

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

TRACKING NO.: 2023-096

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

Prepared By:	Boluwarin Mojeed	Division:	Corporate Real Estate Management
Date Prepared:	April 5, 2023	Phone No.:	416-392-7399

Purpose	To obtain authority to enter into a Lease Extension and Amending Agreement (the "Agreement") with The Sisters of St. Joseph for the Diocese of Toronto in Upper Canada (the "Landlord") for the continuing use of approximately 1,819.16 square feet of space on the ground floor of the property known municipally as 791 Queen Street East, Toronto.
Property	Approximately 1,819.16 square feet of total rentable space on the ground floor at 791 Queen Street East, Toronto as shown in Appendix "B" (the "Leased Premises").
Actions	1. Authority be granted to enter into the Agreement with the Landlord for the Leased Premises, substantially on the major terms and conditions set out in Appendix "A", and including such other terms and conditions as deemed appropriate by the approving authority herein and in a form acceptable to the City Solicitor.
Financial Impact	<p>The total cost to the City for the initial ten (10) year term inclusive of minimum rent and additional rent, which consists of the City's proportionate share of common area maintenance, will be \$596,320.65.</p> <p>If the five (5) year additional option to extend is exercised, the total estimated cost to the City, for the initial ten (10) year term plus the (5) year additional option to extend, inclusive of minimum rent and additional rent, which consists of the City's proportionate share of common area maintenance, will be \$924,315.20.</p> <p>The Landlord is a Charitable Organization and therefore, rental costs are not subject to HST.</p> <p>Lease costs to be paid by the City for each fiscal year are detailed in Appendix A. Funding is available in the 2023 Council Approved Operating Budget for Toronto Public Health under cost centre PH3015, functional area 5760000000; 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 identified in the Financial Impact section.</p>
Comments	<p>Authority was granted as per DAF 2003-012 to enter into a ten (10) year lease agreement with the Landlord for approximately 1,819 square feet of space for the operation of a dental clinic operated by Toronto Public Health ("TPH") (the "Original Lease"). Upon expiry of the Original Lease, the parties entered into a lease extension agreement for a further five (5) year term, which period expired on January 13, 2018 per DAF 2013-161 (the "First Extension Period"). Upon expiry of the First Extension Period, the parties entered into a lease extension agreement for a further five (5) year term, which period expired on January 13, 2023 per DAF 2019-055, (the "Second Extension"). TPH has requested to further extend the lease for an additional period of ten (10) years, with an option to further extend the lease for a five (5) year period.</p> <p>The proposed lease costs and other major terms and conditions of the Agreement are considered to be fair, reasonable and reflective of market rates.</p>
Terms	Refer to Appendix "A" – Major Terms and Conditions on page 4.

Property Details	Ward:	14 – Toronto-Danforth
	Assessment Roll No.:	1904 071 200 10500
	Approximate Size:	N/A
	Approximate Area:	169 m ² ± (1,819 ft ² ±)
	Other Information:	N/A

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:	Paula Fletcher	Councillor:	
Contact Name:	Susan Serran	Contact Name:	
Contacted by:	Phone <input type="checkbox"/> X E-Mail <input 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	Comments:	

Consultation with Divisions and/or Agencies

Division:	Toronto Public Health	Division:	Financial Planning
Contact Name:	Teresa Defina	Contact Name:	Filisha Jenkins
Comments:	Concurred	Comments:	Comments Incorporated

Legal Services Division Contact

Contact Name:	Frank Weng
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DAF Tracking No.: 2023-096	Date	Signature
<input checked="" type="checkbox"/> Recommended by: Manager, Real Estate Services Jennifer Kowalski	April 17, 2023	Signed by Jennifer Kowalski
<input type="checkbox"/> Approved by:		
<input checked="" type="checkbox"/> Approved by: Acting Director, Real Estate Services Vinette Prescott-Brown	April 17, 2023	Signed by Vinette Prescott-Brown

Appendix "A" – Major Terms and Conditions

Landlord: The Sisters of St. Joseph for the Diocese of Toronto in Upper Canada

Tenant: City of Toronto

Leased Premises: 1,819.16 square feet on the main level of 791 Queen Street East

Use: Dental Clinic

Renewal Term: Ten (10) years, commencing January 14, 2023 and expiring January 13, 2033.

Further Option to Renew: One (1) additional period of five (5) years

Base Rent:

- \$27.50 per sq. ft. in years 1-5
- \$30.25 per sq. ft. in years 6-10

Additional Rent:

- \$5.28 per sq. ft. in years 1-5
- \$5.81 per sq. ft. in years 6-10

Tenant's Upgrade Work

- The Tenant shall undertake and complete, or cause to be completed, at the Tenant's sole cost and expense, certain upgrades to the Premises, including but not limited to, modernization renovations of the existing Premises and the addition of a fifth (5th) dental operator (the "**Tenant's Upgrade Work**"), all in accordance with mutually accepted plans and specifications.

Total estimated costs, including the additional renewal option of the 5-year term, by fiscal year are shown below:

Year	Cost Subtotals
2023	\$ 57,508.18
2024	\$ 59,632.06
2025	\$ 59,632.06
2026	\$ 59,632.06
2027	\$ 59,632.06
2028	\$ 59,632.06
2029	\$ 59,632.06
2030	\$ 59,632.06
2031	\$ 59,632.06
2032	\$ 59,632.06
2033	\$ 65,386.39
2034	\$ 65,598.91
2035	\$ 65,598.91
2036	\$ 65,598.91
2037	\$ 65,598.91
2038	\$ 2,336.40
Total Cost	\$ 924,315.20

Appendix "B" – Location Map

