

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

TRACKING NO.: 2022-222

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

Prepared By:	Joseph Sergnese	Division:	Corporate Real Estate Management
Date Prepared:	September 27, 2022	Phone No.:	416-392-1857

<b>Purpose</b>	To obtain authority to enter into a Lease Extension and Amending Agreement with 45-47 Sheppard Avenue East Inc.(the " <i>Landlord</i> ") with respect to a portion of the property municipally known as 45 Sheppard Avenue East, Toronto for the continuing use of the approximately 4,456 square feet of office space (the "Lease Agreement").
<b>Property</b>	Suite 212, 45 Sheppard Avenue East, Toronto (the "Premises") Part of Block A Plan 2090, Designated as part 1 on Plan 64R15615 subject to easements
<b>Actions</b>	1. Authority be granted to enter into a Lease Extension and Amending Agreement with the <i>Landlord</i> , substantially on the major terms and conditions set out in Appendix "A", and including such other terms as deemed appropriate by the approving authority herein, and in a form satisfactory to the City Solicitor.
<b>Financial Impact</b>	The City shall not be obligated to pay Minimum Rent for two (2) months, applicable to the months of October and November of 2022. The adjusted estimated cost to the City over the one year renewal and 1 year extension is estimated to be \$171,927.33 (plus HST) or \$174,953.25 (net of HST recovery). Funding is available in the 2022 Council Approved Operating Budget for Toronto Employment & Social Services (in cost centre C01242) and will be accommodated for in future budget submission 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.
<b>Comments</b>	Government Management Committee Report No. GM8.11, adopted by City Council on October 22 and 23, 2007, authorized the lease of the Premises, which expired September 30, 2012 and contained one option to renew for a further term of five years. Toronto Employment and Social Services renewed for the further term commencing October 1, 2012 and expiring September 30, 2017. The Landlord and City agreed to extend the Term for a further period of five (5) years commencing on October 1, 2017 and it expired September 30, 2022.  The City of Toronto's Employment and Social Services (TESS) would like to renew for a further term of one year commencing October 1, 2022 and expiring September 30, 2023, with an option to extend for another year.  TESS' long term accommodation plan, with the help of Corporate Real Estate Services, is to find an alternative City owned space that can accommodate its business needs.  The space is occupied by TESS. TESS provides employment supports, financial benefits and social supports to their clients. The office is an optimal location for TESS due to its close proximity to the Willowdale Courts at 47 Sheppard Avenue East, where staff are required to attend court based on a legislated requirement within the Ontario Works program. There is no other space available at the North York Employment & Social Services site at 5100 Yonge street.
<b>Terms</b>	Terms and conditions can be found on page Appendix "A" of this form.  Real Estate Services Staff have reviewed the agreement and are satisfied that the terms and conditions of the Lease Extension and Amending Agreement are fair, reasonable and at market value.

<b>Property Details</b>	<b>Ward:</b>	18 – Willowdale
	<b>Assessment Roll No.:</b>	1908-09-1-150-00700
	<b>Approximate Size:</b>	
	<b>Approximate Area:</b>	4,456 square feet
	<b>Other Information:</b>	

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 &amp; Parks &amp; 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><b>Delegated to more senior positions.</b></p> <p><b>Delegated to more senior positions.</b></p> <p><b>Delegated to more senior positions.</b></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><b>Delegated to more senior positions.</b></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><b>Leases pursuant to the Community Space Tenancy Policy delegated to a more senior position.</b></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><b>Delegated to more senior positions.</b></p> <p><input type="checkbox"/> Where total compensation does not exceed \$50,000.</p> <p><b>Delegated to more senior positions.</b></p> <p><b>Delegated to more senior positions.</b></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 &amp; authorize GM, Transportation Services to give notice of proposed by-law.</p> <p><b>Delegated to more senior positions.</b></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><b>Leases pursuant to the Community Space Tenancy Policy delegated to a more senior position.</b></p> <p><input checked="" 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:**

- 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:	John Fillion	Councillor:	
Contact Name:	Catherine LeBlanc-Miller	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 (September 28, 2022)	Comments:	

**Consultation with Divisions and/or Agencies**

Division:	Toronto Employment & Social Services	Division:	<b>Financial Planning</b>
Contact Name:	Jeff Parkovnick	Contact Name:	Filisha Jenkins
Comments:	Concurred July 29, 2022	Comments:	Concurs (September 29, 2022)

**Legal Services Division Contact**

Contact Name:

DAF Tracking No.: 2022-222	Date	Signature
<input checked="" type="checkbox"/> Recommended by: <b>Manager, Real Estate Services</b> Susan Lin	October 13, 2022	Signed by Susan Lin
<input type="checkbox"/> Approved by:		
<input checked="" type="checkbox"/> Approved by: <b>Director, Real Estate Services</b> Alison Folosea	October 14, 2022	Signed by Alison Folosea

**Appendix "A"****Major Terms and Conditions for 45 Sheppard Avenue East Lease Renewal**

**Landlord:** 45-47 Sheppard Avenue East Inc.

**Tenant:** City of Toronto, (Toronto Employment & Social Services)

Property: Suite 212, 45 Sheppard Avenue East, Toronto, Ontario

**Demised Area:** Approximately 4,456 square feet within the premises known municipally as 45 Sheppard Avenue East

**Renewal Term:** One (1) year, commencing October 1, 2022 and expiring September 30, 2023

**Further Option To Renew:** 1 year.

**Minimum Rent:** for the period October 1, 2022 to and including September 30, 2023 the sum of \$91,348.00 payable in equal monthly installments of \$7,612.33 per month (based on \$20.50 per sq. ft. rounded);

For the extension period October 1, 2023 to and including September 30, 2024 the sum of \$95,804.00 per annum payable in equal monthly installments of \$7,983.67 (based on \$21.50 per sq. ft. rounded);

Minimum Rent Free Period: October and November, 2022

**Additional Rent:** In addition to the payment of Minimum Rent, the Tenant shall pay to the Landlord Additional Rent for the Premises in accordance with the Lease.

**Realty Taxes:** Tenant may exempt from taxation for municipal and school purposes, land or a portion of land on which Municipal Capital Facilities are located.



Appendix "B"  
Location Map for 45 Sheppard Avenue East

