

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

**TRACKING NO.: 2022-269**

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

<b>Prepared By:</b>	Priscila Faminial / Boluwarin Mojeed	<b>Division:</b>	Toronto Public Library / CREM
<b>Date Prepared:</b>	November 18, 2022	<b>Phone No.:</b>	416-397-5952 / 416-392-7399

<b>Purpose</b>	To obtain authority to enter into a lease extension and amending letter between First Capital Holdings (Ontario) Corporation (the "Landlord"), and the Toronto Public Library Board (the "Tenant"), with respect to approximately 4,859 square feet of rentable space at 3017 Kingston Road, Unit A01015A, Toronto commencing on January 1, 2023 for a term of five (5) years (the "Lease Extension").
<b>Property</b>	3017 Kingston Road, Unit A01015A, Toronto (the "Premises") as shown in Appendix "B".
<b>Actions</b>	<ol style="list-style-type: none"> <li>1. Authority be granted for the City Librarian to enter into the Lease Extension between the Landlord and the Tenant, substantially on the terms and conditions set out in Appendix "A", and including such other terms and conditions deemed appropriate by the approving authority herein and the City Librarian, and in a form acceptable to the City Solicitor;</li> <li>2. the City Librarian, or her designate, administer and manage the lease including the provision of any consents, approvals, waivers, notices and notices of termination provided that the City Librarian may, at any time, refer consideration of such matters to Director of Real Estate Services for determination and direction; and,</li> <li>3. the appropriate Library Officials be authorized and directed to take the necessary action to give effect thereto.</li> </ol>
<b>Financial Impact</b>	<p>The total cost to the Tenant for the five (5) year term inclusive of minimum rent, utilities, and additional rent, which consists of the City's proportionate share of common area maintenance, will be \$711,260.42 (plus HST) or \$723,778.60 (net of HST recovery).</p> <p>Lease costs to be paid by the Tenant for each fiscal year is shown in Appendix A – Major Terms and Conditions. Funding is available in the 2022 Council Approved Operating Budget for the Toronto Public Library under cost centre LB1000, and will be included in future operating budget submissions for Council consideration.</p> <p>The Chief Financial Officer and Treasurer has reviewed this DAF and agrees with the financial implications as detailed in the Financial Impact section.</p>
<b>Comments</b>	<p>Cliffcrest branch was opened in October 1972 in the Cliffcrest Plaza at 2965-3049 Kingston Road. The library was relocated in the plaza to its current space in 2008.</p> <p>The original lease was dated June 4, 1987, and amended and extended by agreements dated March 3, 1992, October 17, 1996, February 13, 1997, July 23, 2002, July 31, 2007, December 31, 2007, January 1, 2008 and March 9, 2017 made between the Toronto Public Library Board and First Capital Holdings (Ontario) Corporation, successor in interest to Cliffcrest Plaza Limited.</p> <p>The current lease for the Cliffcrest branch expires on December 31, 2022 and the terms of a further 5-year lease extension have been negotiated with the Landlord. City Corporate Real Estate Management staff have confirmed that the proposed lease rates and other major terms and conditions of the lease extension are considered to be fair, reasonable and represent fair market value.</p>
<b>Terms</b>	Refer to Appendix A – Major Terms and Conditions on page 4.

<b>Property Details</b>	<b>Ward:</b>	Ward 20 – Scarborough Southwest
	<b>Assessment Roll No.:</b>	19 01 071 270 029 00
	<b>Approximate Size:</b>	
	<b>Approximate Area:</b>	4,859 sq. ft.
	<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:	Gary Crawford	Councillor:	
Contact Name:	Monique Lisi	Contact Name:	
Contacted by:	Phone <input type="checkbox"/> E-Mail <input checked="" 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 Objections (November 8, 2022)	Comments:	

**Consultation with Divisions and/or Agencies**

Division:	Toronto Public Library	Division:	<b>Financial Planning</b>
Contact Name:	Harvey Mooradian	Contact Name:	Filisha Jenkins
Comments:	Concurred (July 21, 2022)	Comments:	Concurred (November 10, 2022)

**Legal Services Division Contact**

Contact Name:	Michelle Xu
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DAF Tracking No.: 2022-269	Date	Signature
<input checked="" type="checkbox"/> Recommended by: <b>Manager, Real Estate Services</b> Leila Valenzuela	Nov. 18, 2022	Signed by Leila Valenzuela
<input type="checkbox"/> Approved by:		
<input checked="" type="checkbox"/> Approved by: <b>Director, Real Estate Services</b> Alison Folosea	Nov. 24, 2022	Signed by Alison Folosea

## Appendix A - Major Terms and Conditions

**Premises:**

Approximately 4,859 square feet of rentable space at 3017 Kingston Road, Unit A01015A, Toronto

**Landlord:**

First Capital Holdings (Ontario) Corporation

**Term:**

Five (5) years commencing on January 1, 2023 and expiring on December 31, 2027

**Extension Option:**

No further right nor option to extend the Term or renew the Lease

**Use:**

Neighbourhood library operated by Toronto Public Library

**Base Rent:**

The base rent is \$20.00 per sq. ft. for the five-year term, or \$97,180.00 per year, plus HST

**Additional Rent:**

The estimated rate for additional rent is \$5.91 per sq. ft. or \$28,716.69 per year, plus HST

**Utilities:**

Utilities are estimated at \$3.00 per sq. ft., or \$14,577.00 per year, plus HST

Total estimated costs, net of HST recoveries and with HST, are as shown in the table below:

Fiscal Year	2023	2024	2025	2026	2027
Base Rent (Before HST)	\$ 97,180.00	\$ 97,180.00	\$ 97,180.00	\$ 97,180.00	\$ 97,180.00
Additional Rent (Before HST)	\$ 28,716.69	\$ 29,591.31	\$ 30,465.93	\$ 31,389.14	\$ 32,312.35
Utilities	\$ 14,577.00	\$ 14,577.00	\$ 14,577.00	\$ 14,577.00	\$ 14,577.00
<b>Subtotal</b>	<b>\$ 140,473.69</b>	<b>\$ 141,348.31</b>	<b>\$142,222.93</b>	<b>\$143,146.14</b>	<b>\$144,069.35</b>
<b>Total (Subtotal + HST)</b>	<b>\$ 158,735.27</b>	<b>\$ 159,723.59</b>	<b>\$160,711.91</b>	<b>\$161,755.14</b>	<b>\$162,798.37</b>
<b>Total Net of HST Recovery</b>	<b>\$ 142,946.03</b>	<b>\$ 143,836.04</b>	<b>\$144,726.05</b>	<b>\$145,665.51</b>	<b>\$146,604.97</b>

*\*Additional Rent is estimated to increase annually by 3%*

Appendix B – The Premises

