



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

TRACKING NO.: 2024- 220

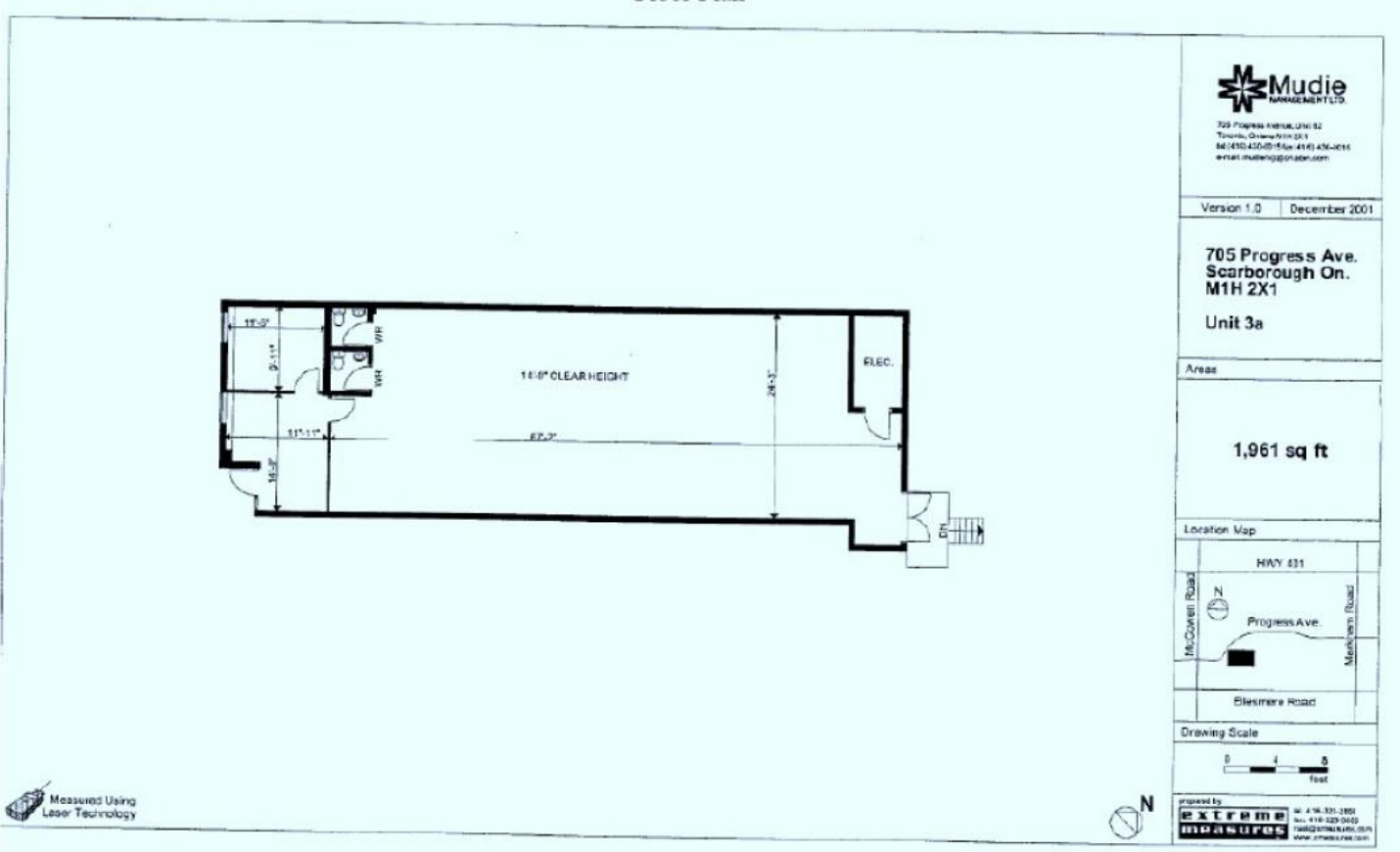
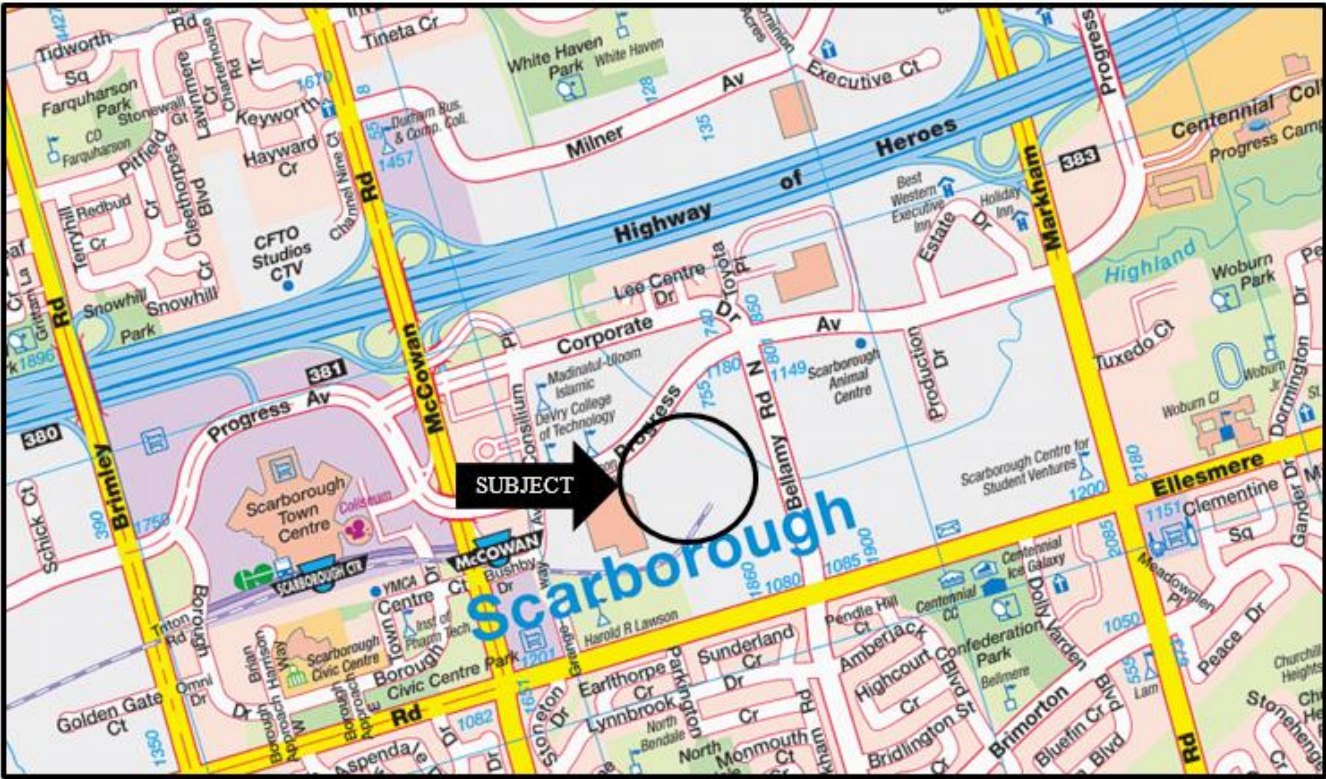
Approved pursuant to the Delegated Authority contained in Article 2 of City of Toronto Municipal Code Chapter 213, Real Property			
Prepared By:	Lianne Chen	Division:	Corporate Real Estate Management
Date Prepared:	August 28, 2024	Phone No.:	416-392-7665
Purpose	To obtain authority to enter into a lease agreement with Panorama Security Ltd. (the " Tenant ") with respect to the property municipally known as 705 Progress Avenue, Unit 3A, Toronto, for the purpose of warehouse storage, distribution and wholesale if security equipment. (the " Lease Agreement ").		
Property	Part of the property municipally known as 705 Progress Avenue, Toronto, as shown on the Location Map and premises sketches attached in Appendix "A" (the " Property "), comprising of approximately 1,961 square feet and known as Unit 3A (the " Premises ").		
Actions	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 ", 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>705 Progress Avenue is a jointly owned facility between the City of Toronto and the Toronto District School Board (collectively, the "Landlord"). Net revenues collected are divided equally between the parties. The City's portion of total revenues is \$49,240.66 (plus HST), based on the total minimum rent from the lease agreement of \$98,481.31 (plus HST), for the period of thirty-six (36) months and seventeen (17) days commencing October 15, 2024 and ending October 31, 2027 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 directed to the 2024 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>2024: \$6,477.73 (plus HST) 2025: \$30,722.33 (plus HST) 2026: \$32,683.33 (plus HST) 2027: \$28,597.92 (plus HST) Total: \$98,481.31 (plus HST)</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 has reviewed this DAF and agrees with the financial impact information.</p>		
Comments	<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 "Board"). 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.</p> <p>The proposed minimum rent and other major terms and conditions of the Lease Agreement are considered to be fair, reasonable and reflective of market rates.</p>		
Terms	See Appendix " B ".		
Property Details	Ward:	24-Scarborough Guildwood	
	Assessment Roll No.:	Part of 1901-05-2-810-04300	
	Approximate Size:	N/A	
	Approximate Area:	1,961 sq. ft.	
	Other Information:	N/A	

A.	Manager, Real Estate Services has approval authority for:	Director, Real Estate Services has approval authority for:
1. Acquisitions:	<input type="checkbox"/> Where total compensation does not exceed \$50,000.	<input type="checkbox"/> Where total compensation does not exceed \$1 Million.
2A. Expropriations Where City is Expropriating Authority:	<input type="checkbox"/> Statutory offers, agreements and settlements where total compensation does not cumulatively exceed \$50,000.	<input type="checkbox"/> 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 Expropriated:	<input type="checkbox"/> (a) Acceptance of statutory offers, agreements and settlements where total compensation does not cumulatively exceed \$50,000. <input type="checkbox"/> (b) Request Hearings of Necessity. <input type="checkbox"/> (c) Waive Hearings of Necessity.	<input type="checkbox"/> (a) Acceptance of statutory offers, agreements and settlements where total compensation does not cumulatively exceed \$1 Million. <input type="checkbox"/> (b) Request Hearings of Necessity. <input type="checkbox"/> (c) Waive Hearings of Necessity.
3. Issuance of RFPs/REOs:	Delegated to more senior positions.	<input type="checkbox"/> Issuance of RFPs/REOs.
4. Permanent Highway Closures:	Delegated to more senior positions.	<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:	Delegated to more senior positions.	Delegated to more senior positions.
6. Limiting Distance Agreements:	<input type="checkbox"/> Where total compensation does not exceed \$50,000.	<input type="checkbox"/> Where total compensation does not exceed \$1 Million.
7. Disposals (including Leases of 21 years or more):	<input type="checkbox"/> Where total compensation does not exceed \$50,000.	<input type="checkbox"/> 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.	<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 type="checkbox"/> (a) Where total compensation (including options/ renewals) does not exceed \$50,000. <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. Leases pursuant to the Community Space Tenancy Policy delegated to a more senior position.	<input checked="" type="checkbox"/> (a) Where total compensation (including options/ renewals) does not exceed \$1 Million. <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.
10. Leases/Licences (City as Tenant/Licensee):	<input type="checkbox"/> Where total compensation (including options/ renewals) does not exceed \$50,000.	Leases pursuant to the Community Space Tenancy Policy delegated to a more senior position. <input type="checkbox"/> Where total compensation (including options/ renewals) does not exceed \$1 Million.
11. Easements (City as Grantor):	<input type="checkbox"/> Where total compensation does not exceed \$50,000. Delegated to more senior positions.	<input type="checkbox"/> (a) Where total compensation does not exceed \$1 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 \$50,000.	<input type="checkbox"/> Where total compensation does not exceed \$1 Million.
13. Revisions to Council Decisions in Real Estate Matters:	Delegated to more senior positions.	<input type="checkbox"/> Amendment must not be materially inconsistent with original decision (and subject to General Condition (U)).
14. Miscellaneous:	Delegated to more senior positions.	<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

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:		Helen Han						Contact Name:													
Contacted by:			Phone	x	E-Mail			Memo			Other	Contacted by:			Phone		E-mail		Memo		Other
Comments:		No Objections						Comments:													
Consultation with Divisions and/or Agencies																					
Division:								Division:		Financial Planning											
Contact Name:								Contact Name:		Coro Tarantino											
Comments:								Comments:		No objections – August 29,,2024											
Legal Services Division Contact																					
Contact Name:		Jay Gronc																			

DAF Tracking No.: 2024- 220	Date	Signature
Concurred with by:		
<input checked="" type="checkbox"/> Recommended by: Manager, Real Estate Services Nike Coker	Sept. 20, 2024	Signed by Nike Coker
<input type="checkbox"/> Approved by:		
<input checked="" type="checkbox"/> Approved by: Director, Real Estate Services Scott Barrett	Oct. 4, 2024	Signed by Scott Barrett

Appendix "A"
Floor Plan & Location Map



Appendix "B"
Major Terms and Conditions

Minimum Rent:	October 15, 2024 – October 31, 2025 November 1, 2025 – October 31, 2026 November 1, 2026 – October 31, 2027	\$31,807.31 net of HST (\$15.50/ft²) \$32,356.50 net of HST (\$16.50/ft²) \$34,317.50 net of HST (\$17.50/ft²)
Additional Rent:	Estimated \$2,006.76, plus any applicable taxes based on the 2024 operating cost budget rate of \$6.14/ ft². Tenant is not obligated to pay Additional Rent during Fixturing Period that is 17 days commencing from October 15, 2024, ending October 31, 2024.	
Area of Premises:	Approximately 1,961 ft².	
Term:	Three (3) years and seventeen (17) days (October 15, 2024 – October 31, 2027). Fixturing Period: October 15, 2024 to October 31, 2024.	
Use:	The Premises shall be used and shall continually be operated throughout the term for the purpose of warehouse storage, distribution, and wholesale of security equipment and for no other purpose,	
Landlord's Work:	N/A	
Prepaid Rent	First Month Rent = \$3,996.06 ((\$15.50+6.14) x 1,961 SF/12 +HST) Last Month Rent = \$4,365.38 ((\$17.50+6.14) x 1,961 SF/12 +HST) Total = \$8,361.44	
Security Deposit:	\$4,365.38 ((\$17.50+6.14) x 1,961 SF/12 +HST)	
Option to Extend:	N/A	
Tenant's Early Termination:	N/A	
Landlord's Early Termination:	Upon three (3) months' prior written notice.	
Parking:	One (1) vehicle (a trailer on its own will count as one (1) vehicle) at the rear door which belongs to the Premises, or as designated by the Landlord.	
Water Heater:	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.	
Tenant Acknowledgement:	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.	