

To: Toronto Public Library Board – March 7, 2005

From: City Librarian

Subject: **40 St. Clair East, Suite 303A – Dr. Bernard Fresco Tenant Lease**

Purpose:

To obtain Toronto Public Library Board approval for the lease of surplus space at 40 St. Clair Avenue East, Suite 303A to Dr. Bernard Fresco.

Funding Implications and Impact Statement:

Under the terms of the proposed lease, the Library will receive approximately \$16,407.38 (including Goods and Services Tax of \$1,073.38) of rental income in the first full year, comprised of annual net rent of \$6,402.88 and estimated operating costs and property taxes of \$10,004.50. The proposed lease represents a \$6,799.07 increase 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 at 40 St. Clair Avenue East, Suite 303A with Dr. Bernard Fresco for:
 - (i) a thirty-six (36) month period to begin December 1, 2004 and terminate on one (1) month's notice;
 - (ii) basic 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 (including applicable taxes of \$12.75) 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:

Dr. Bernard Fresco has been renting space from the Library at this location since 1988. This space is surplus to Library needs.

Comments:

The proposed lease with Dr. Fresco, for Suite 303A at 40 St. Clair Avenue East is for a thirty-six (36) month term to begin December 1, 2004 and to terminate with one month's notice, at a net annual basic rent of \$8.00 per square foot of a total rentable area of 748 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. Dr. Fresco is interested in downsizing, and the Library is interested in re-locating an existing tenant into 303A when it becomes available.

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 one (1) month's notice at 40 St. Clair Avenue East, Suite 303A with Dr. Bernard Fresco.

Contact:

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Josephine Bryant
City Librarian

List of Attachments:

Not applicable.