



STAFF REPORT ACTION REQUIRED

4340 Dufferin Street – Lease Amending and Extension Agreement

Date:	December 16, 2009
To:	Government Management Committee
From:	Chief Corporate Officer
Wards:	Ward 8 – York East
Reference Number:	P:\2010\Internal Services\F&re\Gm10001F&re – (AFS 11053)

SUMMARY

The purpose of this report is to obtain authority to enter into a Lease Amending and Extension Agreement with The Trustees of the Congregation of Revivaltime Tabernacle (the “Landlord”) for 60 parking spaces located on the south side of the building municipally known as 4340 Dufferin Street. The proposed agreement will commence November 1, 2009 and expire on October 31, 2014.

RECOMMENDATIONS

The Chief Corporate Officer recommends that:

1. City Council authorize a Lease Extension and Amending Agreement with Trustees of the Congregation of Revivaltime Tabernacle (the “Landlord”) to lease approximately sixty (60) parking spaces (the “Demised Area”) located on the south side of the building municipally known as 4340 Dufferin Street, commencing on November 1, 2009 and expiring on October 31, 2014, substantially on the terms and conditions as set out in Appendix “A” attached hereto 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 Extension and 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.

Financial Impact

The proposed Agreement provides for a base rent of \$29,840 per annum, escalated at a rate of approximately 1.5% per year, for a total of \$153,730 over the five (5) year term. The charge represents a cost of \$1.91 per space, per day. The resulting financial impact on total annual rents is outlined in the following chart:

Lease Term	Monthly Net Rental Rate	Total Annual Net Rental Rate
Year 1	\$ 2486.66	\$ 29,840.00
Year 2	\$ 2523.33	\$ 30,280.00
Year 3	\$ 2,561.66	\$ 30,740.00
Year 4	\$ 2,600.00	\$ 31,200.00
Year 5	\$ 2,639.16	\$ 31,670.00
Total For Term	—	\$ 153,730.00

The lease cost will be split evenly between EMS and Toronto Fire Services. Each will be charged \$1,243.33/month in Year 1 (November 1st, 2009 to October 31st, 2010). The total cost in 2010 for each of EMS and Toronto Fire Services Operating Budget will be \$14,956.66.

Funding is available in the 2009 Approved Operating Budgets for EMS in cost centre B55300 in cost element 4530 and Toronto Fire Services in cost centre FR0017 in cost element 4530. The 2010 Recommended Operating Budgets for EMS has funding in cost centre B55100 and Toronto Fire Services in cost centre FR0017.

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

DECISION HISTORY

Toronto Emergency Medical Services (“EMS”) and Toronto Fire Services headquarters are located at 4330 Dufferin Street, which sits adjacent to 4340 Dufferin Street. By Lease Agreement dated November 1, 1999 (authorized via delegated approval form #00-030), the City entered into a five (5) year lease with the Landlord for the use of sixty (60) parking spaces at 4340 Dufferin Street. By Lease Renewal Agreement dated March 23, 2006 and authorized by delegated approval form #2005-122, the Lease was renewed for a further five (5) year term, ending on October 30, 2009. The proposed agreement is for a five (5) year extension, ending on October 21, 2014.

ISSUE BACKGROUND

Toronto EMS and Fire Services headquarters are both located at 4330 Dufferin Street, where on-site parking is insufficient to meet the vehicle traffic to and from the building. A lease was entered into with the adjacent landowner (the Landlord) in 1999 to resolve the parking shortage. The Lease allows EMS and Fire Services to use sixty (60) parking spaces on an exclusive basis, from 7:00 AM to 7:00 PM, Monday to Friday, for fleet, employee and visitor parking.

COMMENTS

EMS and Fire Services are satisfied with the lease arrangement, as the location provides convenient access to the facility headquarters. Facilities and Real Estate staff consider the terms and conditions of the proposed Lease Extension and Amending Agreement to be fair and reasonable, and at market rates.

CONTACT

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SIGNATURE

Bruce Bowes, P. Eng.
Chief Corporate Officer

ATTACHMENTS

Appendix “A” – Major Terms and Conditions
Appendix “B” – Location Map