

## City Council

### Motion without Notice

MM6.31	ACTION			Ward: 10
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### **Lease Amendment Agreement for 3 Eireann Quay - by Councillor Ausma Malik, seconded by Deputy Mayor Jennifer McKelvie**

*\* Notice of this Motion has not been given. A two-thirds vote is required to waive notice.*  
*\* This Motion is subject to referral to the General Government Committee. A two-thirds vote is required to waive referral.*  
*\* This Motion has been deemed urgent by the Chair.*

### **Recommendations**

Councillor Ausma Malik, seconded by Deputy Mayor Jennifer McKelvie, recommends that:

1. City Council authorize the City, as Landlord, to enter into a lease amendment agreement with current tenants (Canada Ireland Foundation) at 3 Eireann Quay, for the purpose of amending the City's current state-of-good-repair and accessibility upgrade contribution from \$1,976,850 (net Harmonized Sales Tax) to a revised total of up to \$4,419,000 (net Harmonized Sales Tax), together with such other terms and conditions as may be deemed appropriate by the Executive Director, Corporate Real Estate Management, in consultation with the General Manager, Economic Development and Culture, the Chief Planner and Executive Director, City Planning and in a form acceptable to the City Solicitor.

### **Summary**

In 2017, City Council adopted the recommendations of the Bathurst Quay Neighbourhood Plan, including a request for City staff to undertake a process to select appropriate uses and occupants for a City-owned building at 3 Eireann Quay for the purpose of establishing a future cultural and community hub on the property.

In 2018, as part of the ongoing implementation of the City-led Bathurst Quay Neighbourhood Plan, City Council authorized the selection of the non-profit Canada Ireland Foundation as the tenant for the building located at 3 Eireann Quay for the purposes of establishing an arts and heritage destination.

In 2021, City Council authorized the City, as Landlord, to enter into a long-term lease with the Canada Ireland Foundation, and to contribute up to \$1,976,850 (net Harmonized Sales Tax) towards 'base building' repairs, to consist of various necessary state-of-good-repair and building accessibility upgrades. At the time, this estimate was deemed sufficient to fund necessary base building upgrades to the derelict, mostly vacant facility.

Subsequent partial demolition, removals and inspections, in addition to industry-wide construction cost escalations, have resulted in an increase in the estimated total cost to restore

this facility to a state of good repair, and to implement necessary accessibility upgrades required by the Accessibility for Ontarians with Disabilities Act.

\$500,000 of the additional funds requested is available within Corporate Real Estate Management's state-of-good-repair capital budget for the year 2023, the balance of \$1,992,150 will be budgeted in 2024.

The lease amendment will permit the tenant to access the available base building (state-of-good-repair and accessibility upgrades) repair funds that are needed to keep this active construction project on schedule. Delays in permitting access to the funds may result in construction and building opening delays, which may, in turn, delay other City-led capital improvement projects on the same property.

This Motion is urgent because Parks, Forestry and Recreation staff are beginning work on the site prior to the next City Council meeting.

### **Background Information (City Council)**

Member Motion MM6.31