TORONTO Member Motion

City Council

Motion without Notice

MM26.29	ACTION			Ward:18

Amendment to Council Authority for Lease with The Theatre Centre at 1115 Queen Street West - by Councillor Ana Bailão, seconded by Councillor Paul Ainslie

**** This Motion has been deemed urgent by the Chair.***
**** This Motion is not subject to a vote to waive referral.***
**** This Motion has been added to the agenda and is before Council for debate.***

Recommendations

Councillor Ana Bailao, seconded by Councillor Paul Ainslie, recommends that:

1. City Council authorize an amendment the City's early termination right in the lease agreement with The Theatre Centre at 1115 Queen Street West, to include the requirement that if such right is exercised during the initial ten (10) year term, then the City will reimburse the Tenant, a sum equal to 80 percent of the unamortized (on a straight-line, 10-year basis) amount of the donations that are actually expended for capital improvements to the building, as substantiated by reasonable evidence.

Summary

City Council on March 31 and April 1, 2010, authorized a Below Market Rent lease agreement with The Theatre Centre at 1115 Queen Street West, for the purpose of adaptively reusing the heritage Carnegie Library as a performing arts hub and community meeting space, upon certain terms and conditions, including the City's right to terminate the lease early, on sixty (60) days notice, without any compensation to the tenant.

The Theatre Centre has advised that this has a substantial negative impact on their fundraising efforts. To date, The Theatre Centre has secured over $4.5 million in federal, provincial and municipal funding which together with an estimated private donors contribution of $1.725 million, will be a $6.225 million investment in the City's building.

The purpose of this Motion is to request Council's authority to amend the City's right of early termination, to allow for some re-imbursement of the amounts invested in the building, limited to donations that are used for capital improvements in the building, if the City's right to terminate early is exercised within the first ten (10) years of the lease.

Urgent considered is being requested as the lease needs to be signed by the end of October, 2012.

(Submitted to City Council on October 2 and 3, 2012, as MM26.29)