

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

TRACKING NO.: 2022-295

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

Prepared By:	Myron Menezes	Division:	Corporate Real Estate Management
Date Prepared:	November 30, 2022	Phone No.:	416-338-3586

Purpose To obtain authority to enter into a lease extension and amending agreement with May Stone Investments Inc. (the "Landlord") for approximately 1,256 square feet of space at 4630 Kingston Road, Toronto commencing on December 1, 2022 and expiring on November 30, 2026 for the use of a constituency office for Councillor Jennifer McKelvie (the "Agreement").

Property 4630 Kingston Road, Suite 20, Toronto, Ontario (the "Leased Premises"), legally described as PT LTS 5, 6 & 7, PL 2253, PART 2 & 11, 64R7641; Scarborough, City of Toronto, on PIN 06488-0016.

Actions 1. Authority be granted to enter into the Agreement with the Landlord substantially on the terms and conditions herein, and such other terms and conditions deemed appropriate by the Director, Real Estate Services or his/her designate, and in a form acceptable to the City Solicitor.

Financial Impact The total estimated cost to the City for the lease agreement term of four (4) years, commencing on December 1, 2022 and expiring on November 30, 2026, is approximately \$105,848.43 (plus HST) or \$107,711.37 (net of HST recovery). If the option to extend for the next term of Council is exercised, the cost to the City over the four (4) year extension will be determined on the current market value at that time.

Funding is included in the 2022 Council Approved Operating Budget for City Council (under cost center CNY025-661000000) and will be included in future year operating budget submissions for Council consideration.

Costs to be incurred by the City for each fiscal year is as follows:

Fiscal Year	Term / Period	Total Expenditures (plus HST)	Total Expenditures (net of HST)
2022	Dec 1 2022 - Dec 31 2022	2,140.11	2,177.78
2021	Jan 1 2023 - Dec 31 2023	25,724.15	26,176.89
2022	Jan 1 2024 - Dec 31 2024	26,238.63	26,700.43
2023	Jan 1 2025 - Dec 31 2025	26,763.40	27,234.44
2024	Jan 1 2026 - Nov 30 2026	24,982.14	25,421.83
Total	Dec 1, 2022 - Nov 30, 2026	\$ 105,848.43	107,711.37

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

Comments At its meeting on July 11, 12 and 13, 2012, City Council adopted and amended report EX21.9 "Policy Changes to Councillor Office Operations" and in doing so, Council directed that the provision of a constituency office, within a civic centre (including City Hall) or within the Councillors' respective ward, be funded from the General Council Account, and further, that staff develop appropriate parameter for these spaces.

At its meeting on October 30, 31, and November 1, 2012, City Council adopted Recommendation 1 of Report CC27.5 "Parameters for Councillor Constituency Offices" and approved the proposed parameters.

At its meeting on March 7, 2019, City Council amended and adopted EX2.5 "2019 Capital and Operating Budgets" amending the Parameters for Councillor Constituency Offices Policy to set the annual constituency office rent budget per Councillor for 2019. The parameters include an annual inflationary adjustment for the lease entitlement.

DAF 2019-360, dated December 24, 2019, authorized the City to enter into a lease agreement for the Leased Premises. The Agreement will allow Councillor Jennifer McKelvie to continue to have a constituency office in her ward in the subject location for her re-elected term.

The rent and other terms and conditions of the Agreement reflect current market value according to market research and valuation conducted by Real Estate Services staff.

Terms [For additional space, use page 4]

Property Details	Ward:	25 – Scarborough-Rouge Park
	Assessment Roll No.:	N/A
	Approximate Size:	
	Approximate Area:	116.69 m2 (1,256 ft2)
	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 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:	Jennifer McKelvie	Councillor:	
Contact Name:	N/A	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 objections – November 30, 2022	Comments:	

Consultation with Divisions and/or Agencies

Division:	City Clerk	Division:	Financial Planning
Contact Name:	Lesley Ruscica	Contact Name:	Filisha Jenkins
Comments:	No objections – November 30, 2022	Comments:	No objections – November 30, 2022

Legal Services Division Contact

Contact Name: Frank Weng – Nov 29, 2022

DAF Tracking No.: 2022-295	Date	Signature
<input checked="" type="checkbox"/> Recommended by: Manager, Real Estate Services Ronald Ro <input type="checkbox"/> Approved by:	Nov. 30, 2022	Signed by Ronald Ro
<input checked="" type="checkbox"/> Approved by: Director, Real Estate Services Alison Folosea	Nov. 30, 2022	Signed by Alison Folosea

Major Terms:

1. Term: Four (4) years commencing on December 1, 2022 and expiring on November 30, 2026
2. Basic Rent:
 - Year 1: \$12,990.56/year (\$1,082.55/month)
 - Year 2: \$13,250.37/year (\$1,104.20/month)
 - Year 3: \$13,515.38/year (\$1,126.28/month)
 - Year 4: \$13,785.68/year (\$1,148.81/month)
3. Operating Costs:
 - Year 1: Estimated at \$10.45 per square foot per annum for year 1 (includes cost of utilities, common area maintenance and insurance. Property taxes, while included, are expected to be exempted because the premises is expected to be tax exempt for this year)
 - Year 2: Estimated at \$10.65 per square foot per annum for year 2 (includes cost of utilities, common area maintenance and insurance. Property taxes, while included, are expected to be exempted because the premises is expected to be tax exempt for this year)
 - Year 3: Estimated at \$10.86 per square foot per annum for year 3 (includes cost of utilities, common area maintenance and insurance. Property taxes, while included, are expected to be exempted because the premises is expected to be tax exempt for this year)
 - Year 4: Estimated at \$11.07 per square foot per annum for year 4 (includes cost of utilities, common area maintenance and insurance. Property taxes, while included, are expected to be exempted because the premises is expected to be tax exempt for this year)
4. Option to Extend: One option of four years on same terms and conditions save and except for the rent which shall be negotiated based on fair market value.
5. Tenant's Insurance: General Liability – \$2M per occurrence

Location Map

