

CONFIDENTIAL

January 11, 2011

Sent via email

Mayor and Councillors
City of Toronto
100 Queen Street West
Toronto, ON M5H 2N2

At Authority Meeting #9/10, of Toronto and Region Conservation Authority (TRCA), held on November 26, 2010, confidential Resolution #A197/10, in regard to Project for Acquisition of Office Space was approved unanimously by recorded vote as follows:

WHEREAS the current office accommodation of Toronto and Region Conservation Authority's (TRCA) Head Office at 5 Shoreham Drive is sub-standard;

AND WHEREAS staff that perform core "head office" activities are currently housed in multiple locations that add to the operating costs and result in inefficiencies in operations;

AND WHEREAS the current market assessment is that it will be more economical for TRCA to reduce the the amount of rental accommodation for staff;

AND WHEREAS the current market condition provides the opportunity to acquire property at a reduced cost as compared to previous years;

AND WHEREAS the project to acquire consolidated office space cannot proceed without funding support of TRCA's participating municipalities;

THEREFORE LET IT BE RESOLVED THAT the Project for Acquisition of Office Space be approved;

THAT staff be directed to seek approval of the Project for Acquisition of Office Space by the member municipalities;

THAT total funding for the Project of \$14,000,000 be levied from Toronto and Region Conservation Authority's participating municipalities on the basis of the modified current value assessment formula;

THAT staff be directed to finalize an acceptable purchase and sale agreement with representatives of ING Inc. for acquisition of the property at 1235 Ormont Drive, City of Toronto, on terms and conditions acceptable to TRCA and its solicitors, perform such due diligence as is required and report to the Authority no later than March 25, 2011, with a recommendation on the purchase and sale agreement;

AND FURTHER THAT authorized TRCA officials be directed to take action necessary to implement the project including obtaining any necessary approvals and the signing and execution of documents.

Under separate cover, senior staff of the City have been sent a confidential document with details of the proposed Project. TRCA staff will contact senior staff at the City and provide any additional information they may require.

As noted in the resolution, the cost of the Project will be apportioned on the basis of modified current value assessment. The City of Toronto share of the project cost would be \$9,216,620. TRCA recognizes that each of its funding partners has different financial requirements. TRCA is prepared to have the funding from the participating municipalities spread over a number of years and will work with the City's finance staff to arrive at an acceptable cash flow plan.

The key issue is the need for City Council to advise the Authority of its support for the project no later than March 25, 2011.

This project represents a rare opportunity for TRCA to secure needed long term office accommodation at an exceptional value that will not likely be available as the economy and office space markets improve. Please contact me at 416-667-6290 if you have any questions or require additional information.

Sincerely

A handwritten signature in black ink, appearing to read "Brian Denney".

Brian Denney, P.Eng.
Chief Administrative Officer

cc. Joe Pennachetti, City Manager (with attachment)
Cam Weldon, Deputy City Manager and Chief Financial Officer (with attachment)