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To: Toronto Public Library Board – December 9, 2002

From: City Librarian

Subject: **Morningside Neighbourhood Branch Library – Lease Extension Agreement**

Purpose:

To obtain Toronto Public Library Board approval for a one-year lease extension for the premises occupied by the Morningside Neighbourhood Branch Library. All new leases and lease renewals require Board approval.

Funding Implications and Impact Statement:

All dollar amounts include applicable taxes less the Municipal Goods and Services Tax Rebate.

The annual cost of leasing the premises occupied by the Morningside Neighbourhood Branch Library is \$177,877 (includes common area maintenance and net taxes). This is included in the Library's annual operating budget. The basic lease rate of \$14.50 per square foot and the common area maintenance cost of \$14.13 per square foot is the same as the current rate and is within the acceptable range for current market rates in this area.

Recommendation:

It is recommended that the Toronto Public Library Board approve a lease extension for the Morningside Neighbourhood Branch Library with Palmar Holdings Limited and Sun Life Assurance Company for a period of one (1) year at a total annual lease cost of \$177,877, which includes common area maintenance and net taxes.

Background:

The Morningside Neighbourhood Branch Library has occupied rental space at its current location in the Morningside Mall at 255 Morningside Avenue since November 1995. The original landlord, Palmar Holdings Limited and Sun Life Assurance, continues to be the landlord. The existing lease expires on December 31, 2002.

Comments:

The City Facilities & Real Estate Division has negotiated a one (1) year extension for 6,032 square feet at an annual lease cost of \$87,464, a common area maintenance cost of \$85,232 and net taxes of \$5,181, for a total annual cost of \$177,877.

The landlord is currently planning other possible options for the mall, and is only willing to enter into a one (1) year lease.

Contact:

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List of Attachments:

Not applicable.