

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

TRACKING NO.: 2023-113

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

Prepared By:	Myron Menezes	Division:	Corporate Real Estate Management
Date Prepared:	April 25, 2023	Phone No.:	416-338-3586

Purpose To obtain authority to enter into a Lease Extension and Amending Agreement (the "Agreement") with Kipling Plaza Limited (the "Landlord") for a constituency office for Councillor Vincent Crisanti on the ground floor of the building municipally known as 2141 Kipling Avenue, Unit 11 and 12, Toronto (the "Leased Premises").

Property 2141 Kipling Avenue, Unit 11 and 12, Toronto, consisting of approximately 1,062 sq. ft. as shown on Schedule "B" attached hereto.

Actions 1. Authority be granted to enter into the Agreement with the Landlord, subject to the terms and conditions outlined in Appendix "A" herein, and on such other terms and conditions as may be satisfactory to the Director, Real Estate Services, and in a form acceptable to the City Solicitor.

Financial Impact The total estimated cost to the City for the lease agreement term of four (4) years, commencing on November 15, 2022 and expiring on November 14, 2026, is approximately \$136,870.26 (plus HST) or \$139,279.18 (net of HST recovery). If the option to extend for the next term of Council is exercised, the cost to the City over the four (4) year extension will be determined on the current market value at that time.

Funding is included in the 2023 Council Approved Operating Budget for City Council (under cost center CNY001-661000000) and will be included in future year operating budget submissions for Council consideration.

Costs to be incurred by the City for each fiscal year is as follows:

Fiscal Year	Term / Period	Total Expenditures (net of HST)	Total Expenditures (net of HST recoveries)
2022	November 15, 2022 - December 31, 2022	\$4,062.43	\$4,133.93
2023	January 1, 2023 - Decemeber 31, 2023	\$32,639.79	\$33,214.25
2024	January 1, 2024 - Decemeber 31, 2024	\$33,766.79	\$34,361.09
2025	January 1, 2025 - Decemeber 31, 2025	\$34,927.61	\$35,542.33
2026	January 1, 2026 - November 14, 2026	\$31,473.65	\$32,027.58
Total	November 15, 2022 - November 14, 2026	\$136,870.26	\$139,279.18

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

Comments At its meeting on July 11, 12 and 13, 2012, City Council adopted and amended report EX21.9 "Policy Changes to Councillor Office Operations" and in doing so, Council directed that the provision of a constituency office, within a civic centre (including City Hall) or within the Councillors' respective ward, be funded from the General Council Account, and further, that staff develop appropriate parameter for these spaces.

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.

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.

As authorized by DAF 2019-208, dated August 16, 2019, and amended by DAF 2019-273, the City leased the Leased Premises for a constituency office for the previous councillor commencing on November 1, 2019 and expiring on November 14, 2022. Councillor Vincent Crisanti, the new Councillor for Ward 1 has confirmed he would like to extend the lease for the constituency office.

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

Terms See Page 4 – Appendix "A"

Property Details	Ward:	1 - Etobicoke North
	Assessment Roll No.:	19 19 042 700 001 00
	Approximate Size:	
	Approximate Area:	98.66m2 ± (1,062 ft2 ±)
	Other Information:	Pin: 073420175

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:
<ul style="list-style-type: none"> 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:
<ul style="list-style-type: none"> 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			
<input checked="" type="checkbox"/> Complies with General Conditions in Appendix B of City of Toronto Municipal Code Chapter 213, Real Property			
Consultation with Councillor(s)			
Councillor:	Vincent Crisanti	Councillor:	
Contact Name:	Amanda Da Costa	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.	Comments:	
Consultation with Divisions and/or Agencies			
Division:	City Clerk	Division:	Financial Planning
Contact Name:	Lesley Ruscica	Contact Name:	Filisha Jenkins
Comments:	Comments incorporated.	Comments:	Comments incorporated.
Legal Services Division Contact			
Contact Name:	Frank Weng		

DAF Tracking No.: 2023- 113	Date	Signature
<input checked="" type="checkbox"/> Recommended by: Manager, Real Estate Services Ronald Ro	April 27, 2023	Signed by Ronald Ro
<input type="checkbox"/> Approved by:		
<input checked="" type="checkbox"/> Approved by: Acting Director, Real Estate Services Vinette Prescott-Brown	April 28, 2023	Signed by Vinette Prescott-Brown

Appendix A - Major Terms

1. Term: Four (4) years commencing on November 15, 2022 and expiring on November 14, 2026

2. Basic Rent:

- Year 1: \$16.00/ft² (equates to \$16,992.00 per year or \$1,416.00/month)
- Year 2: \$16.48/ft² (equates to \$17,501.76 per year or \$1,458.48/month)
- Year 3: \$16.97/ft² (equates to \$18,026.81 per year or \$1,502.23/month)
- Year 4: \$17.48/ft² (equates to \$18,567.62 per year or \$1,547.30/month)

3. Operating Costs:

- The Additional Rent is estimated to be Fifteen Dollars and Ninety Cents (\$15.90) per rentable square foot per annum for 2023. For greater clarity, the Additional Rent does not include the costs of hydro, which shall be paid by the Tenant directly to Toronto Hydro.
- Years 2 to 4 will be estimated by the Landlord based on previous actuals.

4. Option to Extend:

- One option to extend for an extension period equivalent to the next term of City of Toronto Council on same terms and conditions save and except for the rent which shall be negotiated based on fair market value for similar leases with comparable terms (including, without limitation, the length of the term and frequency of adjustments in rent, if any) for similarly improved office premises of comparable size, age and quality in comparable buildings in similar geographic locations provided the City has delivered notice to the Landlord of its intention to extend this Lease by November 14, 2026.

5. Landlord's work:

By March 31, 2023, the Landlord will complete the following work at its sole cost and expense:

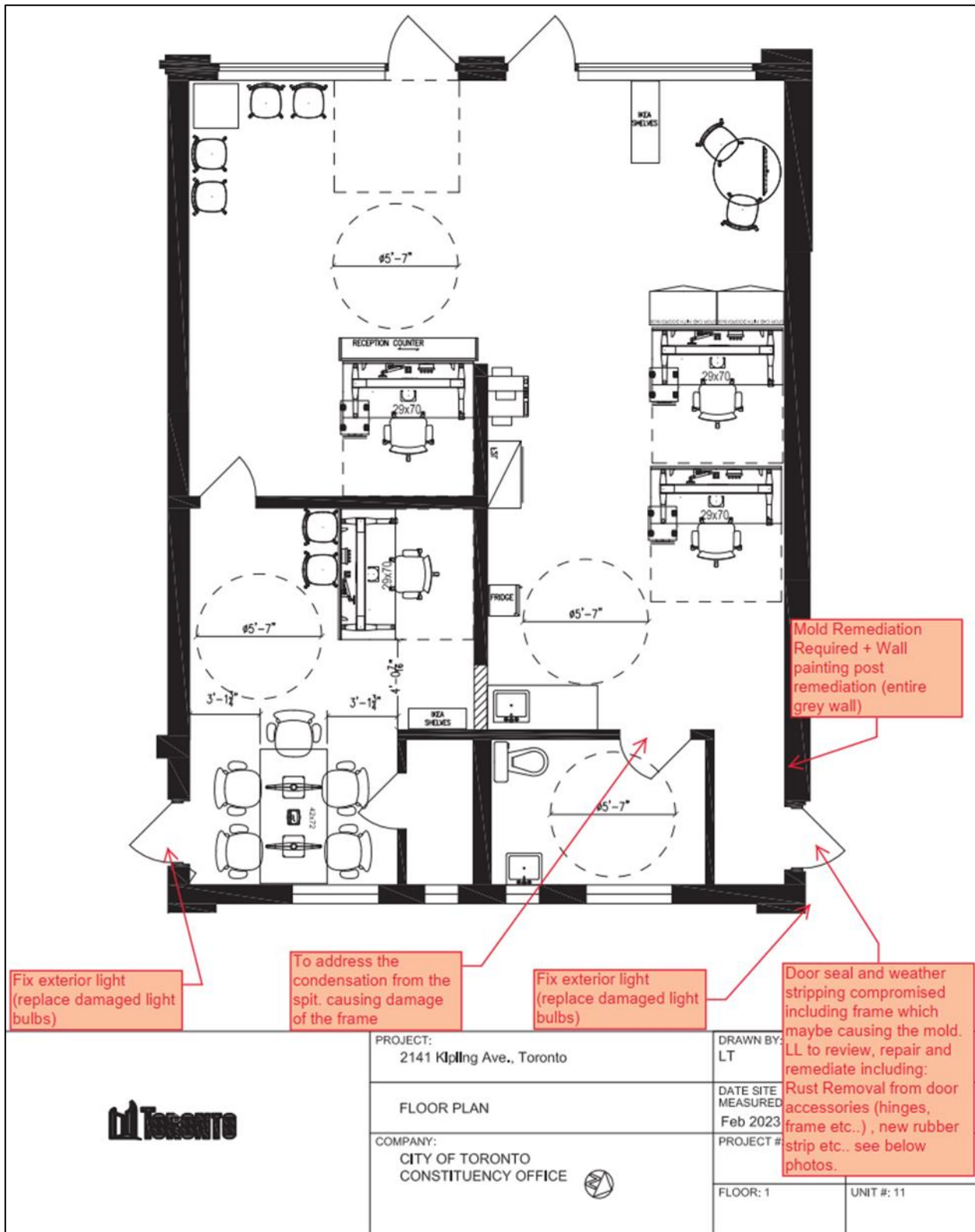
- Mold on the wall by the exit door located in the back of the office- minor remediation is required as well as painting the wall post remediation
- Damaged door seal and weather stripping as well as rust observed in door hinges, frame
- Outdoor light fixtures to be repaired
- Condensation from the split system above the washroom door that is damaging the door frame.

As further depicted in Appendix B.

6. Early termination by Tenant:

- The Lease may terminate 30 days after Councillor's term ends or if he/she is no longer a member of City of Toronto Council for any reason whatsoever

Appendix B – Landlord's Work



Fix exterior light
(replace damaged light bulbs)

To address the condensation from the spit, causing damage of the frame

Fix exterior light
(replace damaged light bulbs)

Mold Remediation Required + Wall painting post remediation (entire grey wall)

Door seal and weather stripping compromised including frame which maybe causing the mold. LL to review, repair and remediate including: Rust Removal from door accessories (hinges, frame etc.), new rubber strip etc.. see below photos.



PROJECT:
2141 Kipling Ave., Toronto

FLOOR PLAN

COMPANY:
CITY OF TORONTO
CONSTITUENCY OFFICE

DRAWN BY:
LT

DATE SITE MEASURED
Feb 2023

PROJECT #

FLOOR: 1

UNIT #: 11