



STAFF REPORT ACTION REQUIRED

Lease Renewal and Amending Agreement for 15,446 Square Feet of space at 225 Duncan Mill Road for Toronto Public Health

Date:	January 19, 2009
To:	Government Management Committee
From:	Chief Corporate Officer
Wards:	34 Don Valley East
Reference Number:	P:\2009\Internal Services\F&re\Gm09014F&re – (AFS 9077)

SUMMARY

The purpose of this report is to obtain authority to enter into a Lease Renewal and Amending Agreement for 15,446 Square Feet of space for use by the Toronto Public Health at 225 Duncan Mill Road.

RECOMMENDATIONS

The Chief Corporate Officer recommends that:

1. Authorize the proposed Lease Renewal and Amending Agreement for the premises at 225 Duncan Mill Road with Dunbourne Properties C-Ownership (the “Landlord”), consisting of an area of approximately 15,446 square feet, for a five (5) Year Term commencing on September 1, 2006 and ending on August 31, 2011, with one option to renew for a further five (5) year term, based substantially on the terms and conditions set out in the attached Appendix “A” and any such other terms as are acceptable to the Chief Operating Officer and in a form acceptable to the City Solicitor.

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 total expenditure for the five (5) year term of the lease, commencing January 31, 2009, is estimated to be approximately \$1,975,000. plus GST and will be included in Toronto Public Health Budget and accommodated within approved operating budget targets.

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

DECISION HISTORY

The former City of North York Public Health Department has been leasing office space at 225 Duncan Mill Road consisting of approximately 7,168 sq. ft. of rentable space, since February 1989, which was approved by the Council for the former City of North York on November 15, 1988. Negotiations were conducted with the landlord, and an agreement reached to renew the Lease for a further term of five (5) years commencing February 1, 2004 on the same terms and conditions via Delegated Authority 2004-001 dated February 2, 2004.

By Delegated Authority # 2006-036, dated April 11, 2006, F&RE staff negotiated a new lease with the Landlord for additional premises on the 2nd floor consisting of approximately 5,330 sq. ft. of rentable area for a term of two (2) years and seven (7) months commencing June 1, 2006, which provided for the same expiry date as the original space lease. The current proposed Lease Renewal and Amending Agreement was requested by Toronto Public Health and will include further additional space of approximately 2,948 square feet and allow the lease of 225 Duncan Mill Road for another Five (5) years with one option to renew for one additional term of five (5) years.

COMMENTS

It is the opinion of F&RE Staff that the terms and conditions of this agreement are fair, reasonable and reflect market rent. Toronto Public Health has approved and is in agreement with the terms and conditions of this agreement.

CONTACT

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SIGNATURE

Bruce Bowes, P. Eng.
Chief Corporate Officer

ATTACHMENTS

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