

DELEGATED APPROVAL FORM

DIRECTOR, REAL ESTATE SERVICES

MANAGER, REAL ESTATE SERVICES

TRACKING NO.: 2022-285

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

| Prepared By: | Eric Allen | Division: | Corporate Real Estate Management | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
|-------------------------|--|--|----------------------------------|-------------|--------------------|---------------------|-----------------|------|-------------|-----------|-------------|------|--------------|-------------|--------------|------|--------------|-------------|--------------|------|--------------|-------------|--------------|------|--------------|-------------|--------------|--------------|----------------------|--------------------|----------------------|
| Date Prepared: | November 30, 2022 | Phone No.: | 416-392-1852 | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Purpose | To obtain authority for the City of Toronto (the "City") to enter into a lease extension agreement with Elisa Minakis (the "Landlord") with respect to the property municipally known as 2118 Danforth Ave, Toronto, for the purpose of maintaining a constituency office for Ward 19, Councillor Brad Bradford (the "Lease Extension Agreement"). | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Property | <p>The property municipally known as 2118 Danforth Ave, Toronto, legally described as (PT S1/2 LT 5 CON 2 FTB TWP OF YORK AS IN CT530340 T/W CT530340 EXCEPT THE EASEMENT THERIN (FIRSTLY DESCRIBED); TORONTO, CITY OF TORONTO, being all of PIN 10428-0476 (LT), (the "Property"), as shown on the Location Map in Appendix "C".</p> <p>The leased premises are the main floor and front portion of the basement of the Property (the "Leased Premises"). The Leased Premises consist of approximately 950 rentable square feet of space. The floor plan of the Leased Premises is attached hereto as Appendix "B".</p> | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Actions | 1. Authority be granted to enter into the Lease Extension Agreement with the Landlord, 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. | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Financial Impact | <p>The total estimated cost to the City over the four (4) year term of the lease extension agreement, as outlined in Appendix A, is approximately \$129,600.00 (plus HST) or \$131,880.96 (net of HST recovery), of which \$120,000.00 (plus HST) or \$122,112.00 (net of HST recovery) is payable as gross rent, and \$9,600.00 (plus HST) or \$9,768.96 (net of HST recovery) as the estimated utilities costs.</p> <p>If the option to extend for the next term of City Council is exercised, the total cost to the City of Toronto over the current lease extension term and the next term of City Council will be approximately \$259,200.00 (plus HST) or \$263,761.92 (net of HST recovery) using the current rates as estimates.</p> <p>Funding is available in the 2022 Council Approved Operating Budget for City Council (under cost centre CNY019) and will be included in future operating budget submissions for Council consideration. The cost of gross rent to be incurred by the City for each fiscal year is as follows (net of HST recovery):</p> <p>The Chief Financial Officer and Treasurer has reviewed this DAF and agrees with the financial implications as identified in the Financial Impact section. Costs to be incurred by the City for each fiscal year is as follows (net of HST recovery):</p> <table border="1"> <thead> <tr> <th>Fiscal Year</th><th>Cost of Gross Rent</th><th>Estimated Utilities</th><th>Total Estimated</th></tr> </thead> <tbody> <tr> <td>2022</td><td>\$ 3,900.80</td><td>\$ 312.06</td><td>\$ 4,212.86</td></tr> <tr> <td>2023</td><td>\$ 30,528.00</td><td>\$ 2,442.24</td><td>\$ 32,970.24</td></tr> <tr> <td>2024</td><td>\$ 30,528.00</td><td>\$ 2,442.24</td><td>\$ 32,970.24</td></tr> <tr> <td>2025</td><td>\$ 30,528.00</td><td>\$ 2,442.24</td><td>\$ 32,970.24</td></tr> <tr> <td>2026</td><td>\$ 26,627.20</td><td>\$ 2,130.18</td><td>\$ 28,757.38</td></tr> <tr> <td>Total</td><td>\$ 122,112.00</td><td>\$ 9,768.96</td><td>\$ 131,880.96</td></tr> </tbody> </table> | | | Fiscal Year | Cost of Gross Rent | Estimated Utilities | Total Estimated | 2022 | \$ 3,900.80 | \$ 312.06 | \$ 4,212.86 | 2023 | \$ 30,528.00 | \$ 2,442.24 | \$ 32,970.24 | 2024 | \$ 30,528.00 | \$ 2,442.24 | \$ 32,970.24 | 2025 | \$ 30,528.00 | \$ 2,442.24 | \$ 32,970.24 | 2026 | \$ 26,627.20 | \$ 2,130.18 | \$ 28,757.38 | Total | \$ 122,112.00 | \$ 9,768.96 | \$ 131,880.96 |
| Fiscal Year | Cost of Gross Rent | Estimated Utilities | Total Estimated | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 2022 | \$ 3,900.80 | \$ 312.06 | \$ 4,212.86 | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 2023 | \$ 30,528.00 | \$ 2,442.24 | \$ 32,970.24 | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
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| Total | \$ 122,112.00 | \$ 9,768.96 | \$ 131,880.96 | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Comments | <p>At its meeting on July 11, 12 and 13, 2012, City Council adopted and amended report EX21.9 "Policy Changes to Councillor Office Operations". In doing so, City Council directed that the provision of a constituency office within a civic centre (including City Hall) or within the Councillor's respective ward be funded from the General Council Account and further that staff develop appropriate parameters for these spaces.</p> <p>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.</p> <p>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.</p> <p>The proposed Lease Extension Agreement enables Councillor Brad Bradford to maintain a constituency office within his Ward (Ward 19 – Beaches East York).</p> <p>The proposed rent and other major terms and conditions of the Lease Extension Agreement are considered to be fair, reasonable and reflective of market rates.</p> | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Terms | See Appendix "A" | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Property Details | Ward: | Ward 19 – Beaches East York | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| | Assessment Roll No.: | Not Applicable | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| | Approximate Size: | Not Applicable | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| | Approximate Area: | 950 ft ² ± (88.25 m ² ±) | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| | Other Information: | Not Applicable | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |

| 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/Licensor):</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: | Councillor Brad Bradford – Ward 19 | | | | | | | | | | Councillor: | | | | | | | | | | |
| Contact Name: | Ashley Millman | | | | | | | | | | Contact Name: | | | | | | | | | | |
| Contacted by: | | Phone | X | E-Mail | | Memo | | Other | Contacted by: | | Phone | | E-mail | | Memo | | Other | | | | |
| Comments: | No objections – 01-DEC-2022 | | | | | | | | | | Comments: | | | | | | | | | | |

Consultation with Divisions and/or Agencies

| | | | | | | | | | |
|---------------|-----------------------------|--|--|--|---------------|-----------------------------|--|--|--|
| Division: | City Clerk's Office | | | | Division: | Financial Planning | | | |
| Contact Name: | Lesley Ruscica | | | | Contact Name: | Filisha Jenkins | | | |
| Comments: | No objections – 01-DEC-2022 | | | | Comments: | No objections – 01-DEC-2022 | | | |

Legal Services Division Contact

| | |
|---------------|---------------|
| Contact Name: | Chris Cieslik |
|---------------|---------------|

| DAF Tracking No.: 2022-285 | Date | Signature |
|--|---------------|--------------------------|
| Concurred with by: Manager, Real Estate Services | | X |
| <input type="checkbox"/> Recommended by: Manager, Real Estate Services Ronald Ro | Dec. 12, 2022 | Signed by Ronald Ro |
| <input type="checkbox"/> Approved by: Director, Real Estate Services Alison Folosea | Dec. 12, 2022 | Signed by Alison Folosea |

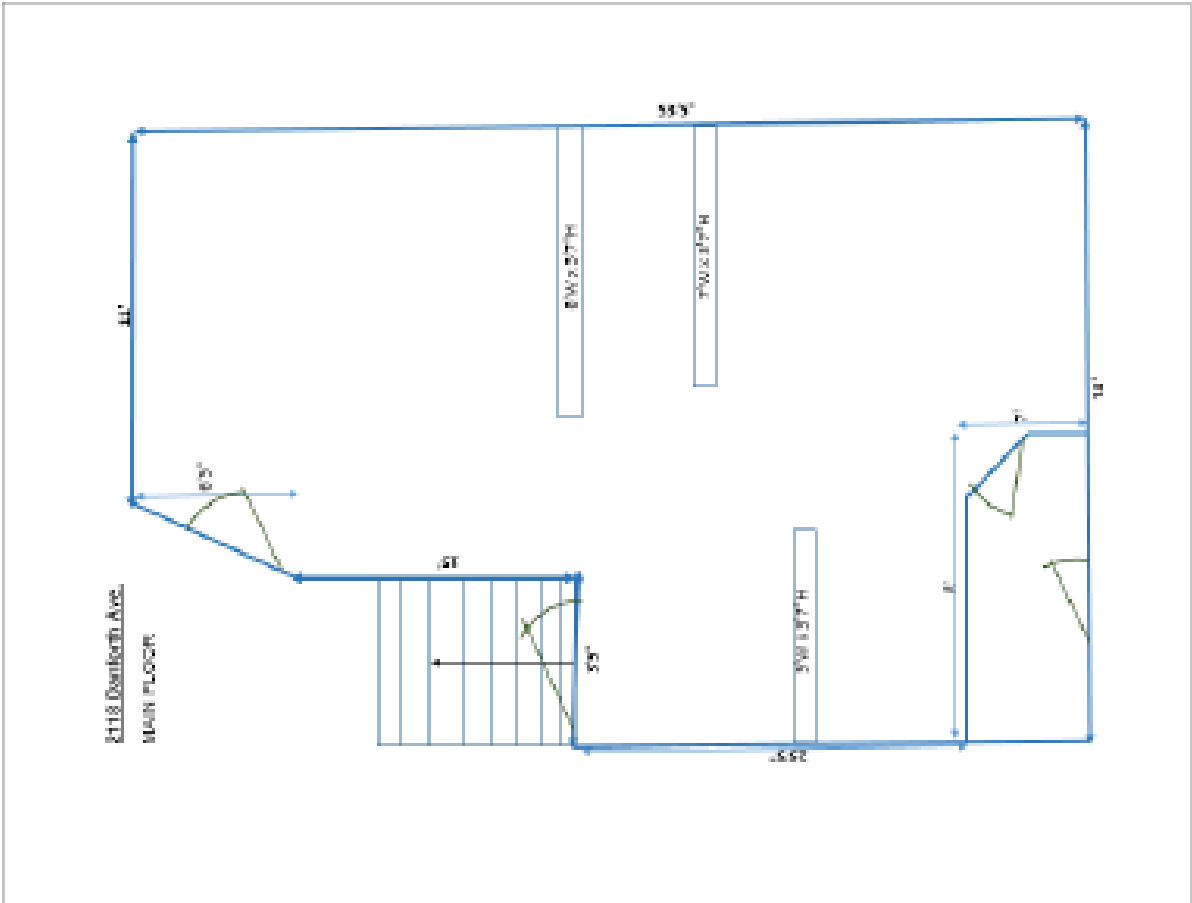
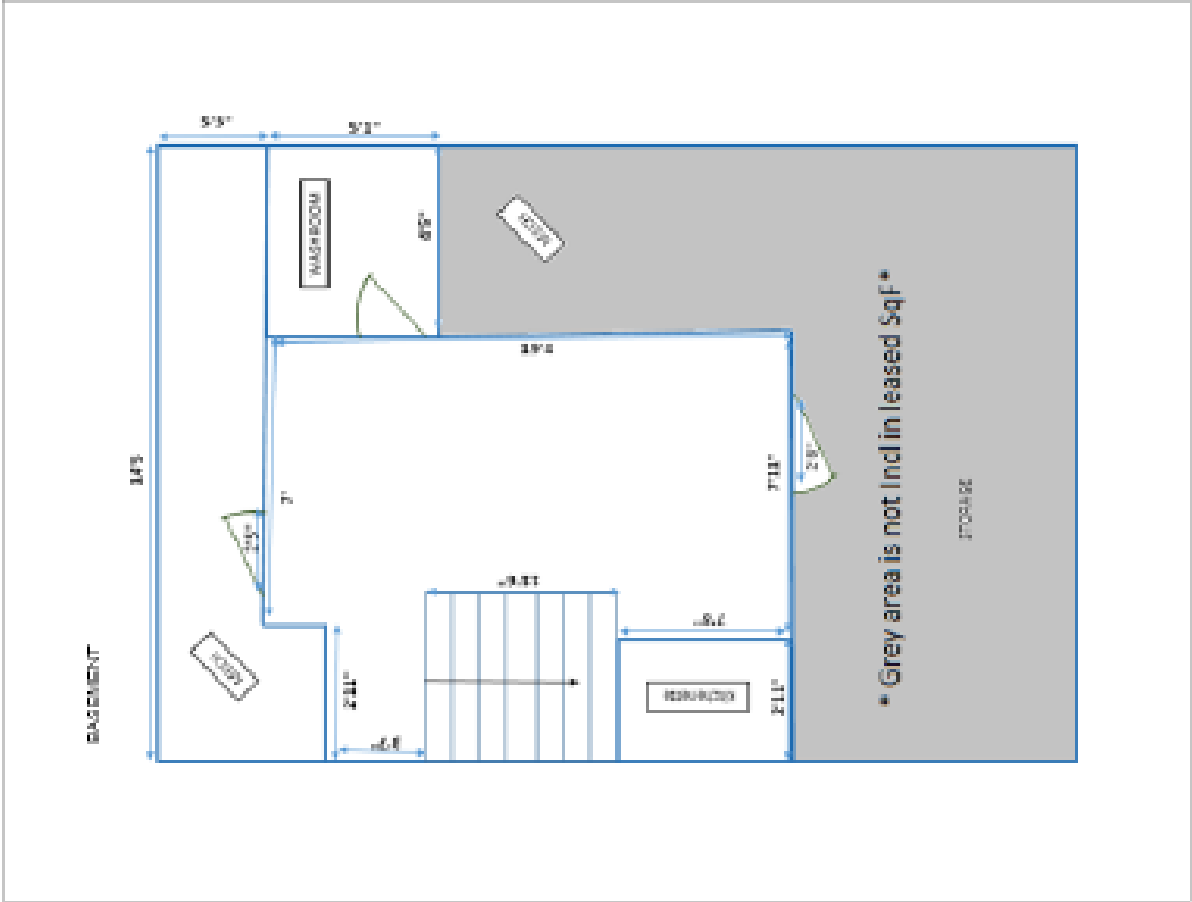
Appendix "A" – Major Terms and Conditions

| | |
|---------------------|---|
| Landlord: | Elisa Minakis |
| Tenant: | City of Toronto |
| Leased Premises: | Ground floor and front portion of basement space located in the building municipally known as 2118 Danforth Ave |
| Use: | A constituency office for Ward 19, Councillor Brad Bradford |
| Approximate Space: | 950± rentable square feet |
| Lease Commencement: | November 15, 2022 |
| Lease Expiry: | November 14, 2026 (4 year term) |
| Semi-Gross Rent: | \$2,500.00 monthly |
| Utilities: | Hydro and gas utilities are separately metered and payable by tenant. Hydro is expected to cost \$4,320.00 for the term; gas is expected to cost \$5,280.00 for the term. |
| Extension Option: | The City shall have the option to extend the lease for an extension period equivalent to the next term of City Council on the same terms and conditions, save and except for the rent which shall be negotiated between the parties, based on the then fair market rent rate for comparable premises in the area. |
| Early Termination: | This Lease shall terminate, if for any reason, Councillor Brad Bradford's term as a Member of City of Toronto Council should end or at any time during the Term or any extension upon three (3) months written notice from the Tenant to the Landlord. |
| Insurance: | The City shall, at its expense, arrange for general liability and property damage insurance in the amount of not less than Two Million (\$2,000,000.00) per occurrence and shall provide evidence of such insurance to the Landlord. |

Municipal Capital Facilities Agreement

The Landlord acknowledges that the Tenant has the right, in its discretion, to request the Council of the City of Toronto ("City Council") to exempt the Leased Premises from taxation for municipal and school purposes under section 252 of the City of Toronto Act, 2006 and O. Reg. 598/06, both as amended, if the Tenant considers that the Leased Premises will be or are being used as a municipal capital facility. In the event that City Council passes a by-law for such an exemption, the Landlord and the Tenant shall be bound by the terms and conditions of the Municipal Capital Facility Agreement (within Schedule "B" of the Lease Agreement) as of the date of the by-law coming into force or the date when the term of the Lease commences, whichever is later. The Tenant shall notify the Landlord of the passage of the by-law. The Landlord agrees to pass the full benefit of such exemption on to the Tenant during the entire period of any such exemption, with the Tenant at its option taking such benefit as: (i) a rent credit or rent adjustment, or (ii) such other manner as the Tenant acting reasonably and in the interests of transparency shall require.

Appendix "B" – Floor Plan / Sketch of Leased Premises / Licensed Area



Appendix "C" – Location Map

