

## City Council

MM11.51	ACTION			Ward:28
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**Consent to Assignment of Leon's Sublease at John Street Roundhouse, 255 Bremner Boulevard - by Councillor Michael Thompson, seconded by Councillor Joe Cressy**

*\* 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.*

**Origin**

(December 10, 2015) Member Motion from

**Recommendations**

Councillor Michael Thompson, seconded by Councillor Joe Cressy, recommends that:

1. City Council authorize the Director of Real Estate Services to negotiate with the Tenant to secure consent for assignment to Steam Whistle Brewing Inc. of Leon's sublease.
  
2. If negotiations with the Tenant to secure consent for assignment to Steam Whistle Brewing Inc. of Leon's sublease are unsuccessful, City Council authorize the initiation of expropriation proceedings to expropriate the leasehold interest of the Tenant in the Head Lease, for municipal and economic development purposes, including service and publication of Notices of Application for Approval to Expropriate the leasehold interest of the Tenant in the Head Lease, and to forward to the Chief Inquiry Officer any requests for hearing that are received, to attend the hearing to present the City's position and to report the Inquiry Officer's recommendations to City Council for its consideration.

**Summary**

As authorized by Administration Committee Report 6 (39), adopted by City Council on September 25, 26 and 27, 2006, (i) the City entered into a lease with John Street Roundhouse Development Corp. (the "Tenant") for a term of 60 years for the City-owned John Street Roundhouse property at 255 Bremner Boulevard (the "Head Lease"); and (ii) an assignment was made to the Tenant of the existing lease between the City and Steam Whistle Brewing Inc. for part of the property designated as Bays 1 to 14, such that Steam Whistle Brewing Inc. became a sub-tenant under the Head Lease.

The Head Lease permits the Tenant to enter into sublease agreements without City consent. The Tenant as sublandlord entered into a sublease with Leon's Furniture, for part of the property designated as Bays 18 to 32. Leon's Furniture and Steam Whistle Brewing Inc. are in negotiations for assignment of Leon's sublease to Steam Whistle Brewing Inc., which requires

the Tenant's consent.

## **Background Information**

Member Motion MM11.51