

Proposed Amendments to the City of Toronto Lease(s) to the Riverdale Hospital (Ward 25 - Don River)

(City Council on December 14, 15 and 16, 1999, amended this Clause:

- (a) *in accordance with the report dated December 13, 1999, from the Acting Commissioner of Corporate Services, embodying the following recommendations:*

“It is recommended that:

- (1) my report dated November 4, 1999, be approved, subject to changes in the lease respecting parking, as outlined in the attached letter from the Riverdale Hospital; and*
- (2) the appropriate City officials be authorized and directed to take the necessary action to give effect thereto.”; and*

- (b) *by adding thereto the following:*

“It is further recommended that the City Clerk be requested to include the full text of the letter dated December 13, 1999, from the Chairman, The Riverdale Hospital, in Appendix ‘A’ to the Minutes of this meeting.”)

The Administration Committee recommends the adoption of the report (November 4, 1999) from the Acting Commissioner of Corporate Services.

The Administration Committee reports, for the information of Council, having:

- (I) referred the communication (November 29, 1999) from Councillor Jack Layton, Don River, to the Acting Commissioner of Corporate Services with a request that a meeting be convened prior to the meeting of Council scheduled to be held on December 14, 1999, with the Ward Councillors, the deputants appearing at the meeting of the Administration Committee on November 30, 1999, and representatives of Riverdale Hospital, to determine whether the concerns raised in the aforementioned communication are already addressed or need to be addressed; and that the Acting Commissioner of Corporate Services be requested to submit a further report thereon to the aforementioned meeting of Council; and
- (II) requested the Chair of the Board of Riverdale Hospital to confirm directly to Council for its meeting scheduled to be held on December 14, 1999, the Hospital’s intention with respect to the following Recommendations Nos. (1) and (2) embodied in the communication (November 29, 1999) from Councillor Jack Layton, Don River:

- “(1) that the lease be approved on condition that the Riverdale Hospital agree to participate in a community planning process to be convened by the local Councillors and the Planning Department with regard to the transformation of the north west quadrant of the Broadview/Gerrard Street East area in view of the pending redevelopment of the Riverdale Hospital site, the closing of the Don Jail, the need for community parking facilities to serve local businesses, the proposed East Chinatown Gateway project, and the possible rationalization of the road infrastructure; and
- (2) that the lease be approved on the condition that the Riverdale Hospital agree to enter into discussions with the City of Toronto and the Parking Authority of Toronto so as to achieve, if possible, parking on the site for use by the community in order to serve the local businesses at times of the week when demand may be high for community parking but low for hospital parking;”.

The Administration Committee submits the following report (November 4, 1999) from the Acting Commissioner of Corporate Services:

Purpose:

To obtain authority for the amending of the City of Toronto Lease(s) to the Board of Governors of The Riverdale Hospital.

Funding of Sources, Financial Implications and Impact Statement:

There is no financial impact.

Recommendations:

It is recommended that:

- (1) authority be granted to enter into a new lease agreement, being an amended and restated lease with the Board of Governors of The Riverdale Hospital, based on the terms and conditions contained herein and in a form acceptable to the City Solicitor; and
- (2) the appropriate City officials be directed and authorized to take the necessary action to give effect thereto.

Background:

The Riverdale Hospital occupies a site it acquired pursuant to a ground lease between the Board of Governors of The Riverdale Hospital and the former Municipality of Metropolitan Toronto which was approved by Metropolitan Welfare and Housing Committee Report No. 9, Clause No. 4 on October 8, 1963, and as amended by Executive Committee Report No. 23, Clause No. 13 on August 10, 1979. Metropolitan Council authorized a lease for a term of 99 years, commencing April 26, 1964, at a nominal rent of \$1.00 per annum, with the Board responsible for all costs associated with the operation of the Hospital.

By adoption of item No. 95 of Report No. 25 of the Executive Committee on September 8, 1987, the former City of Toronto Council authorized the lease of a strip of adjacent land to the Board of Governors of The Riverdale Hospital, at a nominal rent of \$1.00 per annum and co-terminus with the Metro Lease.

Comments:

Changes to health care introduced by the government of the Province of Ontario will result in the nature of the care offered at The Riverdale Hospital no longer being defined, for most purposes, as a public hospital. Driven in part by the Province's changes, The Riverdale Hospital is proposing to restructure the way it delivers services to the community and has requested amendments to the use, alteration and termination provisions in the leases and an option to extend the lease for a further 36 years. Discussions have ensued and agreement has been reached on the following amendments to the leases:

- (1) the permitted uses under the lease will be, in addition to the current permitted use as a public hospital, a long term care facility and ancillary facilities or services (such as laboratories, research facilities, pharmacies, and dispensaries), and in addition may include premises for persons requiring nursing care and residences for elderly and/or incapacitated people, and support services relative thereto, such as recreation, social, cultural and/or educational activities;
- (2) this expanded list of permitted uses will continue for so long as The Riverdale Hospital holds a licence from the Province of Ontario to operate a non-profit nursing home and/or public hospital and/or long term care facility, failing which the lease will terminate upon 90 days' prior written notice which may be delivered by either party to the other;
- (3) the restriction contained in the lease requiring the City's prior approval of any alterations to the premises will be removed with respect to any construction by The Riverdale Hospital for alterations and construction of new premises for the purpose of the permitted uses. It is understood and agreed, however, that any such improvements will be conducted in a lawful manner, shall be constructed of materials and workmanship of a suitable quality and shall be completed in a timely fashion. Moreover, any improvements shall be subject to all of the normal planning processes and approvals necessary to obtain a building permit for the alterations and/or construction, and in this regard, the City as municipal authority shall in no way be construed to have acquiesced to or approved of

any such alterations and/or additions, and the City shall not in any way have fettered its discretion in the manner in which it reviews any and all applications relating to the alterations and/or construction;

- (4) the right of either party to terminate the lease on one year's prior written notice to the other will be deleted;
- (5) the Riverdale Hospital will have an option to renew the lease for a further 36-year period, on the same terms and conditions as the lease save and except that there will be no further right to renew, upon expiry of the current term of the lease in 2063. The option to renew must be exercised not more than twelve (12) months nor less than six (6) months prior to the expiry of the current term; and
- (6) the parties will enter into a new agreement, being an amended and restated lease. Both parties will endeavour to finalize and execute the amended and restated lease by January 31, 2000.

The Riverdale Hospital has also agreed to participate on a working committee with City of Toronto councillors, staff of the Urban Planning and Development Services Department, representatives of neighbourhood/community stakeholders and individuals with respect to the development of a long-term planning process for all the properties related to The Riverdale Hospital area and Riverdale Park, including considerations of the impact on the surrounding neighbourhood.

Conclusion:

The Riverdale Hospital provides a valuable service to the citizens of the City of Toronto. The requested changes are reasonable and consistent with the Hospital's ongoing mandate and should be approved.

Contact:

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The Administration Committee also submits the following communication November 29, 1999, from Councillor Jack Layton, Don River:

In discussions with the staff and hospital leading to the report before you, I raised two issues which do not seem to have found their way into the communication or recommendations. One additional recommendation calls for a further report to Council on one aspect of the lease. A final recommendation calls for the lease wording to be reviewed by the local councillors and, if a dispute arises, for the lease itself to be resubmitted to Council. I believe that they are non-controversial. I would ask your committee to adopt these or, if you have concerns about them, to refer the matter to the Toronto Community Council for further discussion.

Recommendations:

It is recommended that:

- (1) the lease be approved on condition that the Riverdale Hospital agree to participate in a community planning process to be convened by the local Councillors and the Planning Department with regard to the transformation of the north west quadrant of the Broadview/Gerrard Street East area in view of the pending redevelopment of the Riverdale Hospital site, the closing of the Don Jail, the need for community parking facilities to serve local businesses, the proposed East Chinatown Gateway project, and the possible rationalization of the road infrastructure;
- (2) the lease be approved on the condition that the Riverdale Hospital agree to enter into discussions with the City of Toronto and the Parking Authority of Toronto so as to achieve, if possible, parking on the site for use by the community in order to serve the local businesses at times of the week when demand may be high for community parking but low for hospital parking;
- (3) the Commissioner of Corporate Services report directly to Council on the provisions of the lease which would address the possibility of commercial activity becoming a part of the land use on the site as a part of the redevelopment which is to occur;
- (4) the final wording of the lease be reviewed by the Planning Department, the Department of Economic Development and Parks and the local Councillors prior to execution. Should any unresolvable issues arise, the Commissioner of Corporate Services shall report these to the Administration Committee.

The Administration Committee reports for the information of Council, having also had before it a communication (November 29, 1999) from Mr. Rashmi M. Nathwani, P.Eng. M.B.A., M.A.Sc., PRA, Namara Associates Limited Victory Building, advising that Namara Associates Limited are consultants to the Riverdale Hospital respecting the Riverdale Hospital Lease Amendment; forwarding a memo dated November 9, 1999, from Ms. Marian Walsh, President and CEO, in regard thereto; and requesting that the aforementioned memo be made available to Members of the Administration Committee.

The following persons appeared before the Administration Committee in connection with the foregoing matter:

- Nancy R. Hawley, Project Manager, Community Linkage;
- Mr. Rashmi M. Nathwani, Namara Associates Limited; and
- Councillor Tom Jakobek, East Toronto.

(A copy of the maps attached to the foregoing report was forwarded to all Members of Council with the November 30, 1999, agenda of the Administration Committee and a copy thereof is also on file in the office of the City Clerk.)

(City Council on December 14, 15 and 16, 1999, had before it, during consideration of the foregoing Clause, the following report (December 13, 1999) from the Acting Commissioner of Corporate Services:

Purpose:

To report directly to Council on a meeting with the Ward Councillors and representatives of Riverdale Hospital as requested by the Administration Committee at its meeting held on November 30, 1999.

Financial Implications and Impact Statement:

Not applicable.

Recommendations:

It is recommended that:

- (1) my report dated November 4, 1999 be approved subject to changes in the lease respecting parking, as outlined in the attached letter from the Riverdale Hospital; and*
- (2) the appropriate City officials be authorized and directed to take the necessary action to give effect thereto.*

Background:

At the Administration Committee meeting on November 30, 1999 (Report No. 8, Clause No. 12), when considering a request from Councillor Layton, the Committee directed that a meeting be convened prior to the Council meeting on December 14, 1999 with the Ward Councillors, the deputants and representatives of Riverdale Hospital, to determine if parking concerns raised by Councillor Layton could be agreed upon.

Comments:

Pursuant to instructions, a meeting was held and the Riverdale Hospital has agreed to address parking concerns, as stated in the attached letter (Appendix 1) and amend the lease as set out in the letter.

Conclusion:

The amendments are reasonable and are acceptable to the Ward Councillors.

Contact:

Sal Dominicis

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Report No. cc99188

(Appendix 1
Communication dated December 13, 1999
From The Riverdale Hospital)

We have been requested to confirm the hospital's intention with respect to matters relating to the above noted property in support of a request that the existing lease be amended in the manner requested in our letter to the Manager of Property Services dated July 9, 1999.

We have been provided with a copy of a report dated November 4, 1999 from Brenda Glover, the acting Commissioner of Corporate Services to the Administration Committee. Immediately prior to the conclusion of that report, the report states that:

'The Riverdale Hospital has agreed to participate on a working committee with City of Toronto councillors, staff of the Urban Planning and Development Services Department, representatives of neighbourhood community stake holders and individuals with respect to the development of a long term planning process for all the properties related to The Riverdale Hospital area and Riverdale Park, including considerations of the impact on the surrounding neighbourhood.'

I am pleased to confirm that The Riverdale Hospital has so agreed.
The Riverdale Hospital is also prepared, as requested by Councillor Layton, to administer on a trial basis, for six months, ten spaces for public parking near the Broadview entrance to its property. The parking spaces will be provided on the basis that revenue therefrom will accrue to the benefit of the hospital. However, in order to provide this service, it will be necessary for a short-term lease to be made available to the hospital of the proposed site.

I also confirm that The Riverdale Hospital has been requested by Councillor Layton, to include a term in the amended lease to provide 20 parking spaces on our St. Matthews Road frontage to be available to the general public. Those spaces currently exist and are used by the St. Matthews Lawn Bowling Club. Subject to making appropriate arrangements with the club so that their members could continue to use those spaces, at no charge, the hospital is prepared to include such a provision in the amended lease. It is our understanding that the revenue from those parking spaces would be for the account of the hospital, subject only to its possibly sharing a portion thereof with the St. Matthews Lawn Bowling Club. However, this public parking arrangement would be in effect only for so long as St. Matthews Road remains in place and used for its current purposes and the land configuration of the users of the properties located in the northwest quadrant of the Broadview/Gerrard Street east area remains as is currently the case.)