

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

TRACKING NO.: 2024-185

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

Prepared By:	Shernaz Writer	Division:	Corporate Real Estate Management
Date Prepared:	December 20, 2024	Phone No.:	416 392 7614

Purpose	To obtain authority to enter into a Lease Extension and Amending Agreement (the "Agreement") with The Kensington Health Foundation (the "Landlord") for a further extension of a ten (10) year term for the dental health clinic at 340 College Street, Suite 370.
Property	340 College Street, Suite 370 comprising of approximately 1,690 square feet of office space (the "Leased Premises") as shown on the Location Map in Appendix "A".
Actions	1. Authority be granted to enter into the Agreement with the Landlord, substantially on the major terms and conditions set out below, and on such other terms as deemed appropriate by the approving authority herein, and in a form satisfactory to the City Solicitor.
Financial Impact	The total cost for the ten (10) year term of the lease is \$761,970.30 (including HST). Annual funding for 2024 in the amount of \$ 71613.75 (including HST) or \$ 63,375.00 (net of HST recoveries), is available in the 2024 Approved Operating Budget for Toronto Public Health (TPH) under cost centre PH3767, FAC5760000000. Funding requirements for 2025-2034 under cost center PH3767 and will be included in future year TPH Operating Budget Submissions for consideration. The Chief Financial Officer & Treasurer has reviewed this DAF and agrees with the financial impact information.
Comments	The original lease for initial term of 5 years was executed on January 11, 1991. The lease has since been amended and renewed. The most recent renewal was for a term of five (5) years from April 1, 2019 to March 31, 2024 as approved by DAF 2019-292. Real Estate Services staff, in consultation with Toronto Public Health, have negotiated the terms of the ten-year (10) extension with the Landlord as set out below. The proposed rent and other major terms and conditions of the Lease Agreement are considered to be fair, reasonable and reflective of market rates.
Terms	The terms and conditions of the original lease, as renewed and amended, remain the same, except for the following terms outlined in Appendix "A".

Property Details	Ward:	Ward 11 – University Rosedale
	Assessment Roll No.:	1904-06-7-120-06900-0000-0 1
	Approximate Size:	1,690 ft ²
	Approximate Area:	
	Other Information:	

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 & 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 \$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>Delegated to more senior positions.</p> <p>Delegated to more senior positions.</p> <p>Delegated to more senior positions.</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>Delegated to more senior positions.</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>Leases pursuant to the Community Space Tenancy Policy delegated to a more senior position.</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>Delegated to more senior positions.</p> <p><input type="checkbox"/> Where total compensation does not exceed \$50,000.</p> <p>Delegated to more senior positions.</p> <p>Delegated to more senior positions.</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 & authorize GM, Transportation Services to give notice of proposed by-law.</p> <p>Delegated to more senior positions.</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 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>Leases pursuant to the Community Space Tenancy Policy delegated to a more senior position.</p> <p><input checked="" 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:	Diane Saxe	Councillor:	
Contact Name:	Andrew Greene	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:	Informed	Comments:	

Consultation with Divisions and/or Agencies

Division:	Toronto Public Health (Dental Division)	Division:	Financial Planning
Contact Name:	Tammy Rivest	Contact Name:	Ciro Tarantino
Comments:	Concurred	Comments:	Concurred

Legal Services Division Contact

Jay Gronc

DAF Tracking No.: 2024-185	Date	Signature
<input checked="" type="checkbox"/> Recommended by: Acting Manager, Real Estate Services	Dec. 20, 2024	Signed by Leila Valenzuela
<input type="checkbox"/> Approved by: Leila Valenzuela		
<input checked="" type="checkbox"/> Approved by: Director, Real Estate Services Alison Folosea	Dec. 20, 2024	Signed by Alison Folosea

Appendix "A"

Major Terms and Conditions

Renewal Term:

Ten (10) years, commencing on April 1, 2024 and ending on March 31, 2034.

Further Renewal rights:

Upon delivery of written notice to the Landlord of not less than three (3) months before the expiry of the renewal term, the City ("Tenant") shall have the option to renew the lease for one (1) further term of five (5) years, on the same terms and conditions as the Renewal Term, save and except:

- a) There will be no further right to extend the Further Renewal Term and
- b) The Basic Rent for the further Renewal Term shall be the then fair market basic rent for comparable premises in the area, but in no event shall it be less than the rent payable during the Renewal Term.

If the parties are unable to agree on the Basic Rent for the Further Renewal Term on or before the date that is sixty (60) days prior to the commencement of the Further Renewal Term, then the tenancy shall come to an end and the Tenant shall vacate the Leased Premises.

Basic Rent + Additional Rent Summary (incl. HST)

Details (1690 sq.ft)	April 1, 2024 - March 31, 2025	April 1, 2025 - March 31, 2027	April 1, 2027 - March 31, 2029	April 1, 2029 - March 31, 2031	April 1, 2031 - March 31, 2034
Basic Rent Psf	16.50	17.50	18.50	19.50	20.50
Additional Rent Psf	21.00	21.00	21.00	21.00	21.00
	37.50	38.50	39.50	40.50	41.50
	April 1, 2024 - March 31, 2025	April 1, 2025 - March 31, 2027	April 1, 2027 - March 31, 2029	April 1, 2029 - March 31, 2031	April 1, 2031 - March 31, 2034
Basic Rent	27,885.00	29,575.00	31,265.00	32,955.00	34,645.00
Additional Rent	35,490.00	35,490.00	35,490.00	35,490.00	35,490.00
Total Rent	63,375.00	65,065.00	66,755.00	68,445.00	70,135.00
HST on Rent	8,238.75	8,458.45	8,678.15	8,897.85	9,117.55
Total Rent including HST	71613.75	73523.45	75433.15	77342.85	79252.55

Grand Total for 10 Years
(incl. HST)

\$761,970.30

Additional Rent:

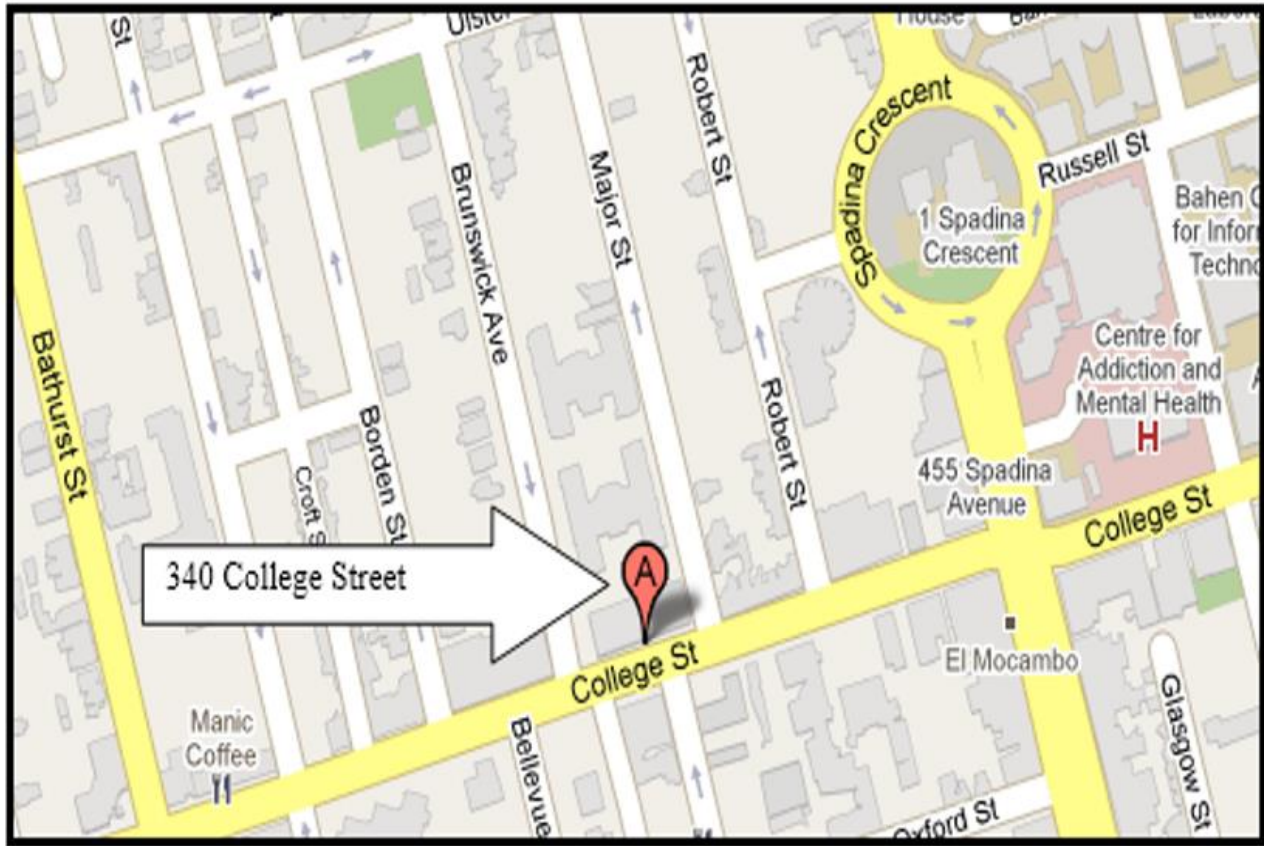
The additional rent, comprising of operating costs and realty taxes are estimated to be \$ 21.00 per square foot for the Leased Premises commencing April 1, 2024. The parties agree that the Landlord will pass on any credits received from the City of Toronto by-law exempting the Tenant from realty taxes for the Leased Le Premises. Tenant shall deduct the exempt portion of the realty taxes from the monthly rent and be responsible for any shortfall of realty taxes should the exempt portion be less than the amount per square foot that other tenants in the building pay.

Municipal Capital Facilities Agreement:

The Landlord acknowledges that the City has the right, in its discretion, to request Toronto City Council to exempt the Property from taxation for municipal and school purposes if the City considers that the Leased Premises may be used as a municipal capital facility. Provided Toronto City Council grants satisfactory approval to this effect, the Landlord has agreed to enter at its sole cost and expense into the necessary municipal capital facility agreement with the City pursuant to Section 110(1) of the Municipal Act, 2001, as amended, in a form acceptable to the City Solicitor and legal counsel for the Landlord and to pass the full benefit of such exemption on to the City during the entire period of any such exemption.

Appendix "B"

Location Map



<p>Laws and Regulations</p> <p>Regulatory Bodies</p> <p>52-76-A PAN</p> <p>The plan along with the submitted information has been reviewed for compliance with the Health Protection Act, R.S.O. 1990, c. H.7 and the Health Protection Regulations, S.O. 2017, c. 12, s. 1(1) and 1(2).</p> <p>The following points are noted for the applicant's attention:</p> <p>The plan is not a complete set of drawings and is not intended to be used for construction. It is intended to provide information to the applicant and to the public in order to ensure compliance with the Health Protection Act, R.S.O. 1990, c. H.7 and the Health Protection Regulations, S.O. 2017, c. 12, s. 1(1) and 1(2).</p> <p>Best Practice</p> <p>The applicant is advised to consult with the Health Protection Branch of the City of Toronto for more information regarding the Health Protection Act, R.S.O. 1990, c. H.7 and the Health Protection Regulations, S.O. 2017, c. 12, s. 1(1) and 1(2).</p> <p>29-OCT-2021</p> <p>Best Practice</p> <p>The applicant is advised to consult with the Health Protection Branch of the City of Toronto for more information regarding the Health Protection Act, R.S.O. 1990, c. H.7 and the Health Protection Regulations, S.O. 2017, c. 12, s. 1(1) and 1(2).</p> <p>Health Protection Branch of the City of Toronto</p> <p>416-392-9500 ext. 34</p> <p>www.toronto.ca/health-protection</p>	<p>-HALLWAYS WILL BE CONTROLLED FOR NO OCCUPANCY BY X-RAY OPERATOR DURING EVERY EXPOSURE.</p> <p>ADJACENT UNIT</p> <p>COMMON HALLWAY</p> <p>RECEPTION WILL BE CONTROLLED FOR NO OCCUPANCY DURING FLUOROSCOPIC EXPOSURES. CONTROLLED BY PAN OPERATOR.</p> <p>OUTSIDE (3RD FLOOR)</p>	<p>LEGEND:</p> <p>H = Patient Head</p> <p>XRH = X-RAY Head</p> <p>XRC = X-RAY Control</p> <p>ES = Exposure Switch</p> <p>— = 0.8mm Lead</p> <p>— = 1.6mm Lead</p> <p>— = Concrete wall</p> <p># = No occupancy zones</p> <p>OWNER OF THE FACILITY MUST BE CONSTRUCTED IN ACCORDANCE WITH THE INFORMATION PROVIDED ON THE APPROVED PLAN. ANY CHANGES TO THE SUBMITTED PLAN OR INFORMATION PROVIDED, REQUIRES RE-APPROVAL FOR RE-APPROVAL.</p> <p>(NOTE: ACOUSTICAL LEAD IS NOT SUFFICIENT FOR RADIATION SHIELDING PURPOSES)</p> <p>X-RAY NOTES:</p> <ol style="list-style-type: none"> THE FACILITY MUST BE CONSTRUCTED IN ACCORDANCE WITH THE INFORMATION PROVIDED ON THE APPROVED PLAN. ANY CHANGES TO THE SUBMITTED PLAN OR INFORMATION PROVIDED, REQUIRES RE-APPROVAL FOR RE-APPROVAL. THE OWNER OR SHIELDING PROTECTION OFFICER OF ALL NEWLY INSTALLED EQUIPMENT MUST BE AWARE OF INSTALLATION SUBMIT ACCEPTANCE TEST RESULTS TO THE BRANCH OF HEALTH RAY PROTECTION. ALL DENTAL X-RAY FACILITIES IN ONTARIO ARE REQUIRED TO CONFORM TO THE HEALTH RAY PROTECTION ACT DURING INSTALLATION AND OPERATION. USE MANUFACTURER'S SPECIFICATIONS AND TEMPLATES FOR ALL EQUIPMENT. <p>K-DENTAL INC.</p> <p>K-DENTAL INC. 800 COCHRANE DRIVE MARKHAM, ON L3R 3C3 TEL: 416-293-8262</p> <p>Drawn by: J.T.</p> <p>PROJECT NAME/ADDRESS:</p> <p>TORONTO PUBLIC HEALTH 340 COLLEGE STREET, SUITE 370 TORONTO, ONTARIO M5T 3A9</p> <p>EXECUTIVE OFFICER: DR. MICHAEL WONG MR. DR. DAVID A. CHENG</p> <p>AREA: APPROX. 1348 SQ.FT.</p> <p>SHEET TITLE: X-RAY APPROVAL PLAN</p> <p>SCALE: 1/4"=1'-0"</p> <p>DATE: SEPTEMBER 17, 2021</p> <p>DRAWING NO.: 05-1</p>
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Sketch 1 - Leased Premises is on the 3rd Floor, Suite 370