



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

TRACKING NO.: **2025-103**

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:	April 24, 2025	Phone No.:	416-338-1058										
Purpose	To amend the terms as set out in DAF 2024-077, which authorized a licence agreement between the City of Toronto (the "City") as Licensor and John Street Roundhouse Development Corp. (the "Licensee") for the purpose of displaying signage on the façade of the historic Water Tower for subtenants of the Roundhouse Building, with use of a non-exclusive temporary access area for maintenance (the "Licence Agreement"), located on part of City-owned park lands named "Roundhouse Park", municipally known as 255 Bremner Blvd.												
Property	The façade of the historic Water Tower and a non-exclusive temporary access area for maintenance, located on part of City-owned park lands named "Roundhouse Park", municipally known as 255 Bremner Blvd., as shown on the Location Map in Appendix "B"												
Actions	1. Authority be granted to enter into the Licence Agreement with the Licensee substantially on the major terms and conditions set out in DAF 2024-077 as amended below, and including such other terms as deemed appropriate by the approving authority herein, and in a form satisfactory to the City Solicitor.												
Financial Impact	<p>As part of this ten (10) year License Agreement, the Licensee will pay the amount of \$45,800.00 for Vent Cap repair, with this amount to be reimbursed over three (3) years by a reduced monthly License Fee. The Licensee has a right to terminate in the first three (3) years. If this occurs the City may be required to pay to the Licensee, the balance not yet reimbursed.</p> <p>The Chief Financial Officer and Treasurer has reviewed this DAF and agrees with the financial impact information.</p>												
Comments	<p>The background is set out in DAF 2024-077.</p> <p>The proposed licence fee and other major terms and conditions of the Licence Agreement as amended, are considered to be fair, reasonable and reflective of market rates.</p>												
Terms	<p>Amended Term: Ten (10) years commencing May 1, 2025 (the "Commencement Date") and expiring on April 30, 2035.</p> <p>Fixturing Period: Three (3) months commencing May 1, 2025 to July 31, 2025. During the Fixturing Period, all the terms and conditions of the Licence Agreement shall apply.</p> <p>Extension option: Ten (10) years, on the same terms and conditions, except that the Base Fee payable shall be the then fair market value.</p> <p>Licensed Premises: The façade of the existing historic water tower (the "Water Tower") located in Roundhouse Park as shown on the Sketch of the Licensed Premise as shown in Appendix "C"; and the non-exclusive use, together with all others entitled thereto, of an area surrounding the Water Tower for temporary access purposes (the "Temporary Access Area") of approximately <u>11,300 square feet</u> as shown on Appendix "C", for the purpose of maintenance.</p> <p>Permitted Use: The Licensed Premises shall be used for the purposes of undertaking a historically sensitive cleaning and painting of the Water Tower and displaying non-illuminated corporate logo or corporate signage on the façade of the Water Tower, as approved by City Heritage Planning.</p> <p>Continued on Appendix "A"</p>												
Property Details	<table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 50%;">Ward:</td> <td style="width: 50%;">Ward 10 – Spadina/Fort York</td> </tr> <tr> <td>Assessment Roll No.:</td> <td>1904062060001000000</td> </tr> <tr> <td>Approximate Size:</td> <td>Irregular</td> </tr> <tr> <td>Approximate Area:</td> <td>N/A</td> </tr> <tr> <td>Other Information:</td> <td>N/A</td> </tr> </table>			Ward:	Ward 10 – Spadina/Fort York	Assessment Roll No.:	1904062060001000000	Approximate Size:	Irregular	Approximate Area:	N/A	Other Information:	N/A
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Other Information:	N/A												

A.	Executive Director, Corporate Real Estate Management has approval authority for:	Deputy City Manager, Corporate Services has approval authority for:
1. Acquisitions:	<input type="checkbox"/> Where total compensation does not exceed \$3 Million.	<input type="checkbox"/> Where total compensation does not exceed \$5 Million.
2A. Expropriations Where City is Expropriating Authority:	<input type="checkbox"/> Statutory offers, agreements and settlements where total compensation does not cumulatively exceed \$3 Million.	<input type="checkbox"/> Statutory offers, agreements and settlements where total compensation does not cumulatively exceed \$5 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 \$3 Million. Request/waive hearings of necessity delegated to less senior positions.	<input type="checkbox"/> (a) Acceptance of statutory offers, agreements and settlements where total compensation does not cumulatively exceed \$5 Million. Request/waive hearings of necessity delegated to less senior positions.
3. Issuance of RFPs/REOIs:	<input type="checkbox"/> Issuance of RFPs/REOIs.	<input type="checkbox"/> Issuance of RFPs/REOIs.
4. Permanent Highway Closures:	<input type="checkbox"/> Initiate process & authorize GM, Transportation Services to give notice of proposed by-law.	<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:	<input type="checkbox"/> Transfer of Operational Management to Divisions, Agencies and Corporations.	<input type="checkbox"/> Transfer of Operational Management to Divisions, Agencies and Corporations.
6. Limiting Distance Agreements:	<input type="checkbox"/> Where total compensation does not exceed \$3 Million.	<input type="checkbox"/> Where total compensation does not exceed \$5 Million.
7. Disposals (including Leases of 21 years or more):	<input type="checkbox"/> Where total compensation does not exceed \$3 Million.	<input type="checkbox"/> Where total compensation does not exceed \$5 Million.
8. Exchange of land in Green Space System & Parks & Open Space Areas of Official Plan:	<input type="checkbox"/> Exchange of land in Green Space System and Parks and Open Space Areas of Official Plan.	<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 checked="" type="checkbox"/> (a) Where total compensation (including options/renewals) does not exceed \$3 Million. <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. Delegated to a more senior position.	<input type="checkbox"/> (a) Where total compensation (including options/renewals) does not exceed \$5 Million. <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. <input 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.
10. Leases/Licences (City as Tenant/Licensee):	<input type="checkbox"/> Where total compensation (including options/renewals) does not exceed \$3 Million.	<input type="checkbox"/> Where total compensation (including options/renewals) does not exceed \$5 Million.
11. Easements (City as Grantor):	<input type="checkbox"/> (a) Where total compensation does not exceed \$3 Million. <input type="checkbox"/> (b) When closing roads, easements to pre-existing utilities for nominal consideration.	<input type="checkbox"/> (a) Where total compensation does not exceed \$5 Million. <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 \$3 Million.	<input type="checkbox"/> Where total compensation does not exceed \$5 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)).	<input type="checkbox"/> Amendment must not be materially inconsistent with original decision (and subject to General Condition (U)).
14. Miscellaneous:	<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	<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. Deputy City Manager, Corporate Services and Executive Director, Corporate Real Estate Management each has signing authority on behalf of the City for:

- 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

☒ Complies with General Conditions in Appendix B of City of Toronto Municipal Code Chapter 213, Real Property

Consultation with Councillor(s)

Councillor:	Ausma Malik	Councillor:	
Contact Name:	Nora Cole	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:	Consulted	Comments:	

Consultation with Divisions and/or Agencies

Division:	Economic Development and Culture	Division:	Financial Planning
Contact Name:	Gordon Lok	Contact Name:	Ciro Tarantino
Comments:	Concurrence	Comments:	Concurrence

Legal Services Division Contact

Contact Name:	Soo Kim Lee
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DAF Tracking No.: 2025-103	Date	Signature
Recommended by: Manager, Real Estate Services Josie Lee	April 28, 2025	Signed by Josie Lee
Recommended by: Director, Real Estate Services Alison Folosea	May 5, 2025	Signed by Alison Folosea
<input type="checkbox"/> Recommended by: Executive Director, Corporate Real Estate Management	May 5, 2025	Signed by Patrick Matozzo
<input checked="" type="checkbox"/> Approved by: Patrick Matozzo		
<input type="checkbox"/> Approved by: Deputy City Manager, Corporate Services David Jollimore		

Appendix "A"

Major Terms and Conditions

Base Licence Fee Breakdown:

Term	Monthly Licence Fee	Annual Licence Fee
Year 1: Fixturing Period (initial three months) May 1 – July 31, 2025	\$5,712.15	\$17,136.45
Year 1: Remaining nine months August 1, 2025 – April 30, 2026	\$7,637.04	\$68,733.33
Year 2: May 1, 2026 – April 30, 2027	\$8,294.44	\$99,533.33
Year 3: May 1, 2027 – April 30, 2028	\$8,533.61	\$102,403.33
Year 4: May 1, 2028 – April 30, 2029	\$10,050.98	\$120,611.75
Year 5: May 1, 2029 – April 30, 2030	\$10,302.25	\$123,627.04
Year 6: May 1, 2030 – April 30, 2031	\$10,559.81	\$126,717.72
Year 7: May 1, 2031 – April 30, 2032	\$10,823.81	\$129,885.66
Year 8: May 1, 2032 – April 30, 2033	\$11,094.40	\$133,132.80
Year 9: May 1, 2033 – April 30, 2034	\$11,371.76	\$136,461.12
Year 10: May 1, 2034 - April 30, 2035	\$11,656.05	\$139,872.65
Total Net Revenue for initial 10 year term		\$1,198,115.21
Potential renewal term estimated to continue at 2.5% escalation per annum		

Net Licence: The Licence Agreement shall be completely net and carefree to the City, and all expenses, costs, charges, and fees relating to or incidental to the agreement shall be at the Licensee's sole cost, except as otherwise set out.

Repair and Maintenance: For clarity, except for the Licensed Premises and the historically sensitive cleaning and painting of the Water Tower as approved by Heritage Planning, the Licensee is not responsible to repair and maintain any part of the Water Tower or the Temporary Access Area, except for damage caused by the Licensee and those for whom it is at law responsible.

No Sign Applications without City consent: The Licensee, its sub-tenants and sub-licensees shall not file any Sign Applications without the City as Licensor prior written consent, which consent may be unreasonably withheld and delayed.

Licensee Early Termination: Licensee has right (but not the obligation) to terminate, if: (i) the subleases of the Roundhouse Building expire, or are terminated, provided Licensee as sublandlord not in default of the subleases; or (ii) Subject to the City as Licensor consent, a Sign Application for permission to display up to three (3) corporate logos / signs of the subtenants of the Roundhouse Building, on three (3) sides of the Water Tower" is denied by the City (as municipal authority); or (iii) the aggregate of all Additional Fees assessed against the Licensed Premises, (exclusive of Sales Tax as defined herein) during an annual period exceed fifteen percent (15%) of the annual Base Fee during such annual period ("**Licensee Early Termination**")

Replacement Vent Cap Work: Licensee shall cause to be completed, the "fabrication, supply and installation of a replacement cast collar and vent cap, and recoating the membrane at the top of the tank", in accordance with scope of work from Facet Group Inc. dated July 31, 2024. If receipt is provided to the City confirming completion and payment of work in the amount of \$45,800.00 in full (the "**Vent Cap Cost**"), the Licensee shall be reimbursed by reduction of the License Fee for three (3) years, as set out above. If the Licence Agreement is terminated due to Licensee Early Termination, then the City will either: (i) reimburse the Licensee for any portion of the Vent Cap Cost cost of the Replacement Vent Cap Work that has not then been reimbursed, OR (ii) permit the Licensed Premises to continue to be used for the Permitted Use, until the Vent Cap Cost has been fully reimbursed to Licensee.

Insurance: Coverage for legal liability for injury or property damage in the amount of Two Million Dollars (\$2,000,000.00) per occurrence, or such other amounts as the City may require from time to time.

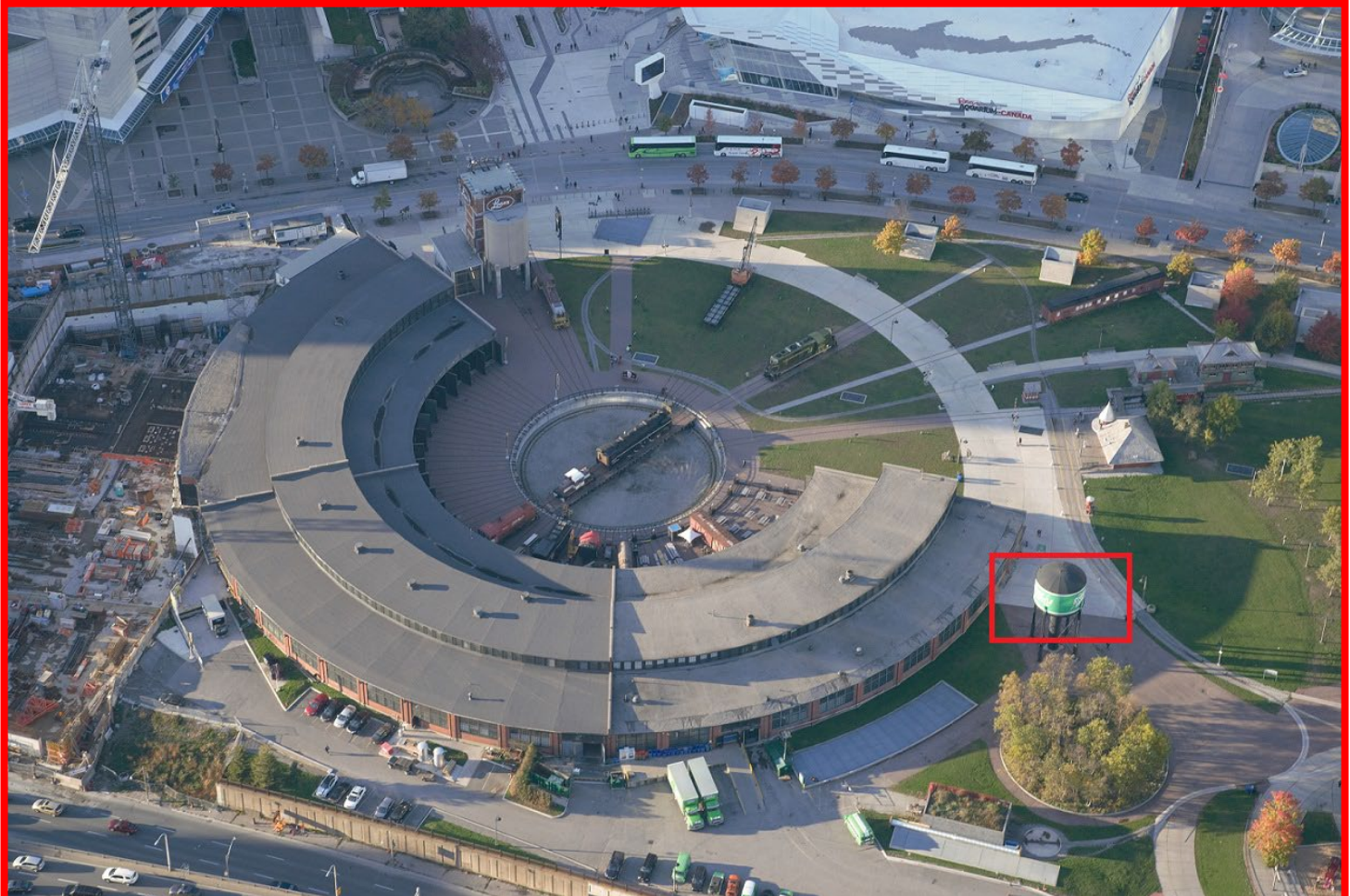
Release and Indemnity: The Licensee releases and shall at all times indemnify and save harmless the City's representatives of and from any and all manner of claims made or brought against, suffered by or imposed on the City's Representatives, in respect of any loss, damage or injury (including property damage, personal injury, bodily injury and death) to any person or property, directly or indirectly with respect to the Licensed Premises.

Appendix "B"

Location Map



Water Tower Premises



“C” – Sketch of Licensed Premises

