TRACKING NO.: 2025-261



# DELEGATED APPROVAL FORM DIRECTOR REAL ESTATE SERVICES

DIRECTOR, REAL ESTATE SERVICES MANAGER, REAL ESTATE SERVICES

Approved pursuant to the Delegated Authority contained in Article 2 of City of Toronto Municipal Code Chapter 213, Real Property Prepared By: Corporate Real Estate Management Miles Argue Division: 416-397-7522 Date Prepared: August 5, 2025 Phone No.: To obtain authority to enter into a licence agreement with Azad Mohammed (the "Licensee") with respect to the **Purpose** property municipally known as City Hall, 100 Queen Street West, Toronto for the purpose of operating a food and beverage service (the "Licence Agreement"). The property municipally known as City Hall, 100 Queen Street West, Toronto, legally described as Lots 1-9 on Plan **Property** 128, Lots 24-40 on Plan 6A, Lots 1-19 on Plan 13A, Part of Lots 22-28 on Plan 45, City of Toronto, being all of PIN 21200-0009, (the "Property"), as shown on the Location Map in Appendix "B". Actions Authority be granted to enter into the Licence Agreement] with the Licensee, substantially on the major terms and conditions set out in Appendix "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** The City will receive estimated revenues of up to \$60,000.00, with proceeds to be directed to the leasing account for City Hall (FA0336). The City will also collect cost-recovery of approximately \$14,000.00. The Chief Financial Officer and Treasurer has reviewed this DAF and agrees with the financial implications as identified in the Financial Impact section. The Citv received formal notice of termination in respect of a lease dated June 1, 2012, as amended from time to time Comments from 1158093 Ontario Limited, operating as Cafe on the Square, effective June 30, 2025. On July 3, 2025, a Request for Expression of Interest was issued to seek a new long-term tenant to operate a food a beverage service at the Property. Following the procurement process, it is anticipated that a lease agreement with the selected proponent will be executed in summer of 2026. As Cafe on the Square represented the sole food and beverage vendor located within City Hall, CREM Facilities Management requested that the City enter into a licence agreement with a vendor on an interim basis, to ensure that City staff, elected officials, and visitors to City Hall have on-site access to food and beverages. The Licensee has agreed to operate a food and beverage service for a one-year period, beginning in September 2025. Given the challenges of operating a business at this location, it has been determined that a percentage-based rental agreement is appropriate for this Licence Agreement. The Licensee will also be responsible for a proportionate share of common area maintenance costs, utilities and realty taxes on for the Property, on a cost recovery basis. The proposed licence fee and other major terms and conditions of the Licence Agreement are considered to be fair. reasonable and reflective of market rates. **Terms** See Appendix "A" **Property Details** Ward: 10 - Spadina-Fort York Assessment Roll No.: 1904 066 10000 3300 000 Approximate Size: irregular Approximate Area:  $4,305 \text{ m}^2 \pm (400 \text{ ft}^2 \pm)$ Other Information:

Α.	Manager, Real Estate Services has approval authority for:	Director, Real Estate Services has approval authority for:
1. Acquisitions:	Where total compensation does not exceed \$50,000.	Where total compensation does not exceed \$1 Million.
<b>2A.</b> Expropriations Where City is Expropriating Authority:	Statutory offers, agreements and settlements where total compensation does not cumulatively exceed \$50,000.	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	(a) Acceptance of statutory offers, agreements and settlements where total compensation does not cumulatively exceed \$50,000.	(a) Acceptance of statutory offers, agreements and settlements where total compensation does not cumulatively exceed \$1 Million.
Expropriated:	(b) Request Hearings of Necessity.	(b) Request Hearings of Necessity.
	(c) Waive Hearings of Necessity.	(c) Waive Hearings of Necessity.
3. Issuance of RFPs/REOIs:	Delegated to more senior positions.	Issuance of RFPs/REOIs.
<b>4.</b> Permanent Highway Closures:	Delegated to more senior positions.	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.
<b>6.</b> Limiting Distance Agreements:	Where total compensation does not exceed \$50,000.	Where total compensation does not exceed \$1 Million.
7. Disposals (including Leases of 21 years or more):	Where total compensation does not exceed \$50,000.	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.	Exchange of land in Green Space System and Parks and Open Space Areas of Official Plan.
<b>9.</b> Leases/Licences (City as Landlord/Licensor):	(a) Where total compensation (including options/renewals) does not exceed \$50,000.	(a) Where total compensation (including options/renewals) does not exceed \$1 Million.
	(b) Where compensation is less than market value, for periods not exceeding three (3) months, including licences for environmental assessments and/or testing, etc.	(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.
<b>10.</b> Leases/Licences (City as Tenant/Licensee):	Where total compensation (including options/ renewals) does not exceed \$50,000.	Where total compensation (including options/ renewals) does not exceed \$1 Million.
<b>11.</b> Easements (City as Grantor):	Where total compensation does not exceed \$50,000.	(a) Where total compensation does not exceed \$1 Million.
	Delegated to more senior positions.	(b) When closing roads, easements to pre- existing utilities for nominal consideration.
<b>12.</b> Easements (City as Grantee):	Where total compensation does not exceed \$50,000.	Where total compensation does not exceed \$1 Million.
<b>13.</b> Revisions to Council Decisions in Real Estate Matters:	Delegated to more senior positions.	Amendment must not be materially inconsistent with original decision (and subject to General Condition (U)).
14. Miscellaneous:	Delegated to more senior positions.	(a) Approvals, Consents, Notices and Assignments under all Leases/Licences
		(b) Releases/Discharges
		(c) Surrenders/Abandonments
		(d) Enforcements/Terminations (e) Consents/Non-Disturbance Agreements/ Acknowledgements/Estoppel Certificates
		(f) Objections/Waivers/Cautions
		(g) Notices of Lease and Sublease
		(h) Consent to regulatory applications by City, as owner
		(i) Consent to assignment of Agreement of Purchase/Sale; Direction re Title
		(j) Documentation relating to Land Titles applications
		(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						
X 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:	Tom Davidson	Contact Name:				
Contacted by:	Phone x E-Mail Memo Other	Contacted by:	Phone E-mail Memo Other			
Comments:		Comments:				
Consultation with Divisions and/or Agencies						
Division:	CREM Facilities Management	Division:	Financial Planning			
Contact Name:	Priyadharsan Naveretnarasa	Contact Name:	Ciro Tarantino			
Comments:	incorporated	Comments:				
Legal Services Division Contact						
Contact Name:	Soo Kim Lee					

DAF Tracking No.: 2025-261		Date	Signature
Concurred with by:	Manager, Real Estate Services		X
x Recommended by: Approved by:	Manager, Real Estate Services Eric Allen	27-Aug-2025	Signed by Eric Allen
x Approved by:	Director, Real Estate Services Alison Folosea	27-Aug-2025	Signed by Alison Folosea

## Appendix "A"

## **Major Terms and Conditions**

Licensor:	City of Toronto
Licensee:	Azad Mohammed
Property:	Toronto City Hall, 100 Queen Street West
Licensed Premises:	That part of the Property outlined in red on the sketch included in this Schedule "A" as figure 1 approximately 300-400 square feet in area, specifically excluding the area outlined in green.
Licence Fee:	10% of gross sales above Breakpoint (where breakpoint is equal to Additional Fee), payable monthly.
Additional Fee:	Proportionate share of City's operating costs, including common area maintenance costs, utilities and realty taxes, payable monthly.
Term:	12 months, commencing September 1, 2025
Options to Renew:	The Licensee shall have no right of extension or renewal
Use:	Licensee shall use the Licensed Premises for non-exclusive food and beverage service, and for no other purpose whatsoever. For greater certainty, there shall be no cooking on site, no table service. Licensee may sell café service food and beverage, including bottle drinks, coffee, juice, pastries, sandwiches, warm and cold prepared foods, ice cream. Service can include catering for meetings, events, and similar services within City Hall or Old City Hall.
Operating Hours:	Monday to Friday: 6:30 am – 4:30 pm
	Council Days: 6:30 am – 8:00 pm
	Holidays, weekends, extended hours: Licensee discretion with prior written approval of the City
Insurance:	All risks insurance equal to 100% full replacement cost and business interruption insurance covering any rental obligations to City; CGL insurance with minimum \$5,000,000.00; Liquor liability insurance (if applicable) minimum \$2,000,000.00; Wrap up or CGL insurance for any construction works; Standard automobile insurance minimum \$2,000,000.00. Insurance policies shall be placed with insurers satisfactory to the City. Insurers to notify City in writing 30 days prior to material change or cancellation. Waiver of subrogation rights in favour of the City. Deductible amounts borne by the Licensee. Insurance to be primary and not call into contribution any insurance available to City. City may require increased policy limits from time to time. City to have self-help remedies in case of cancellation or reductions of any insurance policy.
No Assignment:	No transfer, assignment or sub-license without Licensor consent, which may be unreasonably withheld.
Early Termination:	City may terminate the Licence Agreement on 60 days' prior notice.

#### **Sketch of Licensed Premises**

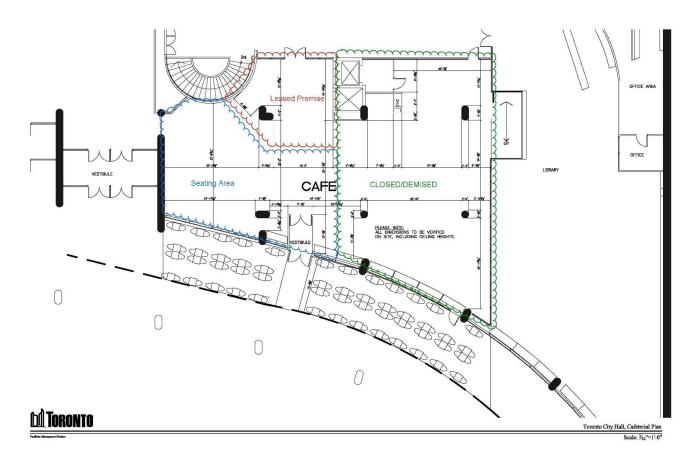


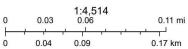
Figure 1 Sketch of Licensed Premises

## Appendix "B"

## **Location Map**



August 5, 2025



City of Toronto