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To: Toronto Public Library Board – May 9, 2005
From: City Librarian
Subject: **40 Orchard View Blvd., Suite 217 – Advantage Centre for English, Inc. Tenant Lease**

Purpose:

To obtain Toronto Public Library Board approval for the lease of surplus space at 40 Orchard View Blvd. to Advantage Centre for English, Inc.

Funding Implications and Impact Statement:

Under the terms of the proposed lease, the Library will receive approximately \$45,383.52 (including Goods and Services Tax of \$2,969.02) of rental income in the first full year, comprised of annual base rent of \$17,710.64 and estimated operating costs and property taxes of \$27,672.88. The Library will incur a one-time cost of approximately \$1,500.00 to prepare the suite for the new tenant.

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 Advantage Centre for English, Inc.:
 - (i) a twenty-four (24) month period to begin June 1, 2005 and terminate May 31, 2007;
 - (ii) base rent of \$8.00 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 the 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:

Advantage Centre for English, Inc. is a private company providing corporate/job training to improve business performance in areas of customer service, interviewing, and sales negotiation. It also provides service for those requiring English business skills from foreign companies and universities and works in partnership with some government agencies. This space is surplus to Library needs.

Comments:

The proposed lease with Advantage Centre for English, Inc. for Suite 217 at 40 Orchard View is for a twenty-four (24) month term to begin June 1, 2005, at a net annual base rent of \$8.00 per square foot of a total rentable area of 2,069 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 is a new tenant and the Library will spend approximately \$1,500.00 in cleaning and painting for this suite, which will be funded by the increased rental revenues, to prepare for the new tenant to move in.

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 twenty-four (24) month lease with Advantage Centre for English, Inc.

Contact:

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Josephine Bryant
City Librarian

List of Attachments:

Not applicable.