

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

TRACKING NO.: 2023-194

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

Prepared By:	Owen Bartley	Division:	Corporate Real Estate
Date Prepared:	September 14, 2023	Phone No.:	(416) 338-1297

Purpose	To obtain authority to enter into a Lease Amending Agreement (the “ Agreement ”) with Parc Downsview Park Inc. (“ Downsview ”) with respect to the property municipally known as 40 Carl Hall Road for the purpose of warehouse space for the Toronto Transit Commission (the “TTC”).
Property	A portion of 40 Carl Hall Road, Toronto, as shown on Appendix “A”
Actions	1. Authority be granted to the City to enter into the Agreement with Downsview, substantially on the terms and conditions set out below and including such other or amended terms as deemed appropriate by the approving authority herein, and in a form satisfactory to the City Solicitor.
Financial Impact	<p>The estimated costs of the lease extension are approximately \$2,256,781.33 (net of HST) or \$2,296,500.68 (net of HST recoveries) as detailed below and will be funded by the tenant under IO 1877, Account 4321900 and cost centre 9999.</p> <p>The cost to the City on a fiscal year basis, is as follows:</p> <ol style="list-style-type: none"> \$1,127,386.37 (net of HST recovery) in 2024 \$1,169,114.31 (net of HST recovery) in 2025 <p>Funding for the existing 2023 lease is available in the 2023 Council Approved Operating Budget. Funding for the lease extension in 2024 and 2025 will be included in future operating budget submissions.</p> <p>The Chief Financial Officer and Treasurer has reviewed this DAF and agrees with the financial impact information.</p>
Comments	<p>The Property, consisting of 95,921 sq. ft., has been under a lease with Downsview since January 1, 2010 for use as warehouse space for the TTC’s Wiring & Services and Structures groups. The current lease extension, as authorized by DAF No.2021-076, will expire on December 31, 2023. TTC still requires the Property, and the landlord is willing to provide an additional term of two (2) years.</p> <p>The proposed fee and other major terms and conditions of the Lease Extension Agreement are considered to be fair, reasonable and reflective of market rates.</p>
Terms	<p>Extended Term: 2 years (January 1, 2024 – December 31, 2025)</p> <p>Basic Rent: \$8.00 per sq. ft (year 1) \$8.25 per sq ft (year 2)</p> <p>Additional Rent: \$3.55 per sq. ft. (estimated for 2024)</p> <p>Extension: No further option to extend</p> <p>All other terms and the conditions of the current lease remains unchanged.</p>

Property Details	Ward:	6 – York Centre
	Assessment Roll No.:	190803158000187
	Approximate Size:	
	Approximate Area:	8,911.35 m ² ± (95,921 ft ² ±)
	Other Information:	

A.	Executive Director, Corporate Real Estate Management has approval authority for:	Deputy City Manager, Corporate Services has approval authority for:
1. Acquisitions:	<input type="checkbox"/> Where total compensation does not exceed \$3 Million.	<input type="checkbox"/> Where total compensation does not exceed \$5 Million.
2A. Expropriations Where City is Expropriating Authority:	<input type="checkbox"/> Statutory offers, agreements and settlements where total compensation does not cumulatively exceed \$3 Million.	<input type="checkbox"/> Statutory offers, agreements and settlements where total compensation does not cumulatively exceed \$5 Million.
2B. Expropriations For Transit-Related Purposes Where City is Property Owner or Has Interest in Property Being Expropriated:	<input type="checkbox"/> (a) Acceptance of statutory offers, agreements and settlements where total compensation does not cumulatively exceed \$3 Million. Request/waive hearings of necessity delegated to less senior positions.	<input type="checkbox"/> (a) Acceptance of statutory offers, agreements and settlements where total compensation does not cumulatively exceed \$5 Million. Request/waive hearings of necessity delegated to less senior positions.
3. Issuance of RFPs/REOs:	<input type="checkbox"/> Issuance of RFPs/REOs.	<input type="checkbox"/> Issuance of RFPs/REOs.
4. Permanent Highway Closures:	<input type="checkbox"/> Initiate process & authorize GM, Transportation Services to give notice of proposed by-law.	<input type="checkbox"/> Initiate process & authorize GM, Transportation Services to give notice of proposed by-law.
5. Transfer of Operational Management to Divisions, Agencies and Corporations:	<input type="checkbox"/> Transfer of Operational Management to Divisions, Agencies and Corporations.	<input type="checkbox"/> Transfer of Operational Management to Divisions, Agencies and Corporations.
6. Limiting Distance Agreements:	<input type="checkbox"/> Where total compensation does not exceed \$3 Million.	<input type="checkbox"/> Where total compensation does not exceed \$5 Million.
7. Disposals (including Leases of 21 years or more):	<input type="checkbox"/> Where total compensation does not exceed \$3 Million.	<input type="checkbox"/> Where total compensation does not exceed \$5 Million.
8. Exchange of land in Green Space System & Parks & Open Space Areas of Official Plan:	<input type="checkbox"/> Exchange of land in Green Space System and Parks and Open Space Areas of Official Plan.	<input type="checkbox"/> Exchange of land in Green Space System and Parks and Open Space Areas of Official Plan.
9. Leases/Licences (City as Landlord/Licensor):	<input type="checkbox"/> (a) Where total compensation (including options/renewals) does not exceed \$3 Million. <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. Delegated to a more senior position.	<input type="checkbox"/> (a) Where total compensation (including options/renewals) does not exceed \$5 Million. <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. <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.
10. Leases/Licences (City as Tenant/Licensee):	<input checked="" type="checkbox"/> Where total compensation (including options/renewals) does not exceed \$3 Million.	<input type="checkbox"/> Where total compensation (including options/renewals) does not exceed \$5 Million.
11. Easements (City as Grantor):	<input type="checkbox"/> (a) Where total compensation does not exceed \$3 Million. <input type="checkbox"/> (b) When closing roads, easements to pre-existing utilities for nominal consideration.	<input type="checkbox"/> (a) Where total compensation does not exceed \$5 Million. <input type="checkbox"/> (b) When closing roads, easements to pre-existing utilities for nominal consideration.
12. Easements (City as Grantee):	<input type="checkbox"/> Where total compensation does not exceed \$3 Million.	<input type="checkbox"/> Where total compensation does not exceed \$5 Million.
13. Revisions to Council Decisions in Real Estate Matters:	<input type="checkbox"/> Amendment must not be materially inconsistent with original decision (and subject to General Condition (U)).	<input type="checkbox"/> Amendment must not be materially inconsistent with original decision (and subject to General Condition (U)).
14. Miscellaneous:	<input type="checkbox"/> (a) Approvals, Consents, Notices and Assignments under all Leases/Licences <input type="checkbox"/> (b) Releases/Discharges <input type="checkbox"/> (c) Surrenders/Abandonments <input type="checkbox"/> (d) Enforcements/Terminations <input type="checkbox"/> (e) Consents/Non-Disturbance Agreements/Acknowledgements/Estoppel Certificates <input type="checkbox"/> (f) Objections/Waivers/Cautions <input type="checkbox"/> (g) Notices of Lease and Sublease <input type="checkbox"/> (h) Consent to regulatory applications by City, as owner <input type="checkbox"/> (i) Consent to assignment of Agreement of Purchase/Sale; Direction re Title <input type="checkbox"/> (j) Documentation relating to Land Titles applications <input type="checkbox"/> (k) Correcting/Quit Claim Transfer/Deeds	<input type="checkbox"/> (a) Approvals, Consents, Notices and Assignments under all Leases/Licences <input type="checkbox"/> (b) Releases/Discharges <input type="checkbox"/> (c) Surrenders/Abandonments <input type="checkbox"/> (d) Enforcements/Terminations <input type="checkbox"/> (e) Consents/Non-Disturbance Agreements/Acknowledgements/Estoppel Certificates <input type="checkbox"/> (f) Objections/Waivers/Cautions <input type="checkbox"/> (g) Notices of Lease and Sublease <input type="checkbox"/> (h) Consent to regulatory applications by City, as owner <input type="checkbox"/> (i) Consent to assignment of Agreement of Purchase/Sale; Direction re Title <input type="checkbox"/> (j) Documentation relating to Land Titles applications <input type="checkbox"/> (k) Correcting/Quit Claim Transfer/Deeds

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:	James Pasternak	Councillor:	
Contact Name:	James Pasternak	Contact Name:	
Contacted by:	<input type="checkbox"/> Phone <input checked="" type="checkbox"/> E-Mail <input type="checkbox"/> Memo <input type="checkbox"/> Other	Contacted by:	<input type="checkbox"/> Phone <input type="checkbox"/> E-mail <input type="checkbox"/> Memo <input type="checkbox"/> Other
Comments:	Consulted	Comments:	

Consultation with Divisions and/or Agencies

Division:	TTC	Division:	Financial Planning
Contact Name:	Cheryl Wright	Contact Name:	Ciro Tarantino
Comments:	No concerns	Comments:	Revisions incorporated

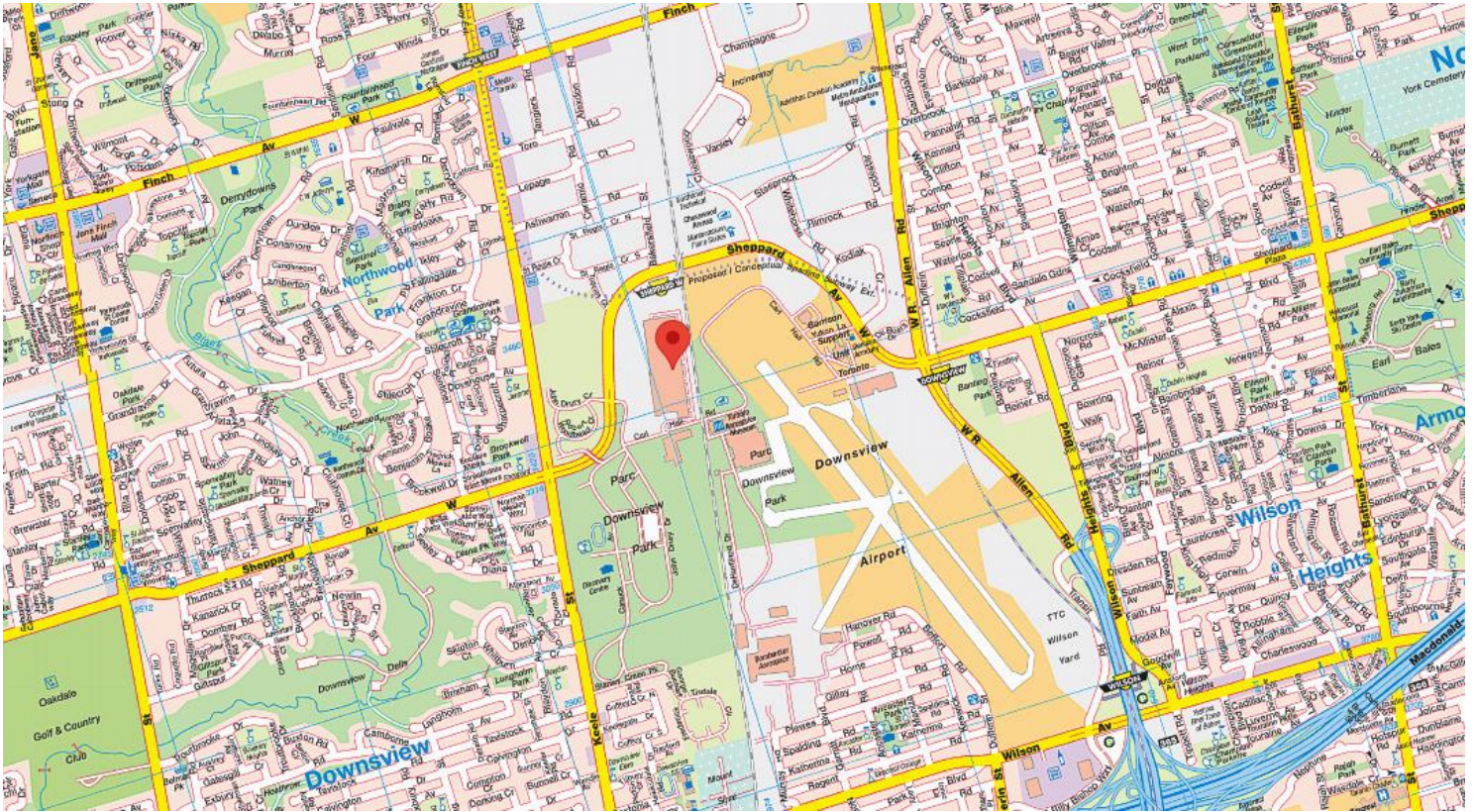
Legal Services Division Contact

Contact Name:	Shahab Siddiqui
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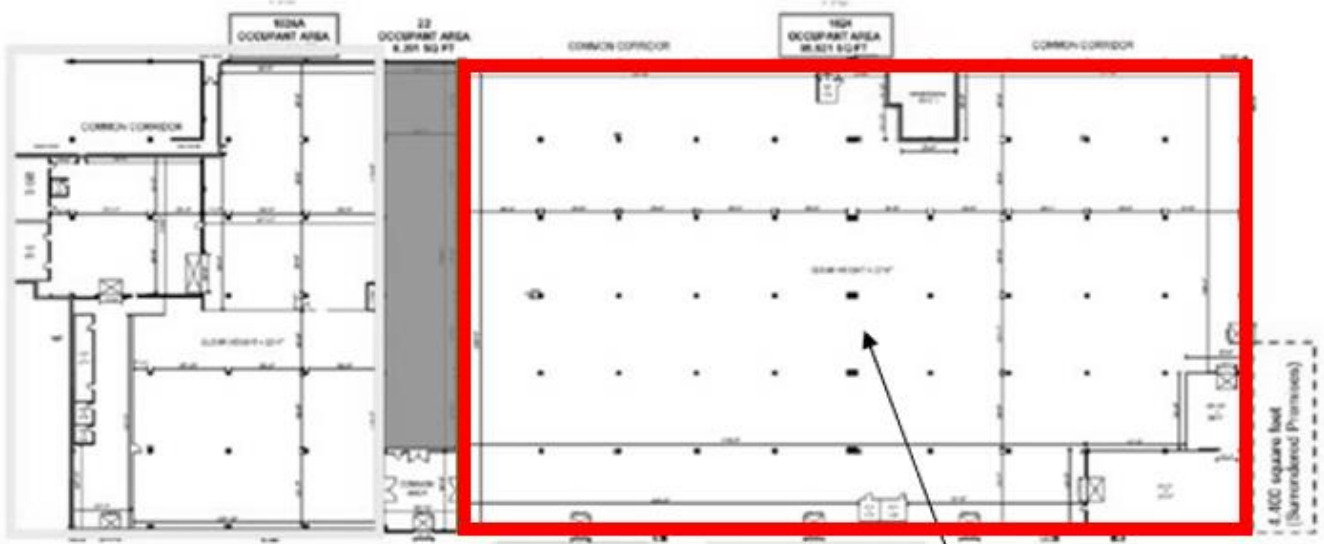
DAF Tracking No.: 2023-194	Date	Signature
Recommended by: Manager, Real Estate Services Vinette Prescott-Brown	Sept 18, 2023	Signed By: Vinette Prescott-Brown
Recommended by: Director, Real Estate Services Alison Folosea	Sept 19, 2023	Signed By: Alison Folosea
<input type="checkbox"/> Recommended by: Executive Director, Corporate Real Estate Management	Sept 19, 2023	Signed By: Patrick Matozzo
<input checked="" type="checkbox"/> Approved by: Patrick Matozzo		
<input type="checkbox"/> Approved by: Deputy City Manager, Corporate Services Josie Scioli		X

Appendix "A"

Location Map



Floor Plan



4,650 square feet (exterior fenced area)

5,150 square feet (exterior fenced area)

Area being extended (95,921 sq ft)