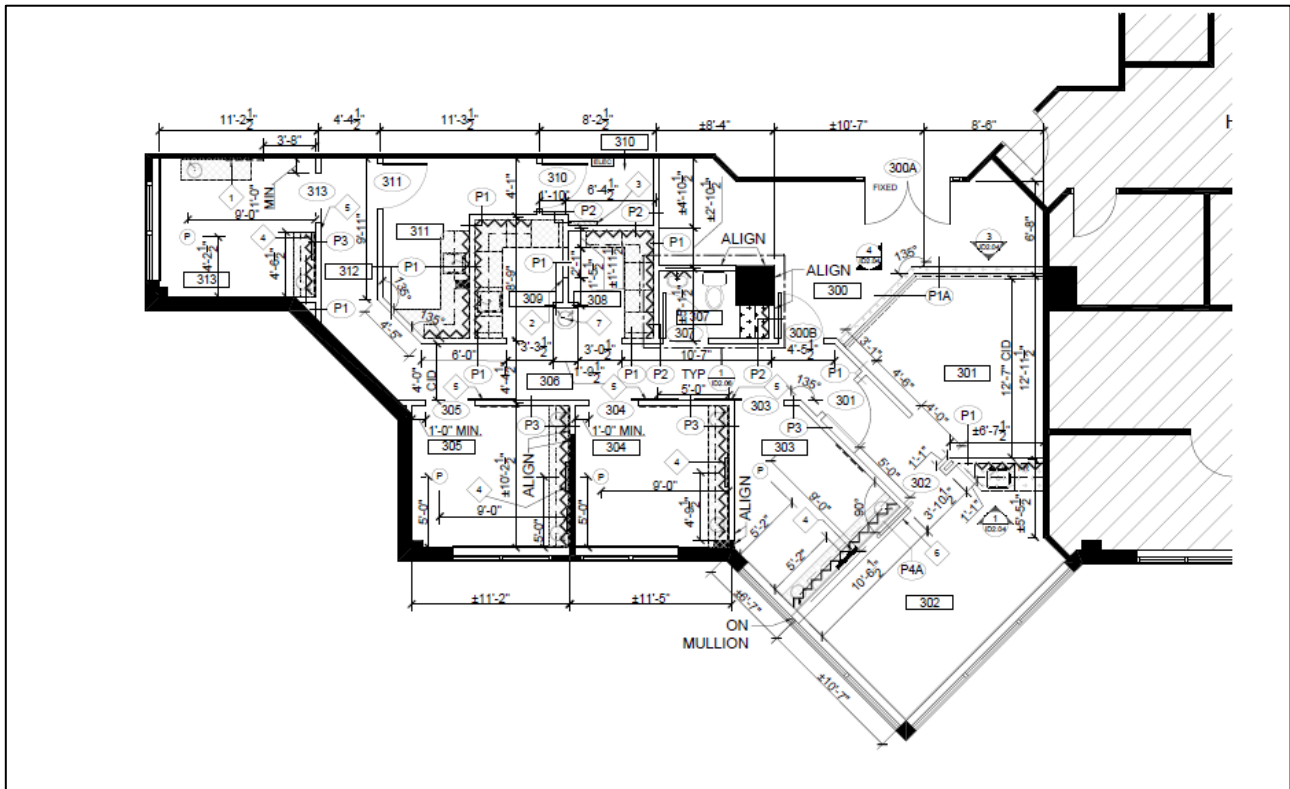
DAF Tracking No.: 2022- 091	Date	Signature
Recommended by: Manager, Real Estate Services, Ronald Ro	April 13, 2022	Signed by Ronald Ro
Recommended by: Director, Real Estate Services, Alison Folosea	April 19, 2022	Signed by Alison Folosea
<input type="checkbox"/> Recommended by: Executive Director, Corporate Real Estate Management	April 20, 2022	Signed by Patrick Matozzo
<input checked="" type="checkbox"/> Approved by: Patrick Matozzo		
<input type="checkbox"/> Approved by: Deputy City Manager, Corporate Services Josie Scioli		X

### Appendix A - The Leased Premises

#### Location of the Leased Premises



#### Drawing of the Leased Premises



### Appendix B – Major Terms and Conditions

Heading	Terms
Landlord	Cedar City Paradise (Milliken) Inc.
Tenant	City of Toronto
Leased Premises	Approximately 1,700 square feet space within the property municipally known as 240 Alton Tower Circle, Toronto, ON M1V 3Z3, as shown in Appendix A
Term	Fifteen (15) years commencing on the later of May 1, 2022, or the date on which the Landlord has delivered possession of the Premises to the Tenant with the Landlord's Work substantially completed.
Extensions	Two (2) Options to extend for five (5) years each. The extension terms will be on the same terms and conditions as the initial Term, except that there will be no further extension right and the Minimum Rent will be the greater of then current fair market rent and the Minimum Rent payable during the preceding twelve month period.
Minimum Rent	\$12.00 per square foot of gross leasable area of the Leased Premises per year for the first twelve month period of the Term, increased annually by \$0.25 per square foot every twelve month period after
Minimum Rent Free Period	Provided it is not in default, the Tenant shall not be required to pay Minimum Rent in respect of the Premises for the first sixty (60) days of the Term.
Additional Rent	The lease is fully net to the Landlord. The Tenant shall pay its proportionate share of all operating costs and taxes for the Leased Premises.
Tenant's Improvement Allowance	\$15.00 per square foot of gross leasable area of the Lease Premises, plus HST If exigible, to be applied to the actual costs of the Tenant's leasehold improvements
Use of Leased Premises	To be used for a Toronto Public Health licensed general dentistry clinic, and no other purpose. The Tenant's use shall be in compliance with all laws, including all environmental laws. The Tenant indemnifies the Landlord, its officers, directors, employees, agents, shareholders and any receiver or receiver and manager, against losses related to environmental laws, discharges, settlements, judgment or orders.
Utilities	The Tenant shall pay all utility costs of the Leased Premises, to the extent not already charged in the operating costs.
Maintenance	Landlord will maintain and repair the common elements (including structural building elements and base building systems supplied to the point of connection to the Premises. The Tenant will keep the Leased Premises and all improvements in or on them in good working order and condition.
Tenant's Work	The Landlord will undertake certain work in the Leased Premises at its own expense as set out in the lease. The Tenant will carry out all necessary construction beyond such Landlord's work to support the use of a dental office at the Premises at Tenant's cost, subject to the Tenant's Improvement Allowance, above.
Assignment / Sublease	The Tenant shall not effect or permit an assignment, sublease or other transfer of the lease without the consent of the Landlord which consent will not be unreasonably withheld. The Tenant may assign or sublease without Landlord's consent to an affiliate, an entity into with the Tenant is merged, a purchaser of the Tenant's assets, any agency, board or corporation of the Tenant; or any other municipal, provincial or federal governmental entity (a "Permitted Transferee")
Insurance	Tenant at its own expense shall take out and keep in full force and effect appropriate insurance, including all risks (including flood and earthquake) property insurance and comprehensive general liability insurance, and such other insurance required by the lease.
Indemnity	The Tenant will indemnify and save harmless the Landlord and any mortgagee, and their respective directors, officers and employees, from and against all claims relating to any occurrence in the Leased Premises, the use or occupancy of the Leased Premises or to any act or omission of the Tenant or anyone permitted in the Leased Premises by the Tenant, save when arising from or contributed to by the Landlord's or mortgagee's negligence.

Relocation	The Landlord has the right to relocate the Leased Premises on no less than 18 months' notice, provided the Landlord pays the Tenant's reasonable relocation costs, builds out the new premises, and has the new premises ready for the Tenant's occupancy prior to the Tenant ceasing business at the original Leased Premises. This right shall not apply during the initial Term.
Demolition	If the Landlord intends to demolish, redevelop or renovate all or any part of the shopping centre, it may terminate the lease on no less than 18 months' notice, provided that the Landlord pays to the Tenant the unamortized value of the Tenant's initial leasehold improvements.
Right of First Offer	Provided that: (i) the Tenant is not then in default under the terms of the lease and has not been in default under beyond the applicable cure period on more than two occasions; (ii) there has been no transfer of this Lease except to a Permitted Transferee; and (iii) the Tenant is in possession of and conducting business in the whole of the Leased Premises, then, if at any time any other premises located on the third (3 <sup>rd</sup> ) floor of the office area of the building become or are expected to become available for rent, then provided there remains a minimum of five (5) years before the expiry of the Term or extension term and provided that the other premises are separate from any other spaces proposed to be leased, the Tenant shall have the right to lease such other premises. The term of the lease of the other premises shall be co-terminous with the Term and the Minimum Rent shall be the greater of the rate payable by Tenant for the Leased Premises on a per square foot basis and the market rate for the other premises.
Municipal Capital Facility	In the event that City Council passes a by-law exempting the Leased Premises from municipal or school taxation, the Landlord and the Tenant shall be bound by the terms and conditions of the Municipal Capital Facility Agreement attached to the lease. The Landlord agrees to pass the full benefit of such exemption on to the Tenant during the entire period of any such exemption.