

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

Prepared By:	Patricia Chen	Division:	Corporate Real Estate Management
Date Prepared:	July 12, 2023	Phone No.:	416-338-3583

<b>Purpose</b>	To obtain authority for the City of Toronto (the "City"), as tenant, to enter into a Letter Agreement to amend the existing Lease (the "Amending Agreement") with 2245883 Ontario Inc. (the "Landlord"), to compensate the Landlord for insurance costs and administration fees.																
<b>Property</b>	Entirety of the property, including 109 units located at the property municipally known as 808 Mount Pleasant Road, City of Toronto (the "Property") as shown on the Location Map in Appendix "A".																
<b>Actions</b>	1. Authority be granted to enter into the Amending Agreement with the Landlord, substantially on the major terms herein, and including such other terms as deemed appropriate by the approving authority herein, and in a form satisfactory to the City Solicitor.																
<b>Financial Impact</b>	<p>The City will pay for the Landlord's insurance costs and administration fees charged for additional services rendered, up to a maximum amount of \$110,344.54 (plus HST) or \$112,286.60 (net of HST recoveries).</p> <p>The total estimated cost to be incurred by the City for 2023 is as follows.</p> <table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th>Month</th> <th>Insurance costs and administration fees</th> <th>HST Recoveries</th> <th>Total net of HST Recoveries</th> </tr> </thead> <tbody> <tr> <td>June 2023</td> <td>\$35,981.92</td> <td>\$633.28</td> <td>\$36,615.20</td> </tr> <tr> <td>July 2023</td> <td>\$37,181.31</td> <td>\$654.39</td> <td>\$37,835.70</td> </tr> <tr> <td>August 2023</td> <td>\$37,181.31</td> <td>\$654.39</td> <td>\$37,835.70</td> </tr> </tbody> </table> <p><b>Total: \$110,344.54 (plus HST) or \$112,286.60 (net of HST recoveries).</b></p>	Month	Insurance costs and administration fees	HST Recoveries	Total net of HST Recoveries	June 2023	\$35,981.92	\$633.28	\$36,615.20	July 2023	\$37,181.31	\$654.39	\$37,835.70	August 2023	\$37,181.31	\$654.39	\$37,835.70
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<b>Comments</b>	<p>Funding is available in the 2023 Council-Approved Operating Budget for Shelter, Support and Housing Administration under cost center HS100X. The Chief Financial Officer and Treasurer has reviewed this DAF and agrees with the financial implications as identified in the Financial Impact section.</p> <p>DAF 2020-130 authorized the lease with the Landlord for a temporary shelter use of the Property for a term of two (2) years ending on May 31, 2022, plus two (2) successive options to extend the term for periods of six (6) additional months each. The total maximum base rent, including the 2 options to extend, was \$6,564,525 (plus HST). DAF 2021-292 authorized additional rent payments of up to \$550,182.20 for the Landlord's increased insurance costs for the period from November 23, 2020 to May 31, 2022. DAF 2022-133 authorized further additional rent payments of up to \$379,036.07 for the Landlord's increased insurance costs for the period from June 1, 2022 to May 31, 2023.</p> <p>Lastly, DAF 2022-300 authorized an agreement for the City to compensate the Landlord for administration fees for services requested by the City and completed or expected to be completed by the Landlord during the period of June 2020 to May 2023, including damages to elevators, replacement of damaged furniture and waste removal. The Landlord's insurance costs for the period from November 2022 to May 2023 have also increased slightly, and the City has agreed to pay a portion of these increased costs. The same principle will be extended for the term from June 1, 2023 – August 31, 2023.</p> <p>The rent payments for the period June 1, 2023 – Aug 31, 2023 have been authorized under Council Authority EC1.5, on February 7, 2023.</p>																
<b>Terms</b>	<p>For the period from June 1, 2023 to August 31, 2023, the City agrees to pay the Landlord insurance and administration fees up to a maximum of \$110,344.54 (plus HST).</p> <p>Corporate Real Estate Services Management considers the Additional Rent payments to be fair and reasonable.</p>																

<b>Property Details</b>	<b>Ward:</b>	12 – Toronto St Paul's
	<b>Assessment Roll No.:</b>	1904104020020000000
	<b>Approximate Size:</b>	
	<b>Approximate Land Area:</b>	2,361 m2 (25,413.57 ft2)
	<b>Other Information:</b>	10-storey building, containing 109 units, known as the Roehampton Hotel

<b>A.</b>	<b>City Manager has approval authority for:</b>
1. Acquisitions:	<input type="checkbox"/> Where total compensation does not exceed \$10 Million.
2A. Expropriations Where City is Expropriating Authority:	<input type="checkbox"/> Statutory offers, agreements and settlements where total compensation does not cumulatively exceed \$10 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 \$10 Million.
3. Issuance of RFPs/REOIs:	<b>Request/waive hearings of necessity delegated to less senior positions.</b>
4. Permanent Highway Closures:	<b>Delegated to less senior positions.</b>
5. Transfer of Operational Management to Divisions, Agencies and Corporations:	<b>Delegated to less senior positions.</b>
6. Limiting Distance Agreements:	<input type="checkbox"/> Where total compensation does not exceed \$10 Million.
7. Disposals (including Leases of 21 years or more):	<input type="checkbox"/> Where total compensation does not exceed \$10 Million.
8. Exchange of land in Green Space System & Parks & Open Space Areas of Official Plan:	<b>Delegated to less senior positions.</b>
9. Leases/Licences (City as Landlord/Licensor):	<input type="checkbox"/> Where total compensation (including options/ renewals) does not exceed \$10 Million. <b>Leases/licences for periods up to 12 months at less than market value delegated to less senior positions.</b> <b>Leases pursuant to the Community Space Tenancy Policy delegated to a less senior position.</b>
10. Leases/Licences (City as Tenant/Licensee):	<input checked="" type="checkbox"/> Where total compensation (including options/renewals) does not exceed \$10 Million.
11. Easements (City as Grantor):	<input type="checkbox"/> Where total compensation does not exceed \$10 Million. <b>Nominal sum easements to pre-existing utilities when closing roads delegated to less senior positions.</b>
12. Easements (City as Grantee):	<input type="checkbox"/> Where total compensation does not exceed \$10 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)).
14. Miscellaneous:	<b>Delegated to less senior positions.</b>

<b>B. City Manager has signing authority on behalf of the City for:</b>
<ul style="list-style-type: none"> <li>• Documents required to implement matters for which this position also has delegated approval authority.</li> </ul>

<b>Pre-Condition to Approval</b>											
<input checked="" type="checkbox"/> Complies with General Conditions in Appendix B of City of Toronto Municipal Code Chapter 213, Real Property											
<b>Consultation with Councillor(s)</b>											
Councillor:			Councillor Matlow				Councillor:				
Contact Name:			Andrew Athanasiu				Contact Name:				
Contacted by:			Phone	<input checked="" type="checkbox"/>	E-Mail		Memo		Other		
Comments:			Notified				Comments:				
<b>Consultation with Divisions and/or Agencies</b>											
Division:			Shelter, Support and Housing Administration				Division:			<b>Financial Planning</b>	
Contact Name:			Loretta Ramadhin				Contact Name:			Ciro Tarantino	
Comments:			No objections				Comments:			No objections	
<b>Legal Services Division Contact</b>											
Contact Name:			Soo Kim Lee								

DAF Tracking No.: 2023-205	Date	Signature
Recommended by: Manager, Real Estate Services, Jennifer Kowalski	August 8, 2023	Signed by Jennifer Kowalski
Recommended by: Director, Real Estate Services Alison Folosea	August 15, 2023	Signed by Alison Folosea
<input checked="" type="checkbox"/> Recommended by: Executive Director, Corporate Real Estate Management Patrick Matozzo		n/a
<input checked="" type="checkbox"/> Recommended by: Deputy City Manager, Corporate Services Josie Scioli	August 17, 2023	Signed by Josie Scioli
<input checked="" type="checkbox"/> Approved by: City Manager Paul Johnson	August 18, 2023	Signed by Paul Johnson

# Appendix "A"

## Location Map

