

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

TRACKING NO.: 2023-326

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

Prepared By:	Wendy Pearson	Division:	Corporate Real Estate Management
Date Prepared:	December 14, 2023	Phone No.:	416-338-1058

Purpose	To obtain authority for the City of Toronto to enter into a Community Space Tenancy sublease agreement (the "Sublease") with Hong Fook Mental Health Association (the "Subtenant") for the Property for the purposes of providing community based social services.
Property	A portion of property municipally known as 1751 Sheppard Avenue East, North York M2J 0A4 identified as Unit G1 and comprising of approximately 4,000 square feet of space as shown on Schedule B.
Actions	1. Authority be granted to enter into the Sublease with the Subtenant, substantially on the major terms and conditions set out in Schedule A, and including such other terms as deemed appropriate by the approving authority herein, and in a form satisfactory to the City Solicitor.
Financial Impact	As a result of the Sublease, the Subtenant shall pay to the City a nominal rate of \$2 per year in basic rent for the five year term, for a total revenue of \$10. The Subtenant will pay operating costs directly. The Chief Financial Officer and Treasurer has reviewed this DAF and agrees with the financial impact information.
Comments	The City leases in the Property at nominal as a result of a section 37 agreement for the purposes of providing space for community uses. The City has subleased the Premises to the Subtenant since August 1, 2011 under the Below Market Rent Policy. The sublease was first approved by City Council through Item 2010.GM33.9 , and then renewed by City Council Authority through Item 2016.GM13.29 . In 2020, the City Council delegated authority to the DCM, Corporate Services to approve the Community Space Tenancy Leases for existing Below Market Rent Policy tenants, including Hong Fook Mental Health Association. Real Estate Management has negotiated terms with the Subtenant for a sublease under the Community Space Tenancy ("CST") Policy. The terms are considered to be fair, reasonable and in compliance with the CST Policy requirements.
Terms	See Schedule A for Terms and Conditions.

Property Details	Ward:	Ward 17 - Don Valley North
	Assessment Roll No.:	190811117000120
	Approximate Size:	N/A
	Approximate Area:	372 m ² ± (4,000 ft ² ±)
	Other Information:	N/A

A.	Executive Director, Corporate Real Estate Management has approval authority for:	Deputy City Manager, Corporate 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/REOs:</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/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 \$3 Million.</p> <p><input type="checkbox"/> Statutory offers, agreements and settlements where total compensation does not cumulatively exceed \$3 Million.</p> <p><input type="checkbox"/> (a) Acceptance of statutory offers, agreements and settlements where total compensation does not cumulatively exceed \$3 Million.</p> <p>Request/waive hearings of necessity delegated to less senior positions.</p> <p><input type="checkbox"/> Issuance of RFPs/REOs.</p> <p><input type="checkbox"/> Initiate process & authorize GM, Transportation Services to give notice of proposed by-law.</p> <p><input type="checkbox"/> Transfer of Operational Management to Divisions, Agencies and Corporations.</p> <p><input type="checkbox"/> Where total compensation does not exceed \$3 Million.</p> <p><input type="checkbox"/> Where total compensation does not exceed \$3 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 type="checkbox"/> (a) Where total compensation (including options/renewals) does not exceed \$3 Million.</p> <p><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.</p> <p>Delegated to a more senior position.</p> <p><input type="checkbox"/> Where total compensation (including options/renewals) does not exceed \$3 Million.</p> <p><input type="checkbox"/> (a) Where total compensation does not exceed \$3 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 \$3 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>	<p><input type="checkbox"/> Where total compensation does not exceed \$5 Million.</p> <p><input type="checkbox"/> Statutory offers, agreements and settlements where total compensation does not cumulatively exceed \$5 Million.</p> <p><input type="checkbox"/> (a) Acceptance of statutory offers, agreements and settlements where total compensation does not cumulatively exceed \$5 Million.</p> <p>Request/waive hearings of necessity delegated to less senior positions.</p> <p><input type="checkbox"/> Issuance of RFPs/REOs.</p> <p><input type="checkbox"/> Initiate process & authorize GM, Transportation Services to give notice of proposed by-law.</p> <p><input type="checkbox"/> Transfer of Operational Management to Divisions, Agencies and Corporations.</p> <p><input type="checkbox"/> Where total compensation does not exceed \$5 Million.</p> <p><input type="checkbox"/> Where total compensation does not exceed \$5 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 type="checkbox"/> (a) Where total compensation (including options/renewals) does not exceed \$5 Million.</p> <p><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.</p> <p><input checked="" 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.</p> <p><input type="checkbox"/> Where total compensation (including options/renewals) does not exceed \$5 Million.</p> <p><input type="checkbox"/> (a) Where total compensation does not exceed \$5 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 \$5 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. Deputy City Manager, Corporate Services and Executive Director, Corporate Real Estate Management each has signing authority on behalf of the City for:
<ul style="list-style-type: none"> • 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	
<input checked="" type="checkbox"/> Complies with General Conditions in Appendix B of City of Toronto Municipal Code Chapter 213, Real Property	
Consultation with Councillor(s)	
Councillor:	Shelley Carroll
Contact Name:	Tom Gleason
Contacted by:	Phone <input type="checkbox"/> E-Mail <input checked="" type="checkbox"/> Memo <input type="checkbox"/> Other <input type="checkbox"/>
Comments:	No concerns or objections
Consultation with Divisions and/or Agencies	
Division:	SDFA
Contact Name:	Daniel Bondi
Comments:	Concurred
Division:	Financial Planning
Contact Name:	Ciro Tarantino
Comments:	No comments
Legal Services Division Contact	
Contact Name:	Bronwyn Atkinson

DAF Tracking No.: 2023- 326	Date	Signature
Recommended by: Manager, Real Estate Services Jennifer Kowalski	Dec. 19, 2023	Signed by Jennifer Kowalski
Recommended by: Director, Real Estate Services Alison Folosea	Dec. 19, 2023	Signed by Alison Folosea
<input checked="" type="checkbox"/> Recommended by: Executive Director, Corporate Real Estate Management <input type="checkbox"/> Approved by: Patrick Matozzo	Dec. 20, 2023	Signed by Patrick Matozzo
<input checked="" type="checkbox"/> Approved by: Deputy City Manager, Corporate Services David Jollimore	Dec. 22, 2023	Signed by David Jollimore

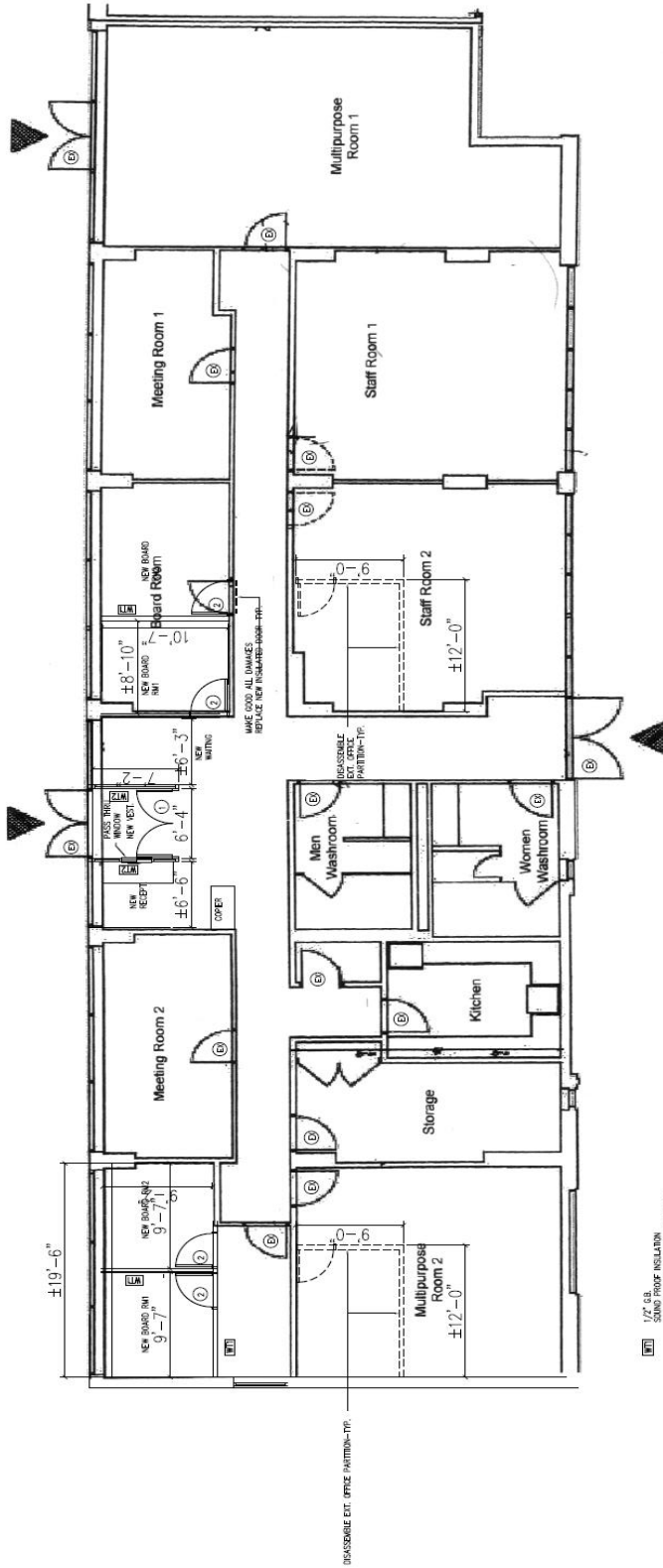
SCHEDULE 'A'**Tenant-Specific Terms and Conditions**

Premises	Unit G1, comprising approximately 4,000 square feet
Building	1751 Sheppard Avenue East
Head Lease	The Tenant acknowledges: a) that the Landlord is in possession of the Premises pursuant to a head lease (the "Head Lease") dated May 27, 2011 between 2229845 Ontario Inc. as landlord and the Sub-landlord as tenant; and b) in the event of discrepancy between the terms of the Head Lease and the Lease, the Head Lease shall govern.
Use	<ol style="list-style-type: none"> 1. Facilitate mental health service delivery to residents of Chinese and South-East Asian origin in Toronto 2. Facilitate adjustments of new immigrants and groups with special needs 3. Promote integration of the Chinese and South-East Asian population into the multicultural society of Toronto 4. Promote best use of existing mental health facilities by facilitating referral, and providing consultation 5. Monitor the development of needs and services in the field 6. Coordinate interested individuals and groups to achieve the above goals 7. Do all such things as are incidental or conducive to the attainment of the above goals.
Hours of Operation	Mon – Sun: 7:00 a.m. to 9:00 p.m.
Term	5 years
Commencement Date	January 1, 2023
Expiry Date	December 31, 2027
Proportionate Share	n/a
Estimated Additional Rent Payable to the City for First Year of Term	n/a – The Tenant shall continue to pay service providers directly.
Tenant Notice Particulars	<p>3320 Midland Avenue, Suite 201 Toronto, Ontario M1V 5E6 Attn: Bonnie Wong, Executive Director Telephone: (416) 493-4242 (Ext. 2222) Facsimile: (416) 493-2214 bwong@hongfook.ca</p>

SCHEDULE "B"

Sketch of Premises

1750 Sheppard Avenue East



- (A) 1/2" G.B.
SOUND PROOF INSULATION
 - (B) 1/2" G.B.
1/2" G.B. METAL GRID TO 1/5 CONC.
 - (C) MOLD RESISTANT PAINT
 - (D) ALL NEW PAINT
 - (E) 1/2" G.B.
W/TERMED & LAMINATED BERBERPANE GLAZING
 - (F) MIN. 6" HIGH W/ CONC. & LIGHT
- PROVIDE NEW LIGHT SWITCHES AS PER REQUIRED IN EACH ROOMED ROOMS.

SCHEDULE 'C'

Property Location Map

