

To: Toronto Public Library Board – June 19, 2006

From: City Librarian

Subject: **Steeles Branch – Lease Renewal Agreement**

Purpose:

To obtain Toronto Public Library Board approval for a five (5) year lease renewal for the premises occupied by the Steeles Branch commencing September 1, 2006 and expiring August 31, 2011.

Funding Implications and Impact Statement:

The annual cost of leasing the premises occupied by the Steeles Branch is \$129,499.68 [including common area maintenance and Goods and Services Taxes (GST) of six percent]. This represents an increase to the annual operating budget of \$4,137.93 from the current annual lease cost of \$125,361.75 (including seven percent GST of \$8,201.24). The lease cost has been provided for in the operating budget.

Recommendation:

It is recommended that the Toronto Public Library Board:

- (1) approve a lease for the Steeles Branch with Bamburgh Gardens Properties Inc. for a period of five years, commencing September 1, 2006 and expiring August 31, 2011 for an annual base rent cost of \$92,666.50 and common area maintenance costs estimated for 2006 at \$29,503.01 for a total annual lease cost of \$129,499.68 (including GST of \$7,330.17); and
- (2) authorize and direct that appropriate Library staff take the necessary actions to give effect thereto.

Background:

Since September 1991, the Steeles Branch has occupied rental space in the Bamburgh Gardens Shopping Plaza at 375 Bamburgh Circle. The current lease expires on August 31, 2006.

Comments:

With the City's assistance, a five (5) year lease was negotiated at a rate of \$18.50 per square foot for 5,009 square feet. The new rate is \$1.00 per square foot higher than the existing lease, and it is an annual increase of \$4,137.93 (increase of \$5,009 in base rent less a decrease of one percent or \$871.07 in GST on the base rent and common area maintenance). City Leasing and Site Management have advised that the rate for the new lease is very competitive for this location. The annual lease cost consists of base rent of \$92,666.50 square foot charge, \$29,503.01 common area maintenance, and \$7,330.17 GST for a total annual lease cost of \$129,499.68.

Leases for all Library Board locations require Board approval.

Conclusion:

It is recommended that the Toronto Public Library Board approve a lease renewal for the Steeles Branch with Bamburgh Gardens Properties Inc. for a period of five (5) years.

Contact:

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Josephine Bryant
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List of Attachments:

Not applicable