

POLICY: LEASES

SECTION: II – General Policies – Finance & Property

**MOTION # / DATE: City of Toronto Council Meeting October 26 and 27, 2000
Report No. 6 of the Administration Committee
Clause No. 11**

TPL Motion #99 – 89 – June 14, 1999

Subject to the necessary funding being approved in the Library Board's operating budget, Council consent, pursuant to section 19 of the *Public Libraries Act*, to the Library Board entering into certain leases and lease renewals, both a landlord and as tenant, as more particularly set out in the following report.

Report No. 6 of the Administration Committee, as adopted by the Council of the City of Toronto at its meeting held on October 26 and 27, 1999.

The Library Board currently leases space from third parties at a number of locations (20) that serve as public libraries across the City. Most of these locations have been occupied by the Library Board for many years and it is intended that these leases will be renewed as they become due. Attached hereto as Schedule 1 is a summary of the various leases the Library Board has entered into as a tenant.

The Library Board also leases space out to various organizations and agencies at two major locations, namely 40 Orchard View Boulevard (Northern District Library) and 40 St. Clair Avenue East (Deer Park Branch) as well as the Toronto Reference Library. While each of these locations house a library, there is space in excess of the Library Board's present requirements available. Existing tenants, for the most part, are long-term occupants with relatively short-term leases, e.g., 1 to 2 years. These leases expire at various times and some are open for renewal at the option of the tenants. Attached hereto as Schedule 2 is a summary of the various leases the Library Board has entered into as landlord.

The terms of all leases and lease renewals are submitted to the Library Board for approval and all lease documents are forwarded to the City Solicitor for review and approval prior to being signed by the Library Board. Pursuant to section 19 of the *Public Libraries Act*, however, City Council's consent is required before the Library Board may enter into lease transactions. Section 19 of the *Public Libraries Act* provides:

"10. (1) A board may, with the consent of the appointing council or, where it is a union board, the consent of a majority of the councils of the municipalities for which it was established,

- (a) acquire land required for its purposes by purchase, lease, expropriation or otherwise;
- ...
- (c) acquire or erect a building larger than is required for library purposes, and lease any surplus part of the building; ..."

In order to expedite lease transactions the Library Board approved the following motion on June 14, 1999:

The Toronto Public Library Board request City Council to approve a blanket consent that would permit the Toronto Public Library Board to undertake its real estate transactions in accordance with section 19 of the *Public Libraries Act*.

Although on its face, the motion appears to deal with all real estate transactions, this report recommends the adoption of a motion pertaining to leasing transactions only. The parameters of the blanket consent recommended to Council provides the following conditions:

Where the Library Board is the landlord:

- (i) the term of the lease, including renewal options, not to exceed 5 years;
- (ii) base rent to be negotiated in the range of market value except in the case of non-profit organizations; and

- (iii) base rent for the entire term not to exceed \$250,000.

Where the Library Board is the tenant:

- (i) the term of the lease, including renewal options, not to exceed 10 years;
- (ii) base rent to be negotiated in the range of market values or below;
- (iii) base rent for the term not to exceed \$1 million; and
- (iv) funds to cover the lease costs have been approved by Council in the Library Board's operating budget.

The recommendation contained in this report pertains to leases only and has been reviewed by the City's Legal Services Division and the Facilities and Real Estate Division.

Schedule 1

**Toronto Public Library
Leased Properties
Library is Lessee**

<u>Landlord</u>	<u>Location</u>	<u>Sq. Ft.</u>	<u>Present Term</u>	<u>Present Annual Lease Rate</u>	<u>Expiry</u>
East:					
Orlando Corp.	Bridlewood	5,445	10	98,010	08/31/2002
Cliffcrest Plaza Ltd.	Cliffcrest	2,800	5	35,700	08/31/2002
Monarch Dev. Corp.	Eglinton Square	4,716	5	91,962	12/31/2003
Revenue Prop. Co.Ltd.	Guildwood	3,010	5	36,120	11/30/2003
Milord Realty Inc.	Kennedy/Eglinton	7,650	5	52,785	08/31/2002
590427 ON Ltd. et al.	Maryvale	4,421	3	66,315	08/31/2000
Palmar Holdings Ltd.	Morningside	6,032	8	87,464	12/31/2000
Ivanhoe Inc.	Steeles	5,009	10	130,234	08/31/2001
Canvib Invest. Corp.	Woodside	4,256	5	54,264	08/31/2002
North:					
Select Properties	Bayview	4,290	5	127,627	12/31/2002
Sandbar Holdings	Black Creek	7,382	10	88,584	08/31/2002
Ontario Hydro	Centennial Parking Lot		5	1,990	10/31/2002
Bengro Holdings Inc.	Downsview Access ROW		10	14,124	07/31/2004
Samuel D. Borins	Jane/Sheppard	3,500	5	69,510	10/31/1999
S. Strashin & Sons Ltd.	Woodview Park	2,812	5	36,108	06/14/2002
South:					
TTC	Danforth/Coxwell	9,617	50	41,587	12/31/2037
City of Toronto	Forest Hill	10,438	Annual	125,256	Annual
City of Toronto	Queen/Saulter	2,700	Annual	42,120	Annual
City of Toronto	Urban Affairs	13,730	1	453,000	Annual
West:					
Lucky Palace Holdings Ltd.	Northern Elms	2,434	Monthly	38,690	04/30/2000

Schedule 2

**Toronto Public Library
Lease Properties**

<u>Tenants</u>	<u>Location</u>	<u>Suite No.</u>	<u>Sq. Ft.</u>	<u>Term</u>	<u>Total Value</u>
Vacant	40 Orchard View Blvd.	101	1,900		
Ontario Genealogical Society	40 Orchard View Blvd.	102	1,873	2	52,444.00
Winchester Arms	40 Orchard View Blvd.	103	2,125	5	90,312.50
Tractors for our Daily Bread	40 Orchard View Blvd.	104	320	2	8,320.00
Doctors Taylor, Erlich & Cryer	40 Orchard View Blvd.	209	1,150	2	17,982.00
Assoc. of Early Childhood Educ.	40 Orchard View Blvd.	211	1,450	1	20,300.00
Central Learning Centre	40 Orchard View Blvd.	213	1,450	2	50,344.00
Mood Disorders Assoc.	40 Orchard View Blvd.	215	600		
A.R.C.H.	40 Orchard View Blvd.	217	1,771	2	49,588.00
Self-Help Resource Centre	40 Orchard View Blvd.	219	1,000	1	18,720.00
Mood Disorders Assoc.	40 Orchard View Blvd.	221	1,582	1	22,148.00
Canadian Info. Tech. College	40 Orchard View Blvd.	251	1,031	2	28,868.00
Vacant	40 Orchard View Blvd.	252	400		
Canadian Info Tech. College	40 Orchard View Blvd.	253	2,150	1	30,100.00
I.O.D.E. (National)	40 Orchard View Blvd.	254	1,074	1	20,105.28
A.R.C.H.	40 Orchard View Blvd.	255	3,435	1	48,153.00
Delisle Youth Services	40 Orchard View Blvd.	256	2,335	1	45,205.60
Dr. D. Ray Freebury	40 St. Clair Ave. East	200	494	2	13,832.00
Vacant	40 St. Clair Ave. East	201	3,204		
John Milton Society	40 St. Clair Ave. East	202	954	1	12,879.00
Toronto Psychoanalytic Society	40 St. Clair Ave. East	203	2,261	1	31,654.00
Toronto Psychoanalytic Society	40 St. Clair Ave. East	204			
I.O.D.E. (Municipal)	40 St. Clair Ave. East	205	763	1	10,300.50
Stevens & Burgess Architects	40 St. Clair Ave. East	300	2,282	1	29,666.00
Stevens & Burgess Architects	40 St. Clair Ave. East	301			
Davidson-Langley Inc. Architects	40 St. Clair Ave. East	302	552	2	14,256.00
Dr. Bernard Fresco	40 St. Clair Ave. East	303	858	1	11,583.00
Dr. Bernard Fresco	40 St. Clair Ave. East	308			
White Pine Therapeutics	40 St. Clair Ave. East	304	650	2	20,345.00
English Speaking Union/J. Lawer	40 St. Clair Ave. East	306	650	1	11,862.50
Targeted Audience Program	40 St. Clair Ave. East	307	972	2	27,216.00
Ontario Assoc. of Children's Mental Health	40 St. Clair Ave. East	309	1,619	1	24,556.50
Ontario Audio Library Services	Fairview Library		168	5	5.00
Cultural Human Resources Info. Serv.	Reference Library		320	Mthly	4,000*
Smart Toronto	Reference Library		4,316	Mthly	40,540*

*Annual Value