



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

TRACKING NO.: 2023-038

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

Prepared By:	Lianne Chen	Division:	Corporate Real Estate Management
Date Prepared:	January 25, 2023	Phone No.:	(416) 392-7665
<b>Purpose</b>	To obtain authority to enter into a lease agreement with 1856459 ONTARIO INC. o/a DISCOVER (CANADA) VIDEO TECH (the " <b>Tenant</b> ") with respect to the property municipally known as 705 Progress Avenue, Unit 3B, Toronto, Ontario, for the purpose of wholesale and distribution of security equipment (the " <b>Lease Agreement</b> ").		
<b>Property</b>	The property municipally known as 705 Progress Avenue, Unit 3B, Toronto, as shown on the Location Map in Appendix " <b>A</b> ", comprising approximately 1,998 sq. ft. (the " <b>Premises</b> ").		
<b>Actions</b>	1. Authority be granted to enter into the Lease Agreement with the Tenant, substantially on the major terms and conditions set out in Appendix " <b>B</b> ", and including such other terms as deemed appropriate by the approving authority herein, and in a form satisfactory to the City Solicitor.		
<b>Financial Impact</b>	<p>705 Progress Avenue is a jointly owned facility between the City of Toronto and Toronto District School Board (collectively, the "<b>Landlord</b>"). Net revenues collected are divided equally between the parties. The City's portion of total revenues is \$37,962.00 (plus HST), based on the total minimum rent from the lease agreement of \$75,924.00 (plus HST), for the period of thirty-six (36) months commencing March 1, 2023 and ending February 28, 2026 of the Lease Agreement, as per below table. The City's net revenue portion will be transferred to the dedicated parkland reserve fund (5% and 2% Land Acquisition Reserve Fund Scarborough - XR2007) less the management fee to be included under cost centre FA1378 in the 2023 Operating Budget submission for Corporate Real Estate Management (CREM), as well as future operating budget submissions, for Council consideration.</p> <p>2023: \$19,980.00 (plus HST)  2024: \$24,808.50 (plus HST)  2025: \$26,640.00 (plus HST)  2026: \$4,495.50 (plus HST)  <b>Total: \$75,924.00 (plus HST)</b></p> <p>The tenant is responsible for the proportionate share of realty taxes, building insurance and maintenance, as well as all other operating costs of the building including water, gas, hydro, heating and air conditioning.</p> <p>The Chief Financial Officer and Treasurer has reviewed this DAF and agrees with the financial implications as identified in the Financial Impact section.</p>		
<b>Comments</b>	<p>705 Progress Avenue is an industrial mall type of property consisting of approximately 156,000 square feet acquired in August, 1996 by the former City of Scarborough in partnership with the former Scarborough Board of Education, now the Toronto District School Board (the "<b>Board</b>"). Pending development of the property as a future park and a school facility, it was decided to continue to lease the units to multiple tenants. Former City of Scarborough and the Board entered into an Operating Agreement dated January 2, 1997, which provided that the City, in consultation with the Board, would engage a property manager (currently Compass Commercial Realty LP) and enter into a management agreement. The City and the property manager would be responsible for the day-to-day operation of the property. There are no plans at the present time to carry out the intended uses by the City and the Board for the property. The Board acknowledged the receipt of the Tenant's basic information, as well as Appendix A and B of this Delegated Approval Form from the City.</p> <p>The proposed rent and other major terms and conditions of the Lease Agreement are considered to be fair, reasonable and reflective of market rates.</p>		
<b>Terms</b>	See Appendix " <b>B</b> ".		
<b>Property Details</b>	<b>Ward:</b>	24-Scarborough Guildwood	
	<b>Assessment Roll No.:</b>	Part of 1901-05-2-810-04300	
	<b>Approximate Size:</b>	N/A	
	<b>Approximate Area:</b>	1,998 Square Feet	
	<b>Other Information:</b>	N/A	

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 &amp; Parks &amp; Open Space Areas of Official Plan:</p> <p>9. Leases/Licences (City as Landlord/Licensors):</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><b>Delegated to more senior positions.</b></p> <p><b>Delegated to more senior positions.</b></p> <p><b>Delegated to more senior positions.</b></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><b>Delegated to more senior positions.</b></p> <p><input checked="" 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><b>Leases pursuant to the Community Space Tenancy Policy delegated to a more senior position.</b></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><b>Delegated to more senior positions.</b></p> <p><input type="checkbox"/> Where total compensation does not exceed \$50,000.</p> <p><b>Delegated to more senior positions.</b></p> <p><b>Delegated to more senior positions.</b></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 &amp; authorize GM, Transportation Services to give notice of proposed by-law.</p> <p><b>Delegated to more senior positions.</b></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><b>Leases pursuant to the Community Space Tenancy Policy delegated to a more senior position.</b></p> <p><input 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:	Paul Ainslie	Councillor:	
Contact Name:	Antonette DiNovo	Contact Name:	
Contacted by:	Phone <input checked="" type="checkbox"/> E-Mail <input type="checkbox"/> Memo <input type="checkbox"/> Other <input type="checkbox"/>	Contacted by:	Phone <input type="checkbox"/> E-mail <input type="checkbox"/> Memo <input type="checkbox"/> Other <input type="checkbox"/>
Comments:	Jan 25, 2023 - Approved	Comments:	

**Consultation with Divisions and/or Agencies**

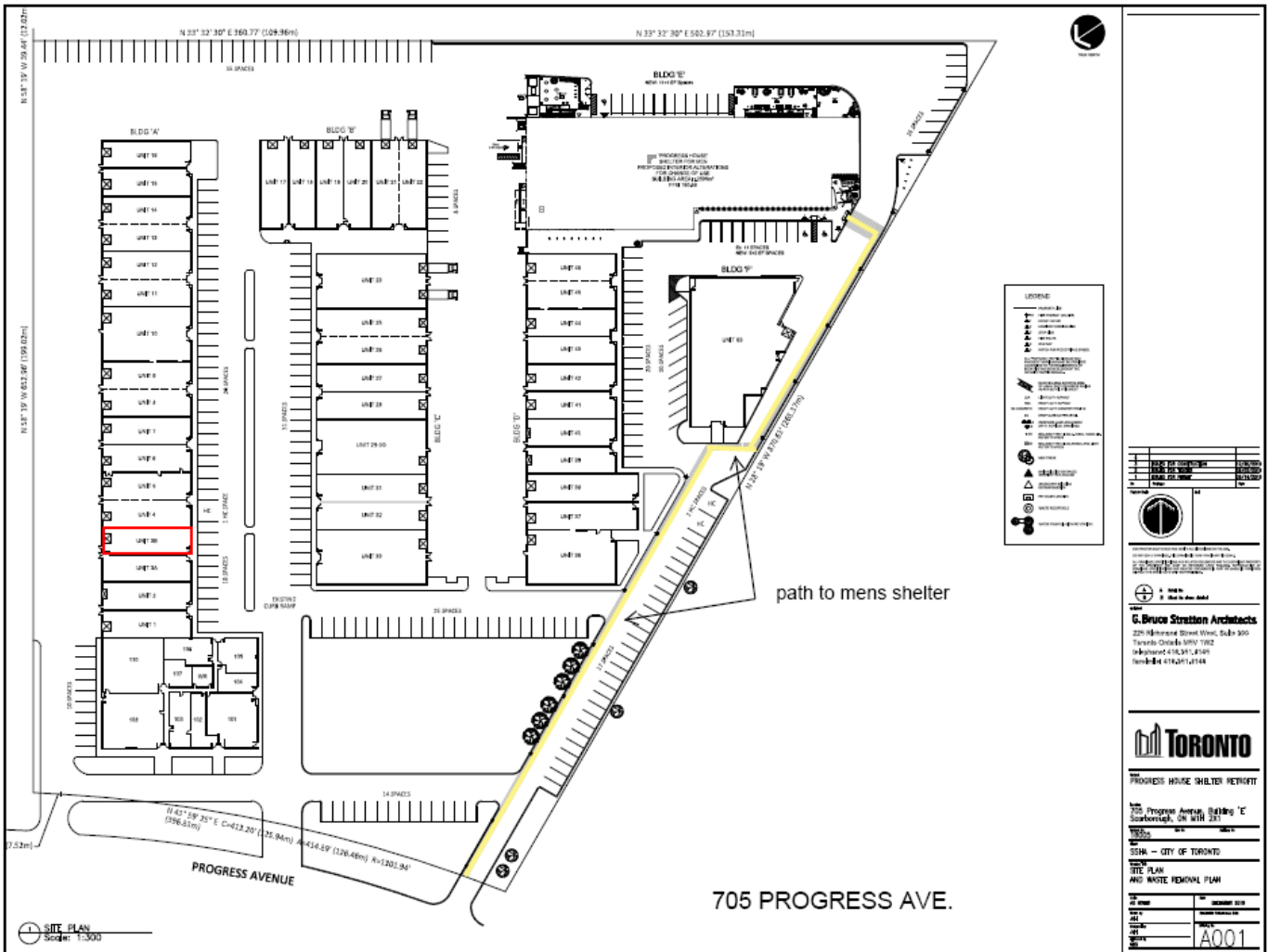
Division:		Division:	<b>Financial Planning</b>
Contact Name:		Contact Name:	Filisha Jenkins
Comments:		Comments:	January 26, 2023 - No Objections

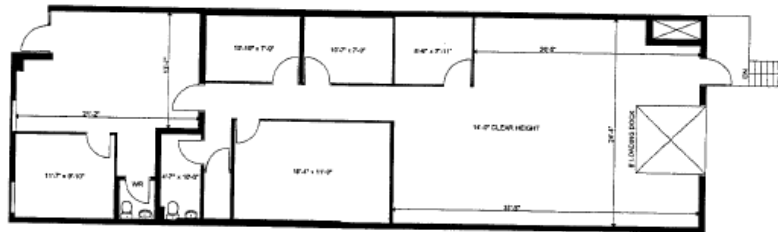
**Legal Services Division Contact**

Contact Name: Shahab Siddiqui (Comments incorporated)

DAF Tracking No.: 2023-038	Date	Signature
<input type="checkbox"/> Recommended by: <b>Manager, Real Estate Services Abdulle Elmi</b>	February 2, 2023	Signed by Abdulle Elmi
<input checked="" type="checkbox"/> Approved by:		
<input type="checkbox"/> Approved by: <b>Director, Real Estate Services Graham Leah</b>	February 2, 2023	Signed by Graham Leah

**Appendix "A"**  
**Floor Plan & Location Map**





705 Progress Avenue, Unit 42  
 Toronto, Ontario M1H 2K1  
 Tel: (416) 430-0015 Fax: (416) 430-0016  
 Email: mudie@in.ahm.com

Version 1.0      October 2001

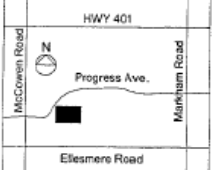
**705 Progress Ave.  
 Scarborough On.  
 M1H 2X1**

**Unit 3b**

Areas

**1,998 sq ft**

Location Map



Drawing Scale



Measured by:  
**extreme measures** Tel: 416-323-2638  
 Fax: 416-323-2632  
 info@extrememeasures.com  
 www.extrememeasures.com

Measured Using  
 Laser Technology

**Appendix "B"**  
**Major Terms and Conditions**

<b>Minimum Rent:</b>	Month 1-12      \$23,976.00 net of HST (\$12.00/ft <sup>2</sup> ) Month 13-24    \$24,975.00 net of HST (\$12.50/ft <sup>2</sup> ) Month 25-36    \$26,973.00 net of HST (\$13.50/ft <sup>2</sup> )
<b>Additional Rent:</b>	Estimated \$11,808.18, plus any applicable taxes based on the 2023 operating cost budget rate of \$5.91/ ft <sup>2</sup>
<b>Area of Premises:</b>	Approximately 1,998 ft <sup>2</sup> .
<b>Term:</b>	Three (3) years (March 1, 2023 – February 28, 2026).
<b>Use:</b>	The Leased Premises shall be used and shall continually be operated throughout the term for wholesale and distribution of security equipment.
<b>Landlord's Work:</b>	N/A
<b>Prepaid Rent</b>	First Month Rent = N/A  Last Month Rent = \$3,580.40  Total = \$3,580.40
<b>Security Deposit:</b>	\$3,580.40
<b>Option to Extend:</b>	N/A
<b>Tenant's Early Termination:</b>	N/A
<b>Landlord's Early Termination:</b>	Upon three (3) months written termination notice.
<b>NSF Fee:</b>	\$40.00 per NSF cheque.
<b>Late Payment Charges:</b>	1.25% per month or 15% per annum.
<b>Payment:</b>	Tenant to provide post-dated monthly cheques or arrange to pay the same by pre-authorized bank payment.
<b>Parking:</b>	One truck.
<b>Water Heater:</b>	The Tenant agrees to be responsible for the installation and rental of its own water heater, and any related costs. If there is an existing heater present, then the Tenant shall be responsible for the cost of repair and/or replacement, including any related costs.
<b>Tenant Acknowledgement:</b>	The Tenant acknowledges that portions of the Lands and Building are being used to provide shelter services. The Tenant releases the Landlord from all liability, costs, damages, claims or demands claimed to be caused by such shelter services, including interference with business operation and quiet enjoyment.