

City Council**Motion without Notice**

MM42.14	ACTION			Ward: 12
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Amendment of Below Market Rent Lease – Community Action Resource Centre – 1652 Keele Street - by Councillor Di Giorgio, seconded by Councillor Nunziata

** This Motion has been deemed urgent by the Chair. Council has added this Motion to the agenda for debate.*

Recommendations

Councillor Di Giorgio, seconded by Councillor Nunziata recommends that:

1. City Council authorize a Lease Amending Agreement be entered into between the City, as “Landlord”, and Community Action Resource Centre In Toronto, as “Tenant”, for the lease of approximately 1729 square feet of exclusive rentable floor area on the first and second floors of the building (the “Leased Premises”) known municipally as 1652 Keele Street (the “Building”) substantially on the terms and conditions as set out in Attachment “A” from the Chief Corporate Officer and on such other terms and conditions as approved by the Chief Corporate Officer, or his or her designate, and in a form acceptable to the City Solicitor.
2. City Council authorize the Chief Corporate Officer to administer and manage the Lease Amending 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.
3. That City staff be authorized and directed to take the necessary steps to give effect thereto.

Summary

In 2005, the City of Toronto entered into a Below Market Rent lease with Community Action Resource Centre In Toronto (CARC) for approximately 1,780.5 gross sq. ft. (1299 exclusive use and 481.5 proportionate share of common areas) in a City-owned property at 1652 Keele Street. CARC, a non-profit charitable organization that provides a range of social services for

vulnerable local individuals and groups, is one of seven community agencies who have collaborated in creating a vibrant community hub infrastructure at 1652 Keele Street to meet local community needs in the Weston-Mount Dennis priority neighbourhood.

The Community Action Resource Centre has identified an urgent need for additional space in order to more effectively meet its community service mandate. Three (3) small offices, totalling a further 430 sq. ft. approximately of exclusive rentable floor area on the 2nd floor of 1652 Keele, has been identified as ideal to meet CARC's immediate need for expanded service provision. These offices have remained vacant over the past four years with no immediate City use planned. Staff from Facilities and Real Estate and Social Development, Finance and Administration have met with CARC and agree that the three offices are appropriate for interim use by this existing agency tenant. The appropriate mechanism to achieve this is to amend and restate CARC's existing lease to accommodate this space expansion.

At its meeting of November 19 and 20, 2007, City Council adopted the report entitled "Providing City-Owned Space to Community Organizations at Below-Market Rent". Where there is no negative financial impact on the City, Council granted authority to enter into lease and service agreements with eligible existing below-market rent tenants in accordance with the terms and conditions outlined in the Policy on City-Owned Space Provided at Below-Market Rent, and in a form acceptable to the Chief Corporate Officer, the City Solicitor and the relevant programming City Division.

However, CARC's proposed lease amendment cannot be made under the existing delegated authority because the delegated authority does not include the ability to approve additional space. In this unique situation where the City has an under-utilized space in a priority neighbourhood, and a community agency in good standing with the City with an existing tenancy in the same property requiring interim additional space to provide needed community services, it is recommended that an exception be made to the existing policy.

(Submitted to City Council on November 30 and December 1, 2009 as MM42.14)