



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

TRACKING NO.: 2023-074

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

Prepared By:	Desiree Picchiello	Division:	Corporate Real Estate Management
Date Prepared:	February 28, 2023	Phone No.:	(416) 338-5028

<b>Purpose</b>	To obtain authority for the City of Toronto, as <b>Sub-Landlord</b> to execute a Leasehold Mortgage Acknowledgement Agreement with respect to the Sub-Lease of the property municipally known as 161 Spadina Road and the sub-leasehold mortgage between Thunder Woman Healing Lodge Society (the " <b>Sub-Tenant</b> ") and Miziwe Biik Development Corporation (the "Mortgagee") in accordance with Section 11 of the Sub-Lease
<b>Property</b>	161 Spadina Road, Toronto, On M5R 2T9 Parcel 153-1, Section M2; Lot 153 East Side of Spadina Rd Plan M2, City of Toronto
<b>Actions</b>	1. Authority be granted for the City to execute a Leasehold Mortgage Acknowledgement Agreement in accordance with Section 11 of the Sub-Lease substantially on the major terms and conditions set out in Appendix "A", and including such other terms deemed appropriate by the approving authority herein, and in a form satisfactory to the City Solicitor.
<b>Financial Impact</b>	There is no financial impact resulting from this approval.  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>	The City of Toronto leases 161 Spadina Road from the Province of Ontario pursuant to a 99 year lease. Council, by its adoption of items 2022.MM39.30 & 2022.MM42.40, at its meeting held on February 2 2022 and April 6 2022 respectively, authorized a Sub-lease for a 20 year term with the Sub-Tenant, to operate a transitional housing facility at the property.  The Sub-tenant is responsible for construction and renovation costs associated with converting the property into a transitional housing site. Section 11 of the Sub-lease provides that the Sub-Tenant may enter into a sub-leasehold mortgage with the Mortgagee.
<b>Terms</b>	Please see page 4: Appendix "A"

<b>Property Details</b>	<b>Ward:</b>	Ward 11 - University-Rosedale
	<b>Assessment Roll No.:</b>	
	<b>Approximate Size:</b>	
	<b>Approximate Area:</b>	4,020 sqft
	<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/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><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 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 checked="" 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 (Manager, Transaction Services is only Manager 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:	Diane Saxe				Councillor:				
Contact Name:	Councillor_Saxe@toronto.ca				Contact Name:				
Contacted by:	Phone	<input checked="" type="checkbox"/>	E-Mail		Memo		Other		
Comments:	No objections				Comments:				

**Consultation with Divisions and/or Agencies**

Division:	Solicitor, Municipal Law			Division:	Financial Planning		
Contact Name:	Charlotte Harbell			Contact Name:	Filisha Jenkins		
Comments:	Consented			Comments:	Approved		

**Legal Services Division Contact**

Contact Name:	Tammy Turner
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DAF Tracking No.: 2023-074	Date	Signature
<input checked="" type="checkbox"/> Recommended by: <b>Manager, Real Estate Services</b> <input type="checkbox"/> Approved by: <b>Jennifer Kowalski</b>	March 7, 2023	Signed by Jennifer Kowalski
<input checked="" type="checkbox"/> Approved by: <b>Director, Real Estate Services</b> <b>Vinette Prescott-Brown</b>	March 7, 2023	Signed by Vinette Prescott-Brown

## **Appendix A - Term Sheet**

### **SUB-LEASE TERMS**

**Head Landlord:** Her Majesty the Queen in Right of Ontario, 1984 as Represented by the Minister of Government Services

**Sub-Landlord:** City of Toronto

**Sub-Tenant:** Thunder Woman Healing Lodge Society

**Property:** 161 Spadina Rd, Toronto,

**Term:** Twenty (20) years commencing on the date following the end of the Construction Period as defined below.

**Basic Rent:** Nominal. \$2.00 per year (plus HST)

**Additional Rent:** The Subtenant shall pay all operating costs and property taxes of the Leased Premises.

**Permitted Use:** The Subtenant shall use the Leased Premises for the operation of an affordable transitional housing program including providing supports and services.

**Leasehold Mortgage:** The Subtenant may enter into a leasehold mortgage with Miziwe Biik Development Corporation for the amount of up to \$800,000.00 on the terms and conditions set out in Section 11(2)

### **LEASEHOLD MORTGAGEE ACKNOWLEDGEMENT AGREEMENT**

The Mortgagee agrees with the Sub-Landlord that:

in the event of a default under the Mortgage by the Sub-tenant resulting in the Mortgagee realizing on its security, in any assignment by the Mortgagee of the Sub-Lease, the consent of the Sub-Landlord shall be required, acting reasonably, which shall take into consideration inter alia, the proposed assignee's financial stability, competence and experience in constructing the Initial Renovations or the Sub-tenant Work (as defined in the Sub-Lease), performing the Sub-Tenant's obligations pursuant to the Sub-Lease, whether the proposed assignee meets the Eligibility Criteria (as defined in the Sub-Lease), and the moral and ethical reputation of the proposed assignee. In the event of any such assignment, it shall be a condition precedent thereto that the proposed assignee enter into an assumption agreement with the Sub-Landlord respecting the Lease;

the Mortgagee shall not assign or sublet the Sub-Lease without the consent of the Sub-Landlord, which consent shall not be unreasonably withheld; and

in the event of a default by the Sub-Tenant under the Sub-Lease, any assignment to the Mortgagee for collateral security, as provided for in the Sub-Lease, shall not derogate from the rights and remedies of the Sub-Landlord.

In the event any notice of default by the Sub-Tenant is issued by the City in accordance with Section 14.2 of the Sub-Lease, such notice shall contemporaneously be forwarded to the Mortgagee.

The Mortgagee shall have the right to cure such default within the same time period as provided to the Sub-Tenant in Section 14.2 of the Sub-Lease (provided the Mortgagee complies with all applicable terms of the Sub-Lease in curing such default).

Except as set out in this Agreement and except in the event of an assignment of the Sub-Lease to the Mortgagee on the terms and conditions set out in this Agreement, the Mortgagee shall not assume or be obligated to observe and perform the Sub-Tenant's covenants and obligations to complete the Work or any of the Initial Renovations under the Sub-Lease.

## Appendix B - Licensed Area

