

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

TRACKING NO.: 2023-236

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:	08/30/2023	Phone No.:	4163927130

Purpose
 To obtain authority to enter into (i) a lease agreement (the "**Lease**") with 2452461 Ontario Inc. c.o.b. as Urban Fresh Produce (the "**Tenant**"); and (ii) an assignment and consent agreement (the "**Assignment Agreement**") with the Tenant, 1000585563 Ontario Limited (the "**Assignee**") and Khurram Nisar Baig (the "**Indemnifier**") with respect to the property municipally known as 93 Front St. E., Store No. UL38; and (iii) and an indemnity agreement with the Indemnifier (the "**Indemnity Agreement**") in favour of the City.

Property
 South St. Lawrence Market at 93 Front Street East, Unit No. UL38, Toronto, ON M5E 1C3 (location as shown on Schedule "A" attached hereto, comprising approximately 783.65 sq. ft. (the "**Leased Premises**").

Actions
 Authority be granted to enter into: 1) the Lease with the Tenant; 2) the Assignment Agreement with the Tenant, the Assignee and the Indemnifier; and 3) the Indemnity Agreement with the Indemnifier, 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.

Financial Impact
 The City will receive rental revenues in the amount of \$315,316.14 (plus HST) over the five (5) year term. Revenues to the City will be directed to the 2023 Council Approved Operating Budget for Corporate Real Estate Management (CREM), under cost center FA1375 and functional area code 3220200000, and included in CREM's 2024 Operating Budget and future submissions for Council consideration.

Revenues remitted to the City for each fiscal year are as follows:

2020	\$61,936.34
2021	\$61,936.34
2022	\$61,936.34
2023	\$63,797.49
2024	\$65,709.63
	\$315,316.14 plus HST

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

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.

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

The Tenant entered into an agreement of purchase and sale to sell its business at the Leased Premises to the Assignee. The Assignee proposes to run the business under the current business name "Urban Fresh" and has committed to maintain the quality and popularity of the business which are acceptable to St. Lawrence Market Management.

Due to the sale of the Tenant's business, the City has agreed to consent to the assignment of the Lease, provided that the Assignee assume the terms, covenants and conditions of the lease and the Indemnifier execute an Indemnity Agreement in favour of the City.

Terms
 See Schedule "B" for major terms and conditions.

Property Details	Ward:	13- Toronto Centre
	Assessment Roll No.:	
	Approximate Size:	
	Approximate Area:	783.65 square feet + 66.19 Square feet of rentable area
	Other Information:	

A.	Manager, Real Estate Services has approval authority for:	Director, Real Estate Services has approval authority for:
1. Acquisitions:	<input type="checkbox"/> Where total compensation does not exceed \$50,000.	<input type="checkbox"/> Where total compensation does not exceed \$1 Million.
2A. Expropriations Where City is Expropriating Authority:	<input type="checkbox"/> Statutory offers, agreements and settlements where total compensation does not cumulatively exceed \$50,000.	<input type="checkbox"/> Statutory offers, agreements and settlements where total compensation does not cumulatively exceed \$1 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 \$50,000.	<input type="checkbox"/> (a) Acceptance of statutory offers, agreements and settlements where total compensation does not cumulatively exceed \$1 Million.
	<input type="checkbox"/> (b) Request Hearings of Necessity.	<input type="checkbox"/> (b) Request Hearings of Necessity.
	<input type="checkbox"/> (c) Waive Hearings of Necessity.	<input type="checkbox"/> (c) Waive Hearings of Necessity.
3. Issuance of RFPs/REOIs:	Delegated to more senior positions.	<input type="checkbox"/> Issuance of RFPs/REOIs.
4. Permanent Highway Closures:	Delegated to more senior positions.	<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:	Delegated to more senior positions.	Delegated to more senior positions.
6. Limiting Distance Agreements:	<input type="checkbox"/> Where total compensation does not exceed \$50,000.	<input type="checkbox"/> Where total compensation does not exceed \$1 Million.
7. Disposals (including Leases of 21 years or more):	<input type="checkbox"/> Where total compensation does not exceed \$50,000.	<input type="checkbox"/> Where total compensation does not exceed \$1 Million.
8. Exchange of land in Green Space System & Parks & Open Space Areas of Official Plan:	Delegated to more senior positions.	<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 \$50,000.	<input checked="" type="checkbox"/> (a) Where total compensation (including options/ renewals) does not exceed \$1 Million.
	<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.	<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.
	Leases pursuant to the Community Space Tenancy Policy delegated to a more senior position.	Leases pursuant to the Community Space Tenancy Policy delegated to a more senior position.
10. Leases/Licences (City as Tenant/Licensee):	<input type="checkbox"/> Where total compensation (including options/ renewals) does not exceed \$50,000.	<input type="checkbox"/> Where total compensation (including options/ renewals) does not exceed \$1 Million.
11. Easements (City as Grantor):	<input type="checkbox"/> Where total compensation does not exceed \$50,000.	<input type="checkbox"/> (a) Where total compensation does not exceed \$1 Million.
	Delegated to more senior positions.	<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 \$50,000.	<input type="checkbox"/> Where total compensation does not exceed \$1 Million.
13. Revisions to Council Decisions in Real Estate Matters:	Delegated to more senior positions.	<input type="checkbox"/> Amendment must not be materially inconsistent with original decision (and subject to General Condition (U)).
14. Miscellaneous:	Delegated to more senior positions.	<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. 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:	<input type="checkbox"/> Phone <input 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:	Concur to extension	Comments:	

Consultation with Divisions and/or Agencies

Division:	Financial Planning	Division:	Financial Planning
Contact Name:	Ciro Tarantino	Contact Name:	
Comments:	Reviewed and approved	Comments:	

Legal Services Division Contact

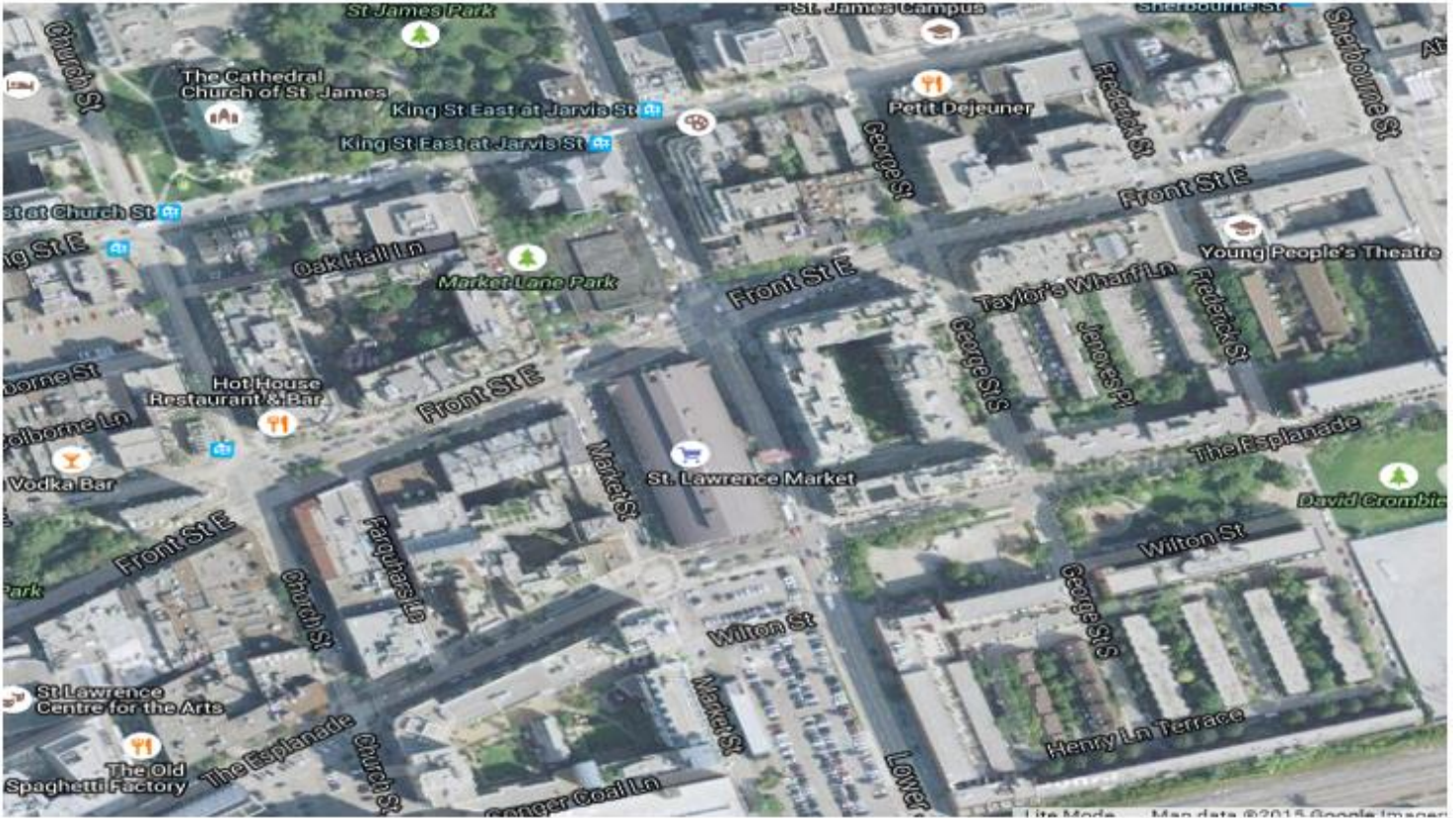
Contact Name:	Gloria Lee
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DAF Tracking No.: 2023- 236	Date	Signature
		X
<input type="checkbox"/> Recommended by: Manager, St Lawrence Market Complex <input checked="" type="checkbox"/> Approved by: Daniel Picheca	Sept. 14, 2023	Signed by Daniel Picheca
<input checked="" type="checkbox"/> Approved by: Director, Property Management Graham Leah	Sept. 14, 2023	Signed by Graham Leah

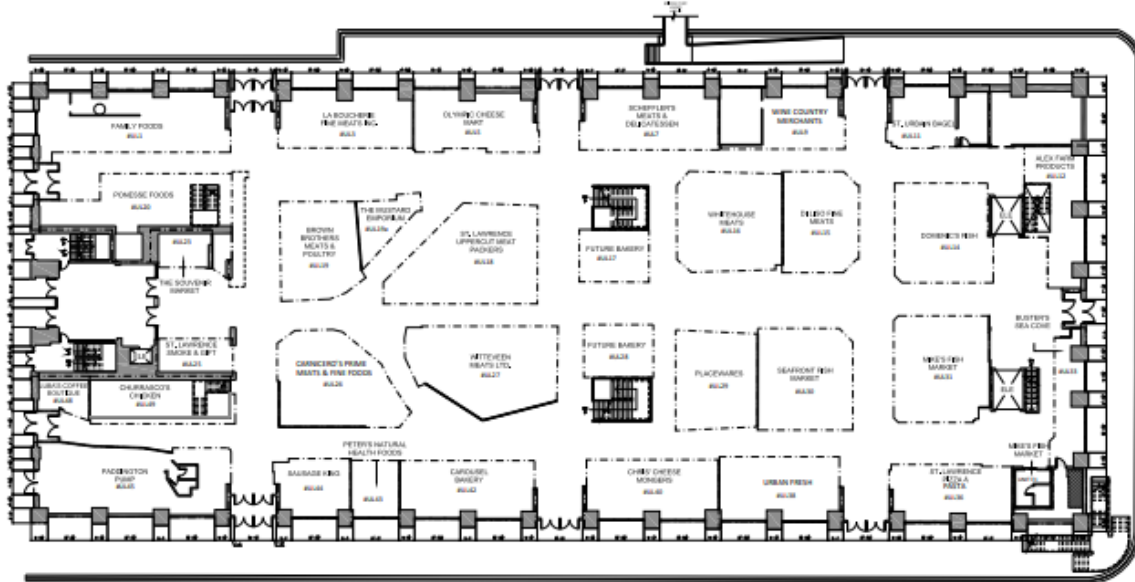
Schedule "A"

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

Street View



Floor Plan of the Centre



GROSS FLOOR AREA = 48 810sf



ANTONIO VISCA ARCHITECT
300 Front Street East, Suite 400
Toronto, Ontario M5E 1B3
Tel: 416-593-8888
www.viscaarchitect.com

SHEET NAME:
St. Lawrence Market Ground Level

PROJECT:
St. Lawrence Market
93 Front Street East, Toronto

REVISION:
Revised April 2005

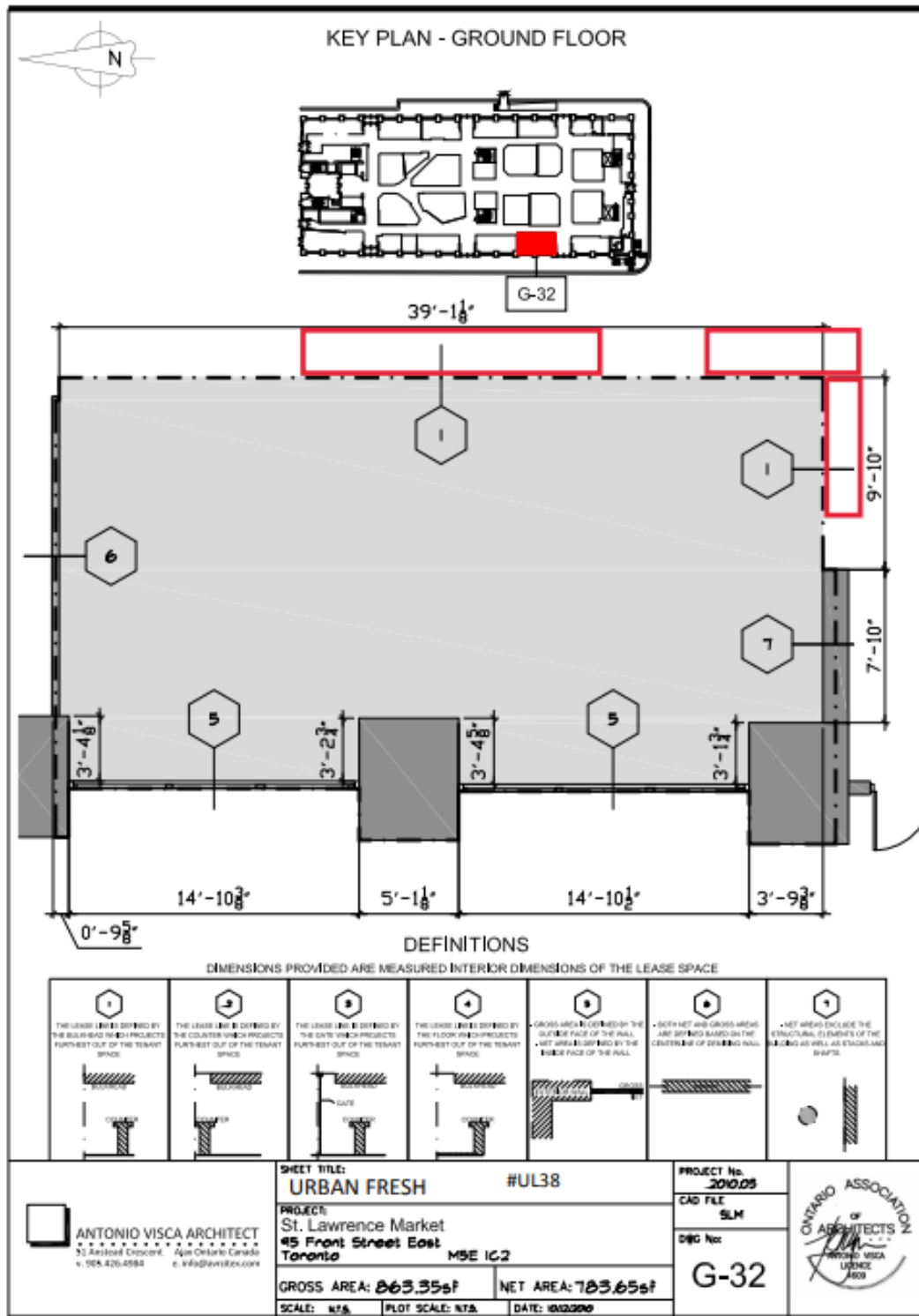
SCALE: 1/8" = 1'-0"
PLOT SCALE: 1/8" = 1'-0"
DATE: 04/05/05

PROJECT No.
200505

CDR TITLE
SLM

DATE
0-2

Certificate of Land Surveyor



Schedule "B" – Major Terms and Conditions

A. Lease Agreement

1. **Tenant:** 2452461 Ontario Inc.
2. **Term:** January 1, 2020 to December 31, 2024
3. **Semi-gross rent:**

<u>Period</u>	<u>Semi-Gross Rent</u>
January 1, 2020 to December 31, 2022	\$72.88 per sq. ft. per year (\$61,936.34 per year)
January 1, 2023 to December 31, 2023	\$75.07 per sq. ft. per year (\$63,797.49 per year)
January 1, 2024 to December 31, 2024	\$77.32 per sq. ft. per year (\$68,084.54 per year)

4. **Use:** To sell a variety of fruits, vegetables and fresh cut flowers, provided that sale of flowers does not exceed 5% of the display area of the leased premises.
5. **Leased Premises:** 93 Front St. E., Store No. UL38, comprising approximately 783.65 sq. ft.
6. **Insurance:** The Tenant shall throughout the Term, at its sole cost and expense, take out and keep in full force and effect, with the City as an additional insured, commercial general liability insurance with limits not less than Two Million Dollars (\$2,000,000.00) per occurrence.
7. **Indemnity:** The Tenant shall indemnify and save harmless the City from any and all claims, actions, damages, liabilities, losses, costs and expenses whatsoever including, without limitation, those in respect of loss of life, personal injury or damage to property unless same is directly caused by the City's negligence, arising from any occurrence or situation in or about the Leased Premises, any damage arising from the Tenant's use and occupation of the Leased Premises, or breach of this Lease by the Tenant.

B. Assignment Agreement

1. **Assignor:** 2452461 Ontario Inc.
2. **Assignee:** 1000585563 Ontario Limited
3. **Amendment to the Lease:** Option to Extend - The Tenant shall have the right to extend the Term of the Lease for a period of five (5) years from January 1, 2025 to December 31, 2029.
4. Effective date of agreement to align with date of closing, September 15, 2023 or such other date as determined by the parties.
5. The City consents to the assignment of the Lease from the Assignor to the Assignee on the terms and conditions of the Assignment.

C. Indemnity Agreement

The Indemnity Agreement with Khurram Nisar Baig provides that:

1. The Indemnifier shall pay all rent, charges, and any other amounts payable by the Tenant under the Lease.
2. The Indemnifier shall promptly perform and complete all of the terms, covenants, and conditions to be kept, observed, and performed by the Tenant under the Lease.
3. 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.