

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

TRACKING NO.: 2022-143

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

Prepared By:	Rocchina Zambri	Division:	Corporate Real Estate Management
Date Prepared:	August 15, 2022	Phone No.:	416-338-2995

Purpose To obtain authority to enter into a Third Lease Extension and Amending Agreement (the "**Extension Agreement**") with Yorkdale Shopping Centre Holdings Inc. (the "**Landlord**") with respect to the property municipally known as 1 Yorkdale Road, Toronto, Ontario for the use of Toronto Transit Commission ("**TTC**") as an office space.

Property The leased premises comprised of approximately 1,892 sq. of rentable area located on the 2nd floor of the building municipally known as Suite 201, 1 Yorkdale Road, Toronto, Ontario, and more particularly shown on the location map and the sketch attached as Appendix "A" (the "**Leased Premises**"). The land on which the building is located on is legally described as Part of Lot 9, Concession 2, West of Yonge Street Part 3, Plan 66R-16192 except and Part 2 on 66R-27868; and together with easement in C702847 and Part of Lots 8 & 9, Concession 2, West of Yonge Street Parts 5 & 6 Plan 66R-1332,3 save and excepts Parts 5 & 6 Plan 66R-16192 and Part 1, Plan 66R-19232; City of Toronto; being PIN 10232-0312 (LT).

Actions 1. Authority be granted to enter into the Extension Agreement with the Landlord, for a term of five (5) years commencing on September 1, 2022 and ending on August 31, 2027, substantially on the major terms and conditions set out in Appendix "B", and including such other or amended terms and conditions as may be deemed appropriate by the approving authority herein, and in a form acceptable to the City Solicitor.

Financial Impact Toronto Transit Commission (the "TTC") will pay a total sum of \$203,390.00 (plus HST) or 206,969.66 (net of HST recoveries) for the five year term of the agreement.

The costs to be incurred for each fiscal year are as follows:

Year	Annual Rent (Excluding HST)	Annual Rent (net of HST recoveries)
2022	\$12,298.00	\$12,514.44
2023	\$37,524.67	\$38,185.10
2024	\$39,416.66	\$40,110.39
2025	\$41,308.67	\$42,035.70
2026	\$43,200.67	\$43,961.00
2027	\$29,641.33	\$30,163.02
TOTAL	\$203,390.00	\$206,969.66

Funding is available in the TTC's 2022-2031 Council Approved Capital Budget under capital program 3.9 Other Buildings and Structures.

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 May 15, 2009, the TTC entered into a lease with the Landlord at the Leased Premises for an initial term of 5 years, commencing from September 1, 2009 and ending on August 31, 2014. By a lease extension and amending agreement dated September 1, 2015, the lease was extended for a term of five years, effective from September 1, 2014 and ending on August 31, 2019, and by a second lease extension and amending agreement dated November 29, 2019 the Lease was further extended for an additional three years, effective from September 1, 2019 and ending on August 31, 2022. The original lease term, the first extension lease term and the second lease extension term are collectively referred to as the "**Term**". The Leased Premises is used as office space for TTC staff responsible to service the state of good repair contracts, which are expected to extend beyond 2027.

The Landlord is agreeable to the extension of the Lease on the same terms and conditions as the initial lease, except for the rental rates. Corporate Real Estate Management staff has determined that the proposed rent and other major terms and conditions of the Extended Agreement are considered to be fair, reasonable and reflective of market rate, and Modern TO has no objection to the extension.

Terms See Appendix "B"

Property Details	Ward:	Ward 8 – Eglinton-Lawrence
	Assessment Roll No.:	Unavailable
	Approximate Size:	
	Approximate Area:	1,892 sq. ft.
	Other Information:	n/a

A.	Manager, Real Estate Services has approval authority for:	Director, Real Estate Services has approval authority for:
1. Acquisitions:	<input type="checkbox"/> Where total compensation does not exceed \$50,000.	<input type="checkbox"/> Where total compensation does not exceed \$1 Million.
2A. Expropriations Where City is Expropriating Authority:	<input type="checkbox"/> Statutory offers, agreements and settlements where total compensation does not cumulatively exceed \$50,000.	<input type="checkbox"/> Statutory offers, agreements and settlements where total compensation does not cumulatively exceed \$1 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 \$50,000. <input type="checkbox"/> (b) Request Hearings of Necessity. <input type="checkbox"/> (c) Waive Hearings of Necessity.	<input type="checkbox"/> (a) Acceptance of statutory offers, agreements and settlements where total compensation does not cumulatively exceed \$1 Million. <input type="checkbox"/> (b) Request Hearings of Necessity. <input type="checkbox"/> (c) Waive Hearings of Necessity.
3. Issuance of RFPs/REOs:	Delegated to more senior positions.	<input type="checkbox"/> Issuance of RFPs/REOs.
4. Permanent Highway Closures:	Delegated to more senior positions.	<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:	Delegated to more senior positions.	Delegated to more senior positions.
6. Limiting Distance Agreements:	<input type="checkbox"/> Where total compensation does not exceed \$50,000.	<input type="checkbox"/> Where total compensation does not exceed \$1 Million.
7. Disposals (including Leases of 21 years or more):	<input type="checkbox"/> Where total compensation does not exceed \$50,000.	<input type="checkbox"/> Where total compensation does not exceed \$1 Million.
8. Exchange of land in Green Space System & Parks & Open Space Areas of Official Plan:	Delegated to more senior positions.	<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 \$50,000. <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.	<input type="checkbox"/> (a) Where total compensation (including options/ renewals) does not exceed \$1 Million. <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.
10. Leases/Licences (City as Tenant/Licensee):	<input type="checkbox"/> Where total compensation (including options/ renewals) does not exceed \$50,000.	<input checked="" type="checkbox"/> Where total compensation (including options/ renewals) does not exceed \$1 Million.
11. Easements (City as Grantor):	<input type="checkbox"/> Where total compensation does not exceed \$50,000. Delegated to more senior positions.	<input type="checkbox"/> (a) Where total compensation does not exceed \$1 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 \$50,000.	<input type="checkbox"/> Where total compensation does not exceed \$1 Million.
13. Revisions to Council Decisions in Real Estate Matters:	Delegated to more senior positions.	<input type="checkbox"/> Amendment must not be materially inconsistent with original decision (and subject to General Condition (U)).
14. Miscellaneous:	Delegated to more senior positions.	<input type="checkbox"/> (a) Approvals, Consents, Notices and Assignments under all Leases/Licences <input type="checkbox"/> (b) Releases/Discharges <input type="checkbox"/> (c) Surrenders/Abandonments <input type="checkbox"/> (d) Enforcements/Terminations <input type="checkbox"/> (e) Consents/Non-Disturbance Agreements/ Acknowledgements/Estoppel Certificates <input type="checkbox"/> (f) Objections/Waivers/Cautions <input type="checkbox"/> (g) Notices of Lease and Sublease <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"/> (j) Documentation relating to Land Titles applications <input type="checkbox"/> (k) Correcting/Quit Claim Transfer/Deeds

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 (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:

- 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:	Mike Colle	Councillor:	
Contact Name:	Edna Wood	Contact Name:	
Contacted by:	<input type="checkbox"/> Phone <input checked="" type="checkbox"/> E-Mail <input type="checkbox"/> Memo <input type="checkbox"/> Other	Contacted by:	<input type="checkbox"/> Phone <input type="checkbox"/> E-mail <input type="checkbox"/> Memo <input type="checkbox"/> Other
Comments:	No objection	Comments:	

Consultation with Divisions and/or Agencies

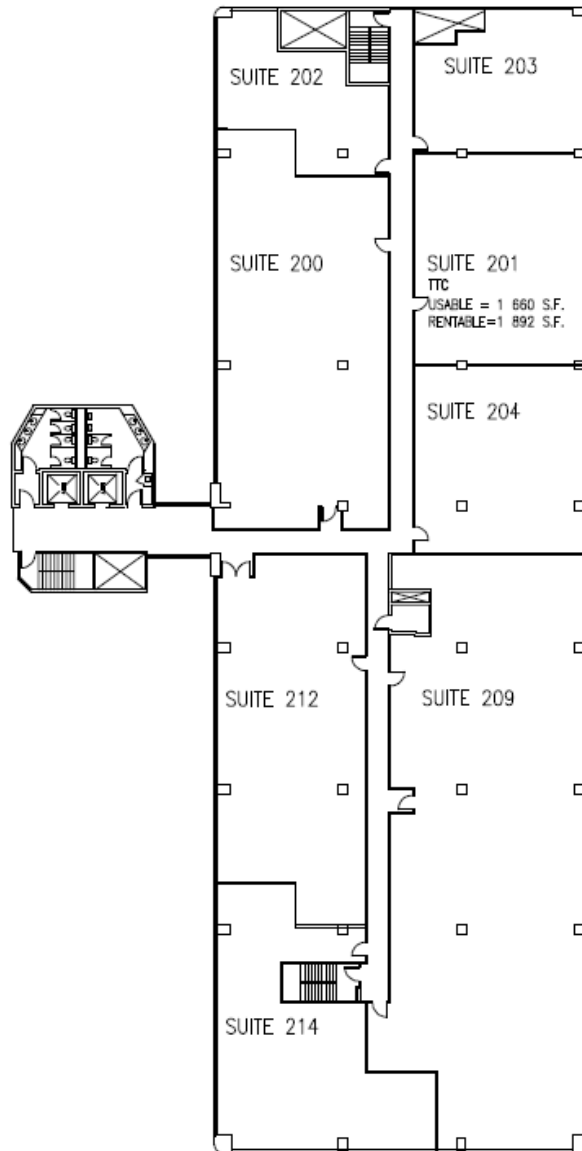
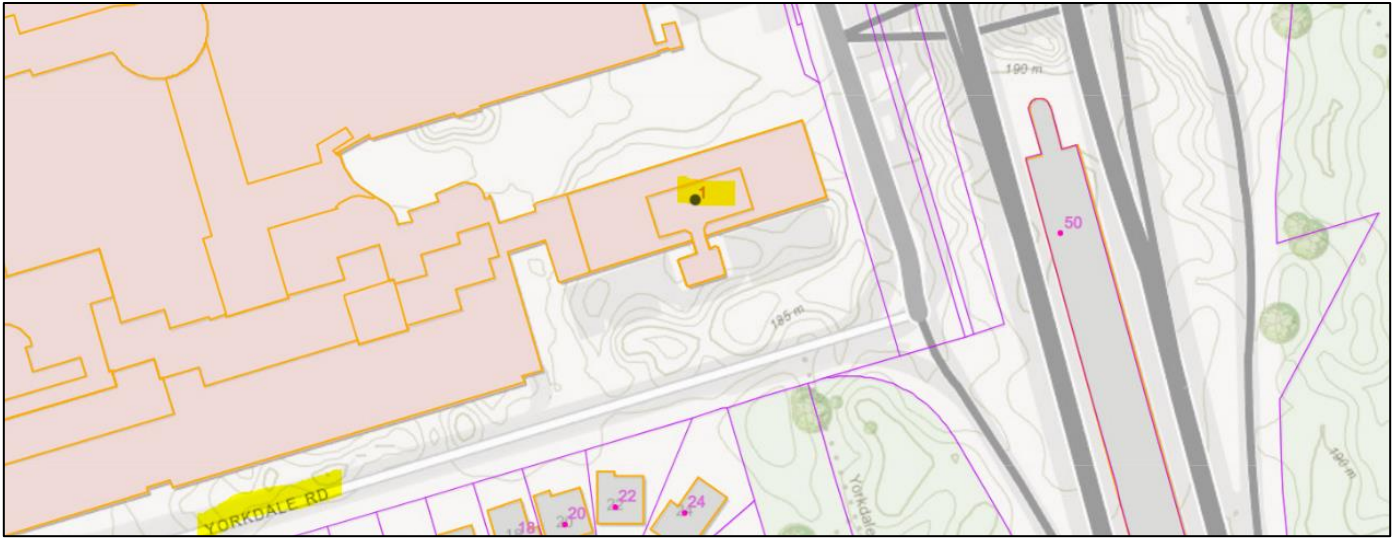
Division:	TTC	Division:	Financial Planning
Contact Name:	Gurpreet Dubb	Contact Name:	Filisha Jenkins
Comments:	Concur	Comments:	Concur

Legal Services Division Contact

Contact Name:	Michelle Xu
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DAF Tracking No.: 2022-143	Date	Signature
<input checked="" type="checkbox"/> Recommended by: Manager, Real Estate Services Vinette Prescott-Brown <input type="checkbox"/> Approved by:	August 16, 2022	Signed by Vinette Prescott-Brown
<input checked="" type="checkbox"/> Approved by: Director, Real Estate Services Alison Folosea	August 18, 2022	Signed by Alison Folosea

Appendix "A" - Location Map



Appendix "B" – Major Terms

Leased Premises: The leased premises comprised of approximately 1,892 sq. ft. of rentable area located on the 2nd floor of the building municipally known as Suite 201, 1 Yorkdale Road, Toronto, Ontario, and more particularly shown on the location map and the sketch attached as Appendix "A" (the "**Leased Premises**"). The land on which the building is located on is legally described as Part of Lot 9, Concession 2, West of Yonge Street Part 3, Plan 66R-16192 except and Part 2 on 66R-27868; and together with easement in C702847 and Part of Lots 8 & 9, Concession 2, West of Yonge Street Parts 5 & 6 Plan 66R-1332,3 save and excepts Parts 5 & 6 Plan 66R-16192 and Part 1, Plan 66R-19232; City of Toronto; being PIN 10232-0312 (LT).

Rent:

<u>Period</u>	<u>Annual Amount</u>	<u>Monthly Amount</u>	<u>Annual Square Foot Rate</u>
Sept 1/22 to Aug 31/23	\$36,894.00	\$3,074.50	\$19.50
Sept 1/23 to Aug 31/24	\$38,786.00	\$3,232.17	\$20.50
Sept 1/24 to Aug 31/25	\$40,678.00	\$3,389.83	\$21.50
Sept 1/25 to Aug 31/26	\$42,570.00	\$3,547.50	\$22.50
Sept 1/26 to Aug 31/27	\$44,462.00	\$3,705.17	\$23.50

Third Extended Term: September 1, 2022 to August 31, 2027.

Options to Renew: City may extend the Term for one (1) additional term of three (3) years upon giving the Landlord not more than eighteen (18) months and not less than twelve (12) months advance notice prior to the expiration of the Third Extended Term, on the same terms and conditions as contained within the original Lease, save and except for the following items:

- The annual rent payable during the new extension period will be based on the market rent at the time;
- There are no further options for extensions; and
- There are no allowances or free rent periods.

Demolition: Landlord's notice requirement for Demolition is changed from six months prior notice to twelve months prior notice.