



REPORT FOR ACTION WITH CONFIDENTIAL ATTACHMENT

Lease Extension Agreement with Karelada Investment Limited – 5665 Yonge Street (Car Park 419)

Date: May 11, 2022

To: Board of Directors, Toronto Parking Authority

From: President, Toronto Parking Authority

Wards: Ward 18 – Willowdale

REASON FOR CONFIDENTIAL INFORMATION

The attachment to this report is about a position to be applied to negotiations being carried out by Toronto Parking Authority (TPA).

SUMMARY

This report seeks authority from TPA Board of Directors to direct City of Toronto Corporate Real Estate Management (CREM) to enter into a Lease Extension Agreement (the “Agreement”) with Karelada Investments Limited (the “Owner” or “Karelada”) for the parcel of land located at 5665 Yonge Street. These lands have been leased by TPA since 2006 and are currently incorporated into Car Park 419 (the “Property”) (refer to Appendix A – *Site Location Map*). Car Park 419 is comprised of both the leased lands at 5665 Yonge Street and a City-owned parcel located at 5667 Yonge Street.

Should the recommendations of this report be adopted, CREM will negotiate, enter into and execute the Agreement and extend the lease of the land until May 31, 2024 with three (3) optional renewal terms of one (1) year each. The proposed Agreement with the Owner will be in accordance with the terms and conditions outlined in Confidential Attachment 1.

RECOMMENDATIONS

The President, Toronto Parking Authority recommends that:

1. The Board of Directors, Toronto Parking Authority direct that Confidential Attachment 1 remain confidential in its entirety, as it relates to a position to be applied to negotiations being carried out by Toronto Parking Authority.

2. The Board of Directors of Toronto Parking Authority request Corporate Real Estate Management to negotiate, enter into and execute on behalf of Toronto Parking Authority, a lease extension agreement with Karelada Investments Limited with respect to 5665 Yonge Street, in accordance with the terms and conditions as generally outlined in Confidential Attachment 1 and on such other terms and conditions or amended terms and conditions as may be acceptable to the President, Toronto Parking Authority, and in a form satisfactory to the City Solicitor; and,
3. Toronto Parking Authority Board of Directors direct the President, Toronto Parking Authority to request Corporate Real Estate Management to have 5665 Yonge Street designated as part of the Municipal Parking Facility known as Car Park 419 at such time as the lease extension agreement is executed.

FINANCIAL IMPACT

The terms and conditions of the proposed lease extension agreement, including the results of a financial analysis, are outlined in Confidential Attachment 1.

DECISION HISTORY

At its meeting of March 21, 2006, TPA Board of Directors (Minute 06-037) approved the terms and conditions for a ten (10) year lease agreement for municipal parking purposes. The report is included in Confidential Attachment 1.

COMMENTS

Site Location and Particulars

Car Park 419 is comprised of two distinct parcels, 5667 and 5665 Yonge Street. 5667 Yonge Street was acquired in 2006 when the City expropriated the site so TPA could construct a surface car park. This new car park was designed to replace another car park on nearby Pemberton Avenue that was displaced due to the construction of a new bus entrance/exit for the Finch West Subway Station.

In 2006, TPA entered into a lease agreement with Karelada whereby TPA would lease 5665 Yonge Street for a ten (10) year term and combine it with 5667 Yonge Street to create Car Park 419, a 23-space surface lot. Access to the car park is only available off Bishop Avenue. Appendix B shows the division of lands incorporated in CP 419.

The lease agreement with the Owner expired on July 31, 2016. Since then, TPA has continued to operate Car Park 419 on both parcels of land despite the lack of a valid agreement being in place. Should TPA Board of Directors adopt the recommendations of this report, CREM, on behalf of TPA, will negotiate, enter into and execute a lease

extension agreement under the terms and conditions as outlined in Confidential Attachment 1. This will extend TPA's operation of Car Park 419 at 5665 and 5667 Yonge Street through to the end of May 2024, with an additional three (3) renewal terms of one (1) year each.

Summary of Proposed Lease Extension Agreement

A summary of the terms and conditions of the parking management agreement can be found in Confidential Attachment 1.

CONTACT

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SIGNATURE

W. Scott Collier, President
Toronto Parking Authority

ATTACHMENTS

Confidential Attachment 1 – Summary of Proposed Terms and Conditions

Appendix A – Site Location Map

Appendix B – Diagram of Ownership at Car Park 419

APPENDIX B: DIAGRAM OF OWNERSHIP AT CAR PARK 419



LEGEND:

- Lands in Green identify 5667 Yonge Street and are owned by the City
- Lands in Red identify 5665 Yonge Street and are owned by Karelada Investments Limited