

Renewal of Telecommunication License at First Canadian Place For Police and Emergency Services

Date:	October 3, 2008
To:	Government Management Committee
From:	Chief Corporate Officer
Wards:	Ward 28 Toronto Centre-Rosedale
Reference Number:	P:\2008\Internal Services\F&re\Gm08089F&re (AFS – 8620)

SUMMARY

The purpose of this Report is to obtain City Council approval to renew a License Agreement for the City's telecommunications tower and equipment on the rooftop and in an equipment room at First Canadian Place, 100 King St. West for communication among the City's Emergency Services.

This renewal will permit the City's vital telecommunications infrastructure to continue at this central location for a further five year period expiring March 31, 2013.

RECOMMENDATIONS

The Chief Corporate Officer recommends that City Council:

1. authorize the renewal of License agreement dated April 1, 1993, between Olympia & York Developments Limited, as Licensor and the Metropolitan Toronto Police Services Board, as Licensee, as renewed and amended, by a renewal agreement between First Place Tower Brookfield Properties Inc. as Licensor and the City, as Licensee, for a further 5 year term commencing as April 1, 2008 and expiring on March 31, 2013 and in accordance with the term set out in Appendix "A", except that:
 - a. for the use of the Tower Space and roof space, an annual license fee of One Hundred and Eighty-Five Thousand, Eight Hundred and Ninety-Five Dollars (\$185,895.00), payable in equal monthly instalment of Fifteen

Thousand, Four Hundred and Ninety-One Dollars and Twenty-Five Cents (\$15,491.25), each in advance, on the first day of each calendar month;

- b. for the use of the Equipment Room, an annual license fee of Twenty-Nine Thousand, Seven Hundred and Forty Three Dollars and Twenty Cents (\$29,743.20), payable in equal monthly instalments of Two Thousand, Four Hundred and Seventy-Eight Dollars and Sixty Cents (\$2,478.60), each in advance on each calendar month; and,
 - c. a right to renew for a further 5 year term, upon the then prevailing market value of antenna space on the rooftop of First Canadian Place.
2. Authorize the Chief Corporate Officer to administer and manage the lease agreement including the provision of 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

The proposed renewal of this Licence agreement has already been approved in the current year's budget.

The annual financial impact for the Telecommunication Antenna and Equipment Room Rental are \$185,895.00 and \$29,743.20 respectively, totalling \$1,078,191.20 in rent for this five year renewal term.

Transaction Component	Annual Rate	5 Year Total Rent
Telecommunication Antenna	\$185,895.00	\$929,475.00
Equipment Room	\$29,743.20	\$148,716.00
Total	\$215,638.20	\$1,078,191.00

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

DECISION HISTORY

The initial April 1, 1993 License (agreement) and its subsequent renewals, were authorized and entered into by the Metropolitan Toronto Police Services Board, as Licensee. However, as the City is generally responsible for the acquisition of real property facilities required by the Toronto Police Services and to harmonize this real property license agreement with the manner in which real estate is acquired by the City for other Boards, the renewal of this License will be entered into by City.

Although the telecommunication equipment serves the Toronto Police Service (TPS), as well as Fire and Ambulance Emergency Services, TPS acts as the lead Division in acquiring the telecommunication equipment and in administering its locations. Toronto Police Services have confirmed that this location of the telecommunications tower is very important and that the License should be renewed for another five year term.

ISSUE BACKGROUND

By the adoption of Clause No. 33 of Report No 26, Strategic Policies & Priorities Committee, Council, as its meeting on December 17, 1008, authorized a \$34.5 million integrated Fire/Police radio communication system for emergency services, including the Toronto Ambulance Service. By way of supporting this radio communications initiative, the Toronto Police Services Board at its meeting of November 15, 2001 authorized leases or license with property owners, as may be required, for the placement of the said radio antenna. A related Report to the Board indicated that were approximately 17 existing antenna locations in the City.

COMMENTS

This Licence has been renewed several times by the Toronto Police Services Board, and the current term expired March 31, 2008. Since the expiry date of this license on March 31, 2008, TPS has occupied the space as an overholding tenant. This renewal will provide for another five (5) years, commencing as of April 1, 2008 and expiring on March 31, 2013.

Real Estate Services have reviewed the financial terms recommended for the renewal of this Licence and are satisfied the terms are fair and reasonable and are within market value.

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SIGNATURE

Bruce Bowes
Chief Corporate Officer

ATTACHMENTS

Schedule “A” – Major terms and conditions

Schedule “B” Location Map

Schedule "A"
Major Terms and Conditions

- Landlord:** First Place Tower Brookfield Properties Inc.
- Premises:** Part of roof top space for the antennas and part of the Equipment Room
- Term:** Licence Renewal for additional Five (5) years, commencing on April 1, 2008 to March 31, 2013
- Rent:** April 1, 2008 to March 31, 2013 at \$185,895.00 per annum or \$15,491.25 per month, net, plus all applicable taxes for the antenna licence and \$29,743.20 per annum or \$2,478.60 per month, net, plus all applicable taxes for the use of the equipment room

All other terms and conditions shall remain the same as in the current agreement.

Schedule "B" Location Map

