



STAFF REPORT ACTION REQUIRED

Lease Renewal at 255 Finch Avenue West For Approximately 21,770 Square Feet For Children's Services – Child Care Centre

Date:	August 28, 2008
To:	Government Management Committee
From:	Chief Corporate Officer
Ward:	23 – (Willowdale)
Reference Number:	P:\2008\Internal Services\F&re\Gm08078F&re – (AFS 8059)

SUMMARY

The purpose of this report is to obtain City Council authority to enter into a lease renewal with Northminster United Church for space at 255 Finch Avenue West in the amount of 21,770 square feet. The renewal is for three years commencing June 1, 2007 and expiring on May 31, 2010 and includes a renewal option for a further term of two years, subject to the same terms and conditions save and except for the Basic Rent which shall be annual increased by the Consumer Price Index (CPI) of Toronto over the previous year, and, caretaker service charges which shall be the then current rates charged.

RECOMMENDATIONS

The Chief Corporate Officer recommends that City Council:

1. authorize the Chief Corporate Officer to enter into the Lease Renewal with Northminster United Church, for a three (3) year term with the option to renew for an additional two year term based on the terms and conditions set out in the attached Appendix "A", and other terms and conditions acceptable to the Chief Corporate Office, and in a form acceptable to the City Solicitor;
2. The Chief Corporate Officer be authorized to administer and manage the lease agreements include the provision for any consents, approvals, notices and notices of termination provided that the Chief Corporate Officer may, at any time, refer

consideration of such matters (including their content) to City Council for its determination and direction.

Financial Impact

Funding in the amount of \$40,292 net of GST was included in the 2007 Operating Budget.

Funding of \$70,269 net of GST is available in the 2008 Operating Budget in cost centre E1871J, cost elements 4415 - 4433. The balance of the lease requirements will be included in the Operating Budget submissions for years 2009-2010.

The total expenditure for the term of the lease totals \$213,461 net of GST, as noted in the following table:

Year	Total Rent
2007	\$40,292
2008	\$70,269
2009	\$72,373
2010	\$30,527
Totals	\$213,461

The Deputy City Manager and Chief Financial Officer has reviewed this report and agrees with the financial impact information.

DECISION HISTORY

An initial agreement to lease this subject location was entered into based on a extension of the lease was authorized under Delegated Authority of Mar 10, 2000 for a term of three years. Thereafter, a further lease extension for the space was authorized under Delegated Authority 2004-069 for a term ending May 31, 2004. The lease was renewed for a further two year term commencing June 2, 2005 and ending on May 31, 2007.

COMMENTS

Children's Services has operated a day care centre at the subject location since November 30, 1998. They have requested a further renewal with Northminster Church for another three (3) year term commencing June 1, 2007 and ending May 31, 2010.

The rent and other terms and conditions of the lease agreement reflect current market value according to market research and valuation conducted by the F&RE staff.

CONTACT

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SIGNATURE

Bruce Bowes, P. Eng.
Chief Corporate Officer

ATTACHMENTS

Appendix "A" – Major Terms and Conditions
Appendix "B" – Location Map