

March 12, 2008

GOVERNMENT MANAGEMENT COMMITTEE:

City Council on March 3, 4 and 5, 2008, referred the following Motion to the Government Management Committee:

M17.12 Toronto Sun Rent Arrears and Lease Rates for Media Offices
Moved by Councillor Moscoe, seconded by Councillor Augimeri

SUMMARY:

Rent charged to the Press Gallery is \$17/sq. ft. which is 50 percent of the going market rate. This rent rate was set by Council in 1998 and the leases are scheduled to expire on December 31, 2008. Collecting rent from the Toronto Sun has been difficult (as demonstrated in the attached documents) and it is my understanding that the Toronto Sun has only recently rushed in payment of 3 months of arrears in anticipation of this Notice of Motion. Taxpayers should not be expected to subsidize the Toronto Sun.

RECOMMENDATIONS:

1. That the Toronto Sun be advised that rent payment is expected on a regular monthly basis if they wish to continue to be provided space at Toronto City hall.
2. That staff be instructed that in the event of the Toronto Sun again falls into arrears of rent, to evoke the five day provision of the rental agreement with the Toronto Sun and serve notice to vacate the premises.
3. That the lease rates for media offices be increased to full market value at the end of this agreement which expires December 2008.

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Council also considered the following:

- a memorandum (February 25, 2008) from the Director of Real Estate Services, attaching copies of correspondence related to the Toronto Sun rental arrears; and
- a Financial Impact Statement (March 4, 2008) from the Deputy City Manager and Chief Financial Officer

for City Clerk

M. Toft/cd

Attachments