

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

TRACKING NO.: 2023-191

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:	July 7, 2023	Phone No.:	416-392-7399

Purpose	To obtain authority to enter into a Lease Agreement between the Toronto Public Library Board (the "Landlord"), and Tregobov Cogan Architects Ltd. (the "Tenant"), for approximately 2,322 square feet of rentable space of the property known municipally as 40 St. Clair Avenue East, Units 303, 307 and B1, Toronto (the "Premises"), starting January 1, 2023 for a term of 2 years.
Property	40 St. Clair Avenue East, Units 303, 307 and B1, Toronto, ON, M4T 1M9 (shown in Appendix B – The property).
Actions	1. Authority to be granted to enter in a Lease Agreement between the Landlord and the Tenant, for the Premises, substantially on the major terms and conditions set out in Appendix "A", and including such other terms and conditions deemed appropriate by the approving authority herein and the City Librarian and in a form acceptable to the City Solicitor;
Financial Impact	The total revenue to the City for the two (2) year term inclusive of base rent and additional rent, which consists of the Tenant's proportionate share of common area maintenance, will be \$203,756.00 (plus HST). Lease revenues to be paid to the City for each fiscal year is shown in Appendix A – Major Terms and Conditions. Revenues will be directed to the 2023 Council Approved Operating Budget for the Toronto Public Library under cost centre LB1000, and will be included in future operating budget submissions for Council consideration. The Chief Financial Officer and Treasurer have reviewed this DAF and agree with the financial implications as identified in the Financial Impact Section.
Comments	Tregobov Cogan Architects Ltd., formerly known as AJ Tregobov Architect, is a Vaughan architectural firm. The Tenant originally started leasing Unit 303 in 2015 and subsequently expanded into Unit 307, after Self-Help Resource Centre vacated the same unit in 2017. Toronto Public Library plans to enter into a new lease with the tenant for two years. The terms of the Lease have been negotiated with the Tenant. Negotiations lasted much longer than usual, between the Landlord and Tenant, hence the retrospective date of commencement for the Lease. City Real Estate staff have confirmed that the proposed lease rates and other major terms and conditions are reasonable and represent fair market value.
Terms	Refer to Appendix A – Major Terms and Conditions on page 4.

Property Details	Ward:	Ward 12 – Toronto-St. Paul's
	Assessment Roll No.:	19 04 102 130 027 00
	Approximate Size:	N/A
	Approximate Area:	2,322 sq. ft.
	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"/> I 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"/> I 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 checked="" 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 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"/> I Surrenders/Abandonments</p> <p><input type="checkbox"/> (d) Enforcements/Terminations</p> <p><input type="checkbox"/> I 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:	Josh Matlow	Councillor:	
Contact Name:	Andrew Athanasiu	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 Objection	Comments:	

Consultation with Divisions and/or Agencies

Division:	Toronto Public Library	Division:	Financial Planning Division
Contact Name:	Harvey Mooradian	Contact Name:	Ciro Tarantino
Comments:	Concurred	Comments:	Comments Incorporated

Legal Services Division Contact

Contact Name:	Michele Desimone
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DAF Tracking No.: 2023-191	Date	Signature
<input checked="" type="checkbox"/> Recommended by: Manager, Real Estate Services Jennifer Kowalski	July 6, 2023	Signed by Jennifer Kowalski
<input type="checkbox"/> Approved by:		
<input checked="" type="checkbox"/> Approved by: Director, Real Estate Services Alison Folosea	July 11, 2023	Signed by Alison Folosea

Appendix A - Major Terms and Conditions

Premises:

Approximately 2,322 square feet of rentable space at 40 St. Clair Avenue East, Units 303, 307 and B1, Toronto.

Tenant:

Tregebov Cogan Architects Ltd.

Term:

Two years commencing on January 1, 2023 to December 31, 2024.

Base Rent:

The base rent for Units 303 and 307 is \$21.50 per sq. ft., plus HST. The gross rent for storage Unit B1 is \$19.50 per sq. ft., plus HST.

Additional Rent:

The estimated rate for additional rent for Units 303 and 307 is \$22.50 per sq. ft., plus HST.

Total estimated revenue, net of HST, by contract year, are shown in the table below:

	Sq. ft.	Base Rate (\$)	Additional Rent Rate (\$)	Annual Base Rent (\$)	Annual Additional Rent (\$)	Annual Total (\$)	Total for 2-Year Term (\$)
Suite 303	1,549	\$ 21.50	\$ 22.50	\$ 33,303.50	\$ 34,852.50	\$ 68,156.00	\$ 136,312.00
Suite 307	673	\$ 21.50	\$ 22.50	\$ 14,469.50	\$ 15,142.50	\$ 29,612.00	\$ 59,224.00
Storage – B1	100	\$ 19.50	\$ -	\$ 1,950.00	\$ -	\$ 1,950.00	\$ 3,900.00
Parking Spaces	1	\$ 180.00		\$ 2,160.00	\$ -	\$ 2,160.00	\$ 4,320.00
Total				\$ 51,883.00	\$ 49,995.00	\$ 101,878.00	\$ 203,756.00

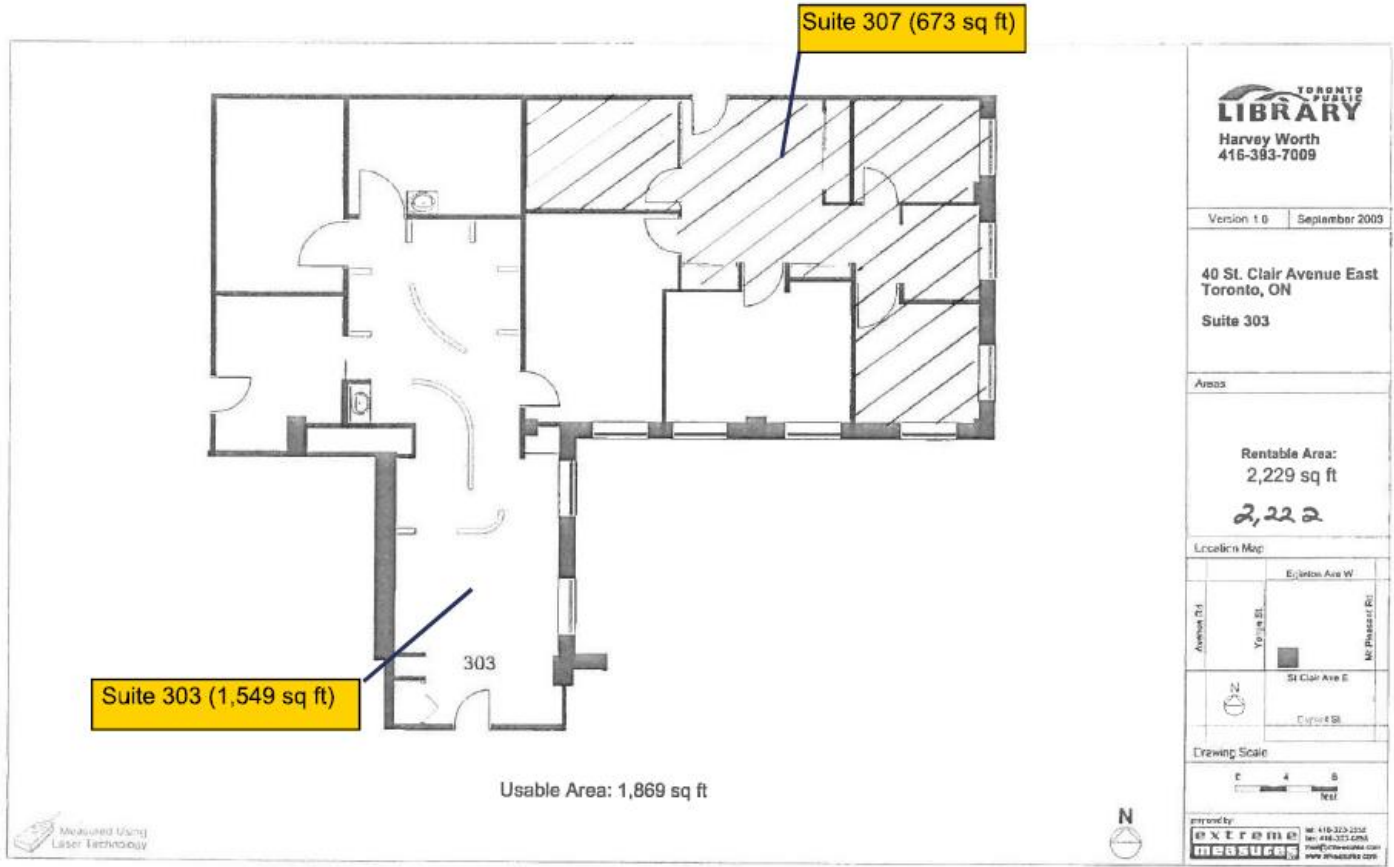
**Above values are exclusive of HST*

Total estimated revenue, net of HST, by calendar year, are shown in the table below:

	Monthly Base Rent	Monthly Additional Rent	Monthly Total	2023 Total	2024 Total
Suite 303	\$ 2,775.29	\$ 2,904.38	\$ 5,679.67	\$ 68,156.00	\$ 68,156.00
Suite 307	\$ 1,205.79	\$ 1,261.88	\$ 2,467.67	\$ 29,612.00	\$ 29,612.00
Storage – B1	\$ 162.50	\$ -	\$ 162.50	\$ 1,950.00	\$ 1,950.00
Parking Spaces	\$ 180.00	\$ -	\$ 180.00	\$ 2,160.00	\$ 2,160.00
Total	\$ 4,323.58	\$ 4,166.25	\$ 8,489.83	\$ 101,878.00	\$ 101,878.00

**Above values are exclusive of HST*

Appendix B – The Property



Appendix B Cont'd – The Property

