



STAFF REPORT ACTION REQUIRED

Lease Renewal at 220 Attwell Drive for Toronto Employment & Social Services

Date:	February 24, 2010
To:	Government Management Committee
From:	Chief Corporate Officer
Wards:	02 - Etobicoke North
Reference Number:	P\2010\Internal Services\RE\Gm10012re - (AFS 11567)

SUMMARY

The purpose of this report is to obtain authority to enter into a lease renewal agreement with 3052690 Nova Scotia Limited for space at 220 Attwell Drive in the amount of 20,397 square feet for continued use by Toronto Employment and Social Services. The renewal is for five (5) years.

RECOMMENDATIONS

The Chief Corporate Officer recommends that:

1. City Council authorize entering into a Lease Renewal Agreement with 3052690 Nova Scotia Limited for a five (5) year term commencing May 01, 2010 and expiring on May 31, 2015, including an option to renew for another five (5) year term and an option to acquire additional space, based substantially on the terms and conditions set out in the attached Appendix "A", and other terms and conditions approved by the Chief Corporate Office, and in a form acceptable to the City Solicitor.

2. City Council authorize the Chief Corporate Officer 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

Total lease costs for the five (5) year term, commencing May 31, 2010 are approximately \$1,572,608 net of taxes based on an annual basic rental rate of \$9.50 per square foot of Rentable Area (approximately 20,397 square feet) and additional rent at a rate of \$5.92 per square foot of Rentable Area for the term.

Funding is included in Toronto Employment and Social Services 2010 Operating Budget submission. Funding requirements for 2011-2015 will be included in the respective years' operating budget submission for Toronto Employment and Social Services and will be accommodated within approved operating budget targets.

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

DECISION HISTORY

The Metropolitan Council, by adoption of Clause No. 53 of Report No. 28 of the Management Committee on October 12, 1994 authorized entering into a lease agreement with the Landlord at 220 Attwell Drive for space, consisting of approximately 20,937 square feet of rentable space which included an option to renew for another five years.

As per DAF 2000-044 dated April 18, 2000, the City entered into a lease renewed for a term commencing June 01, 2000 and expiring May 31, 2005.

As per Report No. 9(15) of the Policy and Finance Committee adopted by Council on October 26, 27, 29 and 31, 2005, the City entered into a lease renewal agreement commencing May 31, 2005 and expiring on April 30, 2010.

(<http://www.toronto.ca/legdocs/2005/agendas/council/cc051026/cofa.pdf>)

As per Toronto Employment & Social Services request, negotiations for a Lease Renewal were conducted for a further term of five (5) years commencing on May 01, 2010 and ending on April 30, 2015.

COMMENTS

The subject property serves a large geographic area for Toronto Employment and Social Services (TESS) and continuation of employment and social services at this location is required.

The rent and other terms and conditions of the lease renewal agreement reflect current market value according to market research and valuation conducted by the Real Estate Services staff.

CONTACT

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SIGNATURE

Bruce Bowes, P. Eng.
Chief Corporate Officer

ATTACHMENTS

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