

DELEGATED APPROVAL FORM
DEPUTY CITY MANAGER, CORPORATE SERVICES
EXECUTIVE DIRECTOR, CORPORATE REAL ESTATE MANAGEMENT

TRACKING NO.: 2023-075

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

Prepared By:	Blendian Stefani	Division:	Corporate Real Estate Management
Date Prepared:	March 6, 2023	Phone No.:	(416) 397-7481

Purpose To obtain authority to enter into a sublease agreement between the City of Toronto (the "City"), as sublandlord, and the Young Women's Christian Association of Greater Toronto (the "YWCA"), as subtenant (the "Subtenant"), with respect to the property located at 169 Spadina Road, Toronto, for the continued operation of a women's shelter (the "Sublease").

Property The property municipally known as 169 Spadina Road, Toronto, legally described as Parcel Plan-1, Sec D24; Unit 2 Expropriation Plan D24, City of Toronto, being all of PIN 21216-0026 (LT), and containing a 2 ½ storey detached dwelling (the "Property"), as shown on the Location Map in Appendix "A".

Actions 1. Authority be granted to enter into a new sublease agreement between the City and YWCA substantially on the terms and conditions set out in Appendix "B", 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 The total revenue to the City is estimated to be \$286,383.16 over the five (5) year sublease term, including \$210,000.00 for basic rent, and \$76,383.16 for estimated additional rent and property tax, as set out in the table below. If the Subtenant exercises all three (3) consecutive options of extension for five (5) years each, the total potential rental revenue to the City is estimated to be \$1,145,532.64 over twenty (20) years total.

Budget Year (Jan 1 to Dec 31)	Basic Rent	Est. Additional Rent & Property Tax	Total Rent
2023	34,060.27	11,105.26	45,165.54
2024	42,000.00	14,378.69	56,378.69
2025	42,000.00	15,097.62	57,097.62
2026	42,000.00	15,852.51	57,852.51
2027	42,000.00	16,645.13	58,645.13
2028	7,939.73	3,303.94	11,243.67
TOTAL	\$ 210,000.00	\$ 76,383.16	\$ 286,383.16

Compensation to the City will be directed to the 2023 Council Approved Operating Budget for Corporate Real Estate Management (CREM) under cost center FA1490, and will be included in future year operating budget submissions for Council consideration.

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

Comments There exists a head lease between Her Majesty the Queen in right of Ontario as represented by the Minister of Government Services, as landlord, and The Municipality of Metropolitan Toronto, as tenant, for a 99- years lease over the Property, commencing from December 1, 1984 and ending on November 30, 2083 (the "Head Lease"). Pursuant to the Head Lease, the City subleased the Premises to YWCA for a term of five (5) years, commencing March 10, 2003 and expiring March 10, 2008, at a basic rent of \$39,600.00 per annum (the "Original Sublease"). Section 15.2(1) of the Original Sublease provided that if at the expiration of the sublease term, the Subtenant remains in possession of the Property with the consent of the City but without any further written agreement, the Subtenant shall be deemed a monthly subtenant, which sublease tenancy may be terminated on one (1) months' notice by either party. The Subtenant overholds on the Property from 2008 to present, paying \$39,600.00 per annum. The Sublandlord and Subtenant now wish to enter into a new fixed term sublease upon the terms outlined in Appendix "B".

The women's shelter has been in this location for nearly 20 years and is well-established within the local community.

The proposed basic rent and other major terms and conditions of the Sublease are considered to be fair, reasonable and reflective of market rates.

Terms Refer to Appendix "B".

Property Details	Ward:	11 – University - Rosedale
	Assessment Roll No.:	1904052490007000000
	Approximate Size:	Frontage: 50 ft; Depth: 130ft
	Approximate Area:	Lot Area 6,500 ft2; Approx. GFA: 3,347 ft2
	Other Information:	2 ½ storey detached dwelling

A.	Executive Director, Corporate Real Estate Management has approval authority for:	Deputy City Manager, Corporate 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 \$3 Million.</p> <p><input type="checkbox"/> Statutory offers, agreements and settlements where total compensation does not cumulatively exceed \$3 Million.</p> <p><input type="checkbox"/> (a) Acceptance of statutory offers, agreements and settlements where total compensation does not cumulatively exceed \$3 Million.</p> <p>Request/waive hearings of necessity delegated to less senior positions.</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><input type="checkbox"/> Transfer of Operational Management to Divisions, Agencies and Corporations.</p> <p><input type="checkbox"/> Where total compensation does not exceed \$3 Million.</p> <p><input type="checkbox"/> Where total compensation does not exceed \$3 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 checked="" type="checkbox"/> (a) Where total compensation (including options/renewals) does not exceed \$3 Million.</p> <p><input type="checkbox"/> (b) Where compensation is less than market value, for periods not exceeding twelve (12) months, including licences for environmental assessments and/or testing, etc.</p> <p>Delegated to a more senior position.</p> <p><input type="checkbox"/> Where total compensation (including options/renewals) does not exceed \$3 Million.</p> <p><input type="checkbox"/> (a) Where total compensation does not exceed \$3 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 \$3 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>	<p><input type="checkbox"/> Where total compensation does not exceed \$5 Million.</p> <p><input type="checkbox"/> Statutory offers, agreements and settlements where total compensation does not cumulatively exceed \$5 Million.</p> <p><input type="checkbox"/> (a) Acceptance of statutory offers, agreements and settlements where total compensation does not cumulatively exceed \$5 Million.</p> <p>Request/waive hearings of necessity delegated to less senior positions.</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><input type="checkbox"/> Transfer of Operational Management to Divisions, Agencies and Corporations.</p> <p><input type="checkbox"/> Where total compensation does not exceed \$5 Million.</p> <p><input type="checkbox"/> Where total compensation does not exceed \$5 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 \$5 Million.</p> <p><input type="checkbox"/> (b) Where compensation is less than market value, for periods not exceeding twelve (12) months, including licences for environmental assessments and/or testing, etc.</p> <p><input type="checkbox"/> (c) Where compensation is less than market value, provided tenant and lease satisfy Community Space Tenancy Policy criteria set out in Item EX28.8, as adopted by Council on November 7, 8 and 9, 2017, as amended from time to time.</p> <p><input type="checkbox"/> Where total compensation (including options/renewals) does not exceed \$5 Million.</p> <p><input type="checkbox"/> (a) Where total compensation does not exceed \$5 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 \$5 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. Deputy City Manager, Corporate Services and Executive Director, Corporate Real Estate Management each has signing authority on behalf of the City for:

- Documents required to implement matters for which each position also has delegated approval authority.
- Agreements of Purchase and Sale and all implementing documentation for purchases, sales and land exchanges not delegated to staff for approval.
- Expropriation Applications and Notices following Council approval of expropriation.
- 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:	Dianne Saxe				Councillor:				
Contact Name:	Andrew Greene				Contact Name:				
Contacted by:	Phone	<input checked="" type="checkbox"/>	E-Mail		Memo		Other		
Comments:	No objections (email, November 7, 2022)				Comments:				

Consultation with Divisions and/or Agencies

Division:			Division:		
Contact Name:			Contact Name:	Filisha Jenkins	
Comments:			Comments:	Concurs	

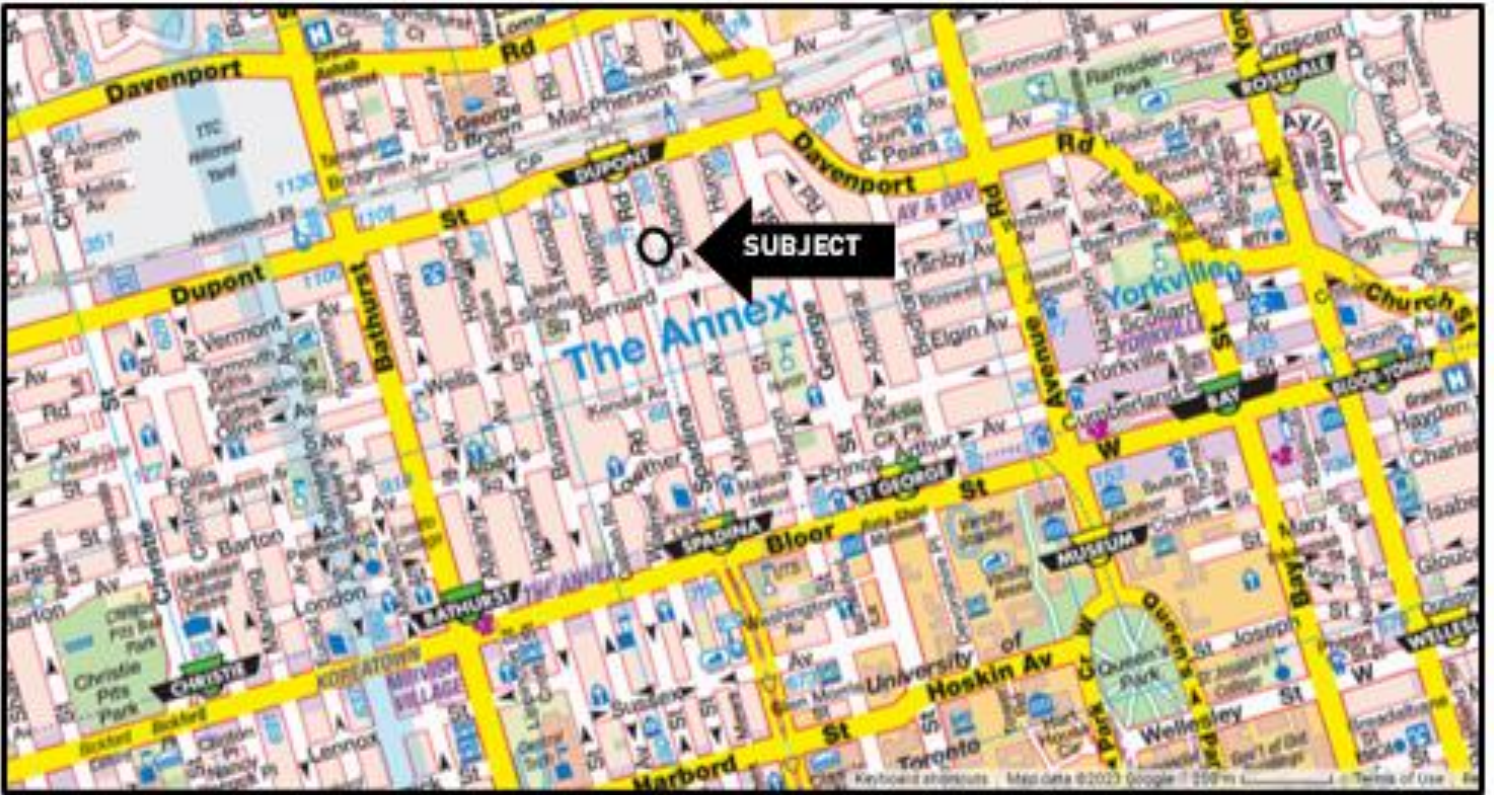
Legal Services Division Contact

Contact Name:	Michelle Xu
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DAF Tracking No.: 2023-075	Date	Signature
Recommended by: Leila Valenzuela, Acting Manager, Real Estate Services	March 7, 2023	Signed by Leila Valenzuela
Recommended by: Vinette Prescott-Brown, Acting Director, Real Estate Services	March 7, 2023	Signed by Vinette Prescott-Brown
<input type="checkbox"/> Recommended by: Executive Director, Corporate Real Estate Management <input checked="" type="checkbox"/> Approved by: Patrick Matozzo	March 8, 2023	Signed by Patrick Matozzo
<input type="checkbox"/> Approved by: Deputy City Manager, Corporate Services Josie Scioli		X

APPENDIX "A"

LOCATION MAP, AERIAL AND STREET VIEW



APPENDIX "B"**MAJOR TERMS AND CONDITIONS**

Sublandlord: City of Toronto.

Subtenant: Young Women's Christian Association of Greater Toronto.

Property: Whole of the building municipally known as 169 Spadina Road, Toronto, Ontario, M1K 2P3.

Sublease Term: Five (5) years, commencing on March 10, 2023 and expiring on March 9, 2028.

Extension Options: Provided that the Subtenant is not then and has not been in default under the Sublease and maintains the status of a non-profit organization, the Subtenant shall have three (3) consecutive options to extend the Sublease for five-years each, exercisable on not less than six (6) months' prior written notice to the Sublandlord in advance.

Such extension(s) shall be upon the same terms and conditions contained in the Sublease except for Basic Rent, which shall be at fair market value of a comparable premises within the area (the "FMV") and not be less than the basic rent payable during last year of the preceding Sublease Term or extended Sublease Term, and except that there shall be no further option of extension after year 20. If the parties are unable to agree as to the FMV, the FMV shall be determined by a single arbitrator jointly selected by the parties, in accordance with the *Arbitration Act* (Ontario).

Early termination option: Both the Sublandlord and the Subtenant shall have the option, but not the obligation, to terminate the Sublease, on not less than thirty (30) days' prior written notice delivered to the other party, to terminate the Sublease effective on the 31st day following delivery.

Use: The Subtenant shall use the Property solely for the purposes of the operation of a non-profit shelter for women operated by YWCA.

Rent: Basic Rent of \$42,000/year plus estimated Additional Rent and Property Taxes.

Payment Schedule: The Subtenant shall pay the basic rent and estimated property taxes in equal monthly instalments, in advance, prior to the tenth date of each and every month of the Sublease term.

Insurance: The Subtenant shall take out and keep in full force and effect:

(a) All risks insurance property insurance in an amount equal to 100% of the full replacement cost, insuring
(i) the Property; (ii) all property owned by the Subtenant, or for which the Subtenant is legally liable, or which is installed by or on behalf of the Subtenant within or on the Property, including, without limitation, furniture, equipment, partitions, trade fixtures and leasehold improvements.

(b) Comprehensive general liability and property damage insurance, including personal liability, contractual liability, tenants' legal liability, non-owned automobile liability and owners' and contractors' protective insurance coverage, with respect to the Property, which coverage shall include the business operations conducted by the Subtenant and any other person on the Property, as applicable. Such policies shall be written on a comprehensive basis with coverage for any one occurrence or claim of not less than five million dollars (\$5,000,000.00) or such higher limits as the Sublandlord may reasonably require from time to time.

Net Lease: the Sublease is a carefree and absolutely net lease to the Sublandlord