



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

TRACKING NO.: 2023- 257

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

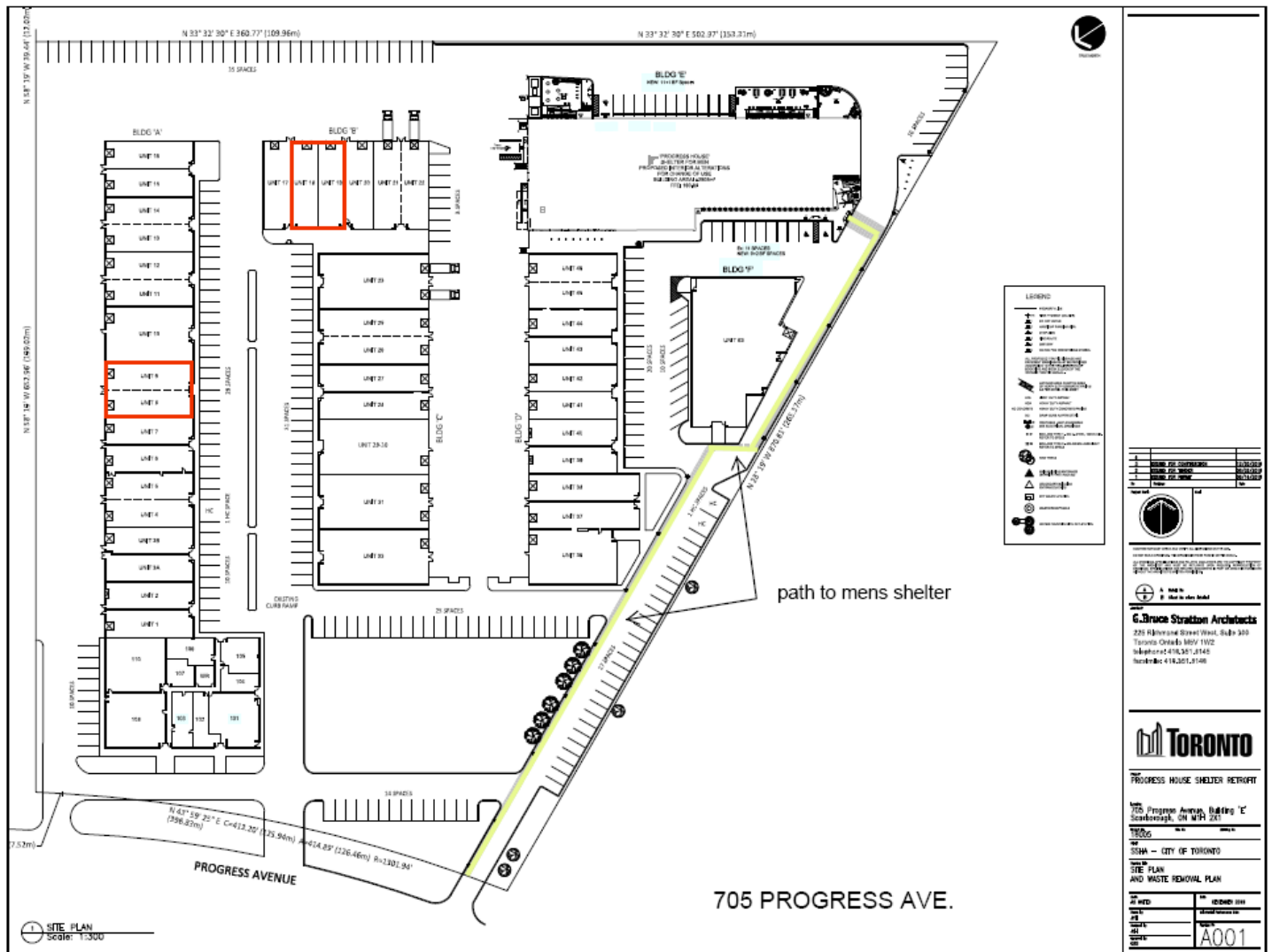
Prepared By:	Lianne Chen	Division:	Corporate Real Estate Management
Date Prepared:	September 15, 2023	Phone No.:	416-392-7665
<b>Purpose</b>	To obtain authority to enter into a lease extending and amending agreement with 1315838 Ontario Inc. (the " <b>Tenant</b> ") with respect to the property municipally known as 705 Progress Avenue, Units 8, 9, 18 and 19, Toronto, for the purpose of wholesale and distribution of newspaper and plastic bags (the " <b>Lease Agreement</b> ").		
<b>Property</b>	The property municipally known as 705 Progress Avenue, Units 8, 9, 18, and 19, Toronto, as shown on the Location Map in Appendix "A", comprising approximately 8,105 sq. ft. (the " <b>Premises</b> ").		
<b>Actions</b>	1. Authority be granted to enter into the Lease Extending and Amending 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 the 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 \$30,393.75 (plus HST), based on the total minimum rent from the lease agreement of \$60,787.50 (plus HST), for the period of six (6) months commencing October 1, 2023 and ending March 31, 2024 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 (the "<b>Land Acquisition Reserve Fund Scarborough – XR2007</b>") less the management fee to be directed to the 2023 Council Approved Operating Budget for Corporate Real Estate Management (CREM), under cost center FA1378 and will be included in future operating budget submissions for Council consideration.</p> <p>2023: \$30,393.75 (plus HST)  2024: \$30,393.75 (plus HST)  <b>Total: \$60,787.50 (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>By a lease agreement dated December 16, 2022 (the "<b>Lease</b>"), the Landlord leased to the Tenant the Premises for a term of three (3) years, commencing October 1, 2020 to September 30, 2023 (see Delegated Approval Form 2022-228). Authority is now being sought to extend the Lease for a term of six (6) months (the "<b>Extended Term</b>"), and to amend the terms of the Lease.</p> <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 (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 (the "<b>Operating Agreement</b>"), amended by an Amending Agreement dated May 23, 2023 (the "<b>Amending Agreement</b>"), 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.</p> <p>The proposed minimum rent and other major terms and conditions of the Lease Extending and Amending 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>	8,105 sq. ft.	
	<b>Other Information:</b>	N/A	

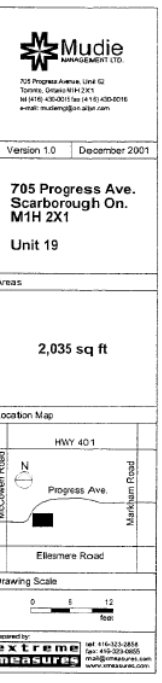
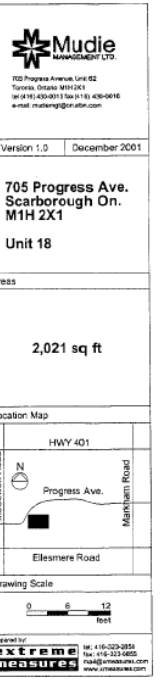
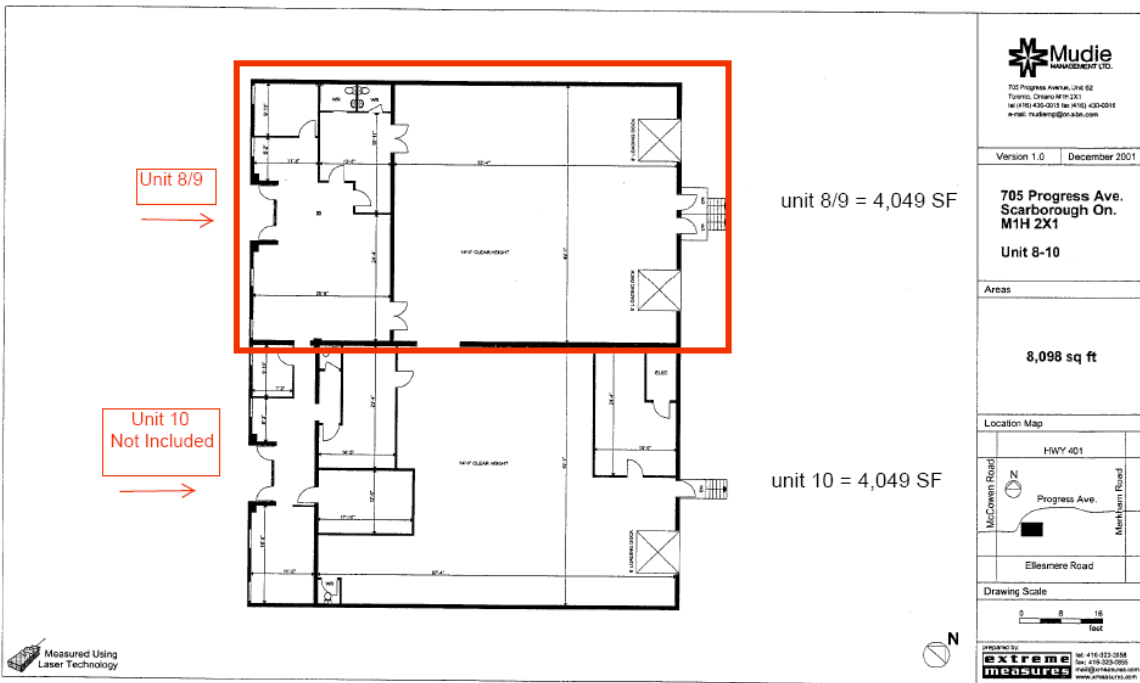
A.	Manager, Real Estate Services has approval authority for:	Director, Real Estate Services has approval authority for:
<p>1. Acquisitions:</p> <p>2A. Expropriations Where City is Expropriating Authority:</p> <p>2B. Expropriations For Transit-Related Purposes Where City is Property Owner or Has Interest 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/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><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 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 checked="" 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>

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:	Paul Ainslie		Councillor:
Contact Name:	Alexandra Amelin		Contact Name:
Contacted by:	Phone	<input checked="" type="checkbox"/> E-Mail	Memo
			Other
Comments:	September 18, 2023 No Objections		Comments:
Consultation with Divisions and/or Agencies			
Division:		Division:	<b>Financial Planning</b>
Contact Name:		Contact Name:	Ciro Tarantino
Comments:		Comments:	Sept 20, 2023 No objections
Legal Services Division Contact			
Contact Name:	Shahab Siddigui (Comments incorporated)		

DAF Tracking No.: 2023- 257	Date	Signature
Concurred with by:		
<input checked="" type="checkbox"/> Recommended by: <b>Manager, Real Estate Services Jennifer Kowalski</b>	Sept. 26, 2023	Signed by Jennifer Kowalski
<input type="checkbox"/> Approved by:		
<input checked="" type="checkbox"/> Approved by: <b>Director, Real Estate Services Graham Leah</b>	Sept. 26, 2023	Signed by Graham Leah

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





**Mudie**  
MANAGEMENT LTD.  
705 Progress Avenue, Unit 62  
Toronto, Ontario M1H 2X1  
Tel: (416) 430-2013 Fax: (416) 430-2018  
e-mail: mudie@gpfor.on.ca

Version 1.0 December 2001

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

**Unit 18**

Areas

**2,021 sq ft**

Location Map

HWY 401  
Progress Ave.  
McCowan Road  
Markham Road  
Ellesmere Road

Drawing Scale

0 6 12  
feet

provided by:  
**extreme**  
**measures** Tel: 416-323-2858  
Fax: 416-323-0955  
info@extremeasures.com  
mudie@extremeasures.com  
www.extremeasures.com

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MANAGEMENT LTD.  
705 Progress Avenue, Unit 62  
Toronto, Ontario M1H 2X1  
Tel: (416) 430-2013 Fax: (416) 430-2018  
e-mail: mudie@gpfor.on.ca

Version 1.0 December 2001

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

**Unit 19**

Areas

**2,035 sq ft**

Location Map

HWY 401  
Progress Ave.  
McCowan Road  
Markham Road  
Ellesmere Road

Drawing Scale

0 6 12  
feet

provided by:  
**extreme**  
**measures** Tel: 416-323-2858  
Fax: 416-323-0955  
info@extremeasures.com  
mudie@extremeasures.com  
www.extremeasures.com

Measured Using  
Laser Technology



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

<b>Minimum Rent:</b>	Month 1-6      \$60,787.50 net of HST (\$15.00/ft <sup>2</sup> )
<b>Area of Premises:</b>	Approximately 8,105 ft <sup>2</sup> .
<b>Extended Term:</b>	Six (6) months (October 1, 2023 – March 31, 2024).
<b>Prepaid Rent</b>	Last Months' Rent = <b>\$15,958.95</b> (\$15.00+5.91) x 8,105SF/12 +HST)
<b>Security Deposit:</b>	<b>\$15,958.95</b> (\$15.00+5.91) x 8,105SF/12 +HST)
<b>Landlord's Early Termination:</b>	Upon thirty (30) days' prior written notice.
<b>Tenant's Early Termination:</b>	Upon thirty (30) days' prior written notice provided the account is in good standing.