



16.

To: Toronto Public Library Board – May 9, 2005

From: City Librarian

Subject: **40 St. Clair Avenue East, Suite 200 – Municipal Chapter of Toronto Imperial Order Daughters of the Empire Tenant Lease**

Purpose:

To obtain Toronto Public Library Board approval for the lease of surplus space at 40 St.Clair Avenue East to the Municipal Chapter of Toronto Imperial Order Daughters of the Empire.

Funding Implications and Impact Statement:

Under the terms of the proposed lease, the Library will receive approximately \$10,373.65 (including Goods and Services Tax of \$678.65) of rental income in the first full year, comprised of annual base rent of \$2,963.90 and estimated operating costs and property taxes of \$7,409.75. The proposed lease represents a \$6,890.80 decrease to the current annual rent.

If the tenant requires parking, the proposal is to charge \$97.75 (including Provincial Sales Tax and Goods and Services Tax of \$12.75) each month per parking space.

Recommendation:

It is recommended that:

- (1) the Toronto Public Library Board enter into a tenant lease agreement with the Municipal Chapter of Toronto Imperial Order Daughters of the Empire for:
 - (i) a thirty-six (36) month lease to begin June 1, 2005 and to terminate on May 31, 2008;
 - (ii) base rent of \$5.00 per square foot of rentable area plus applicable taxes;
 - (iii) operating costs and property taxes estimated at \$12.50 per square foot of rentable area plus applicable taxes, subject to adjustments at the end of each fiscal year to reflect actual costs; and
- (2) a monthly fee of \$97.75 be charged for each parking spot required; and
- (3) appropriate staff be authorized and directed to take the necessary actions to give effect hereto.

Background:

The Municipal Chapter of Toronto Imperial Order Daughters of the Empire, a not-for-profit registered charity, has been renting space (Suite 205) from the Library at 40 St. Clair Avenue East since 1990. This tenant is relocating to Suite 200, a much smaller space, approximately 368 square feet less, that is more tailored to its space requirements and becomes available June 1, 2005. This space is surplus to Library needs.

Comments:

A proposed lease for the vacated Suite 205 is addressed under a separate Board report. The proposed lease with the Municipal Chapter of Toronto Imperial Order Daughters of the Empire, for Suite 200 at 40 St. Clair Avenue East is for a thirty-six (36) month term to begin on June 1, 2005 at a net annual base rent of \$5.00 per square foot of a total rentable area of 554 square feet, and estimated operating costs and property taxes of \$12.50 per square foot, plus applicable taxes. The share of annual operating costs and property taxes are subject to adjustments at the end of each fiscal year to reflect actual costs. This rental rate will allow the Library to recover its costs.

There are a limited number of parking spaces available. If the tenant requires parking, the proposal is to charge \$97.75 per month for each parking space.

The City's Facilities and Real Estate Division assisted with the lease negotiations.

Conclusion:

It is recommended that the Toronto Public Library Board approve a thirty-six (36) month lease with the Municipal Chapter of the Imperial Order Daughters of the Empire.

Contact:

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Josephine Bryant
City Librarian

List of Attachments:

Not applicable.