



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

TRACKING NO.: 2022-049

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

Prepared By:	Owen Bartley	Division:	Corporate Real Estate Management
Date Prepared:	September 8, 2022	Phone No.:	416-338-1297
Purpose	To obtain authority to enter into a sublease extension agreement (the "Sublease Extension") with State Street Trust Company Canada (the "Sublandlord") with respect to Suite 700 in the property municipally known as 30 Adelaide Street East, Toronto (the "Property"), for the purpose of operating administrative offices for Court Services.		
Property	Suite 700 located in the property municipally known as 30 Adelaide Street East, Toronto, which comprises approximately 25,901 square feet of space (the "Leased Premises"), as shown on the Location Map in Appendix "B" and the Floor Plan in Appendix "C".		
Actions	1. Authority be granted to enter into the Sublease Extension with the Sublandlord, substantially on the major terms and conditions set out in Appendix "A", and on such other terms as deemed appropriate by the approving authority herein, and in a form satisfactory to the City Solicitor.		
Financial Impact	<p>The total estimated cost to the City of the Sublease Extension, including the potential restoration of the Premises, is approximately \$502,850.92 (plus HST) or \$511,701.09 (net of HST recoveries).</p> <p>Funding is available in the 2022 Council Approved Operating Budget for Court Services under cost centre CT2001, Functional Area Code 1430000000, and will be included in future Operating Budget submissions for Council consideration</p>		
Comments	<p>Court Services has occupied the Leased Premises on a sublease basis since 2019. This sublease expires on August 31, 2022. New space is being constructed for Court Services at the North St. Lawrence Market Building, but has encountered significant delays related to Covid-19. Occupancy of the new space is now estimated to be delayed by approximately 19 months.</p> <p>State Street's head lease continues until November 30, 2022 so a two-month Sublease Extension is required to bridge the gap to a new head lease.</p> <p>The proposed costs for the rent and other major terms and conditions of the Sublease Extension are considered to be fair, reasonable and reflective of market rates.</p>		
Terms	See Appendix "A".		
Property Details	Ward:	13 – Toronto Centre	
	Assessment Roll No.:	1904 064 450 00700	
	Approximate Size:		
	Approximate Area:	2,406.28 m ² ± (25,901 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/Licensors):</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 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 checked="" 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:	Robin Buxton Potts	Councillor:	
Contact Name:	Edward LaRusic	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 concerns	Comments:	
Consultation with Divisions and/or Agencies			
Division:	Court Services	Division:	Financial Planning
Contact Name:	Susan Garossino	Contact Name:	Filisha Jenkins
Comments:	No concerns	Comments:	No concerns
Legal Services Division Contact			
Contact Name:	Soo Kim Lee		

DAF Tracking No.: 2022-049	Date	Signature
<input checked="" type="checkbox"/> Recommended by: Manager, Real Estate Services Vinette Prescott-Brown	Sept. 9, 2022	Signed by Vinette Prescott-Brown
<input type="checkbox"/> Approved by:		
<input type="checkbox"/> Approved by: Director, Real Estate Services Alison Folosea	Sept. 9, 2022	Signed by Alison Folosea

Appendix "A" – Major Terms and Conditions of the Sublease Extension

Sublandlord: 30 Adelaide Street East Inc., by its agent and manager, Dream Office Management Corp.

Subtenant: City of Toronto

Leased Premises: Approximately 25,901 sq ft, as shown in Appendix "C"

Extended Term: Two (2) months

Commencement Date: September 1, 2022

Expiry Date: October 31, 2022

Basic Rent: The Subtenant shall pay the sum of \$56,863.33 (based on \$28.00 per s.f.) for Basic Rent, and shall pay Subtenant's Additional Rent, all in accordance with the terms of the Sublease.

Provided the Subtenant faithfully performs all the terms and conditions of the Sublease, Sublandlord hereby agrees that the Subtenant shall not be required to pay the Basic Rent and Additional Rent for October 2022. During such period, the Subtenant shall still be responsible for the payment of all its other monetary obligations under the Sublease.

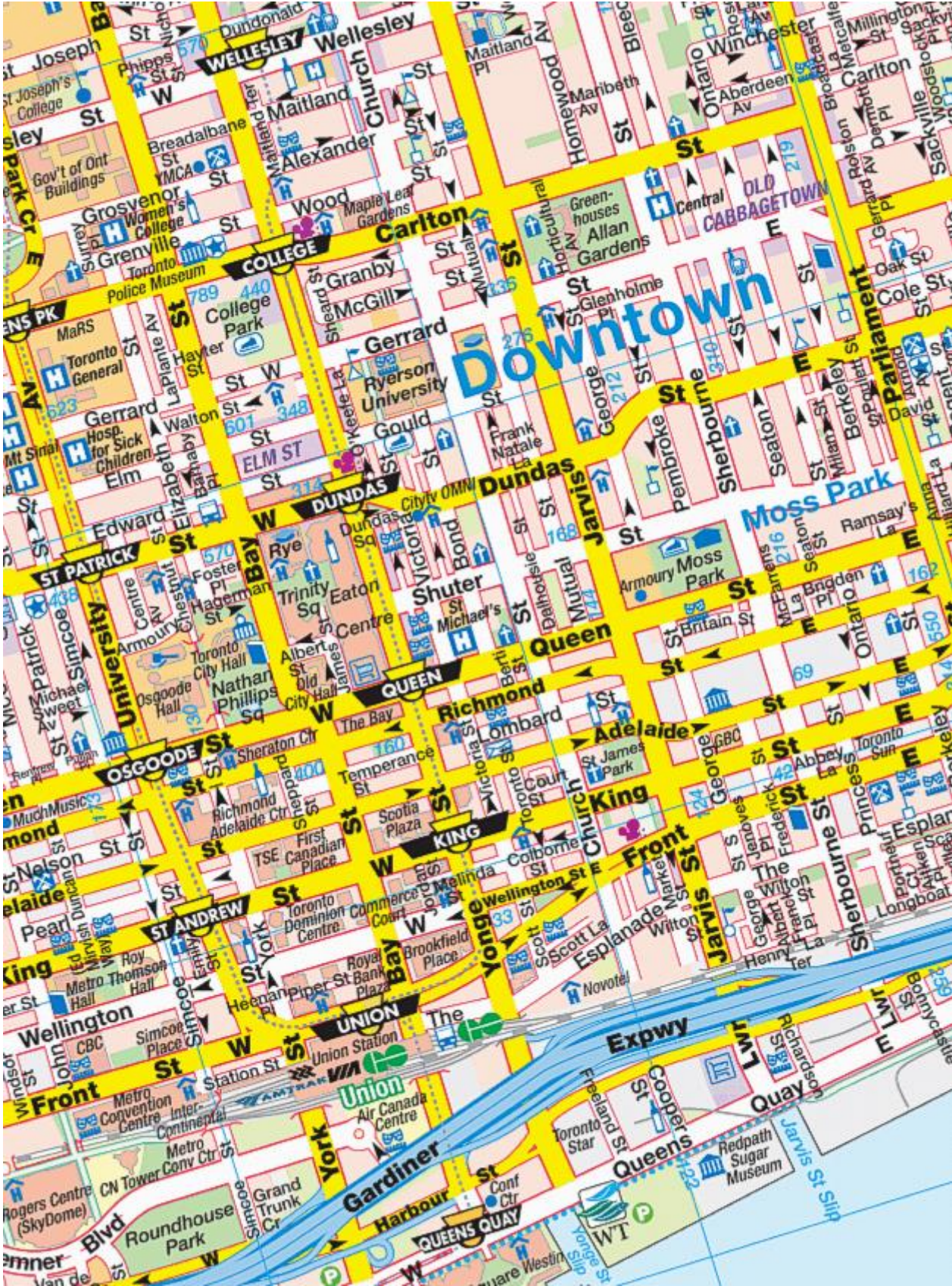
Condition of Premises: Subtenant hereby accept the Subleased Premises in their current "as-is" condition and Sublandlord shall have no obligation to perform any improvements thereto.

For good and valuable consideration, and the sum of \$1.00, receipt and sufficiency of which are hereby acknowledged, Sublandlord and Subtenant hereby agree as follows:

- (i) Sublandlord hereby sells, transfers, assigns and conveys to Subtenant and Subtenant hereby accepts all right, title and interest, the Furniture and Equipment.
- (ii) The Furniture and Equipment is conveyed by Sublandlord and accepted by Subtenant as is, where is, without recourse or warranties of whatsoever, nature, express or implied, it being the intention of the Sublandlord and Subtenant to expressly negate and exclude all warranties including, without limitation, the implied warranties of merchantability, and fitness for any particular purpose.
- (iii) The Subtenant shall be responsible, at its sole cost and expense, to remove all Furniture and Equipment from the Subleased Premises, upon expiry of the Sublease or by such later date as consented to by the Head Landlord and Sublandlord.

Removal and Restoration:

In addition to Subtenant's restoration and surrender obligations set forth in the Sublease, Subtenant at its sole expense, shall be required to complete all of Sublandlord's surrender and restoration obligations with respect to the Subleased Premises wheresoever stated in the Lease and return the Subleased Premises in accordance with the Lease. Notwithstanding anything to the contrary set forth herein, the Subtenant shall not be responsible to restore any internal stairways, Sublandlord's exterior signage or any of Sublandlord's rooftop installations. Subtenant shall indemnify Sublandlord with respect to any claims, costs or expenses relating to Sublandlord's surrender and restoration obligations of the Subleased Premises.



Appendix "C" – Floor Plan

