

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

TRACKING NO.: 2023-156

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

Prepared By:	Kulvinder Singh	Division:	Corporate Real Estate Management
Date Prepared:	May 30, 2023	Phone No.:	647-409-1657

<b>Purpose</b>	To obtain authority to enter into a lease agreement with Gelato Di Gio Inc. (the " <b>Tenant</b> ") with respect to the property municipally known as 93 Front St. E., Store No. LL29, Toronto for the purpose of a gelato shop (the " <b>Lease Agreement</b> ").												
<b>Property</b>	South St. Lawrence Market – Store No. LL29 - 93 Front Street East, Toronto, ON M5E 1C3 (location as shown on Schedules "A" and "B" attached hereto).												
<b>Actions</b>	Authority be granted to enter into the Lease Agreement with the Tenant, substantially on the major terms and conditions set out in Schedule "B", 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 receive total licence fee revenues of \$56,504.82 (plus HST) over the five (5) year term of the agreement. Revenues to the City will be directed to the 2023 Council Approved Operating Budget for Corporate Real Estate Management (CREM), under cost centre FA1375 and functional area code 3220200000, and included in CREM's 2024 Operating Budget and future submissions for Council consideration.</p> <p>Revenues remitted to the City for each fiscal year are as follows:</p> <table border="1"> <tr> <td>2023/2024</td> <td>\$10,642.94</td> </tr> <tr> <td>2024/2025</td> <td>\$10,962.23</td> </tr> <tr> <td>2025/2026</td> <td>\$11,291.10</td> </tr> <tr> <td>2026/2027</td> <td>\$11,629.83</td> </tr> <tr> <td>2027/2028</td> <td>\$11,978.72</td> </tr> <tr> <td></td> <td>\$56,504.82 plus HST</td> </tr> </table>	2023/2024	\$10,642.94	2024/2025	\$10,962.23	2025/2026	\$11,291.10	2026/2027	\$11,629.83	2027/2028	\$11,978.72		\$56,504.82 plus HST
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<b>Comments</b>	<p>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>The St. Lawrence Market has been operated by the City of Toronto as a food market since 1903. Currently, 62 different tenants occupy approximately 47,000 square feet of rentable space in the Market.</p> <p>The proposed rent and other major terms and conditions of the Lease Agreement are considered to be fair, reasonable and reflective of market rates.</p>												
<b>Terms</b>	See Schedule "B" for the major terms and conditions.												

<b>Property Details</b>	<b>Ward:</b>	13- Toronto Centre
	<b>Assessment Roll No.:</b>	
	<b>Approximate Size:</b>	
	<b>Approximate Area:</b>	138.22 square feet of Rentable Area
	<b>Other Information:</b>	

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 &amp; Parks &amp; 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 \$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><b>Delegated to more senior positions.</b></p> <p><b>Delegated to more senior positions.</b></p> <p><b>Delegated to more senior positions.</b></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><b>Delegated to more senior positions.</b></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><b>Leases pursuant to the Community Space Tenancy Policy delegated to a more senior position.</b></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><b>Delegated to more senior positions.</b></p> <p><input type="checkbox"/> Where total compensation does not exceed \$50,000.</p> <p><b>Delegated to more senior positions.</b></p> <p><b>Delegated to more senior positions.</b></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 &amp; authorize GM, Transportation Services to give notice of proposed by-law.</p> <p><b>Delegated to more senior positions.</b></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><b>Leases pursuant to the Community Space Tenancy Policy delegated to a more senior position.</b></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"/> (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:**

- 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:	Chris Moise	Councillor:	
Contact Name:	Edward LaRusic	Contact Name:	
Contacted by:	Phone <input type="checkbox"/> 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:	Concur to extension	Comments:	

**Consultation with Divisions and/or Agencies**

Division:	Financial Planning	Division:	<b>Financial Planning</b>
Contact Name:	Ciro Tarantino	Contact Name:	
Comments:	Reviewed and approved	Comments:	

**Legal Services Division Contact**

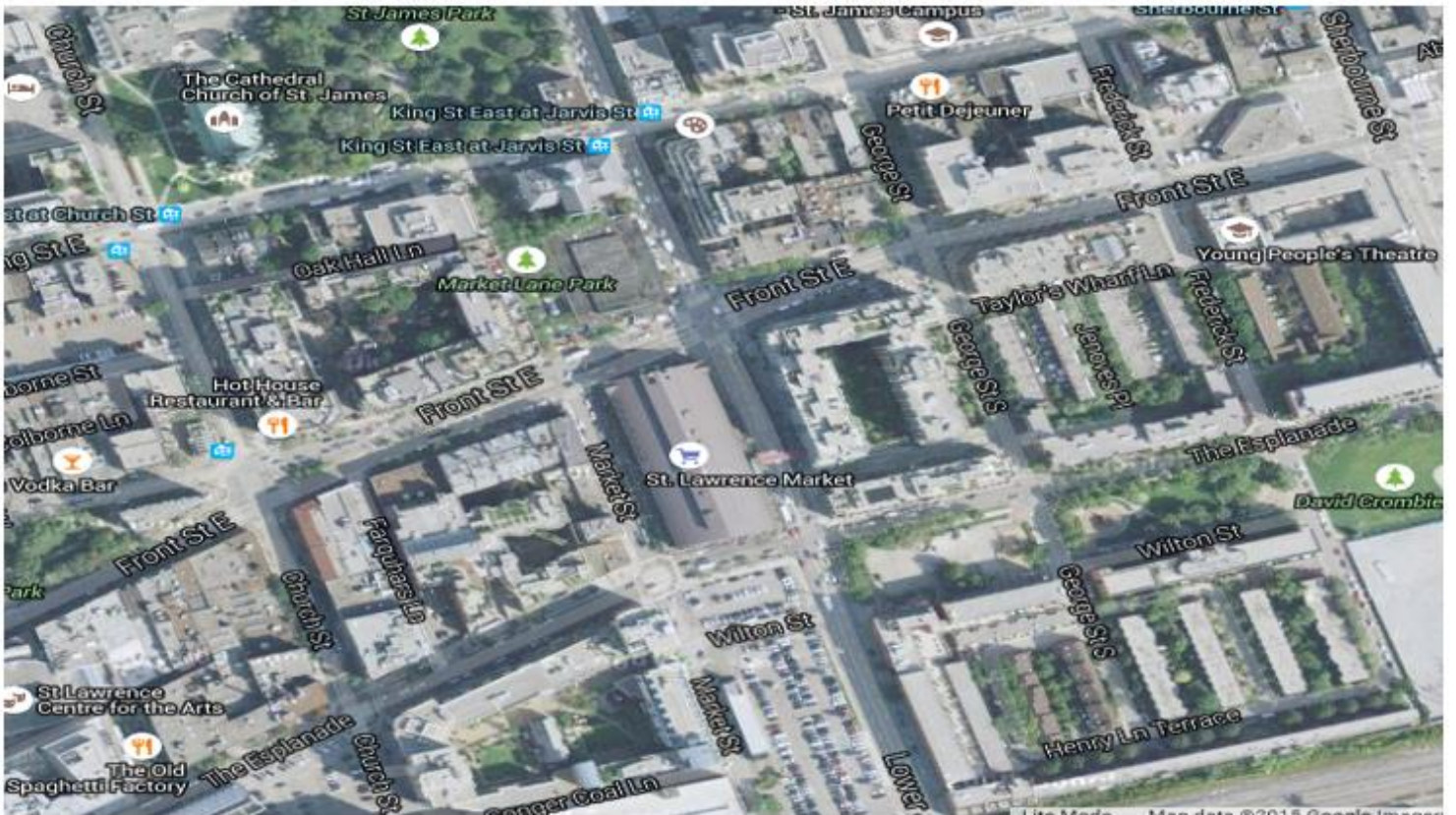
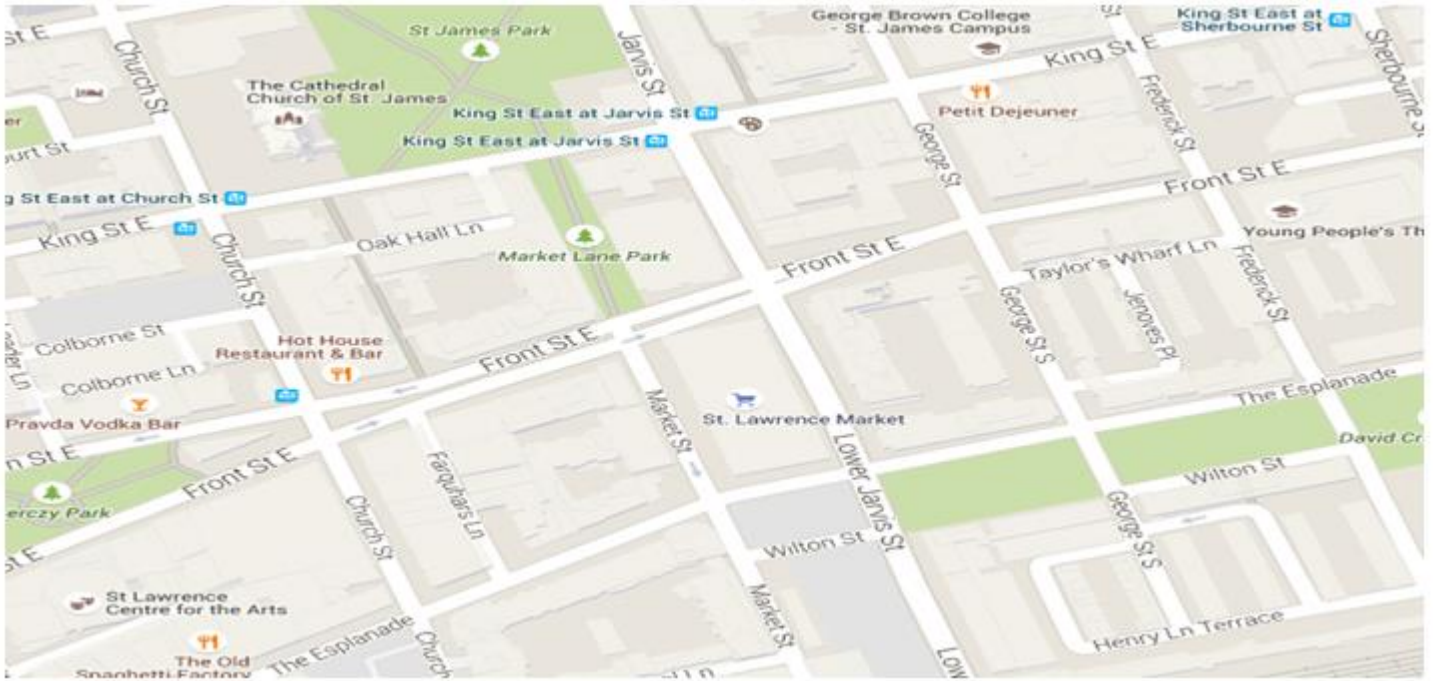
Contact Name:	Gloria Lee
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DAF Tracking No.: 2023-156	Date	Signature
		X
<input type="checkbox"/> Recommended by: <b>Manager, St Lawrence Market Complex</b>	August 16, 2023	Signed by Daniel Picheca
<input type="checkbox"/> Approved by: <b>Daniel Picheca</b>		
<input type="checkbox"/> Approved by: <b>Director, Property Management</b>	August 16 2023	Signed by Graham Leah
<input type="checkbox"/> Approved by: <b>Graham Leah</b>		

Schedule "A"

Map of South Market- St. Lawrence Market  
93 Front St, Toronto, ON

Street View

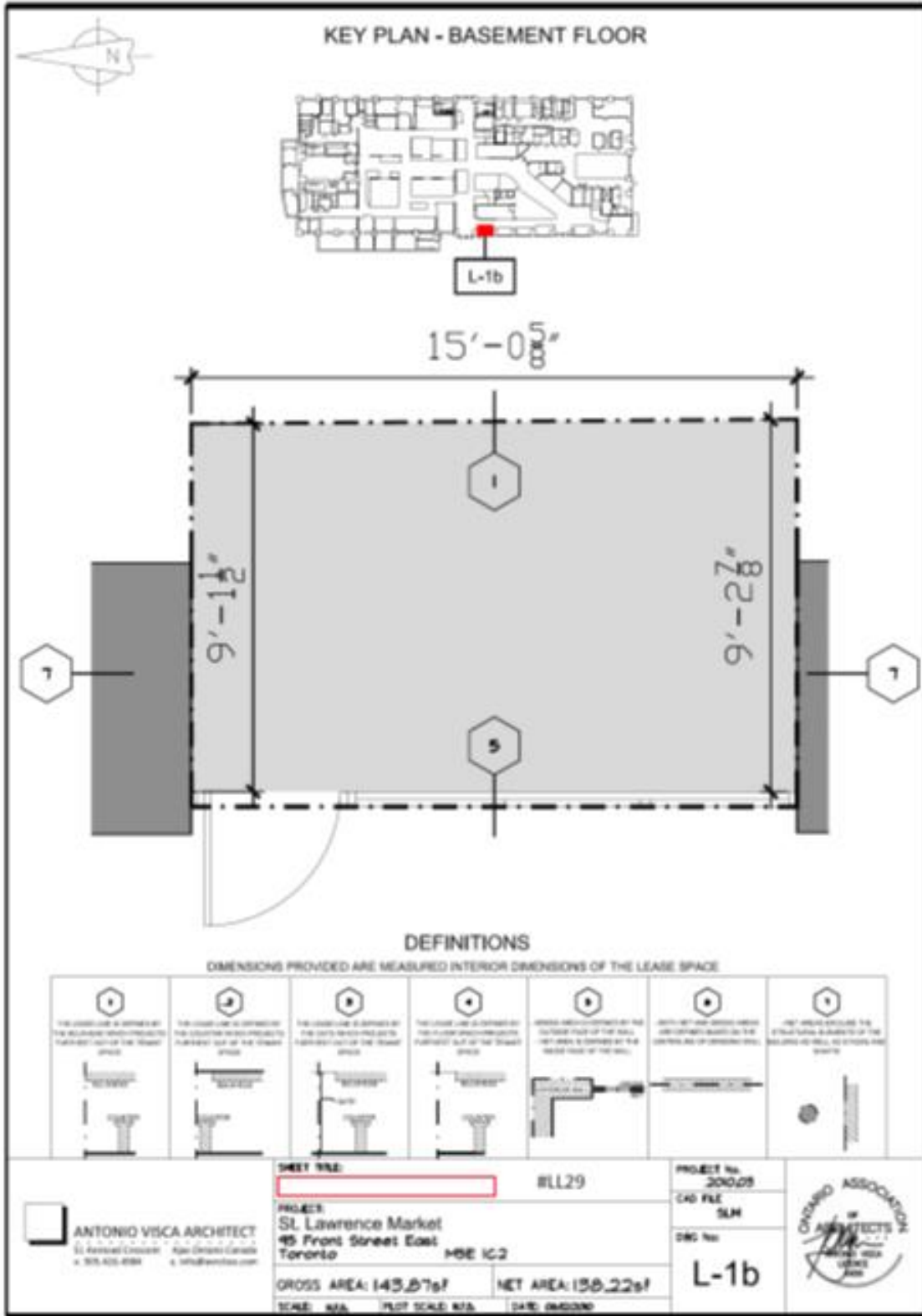


APPENDIX "A"  
Floor Plan of the Centre



Appendix B

Certificate of Land Surveyor



## Schedule "B" Terms and Conditions

**Leased Premises:** Approximately 138.22 square feet

**Term:** June 22, 2023 to June 21, 2025

**Semi-gross rent:**

<u>Period</u>	<u>Semi-Gross Rent</u>
June 22, 2023 – June 21, 2024	\$77.00 per square foot of Rentable Area per annum
June 22, 2024 – June 21, 2025	\$79.31 per square foot of rentable area per annum

**Use:** The Tenant shall use the Leased Premises to sell:

- Frozen products which include:
  - Gelato and gelato in the form of frozen cakes, bars and sandwiches
  - Chocolate-covered frozen bonbon
  - Sorbet
- Cake products which include:
  - Specialty torte which includes the following flavours: Hazelnut, Lemon and Coffee
  - Basque cheesecake
  - Tiramisu cake
- Creme products which include:
  - Petit pot
  - Custards
  - Creme brulee
  - Tiramisu
  - Creme caramel
  - Flan
  - Panna cotta (plain and flavoured)
- Packaged Italian cookie including Lemon, Almond, Chocolate
- Bonbons
- Dessert spreads

**Insurance:** The Tenant shall, at its sole cost and expense, take out the following insurance during the Term:

- (a) all risks property insurance in an amount equal to one hundred percent (100%) of the full replacement cost insuring all property owned by the Tenant;
- (b) business interruption insurance covering any rental obligations to the Landlord;
- (c) crime insurance against the loss of money and other valuable instruments;
- (d) commercial general liability of not less than Two Million Dollars (\$2,000,000.00) per occurrence;
- (e) If serving alcohol on the premises for compensation, liquor liability insurance in amounts no less than Two Million Dollars (\$2,000,000.00) per occurrence;
- (f) any other form of insurance as the Tenant or the Landlord, acting reasonably, may require from time to time; and
- (g) The Tenant shall be permitted to self-insure for plate glass.

**Option to Extend:** The Tenant shall have the right to extend the Term for one additional period of three (3) years based on the Semi-Gross Rent payable as follows:

<u>Period</u>	<u>Semi-Gross Rent</u>
June 22, 2025 – June 21, 2026	\$81.68 per square foot of Rentable Area per annum
June 22, 2026 – June 21, 2027	\$84.14 per square foot of rentable area per annum
June 22, 2028 – June 21, 2029	\$86.66 per square foot of rentable area per annum

**Indemnifier:** The indemnifier shall pay all rent, charges, and any other amounts payable by the Tenant under the Lease **and** shall promptly perform and complete all of the terms, covenants, and conditions to be kept, observed, and performed by the Tenant under the Lease. The Indemnifier shall indemnify and save harmless the City from any loss, costs, or damages resulting from any default by the Tenant under the Lease.