



To: Toronto Public Library Board – May 28, 2001

From: City Librarian

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

Purpose:

To obtain Toronto Public Library Board approval for a two-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:

The cost of leasing the premises occupied by the Morningside Neighbourhood Branch Library is \$184,590 (includes common area maintenance and GST). This is included in the Library's annual operating budget. The basic lease rate of \$14.50 per square foot 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 two (2) years at an annual lease cost of \$184,590 which includes common area maintenance and GST. As a result of losing a major tenant in this mall, the Landlord is current reviewing other possible options and is only willing to issue a two (2) year extension.

Background:

Since November 1995, the Morningside Neighbourhood Branch Library has occupied rental space in the Morningside Mall at 255 Morningside Avenue. The original landlord, Palmar Holdings Limited and Sun Life Assurance, continues to be the landlord. The existing lease agreement provided for a five (5) year, fifty-four (54) day term that expired on December 31, 2000. The rate for a two (2) year extension is unchanged at \$14.50 per square foot for 6,032 square feet. The annual lease cost consists of \$87,464 square foot charge, \$85,051 common area maintenance, and \$12,075 GST for a total annual lease cost of \$184,590.

The lease has been reviewed by the City of Toronto Legal Services.

Contact:

Larry Hughsam, Acting Director, Administration, Tel: 416-397-5946, Fax: 416-393-7115

E-Mail: lhughsam@tpl.toronto.on.ca

David Clark, Manager, Purchasing & Administration, Tel: 416-393-7033, Fax: 416-393-7115

E-Mail: dclark@tpl.toronto.on.ca

City Librarian

List of Attachments:

Not applicable.